



Chevalier International Holdings Limited

其士國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code : 25)

2026

Environmental, Social and
Governance Report



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CSR HIGHLIGHTS

04/2025

With the Group's full support, staff and their children participated in the "Familylympic 2025" organised by the Hong Kong Society for the Protection of Children, promoting parent-child bonding and a healthy lifestyle.



04/2025

The Group supported the "SideBySide Charity Concert 2025" hosted by SideBySide, partnering with various sectors to spread love and care across the community.



06/2025

Members of "Chevalier Cares" collaborated with Furry Green to learn how to prepare nutritious fresh meals for animals using surplus ingredients, donating the food to local stray animal shelters to reduce food waste and support animal welfare.



08/2025

The Group presented the 7th "Chevalier Group Scholarship" to outstanding engineering students from the Vocational Training Council, continuing its commitment to nurturing local engineering talent.



08/2025

The "Chevalier Blood Day 2025" was held at the Group's headquarters, receiving enthusiastic responses and active participation from employees across various departments to give back to society.





09/2025

"Chevalier Cares" partnered with the Hong Kong Family Welfare Society to accompany elderly individuals and grassroots families to a Cantonese opera performance at the Xiqu Centre, promoting traditional culture and community integration.

11/2025

The Group participated in the "Countryside and Shoreline Clean-up" campaign organised by Construction Industry Council to protect Hong Kong's natural ecosystems and coastal environments.



11/2025

"Chevalier Cares" co-organised a rural experiential activity with the Family Hub Parents/Relatives Resources Centre of Hong Kong PHAB Association, leading primary school students to Lai Chi Wo to experience traditional farming and local heritage firsthand.



12/2025

The Group pledged HK\$3 million to "Support Fund for Wang Fuk Court in Tai Po" to fully support long-term community rebuilding efforts following the Wang Fuk Court fire, standing in solidarity with the affected residents.



01/2026

The Group extended its full support to "The Community Chest Sun Hung Kai Properties Corporate Challenge 2026," encouraging employees to give back to the community while embracing an active, healthy lifestyle.

03/2026

With the Group's full support, over 50 staff members enthusiastically participated in the "Kai Tak Run 2026," showcasing vibrant team spirit and strong corporate cohesion.



ESG DISCLOSURE



BASIS OF PREPARATION

Introduction

This Environmental, Social and Governance (“ESG”) Report describes how the Group handled ESG matters from 1 April 2025 to 31 March 2026. It includes environmental information from most Group entities where information is available, while the social section is limited to operations in Hong Kong, where the majority of our business is conducted.

The Group considers sustainability as one of the keys to our long term business success and stakeholder value creation. During the year, our ESG Committee managed material ESG activities. This Committee ensures that activities are conducted in accordance with the ESG Reporting Code in Appendix C2 of the Listing Rules (the relevant “ESG Reporting Code”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and advises the Board of Directors (the “Board”) on material ESG decisions.

We regularly update our policies to keep up with the latest rules and industry practices. This supports the Group in making decisions that support long term success.

To deepen our understanding, we hired an independent expert to assess climate risks and opportunities and to assist in the preparation of this ESG Report. These include climate-related physical risks (like extreme weather and long term climate change) and climate-related transition risks (such as new laws, technologies, and market changes). Their advice helps us plan better and grow in a way that supports the environment and our business.

Find more on our approach to risk and internal controls in the Corporate Governance Report.

Reporting Principles

The Group aims to be a responsible company and follow all laws. This ESG Report was created using four key principles from the ESG Reporting Code:

- (i) Materiality: The Group engaged stakeholders to identify the most material ESG topics (see “Stakeholder Engagement”);
- (ii) Quantitative: The raw data used to formulate our key performance indicators (KPIs), comes directly from business units or departments;
- (iii) Balance: This ESG Report shares our performance clearly and fairly; and
- (iv) Consistency: This ESG Report has been prepared in the same way we prepared last year’s report, unless we have noted any changes.

Outcome Uncertainties and Estimation

In preparing this ESG Report, the Group has applied certain judgements, estimates and assumptions. ESG data and methodologies are evolving, and limitations in data availability, consistency and comparability may affect the accuracy of reported metrics. The use of historical data may not fully reflect future trends, resulting in inherent uncertainty.

The Group will continue to refine its ESG methodologies and disclosures over time, taking into account changes in regulations, market practices and data quality.

ESG GOVERNANCE

As the Group continues to advance its sustainability agenda, an ESG governance framework underpins our commitment to responsible business practices. This framework ensures that environmental, social, and governance considerations are systematically embedded into our corporate governance, strategic planning, decision-making, and risk management processes.

Our ESG governance structure is supported by clear roles and responsibilities across the Board, ESG Committee, and Audit Committee, enabling effective oversight, accountability, and execution across the Group.

ESG Governance Structure Overview



The Board and ESG Committee

The Board has ultimate responsibility in managing ESG topics, including the management of climate-related risks and opportunities. To support this, an ESG Committee, led by the Managing Director and comprising representatives from core business functions, drives the implementation of ESG priorities across the Group.

Acting as a key ESG advisory body, the ESG Committee assists the Board in refining the Group's sustainability approach. Its responsibilities include identifying and evaluating material ESG topics, with particular attention to climate-related transition risks, climate-related physical risks, and emerging opportunities. The Committee also tracks progress against ESG targets, and assesses overall performance and outcomes, and recommends improvements or actions for Board consideration.

The ESG Committee meets regularly and provides updates to the Board on its activities, key developments, and recommendations to support informed decision-making.

Audit Committee

The Board holds overall accountability for the Group's approach to risk governance, ensuring that effective mechanisms are established to identify, assess, and respond to risks and opportunities, including those arising from ESG considerations that may influence business activities.

Supporting the Board, the Audit Committee provides independent oversight of risk management and internal controls. Reporting directly to the Board and working closely with the Internal Audit function, it evaluates whether existing controls and processes remain appropriate and effective across key risk areas, including operational, financial, ESG, and climate-related matters. Alongside this, the ESG Committee contributes a focused perspective on sustainability considerations by engaging with both internal teams and external stakeholders to identify and analyse ESG-related risks. Insights from these activities are consolidated and reported to the Board as needed, highlighting any significant exposures that could affect the Group's strategic direction or financial outcomes.

ESG DISCLOSURE (CONTINUED)

ESG MATERIALITY ASSESSMENT

In financial year 2024/25, the Group conducted a “double materiality assessment” to strengthen stakeholder engagement and enhance the identification of material ESG issues. Building on this exercise, the Group has continued to leverage the outcomes of the FY2024/25 assessment in the current reporting period, rather than undertaking a full reassessment for its ESG strategy. The assessment considered both financial materiality, evaluating the potential impact of ESG issues on the Group’s business value, and impact materiality, assessing the Group’s impacts on the environment and society. The outcomes inform the Group’s sustainability strategy and support effective risk and opportunity management.

Identification: Material ESG topics were identified through a comprehensive review of prior assessments, peer benchmarking, industry trends, international reporting frameworks (including Stock Exchange, GRI, ISSB).

Evaluation: Stakeholder input was gathered through online surveys involving employees, suppliers, management, business partners, investors, and other relevant stakeholders. Feedback focused on the significance, likelihood, and manageability of ESG impacts and risks.

Validation: Quantitative and qualitative inputs were consolidated into a double materiality scorecard. The results were reviewed and validated by the Board to support strategic decision-making and ongoing ESG governance.

Stakeholder Engagement

The Group’s stakeholders include both internal and external parties that may influence the Group’s business or are significantly affected by its operations. The Group engages with these stakeholders on a regular basis through appropriate channels to understand their perspectives, expectations, and concerns. Insights gathered from stakeholder engagement are used to inform the Group’s materiality assessment and support the identification and prioritisation of material ESG issues.

Stakeholders	Engagement channels
Shareholders and investors	The Group’s website, interim and annual report, annual general meeting, announcements, notices of meetings, circulars, social media platforms
Employees	Employee activities, corporate newsletter, email updates, and intranet, in-house training programmes, job performance reviews and appraisals, regular meetings/training sessions, social media platforms
Sub-contractors	Training sessions, health, safety and environment committee, regular operation meetings, audits and assessments, social media platforms
Suppliers	Procurement processes, regular review and assessment, social media platforms
General public and community	The Group’s website, volunteer community work, sponsorships and donations, social media platforms

Key ESG Topics Identified

Environmental	Social	Governance
■ Energy Efficiency	■ Compensation, Benefits and Employee Care	■ Quality Governance
■ Green Buildings	■ Talent Attraction and Retention	■ Climate Risk Assessments
■ Climate Adaptation and Resilience	■ Health and Safety	■ Climate-Related Risk Management
■ Emissions	■ Customer Satisfaction	■ Data Privacy and Security
■ Waste Management		

ESG MATERIALITY ASSESSMENT (CONTINUED)

Key ESG Topics Identified (continued)

Although these topics may not be explicitly labelled under distinct headings in this ESG Report, they are considered and integrated throughout the report, and are addressed across various disclosures and performance indicators where appropriate.

Internal Stakeholder Top Material Topics

The Group's study showed the four topics that our employees, managers, executives and shareholders found most important:

1. Health and Safety

Health and safety remain the Group's highest priority. The Group commits to protecting our people, ensuring we meet regulations and reducing risk at every level. A safe working environment supports our moral and legal obligations, enhances employee morale, reduces costs, and safeguards our reputation. Investing in strong health and safety measures helps prevent accidents and contributes to overall productivity.

2. Customer Satisfaction

Customer satisfaction is vital to business success. The Group recognises that high customer satisfaction means repeat business. It improves profit margins by lowering its marketing costs.

3. Quality Governance

Quality governance (covering internal controls, following rules, and having ethical leadership) is needed for the Group to consistently deliver high-quality products or services in the most efficient and effective way possible. It is not just about doing things right, it is about continuously improving operation to achieve better results. We recognise that effective governance improves transparency, accountability, and long term value. It minimises risks related to compliance and fraud, builds investor confidence, and enables better access to capital and credit. Strong governance supports financial stability and resilience.

4. Data Privacy and Security

In today's digital landscape, protecting sensitive data is vital. The Group understands that guarding customer and corporate information is key to maintaining trust and operational integrity. Effective data privacy and security strategies protect against expensive breaches, fines, and any damage to the Group's reputation. Strong digital safeguards ensure compliance, reassure stakeholders and preserve long term value. For our commitment and initiatives to these topics, please refer to this ESG Report and our separate annual report.

ESG DISCLOSURE (CONTINUED)



ESG MATERIALITY ASSESSMENT (CONTINUED)

External Stakeholder Top Material Topics

The materiality assessment showed that the Group's external stakeholders believe the following issues are most important:

1. Health and Safety

External stakeholders expect companies to have strong health and safety standards for employees, contractors and end-users. A solid health and safety record boosts corporate reputation and strengthens trust with partners and communities. Poor performance in this area can result in legal consequences, regulatory fines, increased insurance premiums, and damage to the Group's reputation. In contrast, proactive health and safety practices minimise disruptions, promote workforce stability, improve productivity, and help reduce operating costs.

2. Risk Management

External stakeholders believe mature and resilient organisations have strong risk management. Clearly showing how we identify, assess, and manage risk measures stakeholders that the Group is prepared for economic, environmental, and geopolitical uncertainties. Good risk management reduces the possibility of financial losses, enhances credit scores, and can lower the cost of capital. It also supports long term planning and protects shareholder value during periods of shifting markets.

3. Data Privacy and Security

External stakeholders are increasingly concerned about how organisations collect, store, and protect personal and sensitive data. A breach of data privacy can severely damage stakeholder trust and brand reputation. Data breaches can result in significant financial penalties, legal costs, reputation damage, and loss of business. Thus, investments in cybersecurity and data governance can decrease data-related risks.

The Group's assessment found that Health and Safety and Data Privacy and Security are top priorities for both internal and external stakeholders, reflecting their importance in ensuring trust, resilience, and long term value creation. For the Group's commitment and initiatives to these topics, please refer to this ESG Report and our separate annual report.



ENVIRONMENTAL

Environmental sustainability is at the heart of our corporate responsibility and long term planning. The Group integrate ecological factors into governance, planning, and operations, with a focus on reducing emissions, conserving energy and water, and managing waste. The Group's efforts align with the ESG Reporting Code from the Stock Exchange and global climate goals.

For information about climate change, please refer to the "Climate-related Disclosure" of this ESG Report.

Emissions (A1)

The Group is committed to reducing emissions and managing both hazardous and non hazardous waste responsibly and strive to comply with applicable environmental laws and regulations relating to emissions, waste management, and discharge is a core priority. This reflects the Group's ongoing commitment to sound environmental management and minimising its environmental footprint.

Emission Management

The Group seeks to reduce greenhouse gas emissions through the adoption of measurable targets, regular performance monitoring, and transparent reporting. Priority is given to energy efficiency initiatives, exploration of renewable energy opportunities, and employee awareness programmes to promote sustainable practices. Key initiatives include:

- Regular Maintenance of equipment to minimise emissions.
- Installing air filters and purifiers in high-impact areas.
- Using low-emission equipment and refrigerants.
- Following local air quality standards.

Waste Management

The Group aims to minimise waste generation through efficient operations and responsible sourcing, while ensuring the proper handling and disposal of hazardous and non hazardous waste. Staff engagement and training on waste reduction and segregation practices are actively promoted. Key initiatives include:

- Having more recycling bins and fewer general waste bins in office areas.
- Using certified waste contractors to ensure proper sorting, recycling, and disposal.
- Holding employee campaigns to promote better sorting and waste reduction.
- Seeking new ways to reuse materials and cut packaging waste.

The Group is working to reduce risks and improve how we track and report hazardous waste.

Responsible Discharge

Responsible discharge to water and land is maintained through compliance with regulatory requirements, periodic monitoring, and regular reviews to incorporate evolving regulations, technologies, and stakeholder feedback.

ESG DISCLOSURE (CONTINUED)

ENVIRONMENTAL (CONTINUED)

Use of Resources (A2)

The Group recognises the importance of environmental stewardship and is committed to embedding sustainable practices across its operations. As part of its ESG framework, the Group focuses on the efficient use of energy, water, and raw materials to minimise environmental impacts and support long term sustainable development. Through the adoption of efficient technologies, responsible resource management, and continuous improvement initiatives, the Group seeks to reduce its environmental footprint and contribute positively to the communities in which it operates. Key initiatives include:

- Having more recycling bins and fewer general waste bins at the Kowloon Bay Headquarters.
- Using more eco-friendly materials in products and packaging.
- Improving resource use and reducing waste across operations and supply chains.
- Using suppliers that share our goals of responsible sourcing and recycling where possible.

The year-on-year decrease in total waste generated was primarily attributable to a significant reduction in construction-related waste from building projects, which declined from 15,269 tonnes in 24/25 to 4,076 tonnes in 25/26, reflecting the completion and reduced intensity of major construction activities during the reporting period. This trend is consistent with the overall business and project activity during the reporting year. As construction activities resume or scale up in future periods, a corresponding increase and potential volatility in this metric may be expected, given the project-driven nature of construction-related waste generation.

Category	Description	Unit	FY25/26	FY24/25
Waste	Total waste generated	Tonnes	4,973	15,727

Energy Consumption

The Group is committed to improving energy efficiency through regular reviews, the adoption of Energy-efficient equipment, and optimisation of operational processes. Renewable energy solutions will be progressively explored and implemented where feasible. Energy performance is monitored through defined performance indicators, supported by employee training and awareness programmes, as well as Energy-efficient design and retrofit measures. Key initiatives include:

- Switched to LED lighting to cut electricity use.
- Installed solar panels at selected locations, including 6,262 panels at property management sites. These generate clean electricity and reduce reliance on grid power, helping lower Scope 2 GHG emissions.
- Awards from the “2025 CLP Summer Saver Rebate Programme” recognising energy savings at property management division.
- Property management division participated in the “Energy Saving Charter 2025 Pledge” launched by The Environment and Ecology Bureau and the Electrical and Mechanical Services Department.

The slight year-on-year increase in total energy consumption was primarily driven by increased operational activity and expanded scope of property management services during the reporting period, partially offset by ongoing energy efficiency initiatives.

Category	Description	Unit	FY25/26	FY24/25
Energy	Total energy consumption	MWh	64,314	62,308



ENVIRONMENTAL (CONTINUED)

Use of Resources (A2) (continued)

Water Consumption

The Group aims to enhance water efficiency through the use of water saving fixtures, water reuse practices, and rainwater collection for non potable uses where feasible. Water consumption is monitored, reduction targets are established, and progress is tracked to manage water related risks responsibly. Key initiatives include:

- Install water-efficient fixtures and appliances.
- Carry out regular maintenance to prevent leaks and water loss.
- Raise employee awareness about water conservation.
- The Water Supplies Department/Property Management Services Authority's "Quality Property Management Company Scheme — Fresh Water (Management System)" — awarded certificates to multiple managed sites.

Category	Description	Unit	FY25/26
Water	Total water consumption	m ³	468,513

Raw Materials Usage

The Group seeks to minimise material consumption and waste through efficient processes, responsible procurement, and increased use of recycled or sustainably sourced materials. Collaboration with suppliers and employee engagement are integral to driving responsible materials management across operations. Key initiatives include:

- Using more eco-friendly materials in products and packaging.
- Improving resource use and reducing waste across operations and supply chains.
- Using suppliers that share our goals of responsible sourcing and recycling where possible.

The Environment and Natural Resources (A3)

The Group recognises that its operations have environmental impacts and acknowledges its responsibility to manage these impacts in a responsible and sustainable manner. Environmental stewardship is integrated into the Group's business practices to support resource conservation, environmental protection, and long term value creation for both the Group and the communities in which it operates.

The Group is committed to minimising its ecological footprint by embedding environmentally responsible practices across its value chain, including procurement, resource use, and waste management. Sustainability considerations are incorporated into operational decision-making to promote efficient use of natural resources and reduce environmental impacts.



SOCIAL

Employment (B1)

The Group recognises that employees are fundamental to its long term success and is committed to treating all employees with respect, fairness, and dignity. The Group strives to foster a positive, inclusive, and supportive working environment that promotes employee wellbeing, engagement, and professional development.

The Group seeks to attract and retain talent through these initiatives:

- Offers competitive pay and benefits, including medical scheme, health checks, travel insurance, training subsidies, and retirement benefits.
- Reviews compensation annually, based on job roles, industry benchmarks, and market trends.
- Recognises loyalty, with Long Service and Retirement Awards.
- Expands recruitment efforts, including job fairs, campus events, and internships.
- Demonstrates its commitment to talent development by participating in the “the Hong Kong International Talents Career Expo (Season IV)”.
- Supports diversity, with targeted outreach through the Mainland Recruitment Programme and other initiatives.

The Group complies with all applicable laws and regulations relating to employment practices, including working hours and rest arrangements, and promotes work life balance and employee wellbeing. Equal employment opportunities are upheld, with zero tolerance for discrimination, harassment, or unfair treatment. Any reported concerns are addressed promptly and appropriately. Employee benefits, including healthcare and wellness initiatives, are provided to support a safe, respectful, and inclusive workplace.

Description	Unit	FY25/26	FY24/25
Total number of employees	Number	2,041	2,269
Male employee turnover	%	49	35.0
Female employee turnover	%	38	36.4

Note: Gender turnover rate is calculated by employee gender departed divided by total gender employee during the year.

Health and Safety (B2)

The Group places a strong emphasis on occupational health and safety and is committed to providing a safe and healthy working environment for all employees. Safeguarding employee wellbeing is an integral part of the Group’s operational and risk management approach.

A structured health and safety management system has been established with reference to recognised standards to identify, assess, and mitigate workplace risks. Clear operational guidelines, training materials, and awareness tools are provided to employees to promote safe work practices and reduce the risk of work related injuries and incidents. Other key initiatives include:

- Enforcing strict safety rules on construction sites to reduce risks.
- Providing mandatory training on safety and health for new hires and existing teams.
- Equipping employees with protective gear — helmets, earplugs, dust masks, goggles and safety shoes.
- Monitoring hygiene in the workplace and maintaining staff facilities.

SOCIAL (CONTINUED)**Health and Safety (B2) (continued)**

To address rising heat-related risks linked to climate change:

- A “Heatstroke Prevention Plan” guides outdoor work, including risk checks, adjusted shifts, and illness response.
- Cooling supplies — drinking water, sun hats, cooling towels and sleeves are made available as needed.

We have a dedicated Occupational Health and Safety Committee, which has achieved the below:

- ISO45001 certification has been maintained since 2020, covering employees and contractors.
- Risk assessments are required before any work begins, built into tendering procedures.
- British Standards Institution audits are conducted regularly at head office and selected sites.
- Safety Committee meets quarterly to review site audits, share lessons from incidents, and guide safety updates.
- Provide protective equipment to ensure operational safety.

We also have a Site Safety Subgroup, with initiatives such as:

- Regular inspections identify risks, and any problems are addressed promptly.
- Frequent operation meetings with project teams and subcontractors to coordinate safety efforts.

The Group complies with all applicable occupational health and safety laws and regulations, conducts regular safety inspections and audits, and implements appropriate preventive and corrective measures. Employees receive ongoing training on health and safety topics, including equipment use, hazard identification, and emergency procedures. Employees are encouraged to report safety concerns and incidents promptly, which are investigated to prevent recurrence. Emergency response plans are developed, maintained, and regularly reviewed, supported by drills and training to ensure readiness for potential incidents.

The Group achieved an overall improvement in occupational health and safety performance during the reporting year, reflecting the effectiveness of strengthened safety management measures. Enhanced risk assessments, safety training, and site supervision contributed to a safer working environment across operations. This performance was further supported by reduced exposure to higher-risk business activities during the year.

Metrics	Unit	FY25/26	FY24/25	FY23/24
Fatalities	Case	0	2	0
Lost days due to work injuries	Day	2,796	3,226	3,036
Work injury	Case	24	31	33

ESG DISCLOSURE (CONTINUED)

SOCIAL (CONTINUED)

Development and Training (B3)

The Group recognises that continuous learning and development of capability are essential to maintaining a skilled, adaptable, and engaged workforce. Training and development form a core part of the Group's people strategy, supporting both individual career progression and organisational performance.

The Group is committed to enhancing employees' professional knowledge and competencies relevant to their roles through structured training and development programmes. Key initiatives include:

- Education subsidies for eligible employees to support further learning.
- Apprenticeship programme with the Vocational Training Council ("VTC"), active since the 1990s, with over 450 apprentices trained.
- A seminar was held again at the Hong Kong Institute of Vocational Education (Tsing Yi) campus, attracting over 120 engineering disciplines students and lecturers to explore the changes and development of MiC technology.

The effectiveness of training programmes is reviewed periodically, with employee feedback used to enhance programme relevance and quality. Through these efforts, the Group aims to foster a culture of continuous improvement, learning, and professional development across the organisation.

Metrics	Unit	FY25/26	FY24/25
Male employee trained	%	61.00	64.59
Female employee trained	%	39.00	35.41
Male employee trained	Hours	3.40	3.95
Female employee trained	Hours	2.16	2.80

Labour Standards (B4)

The Group recognises that child labour, forced labour, and harassment are serious violations of human rights and is committed to conducting its business in a responsible and ethical manner. The Group adopts a zero tolerance approach to all forms of child, forced labour, and harassment across its operations and supply chain. Key initiatives include:

- Hiring, promotion and pay based on merit, not age, gender, race, disability, or family status.
- Clear policies on diversity and inclusion, shared during onboarding and in HR materials.
- Adopting the Code of Practice against sexual orientation discrimination in employment.
- Strict compliance with labour laws, including checks on identity and employment eligibility.
- Zero tolerance for child or forced labour in all operations.
- Staff Conduct Code published on the intranet to guide ethical behaviour and expectations.
- Awards from "Racial Diversity & Inclusion Employers Award Scheme" recognising racial equity in hiring for the aluminium windows and curtain walls division (Bronze).



SOCIAL (CONTINUED)

Labour Standards (B4) (continued)

The Group strive to comply with all applicable laws and regulations relating to labour standards applicable to our operations, including requirements on minimum working age and employment conditions. Policies and procedures are in place to prevent, identify, and address potential risks related to child and forced labour. Relevant employees and business partners are provided with guidance and training to enhance awareness of these issues, and reporting mechanisms are maintained to enable concerns to be raised without fear of retaliation.

Where any suspected non compliance is identified, the Group will conduct prompt investigations and take appropriate corrective actions, including remediation measures and termination of relationships with non compliant parties where necessary.

During the reporting year, the Group recorded no incidents of non compliance with laws and regulations relating to child or forced labour.

Community Investment (B8)

The Group is committed to corporate social responsibility and actively supports the wellbeing and long term development of the communities in which it operates. Through meaningful community engagement, employee volunteering, education support, cultural preservation, and environmental initiatives, the Group seeks to create positive social impact beyond its business operations. Key initiatives include:

- Participating in community services, charitable sponsorships, education, cultural and sports activities, and environmental projects.
- Empowering employees to give back through a dedicated volunteer team that organises and supports community service efforts.
- Recognition as a “10 Years Plus Caring Company” by the Hong Kong Council of Social Service since 2011.
- Annual Chevalier Blood Donation Day, co-organised with the Hong Kong Red Cross to support local healthcare needs.
- Donated \$3 million to the “Support Fund for Wang Fuk Court in Tai Po” for long term community rebuilding after Wang Fuk Court fire.

Education and Culture

The Group places strong emphasis on education and youth development as part of its long term commitment to Hong Kong. Key initiatives include:

- Chevalier Culture & Education Foundation, established in 1998 to promote cultural and academic exchange.
- Chevalier Scholarship Scheme for Employees’ Children, launched in 2008, has supported 25 employees’ children to pursue studies at local and overseas undergraduate to date.
- Chevalier Group Scholarship for full-time VTC engineering students, launched in 2018:
 - o 40 students awarded during the year, totalling HK\$1 million.
 - o 280 students supported to date, totalling HK\$7 million.
- Supported The Global AI Challenge for Building E&M Facilities, the world’s first and largest AI event dedicated to building electrical and mechanical services, as a Gold Sponsor.

ESG DISCLOSURE (CONTINUED)

SOCIAL (CONTINUED)

Community Investment (B8) (continued)

Cultural Engagement

The Group supports cultural development and the arts through long standing partnerships, key initiatives include:

- Platinum Sponsor of Opera Hong Kong for over eight years, promoting performing arts.
- Ongoing support for the Hong Kong Chronicles Institute, contributing to the compilation of the Hong Kong Chronicles, a comprehensive record of the city's historical and cultural development.
- Event Sponsor of SideBySide Charity Concert 2025.
 - o This concert aims to raise essential funds for SideBySide's non-subservent youth support services, including career planning, entrepreneurship training, mental health support, and crime prevention education.
- Gold Sponsor of the "2025 Aerospace Adventure: Exploration and Inclusion" organised by the Rainbow Foundation.
 - o the event deepens SEN children's understanding of national aerospace development, sparks interest in aerospace technology and scientific exploration, and fosters innovative thinking and patriotism.

Sports and Wellness Engagement

The Group promotes wellness, teamwork and community connection through long-standing sports partnerships and charitable events. Key highlights include:

- Holding Chevalier Strides Beyond Succe55 — a dynamic wellness initiative to celebrate our 55th anniversary.
 - o Attracted over 370 colleagues' participation with a total of 88,000 km walking and running distance achieved.
 - o Conducted three professional running workshops attended by a total of 64 colleagues.
 - o Conducted three monthly lucky draws, selecting 35, 45, and 55 winners respectively from participants who accumulated at least 5.5 km of running or walking distance.
 - o The first 200 participants who completed the 5.5 km running or walking challenge were awarded a special-edition Chevalier sports tee.
 - o The first 200 participants who completed the 55 km running or walking challenge were awarded a finisher medal.
- Participating in charitable sports events, such as:
 - o Sponsored the Hong Kong Society for the Protection of Children Familympic 2025.
 - 6 colleagues and their family members (12 in total) participated.
 - Raising funds for HKSPC's two Children & Family Services Centres.
 - o Sponsored the Hong Kong Club Foundation Golf Day.



SOCIAL (CONTINUED)

Community Investment (B8) (continued)

Sports and Wellness Engagement (continued)

- o Sponsored the Community Chest Sun Hung Kai Properties Corporate Challenge 2026.
 - 21 colleagues participated.
 - All donations raised through the event will be allocated to enhance high-quality and imminent social services supported by the Community Chest.
- o Sponsored the putting green in The Community Chest BEA Charity Golf Day 2026.
 - Fund raised will be used for mental health services provided by the Community Chest's member agencies.
- o Sponsored the AXA presents "Kai Tak Run".
 - 50 colleagues participated.

Environmental and Volunteering Initiatives

Environmental responsibility is advanced through partnerships and staff participation in sustainability programmes. Key initiatives include:

- Silver Member of WWF-Hong Kong Corporate Membership Programme 2025–2026.
- Coastal cleanup in Ma On Shan's Starfish Bay, organised by the Construction Industry Council, with 14 staff participating to raise awareness of marine waste and source reduction.
- The Group contributes to a more inclusive society through its corporate "Chevalier Cares" volunteer team and volunteer programme and collaboration with local community organisations, including: Evangelical Lutheran Church of Hong Kong, Hong Kong Young Women's Christian Association, Wai Ji Christian Service, Hong Kong Family Welfare Society and Hong Kong PHAB Association.

Highlights include:

- Supporting disadvantaged communities through a variety of outreach efforts.
- "Beach Cleanup Day" participation, raising awareness of waste reduction and sustainability habits.
- Volunteer efforts benefiting the elderly, children with special education needs, mentally challenged persons, individuals with disabilities and low-income family
 - o Nearly 815 volunteer hours contributed during the year.

ESG DISCLOSURE (CONTINUED)



GOVERNANCE

Supply Chain Management (B5)

The Group is committed to managing environmental and social risks in our supply chain through proactive policies and practices that promote sustainability and social responsibility.

We conduct assessments of our suppliers to evaluate their environmental practices and social compliance. Key initiatives include:

- Document screening and risk assessments required at tender stage.
- Face-to-face interviews arranged when necessary to assess capability.
- Removal from the approved list if performance standards are not met.
- Structured onboarding and ongoing engagement.

Product Responsibility (B6)

Quality assurance

The Group is committed to ensuring high standards of safety, quality, transparency, and data privacy across all products and services it provides. Compliance with applicable laws and regulations is a fundamental requirement, supporting customer trust and responsible business conduct.

Quality assurance processes are established to ensure that products and services meet defined safety and performance standards. Key initiatives include:

- ISO9001:2015-certified quality management systems in key divisions.
- Cold storage and logistics division implements stringent receiving monitoring procedures with paperless and digitised operations, recognised by the industry.
- Centre of Excellence for Independent Validators in Pharmaceutical Logistics (CEIV Pharma) certification for the freight logistics division, the first of its kind in Hong Kong to achieve this accreditation.

For the property management division, key initiatives to improve services and results are:

- Accessible facilities, such as ramps, accessible restrooms and seating in waiting or rest areas.
- “Smart Patrol System” to improve estate operations and reduce paper use.
- Compliance with ISO9001, ISO14001 and ISO45001 for quality, environmental and safety standards.
- Awards from the “2024/2025 Universal Design Award Scheme”, recognising inclusive design at Ching Long Shopping Centre (Gold Award) and China Aerospace Centre (Silver Award).

The Group maintains procedures to manage product related incidents, including risk assessment, regulatory notification where required, customer communication, and corrective actions to prevent recurrence.

GOVERNANCE (CONTINUED)

Product Responsibility (B6) (continued)

Customer Privacy and Intellectual Property

The Group is committed to protecting customer privacy and respecting intellectual property rights in all aspects of its operations. Personal data is handled in accordance with applicable data protection laws, with transparency on data usage and appropriate consent obtained where required. Customers are provided with mechanisms to access and correct their personal information. Key initiatives include:

- Data protection policy to prevent unauthorised access, use or leakage.
- Regular reviews of privacy policies to ensure legal compliance.
- Provide staff training on personal data protection and copyright compliance.
- The “Cyber Security Staff Awareness Recognition Scheme 2025/26”, co-organised by Hong Kong Internet Registration Corporation Limited and Information Systems Audit and Control Association, the information and technology division of the Group was awarded Gold Recognition Tier.

The Group also upholds intellectual property rights through clear internal policies and employee awareness on the proper use of proprietary and third party materials. Collaboration arrangements with external parties clearly define ownership and usage rights, and innovation is supported through the protection of internally developed intellectual property where applicable.

Customer Complaint Management

The Group maintains established channels for receiving customer feedback and concerns relating to safety, service quality, advertising, and privacy. All complaints are reviewed promptly, investigated where necessary, and addressed through appropriate remedial actions. Feedback received is used to enhance policies, procedures, and service standards. During the reporting year, no significant non compliance with relevant laws or regulations in these areas was identified.

Anti-corruption (B7)

The Group is committed to conducting its business with integrity and upholding high ethical standards. Bribery, extortion, fraud, money laundering, and other forms of corrupt conduct are strictly prohibited, as such practices may result in legal, financial, and reputational harm.

The Group enforces a zero tolerance approach to corruption in all jurisdictions in which it operates and complies with applicable anti-corruption and anti-money laundering laws and regulations relevant to our operations. A Code of Conduct and supporting policies have been established to provide clear guidance to employees and business partners on expected standards of behaviour. Key initiatives include:

- Competitive tendering systems to ensure value and integrity.
- Performance monitoring and reporting for suppliers and subcontractors.
- Regular contract reviews to strengthen partnerships and compliance.
- Policies on anti-corruption, gifts, entertainment and conflicts of interest.
- Whistleblower Policy with confidential reporting channels.
- Regular ICAC-led training tailored to business unit needs.
- Including ethics topics in new staff orientation.

ESG DISCLOSURE (CONTINUED)



APPENDIX I – ESG METRICS TABLE

Environmental

Category	Description	Unit	FY25/26	FY24/25	Stock Exchange KPI
GHG Emissions	Scope 1	Tonnes CO ₂ e	3,158	2,780	Appendix C2 Part A–D
	Scope 2	Tonnes CO ₂ e	27,698	24,614	Appendix C2 Part A–D
	Scope 3 (selected categories)	Tonnes CO ₂ e	43,979	41,650	Appendix C2 Part A–D
Energy	Total energy consumption	MWh	64,314	62,308	Appendix C2 Part A–D
Water	Total water consumption	m ³	468,513	N/A	Appendix C2 Part A–D
Waste	Total waste generated	Tonnes	4,973	15,727	Appendix C2 Part A–D

Social

Description	Unit	FY25/26	FY24/25	Stock Exchange KPI
Number of employees				
Total number of employees	Number	2,041	2,269	B1.1
Gender – Male	Number	1,266	1,503	B1.1
Gender – Female	Number	775	766	B1.1
Age – 30 or below	Number	214	274	B1.1
Age – 31 to 50	Number	801	856	B1.1
Age – 51 or above	Number	1,026	1,139	B1.1
Contract type – Full time	Number	1,983	2,228	B1.1
Contract type – Part time	Number	58	41	B1.1
Employee turnover rate				
Gender – Male	%	49.0	35.0	B1.2
Gender – Female	%	38.0	36.4	B1.2
Age – 30 or below	%	50	40.1	B1.2
Age – 31 to 50	%	41	30.8	B1.2
Age – 51 or above	%	47	37.8	B1.2
Training and development				
<i>Percentage of employees trained by category</i>				
Gender – Male	%	61	65	B3.1
Gender – Female	%	39	35	B3.1
Employee category – Managerial	%	4	3	B3.1
Employee category – Supervisory	%	17	21	B3.1
Employee category – General/Operational Staff	%	79	76	B3.1

APPENDIX I – ESG METRICS TABLE (CONTINUED)
Social (continued)

Description	Unit	FY25/26	FY24/25	Stock Exchange KPI
<i>Average training hours per employee</i>				
Gender – Male	Hours	3.4	4.0	B3.2
Gender – Female	Hours	2.2	2.8	B3.2
Employee category – Managerial	Hours	1.7	5.0	B3.2
Employee category – Supervisory	Hours	2.4	5.7	B3.2
Employee category – General/Operational Staff	Hours	3.1	3.3	B3.2

Description	Unit	FY25/26	FY24/25	FY23/24	Stock Exchange KPI
Fatalities	Case	0	2	0	B2.1
Lost days due to work injuries	Day	2,796	3,226	3,036	B2.2
Work injury	Case	24	31	33	B2.2



APPENDIX II – HKEX ESG REPORTING CODE CONTENT INDEX

Aspect	Disclosure/KPI	Description	References and Remarks
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emission
	KPI A1.1	The types of emissions and respective emissions data.	ESG Metrics Table
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ESG Metrics Table
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ESG Metrics Table
	KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Emission
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emission
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	ESG Metrics Table
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	ESG Metrics Table
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	ESG Metrics Table
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	The Group has no issues sourcing water for operation.
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	This KPI is considered immaterial for the Group.

APPENDIX II – HKEX ESG REPORTING CODE CONTENT INDEX (CONTINUED)

Aspect	Disclosure/KPI	Description	References and Remarks
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	The Environment and Natural Resources
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment
	KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	ESG Metrics Table
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	ESG Metrics Table
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	ESG Metrics Table
	KPI B2.2	Lost days due to work injury.	ESG Metrics Table
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	ESG Metrics Table
	KPI B3.2	The average training hours completed per employee by gender and employee category.	ESG Metrics Table



APPENDIX II – HKEX ESG REPORTING CODE CONTENT INDEX (CONTINUED)

Aspect	Disclosure/KPI	Description	References and Remarks
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
	KPI B5.1	Number of suppliers by geographical region.	The Group is working to report this information
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	The Group received no significant complaints this reporting year.
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility
	KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility

APPENDIX II – HKEX ESG REPORTING CODE CONTENT INDEX (CONTINUED)

Aspect	Disclosure/KPI	Description	References and Remarks
B7: Anti-Corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-Corruption
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	The Group has no legal case regarding corruption.
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-Corruption
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-Corruption
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment

CLIMATE-RELATED DISCLOSURE



GOVERNANCE

The Group's climate risk governance framework is embedded within its broader ESG governance structure. Oversight of climate-related risks and opportunities is exercised at the Board level through established governance and management processes. Further details on the Board's role and responsibilities in relation to climate matters are outlined in the ESG Governance section of this ESG Report.

STRATEGY

Climate-related risks and opportunities

The Group's climate strategy focuses on balancing environmental responsibility with business resilience and long term value creation. Climate-related risks and opportunities are assessed across short, medium, and long term time horizons, taking into account both climate-related physical risks arising from climate change and climate-related transition risks associated with regulatory, technological, and market shifts towards a low-carbon economy.

Climate risks are identified and evaluated with reference to internationally recognised frameworks, including the Task Force on Climate-related Financial Disclosures (TCFD) and IFRS S2. The assessment considers the likelihood and potential impact of risks, which are integrated into the Group's risk register, prioritised alongside other enterprise risks, and subject to ongoing monitoring.

The Group applies the following time horizons and value chain when evaluating climate-related risks and opportunities, aligned with its strategic planning horizon:

Time horizon	Period	Rationale
Short term	Now – 2030	Aligned with near term business and planning cycles
Medium term	2030 – 2035	Reflects emerging regulatory, market, and technological changes
Long term	2035 – 2050	Aligned with long term climate goals and global decarbonisation pathways

Value chain stage	Key activities
Upstream	Supplier sourcing, materials and equipment procurement, contractor engagement
Own operations	Engineering, construction, installation, maintenance, property and service operations, corporate functions
Downstream	Project delivery, asset operation and maintenance, customer engagement, community interface



CLIMATE-RELATED DISCLOSURE (CONTINUED)

STRATEGY (CONTINUED)

Climate-related risks and opportunities (continued)

A summary of identified physical and transition risks that could impact our business, with management responses, impacted value chain and time horizons:

Climate-related Physical Risk

Tropical cyclone and rainfall flooding – Acute risk	
Description	Climate change is increasing the intensity and frequency of typhoons and extreme rainfall events in the regions where the Group operates. These events heighten the risk of flooding, particularly in low-lying or coastal areas, with potential impacts on construction sites, operational facilities, infrastructure assets, and business continuity.
Key risks	• Disruption to construction, engineering, and service operations due to site shutdowns or access restrictions during severe weather events • Damage to buildings, machinery, equipment, and infrastructure assets caused by flooding or high winds, leading to higher repair and replacement costs • Project delays and cost overruns resulting from adverse weather conditions and supply chain interruptions • Health and safety risks to employees, contractors, and service personnel during extreme weather events
Management response	• Implementation of business continuity and emergency response plans across project sites and operational facilities • Adoption of standard operating procedures for severe weather preparedness, including site inspections, asset protection measures, and evacuation protocols • Integration of climate resilience considerations into project planning, asset design, and maintenance practices • Engagement with suppliers and contractors to strengthen resilience and contingency planning across the value chain
Value chain impacted	Upstream and own operations
Time horizon	Short, medium, and long term

CLIMATE-RELATED DISCLOSURE (CONTINUED)



STRATEGY (CONTINUED)

Climate-related risks and opportunities (continued)

Climate-related Physical Risk (continued)

Temperature risk and extreme heat – chronic and acute risk	
Description	Rising average temperatures and increasing frequency and intensity of extreme heat events are expected to affect the regions in which the Group operates. Prolonged heat exposure may impact outdoor worksites, building performance, energy demand, and the health and productivity of employees and contractors.
Key risks	• Increased operating costs due to higher energy consumption for cooling in offices, facilities, and managed properties • Reduced productivity, absenteeism, and elevated health and safety risks for employees and contractors working in high temperature conditions, particularly at construction sites • Accelerated wear and reduced efficiency of equipment, machinery, and building systems caused by sustained heat exposure • Potential project delays or service disruptions during periods of extreme heat
Management response	• Implementation of energy efficiency and optimisation measures for cooling systems and building operations • Integration of heat mitigation measures into project planning, site management, and asset design, including shading, ventilation, and scheduling controls • Enforcement of occupational health and safety procedures for hot weather, such as work-rest cycles, hydration measures, and heat stress awareness training • Regular monitoring of operating conditions and maintenance of equipment to mitigate heat-related performance risks
Value chain impacted	Upstream and own operations
Time horizon	Short, medium, and long term



CLIMATE-RELATED DISCLOSURE (CONTINUED)

STRATEGY (CONTINUED)

Climate-related risks and opportunities (continued)

Climate-related Transition risk

Climate regulations – policy and legal risk	
Description	International and local climate-related regulations, including carbon pricing mechanisms and mandatory climate disclosures, are expected to become more stringent. These developments may increase regulatory obligations for the Group and heighten scrutiny of climate-related data, governance practices, and public disclosures across its operations.
Key risks	• Increased operating costs arising from direct or indirect carbon pricing mechanisms and compliance requirements • Higher administrative and operational costs to comply with evolving climate-related laws, standards, and reporting frameworks • Legal, regulatory, or reputational risks associated with inaccurate, incomplete, or non-compliant climate disclosures
Management response	• Implementation of energy efficiency and emissions reduction initiatives to manage Scope 1 and Scope 2 greenhouse gas emissions and mitigate potential cost impacts • Integration of carbon and climate considerations into investment, project planning, and asset management decisions • Strengthening governance, internal controls, and data management processes to enhance the accuracy and reliability of climate-related disclosures • Ongoing monitoring of regulatory developments and updating of policies and procedures to maintain compliance
Value chain impacted	Own operations
Time horizon	Short, medium, and long term

CLIMATE-RELATED DISCLOSURE (CONTINUED)



STRATEGY (CONTINUED)

Climate-related risks and opportunities (continued)

Climate-related Transition risk (continued)

Low-carbon technologies transition-technology risk	
Description	Delays in adopting or insufficient innovation in low-carbon technologies may reduce the Group's ability to improve energy efficiency and lower carbon emissions across its projects, facilities, and services. This may affect competitiveness, cost efficiency, and alignment with evolving climate expectations.
Risks	• Increased operating costs if investments in low-carbon technologies or research and development fail to deliver anticipated efficiency or emissions reduction outcomes • Continued reliance on carbon intensive or outdated systems, leading to operational inefficiencies and higher long term energy and maintenance costs • Potential loss of competitiveness where clients and partners increasingly demand low-carbon and energy-efficient solutions
Opportunities	• Reduced operating and lifecycle costs through successful deployment of energy-efficient and low-carbon technologies across projects and assets • Enhanced service offerings and market positioning by integrating sustainable and innovative solutions into engineering, construction, and asset management activities
Management response	• Investment in energy efficiency and emissions reduction initiatives across operations, assets, and projects • Integration of low-carbon considerations into project design, technology selection, and asset planning • Collaboration with industry partners, technology providers, and research institutions to support innovation and effective deployment of low-carbon solutions
Value chain impacted	Own operations
Time horizon	Short and medium term



CLIMATE-RELATED DISCLOSURE (CONTINUED)

STRATEGY (CONTINUED)

Climate-related risks and opportunities (continued)

Climate-related Transition risk (continued)

Increased production cost – market risk	
Description	Input costs, including construction materials, equipment, energy, and utilities, may increase due to climate-related factors. These include physical disruptions to supply chains caused by extreme weather events, as well as transition drivers such as carbon pricing mechanisms, energy market volatility, and resource scarcity.
Key risks	- Higher procurement and project costs resulting from increased prices or reduced availability of raw materials, components, and equipment due to climate-related disruptions in supply regions - Increased operating costs driven by higher energy prices and carbon-related charges affecting construction sites, facilities, and managed assets
Management response	- Diversification of suppliers and procurement sources to reduce reliance on climate-vulnerable regions and improve supply chain resilience - Strengthening supplier engagement and long term partnerships to enhance cost stability and risk visibility - Incorporation of cost escalation and climate risk considerations into budgeting, contract management, and project planning
Value chain impacted	Upstream and own operations
Time horizon	Medium and long term
Consumer preferences change to low-carbon products – emerging market risk	
Description	As awareness of climate change and sustainability increases, customers and business partners are increasingly prioritising low-carbon, energy-efficient, and environmentally responsible solutions. Failure to meet these evolving expectations may reduce the Group's competitiveness in bidding, project delivery, and service offerings.
Key risks	- Reduced demand or loss of business opportunities if low-carbon or sustainability-focused solutions are not offered at competitive cost or performance levels - Reduced relevance of existing products or services that are perceived as carbon-intensive or misaligned with sustainability objectives
Management response	- Development and enhancement of low-carbon, energy-efficient, and climate-resilient solutions across engineering, construction, property, and service offerings - Integration of sustainability and carbon performance considerations into product design, project proposals, and customer solutions - Collaboration with suppliers and partners to advance lower-emission materials, technologies, and value chain practices
Value chain impacted	Upstream and own operations
Time horizon	Medium and long term

CLIMATE-RELATED DISCLOSURE (CONTINUED)



STRATEGY (CONTINUED)

Climate-related risks and opportunities (continued)

Impact on Business Model

Area	Impacts
Strategy	
GHG emissions	The Group seeks to mitigate climate-related risks by progressively reducing greenhouse gas ("GHG") emissions across its operations and projects, aligned with international climate goals and prevailing scientific guidance. By establishing a structured pathway for emissions reduction, the Group aims to manage carbon-related risks, enhance operational resilience, and support the transition to a low-carbon economy.
Business	
Products and services	Climate change and sustainability considerations are increasing demand for low-carbon, energy-efficient, and environmentally responsible solutions. The Group responds by integrating sustainability principles into engineering, construction, building systems, property development, and service offerings, including the use of sustainable materials, energy-efficient designs, and innovative technologies in collaboration with suppliers and partners.
Operations	Energy performance across project sites, offices, facilities, and managed properties is critical to reducing emissions and operating costs. The Group implements energy-efficient systems, optimises building and equipment performance, and incorporates sustainability considerations into asset design, construction, and maintenance to lower its carbon footprint.
Supply chain	The Group engages suppliers and contractors to enhance supply chain resilience and support emissions reduction.
Financial planning	
Capital expenditure	The Group allocates capital towards initiatives that improve energy efficiency, reduce emissions, and enhance climate resilience across assets and operations.
Financing	The Group explores sustainable financing opportunities and integrates sustainability and climate considerations into financial strategy, where appropriate. Strengthening ESG performance supports long term value creation, access to capital, and alignment with investor expectations.

Scenario analysis

The Group engaged an independent third-party consultant to conduct a climate scenario analysis to assess the resilience of its strategy under a range of physical and transition risk pathways and to inform long term sustainability planning. The analysis was performed using the MSCI Climate Value at Risk (CVaR) model and covered four representative business units and 36 selected properties located in Chinese Mainland, Thailand, Singapore, the United Kingdom, Canada, and the United States. Physical climate risks were assessed using the REMIND 2°C scenario, while climate-related transition risks were evaluated across multiple pathways, including AIM CGE, REMIND, GCAM, and IMAGE models under 1.5°C, 2°C, and 3°C temperature outcomes. The assessment was conducted during 2023–2024, based on the assumption that assets remain in their current locations throughout the scenario period and that existing mitigation measures remain unchanged.

STRATEGY (CONTINUED)

Climate-related risks and opportunities (continued)

Scenario analysis (continued)

Physical risk	Relevance and assumptions	REMIND 2°C
Coastal flooding	The Group examined at how extreme weather could affect where our assets are located and how much value might be at risk.	Low
Riverine flooding		Low
Tropical cyclones		Medium
Extreme heat		High
Extreme cold		Low
Wildfire		Medium

Climate Transition Plan

Duration	Category	Description
Short term & Medium term	Acute climate risk	- Use climate-resilient designs when upgrading current buildings or planning new ones in areas likely to face severe weather or climate risks. - Hold asset-level climate risk assessment for existing buildings and buildings owned or to be developed. - Hold employee training and ensure employees know what to do in case of a climate-related emergency.
	Chronic climate risk	Provide training and make sure all business units and external property managers follow the required procedures.
Long term	Mandatory regulation of existing products and services	Explore electric vehicle options to replace vehicles the use fossil fuels.

Resilience of Climate Strategy

Through the climate scenario analysis conducted under various assumptions, the Group has identified a range of climate-related physical and transition risks, together with corresponding management responses to address these risks.

Based on the results of the analysis, the residual financial impact of identified physical climate risks is assessed to be limited across the scenarios considered. Given the Group's diversified operations and asset profile, potential financial impacts are not expected to be significant at this stage. For climate-related transition risks, the Group recognises the inherent uncertainty and degree of assumption involved in scenario based modelling. Accordingly, the outputs are used by management as a strategic reference to inform climate-related decision-making rather than as precise quantitative forecasts. Where future impacts are reassessed as significant, relevant information will be incorporated into subsequent climate-related disclosures to ensure transparency and accountability.

Identified climate risks are prioritised and addressed through targeted actions, while climate-related opportunities are pursued where feasible.

Given ongoing developments in climate policy, market dynamics, and data quality, the Group will continue to review and refine its climate strategy, methodologies, and disclosures to reflect evolving best practices and regulatory expectations.

CLIMATE-RELATED DISCLOSURE (CONTINUED)



INTEGRATION OF CLIMATE-RELATED RISK MANAGEMENT

Processes for identifying, assessing, and managing climate-related risks. The Group's climate-related risk management approach is aligned with recognised frameworks. ESG risks and climate-related risks, including both physical and transition risks, are incorporated into the Group's regular climate-related risk assessment cycles, during which business units review, update, and report key risks, mitigation measures, and control effectiveness. The outcomes form part of the Group's consolidated risk profile and inform management and Board oversight.

Identification and Assessment of Climate-related Risks

The Group identifies and assesses climate-related risks through structured engagement with senior management and relevant business units. Dedicated discussions and workshops are conducted to identify material physical and transition risks, assess their potential impacts, and align mitigation actions with the Group's climate strategy. The results of these assessments are embedded into the risk management process.

In assessing climate-related risks, the Group references the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the IFRS S2. Scenario analysis is used to support the assessment of potential future climate impacts under different temperature and policy pathways. Physical risks are assessed using climate scenarios that reflect varying greenhouse gas emissions trajectories, while transition risks consider changes in regulation, market conditions, technology, and stakeholder expectations associated with the transition to a low-carbon economy.

Management and Monitoring of Climate-related Risks

Following the identification and assessment of climate-related risks, the Group implements targeted mitigation and adaptation measures, as applicable and to the extent possible, including operational improvements, investment decisions, and strategic initiatives. Climate-related risks and management actions are overseen by the ESG Committee, which provides strategic direction and monitors progress against climate objectives and targets. Relevant working teams support the implementation of climate-related measures across operations and projects.

The Group continues to review and refine its climate risk management approach to reflect evolving regulations, market practices, and data availability, ensuring climate-related risks remain effectively managed within the broader enterprise risk framework.

METRICS AND TARGETS

Greenhouse Gas Emissions

Greenhouse gas emissions increased during the reporting year, with differing trends observed across emissions scopes. Scope 1 emissions decreased primarily due to reduced construction activity during the reporting period, resulting in lower on-site diesel combustion. In contrast, Scope 2 emissions increased as a result of the expansion of the property management portfolio, with more housing estates brought under management and consequently higher electricity consumption. Scope 3 emissions also increased, mainly driven by the growth of the Group's freight logistics business, which led to higher upstream and downstream transportation-related emissions. While hotter climate conditions and increased cooling demand also contributed to overall energy use, the Group continues to implement and explore low-carbon and energy-efficient solutions to improve long term emissions performance and operational resilience.

Emissions Category	Unit	FY25/26	FY 24/25
Scope 1	Tonne CO ₂ e	2,235	2,780
Scope 1 emission intensity	Tonne CO ₂ e/HK\$1 million	0.5	0.3
Scope 2	Tonne CO ₂ e	27,698	24,614
Scope 2 emission intensity	Tonnes CO ₂ e/HK\$1 million	6.1	2.66
Scope 3	Tonne CO ₂ e	43,979	41,650

METRICS AND TARGETS (CONTINUED)

Greenhouse Gas Emissions (continued)

Scope 3 Category	Basis of selection	FY 25/26 %	FY 24/25 %
Transport and distribution	Adds to our emissions through its role in logistics and the value chain.	95	82
Waste generated in operations	Adds to emissions from the Group's handling of daily waste and disposal.	1	12
Business Travel	Employees' business air travel adds to our emissions.	1	1
Employee Commuting	Employees travelling between home and work count as part of the Group's daily operations.	3	6
Total Scope 3		100	100

Methodology:

- The data covers the fiscal year from 1 April 2025 to 31 March 2026.
- Emissions figures include most of our global operations, unless noted otherwise.
- If recent data or direct measurements are not available, we use estimates. These may change as we improve our methods.
- Due to rounding, totals may not always match exactly.
- We use emission factors from respected sources, including the UK's Department for Environment, Food & Rural Affairs (DEFRA), the US Environmental Protection Agency (EPA), and the Intergovernmental Panel on Climate Change (IPCC), a global body supported by the United Nations.
- Category 2 and Category 3 were removed from Scope 3 accounting going forward to ensure data quality.
- Calculations follow the UK Government GHG Conversion Factors for Company Reporting.
- For employees coming to work and returning home, we assume a five-day workweek. We count the one-way distance and double it to show a round trip, using the same transport method each way.
- The Group measures its greenhouse gas emissions in accordance with the GHG Protocol Corporate Accounting and Reporting Standard (2004) and the GHG Protocol Value Chain (Scope 3) Accounting and Reporting Standard (2011).
- The Group applies a financial control approach to ensure that all emissions from operations it funds or financially controls are fully accounted for, with the organisational boundary defined to include all properties owned or jointly controlled through joint ventures by the Group.

CLIMATE-RELATED DISCLOSURE (CONTINUED)



METRICS AND TARGETS (CONTINUED)

Climate target

We have set clear targets to guide our shift toward a low-carbon future, aligned with both local and international climate goals, that we aim to achieve by the financial year 2030/31.

Target Category	Description
Greenhouse gas emissions	Reduce 30% GHG emissions (Scope 1 and Scope 2) per dollar of revenue
Waste reduction	Reduce waste by 30% Divert 30% of waste (through recycling or other means) for every dollar earned
Acute climate risk	100% of properties owned or to be developed will have a climate mitigation plan
Chronic climate risk	<0.5% injuries annually due to extreme weather

The targets will cover all properties wholly owned by the Group. The financial year 2024/25 serves as the baseline year, and we will track and disclose our progress in future ESG reports. These targets are part of our business strategy and are reviewed regularly to ensure accountability and continuous improvement.

Status of Climate-related Metrics and Targets

As at the reporting date, the Group is yet to quantify the amount or percentage of assets or business activities that are vulnerable to climate-related transition risks or climate-related physical risks, nor the amount or percentage of assets or business activities aligned with climate-related opportunities. The Group recognises the importance of these disclosures and is progressing towards enhancing data availability, methodologies, and internal capabilities to support future assessments using reasonable and supportable information without undue cost or effort.

The Group is in the process of developing a more systematic approach to quantifying the amount of capital expenditure, financing, or investment deployed specifically towards climate-related risks and opportunities. Climate considerations are currently integrated qualitatively into investment and operational decision-making, with further development planned to enable quantitative tracking.

The Group does not currently apply an internal carbon price in business decision-making. Accordingly, no carbon price per metric tonne of greenhouse gas emissions is disclosed.

Climate-related considerations are not yet explicitly linked to the Group's remuneration policies.

The Group has not adopted a formal set of industry-based climate metrics as referenced in IFRS S2 Industry-based Guidance but will continue to assess their applicability in the context of its diversified business portfolio.

The Group will continue to enhance its climate-related disclosures progressively in line with regulatory developments, data readiness, and evolving market practices.



APPENDIX III – HKEX ESG REPORTING CODE CLIMATE-RELATED DISCLOSURES CONTENT INDEX

Disclosure Description	References and Remarks
(I) Governance	ESG Disclosure – ESG Governance
19. An issuer shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about: (i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities; (iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; (iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40 of the ESG Reporting Code), including whether and how related performance metrics are included in remuneration policies (see paragraph 35 of the ESG Reporting Code); and (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	

CLIMATE-RELATED DISCLOSURE (CONTINUED)



APPENDIX III – HKEX ESG REPORTING CODE CLIMATE-RELATED DISCLOSURES CONTENT INDEX (CONTINUED)

Disclosure Description	References and Remarks
(II) Strategy	Strategy
Climate-related risks and opportunities 20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall: (a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term; (b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk; (c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and (d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	
Business model and value chain 21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose: (a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and (b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Strategy



CLIMATE-RELATED DISCLOSURE (CONTINUED)

APPENDIX III – HKEX ESG REPORTING CODE CLIMATE-RELATED DISCLOSURES CONTENT INDEX (CONTINUED)

Disclosure Description	References and Remarks
(II) Strategy (continued)	
Strategy and decision-making	
22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:	Strategy
(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set or any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about: (i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities; (ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect); (iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40 of the ESG Reporting Code; and (b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a) of the ESG Reporting Code.	
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a) of the ESG Reporting Code.	Strategy

CLIMATE-RELATED DISCLOSURE (CONTINUED)



APPENDIX III – HKEX ESG REPORTING CODE CLIMATE-RELATED DISCLOSURES CONTENT INDEX (CONTINUED)

Disclosure Description	References and Remarks
(II) Strategy (continued)	
Financial position, financial performance and cash flows	Metrics and Targets
Current financial effect	
24. An issuer shall disclose qualitative and quantitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified in paragraph 24(a) of the ESG Reporting Code for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	
Anticipated financial effect	Metrics and Targets
25. The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	

APPENDIX III – HKEX ESG REPORTING CODE CLIMATE-RELATED DISCLOSURES CONTENT INDEX (CONTINUED)

Disclosure Description	References and Remarks
(II) Strategy (continued)	
Financial position, financial performance and cash flows (continued)	
Climate resilience	Strategy
26. An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose: (a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term; (b) how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out.	

CLIMATE-RELATED DISCLOSURE (CONTINUED)



APPENDIX III – HKEX ESG REPORTING CODE CLIMATE-RELATED DISCLOSURES CONTENT INDEX (CONTINUED)

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



CLIMATE-RELATED DISCLOSURE (CONTINUED)

APPENDIX III – HKEX ESG REPORTING CODE CLIMATE-RELATED DISCLOSURES CONTENT INDEX (CONTINUED)

Disclosure Description	References and Remarks
(IV) Metrics and Targets	Metrics and Targets
Greenhouse gas emissions	
28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO ₂ equivalent, classified as:	
(a) Scope 1 greenhouse gas emissions;	
(b) Scope 2 greenhouse gas emissions; and	
(c) Scope 3 greenhouse gas emissions.	
29. An issuer shall:	Metrics and Targets
(a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	
(b) disclose the approach it uses to measure its greenhouse gas emissions including:	
(i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;	
(ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	
(iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	
(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b) of the ESG Reporting Code, disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and	
(d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c) of the ESG Reporting Code, disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	

CLIMATE-RELATED DISCLOSURE (CONTINUED)



APPENDIX III – HKEX ESG REPORTING CODE CLIMATE-RELATED DISCLOSURES CONTENT INDEX (CONTINUED)

Disclosure Description	References and Remarks
(IV) Metrics and Targets (continued)	
Climate-related transition risks 30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Strategy
Climate-related physical risks 31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Strategy
Climate-related opportunities 32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	The Group is working toward the reporting of this item.
Capital deployment 33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	The Group is working toward the reporting of this item.
Internal carbon prices 34. An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	The Group is working toward the reporting of this item.
Remuneration 35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	The Group is working toward the reporting of this item.
Industry-based metrics 36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry.	The Group is working toward the reporting of this item.



CLIMATE-RELATED DISCLOSURE (CONTINUED)

APPENDIX III – HKEX ESG REPORTING CODE CLIMATE-RELATED DISCLOSURES CONTENT INDEX (CONTINUED)

Disclosure Description	References and Remarks
(IV) Metrics and Targets (continued)	
Climate-related targets	Metrics and Targets
37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	
38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions.	ESG Disclosure – ESG Governance
39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	Metrics and Targets

CLIMATE-RELATED DISCLOSURE (CONTINUED)



APPENDIX III – HKEX ESG REPORTING CODE CLIMATE-RELATED DISCLOSURES CONTENT INDEX (CONTINUED)

Disclosure Description	References and Remarks
(IV) Metrics and Targets (continued)	
Climate-related targets (continued)	
40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39 of the ESG Reporting Code, an issuer shall disclose:	Metrics and Targets
(a) which greenhouse gases are covered by the target;	
(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	
(c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	
(d) whether the target was derived using a sectoral decarbonisation approach; and	
(e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:	
(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	
(ii) which third-party scheme(s) will verify or certify the carbon credits;	
(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	
(iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	

For the current reporting period, the Group has omitted certain qualitative and quantitative disclosures under Part D (Climate-related Disclosures) of the ESG Reporting Code. Due to the diversified nature of our operations and the administrative complexity of gathering high-fidelity climate data from external supply chains, these elements cannot be fully formulated at this stage without undue cost or effort.

We are actively working toward closing our current data gaps by upgrading internal reporting infrastructure and engaging key value-chain partners, aiming to progressively align with the remaining Part D pillars in future reporting cycles.

This report was originally prepared in English and has been translated into Chinese for reference purposes only. In the event of any inconsistency between the two versions, the English version shall take precedence.

