



榮利營造控股有限公司

WING LEE DEVELOPMENT CONSTRUCTION HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 9639

2025/2026

Environmental, Social and Governance Report



CONTENTS

FOREWORD

About this Report	01
About the Group	02
Message from the Board	03

01 EXCELLENCE IN GOVERNANCE: LAYING THE FOUNDATIONS FOR GREEN TRANSITION

Enhancement of ESG Governance System	05
Compliant Operations and Risk Prevention	12
Integrity-Based Operations and Business Ethics	12
Protection of Intellectual Property and Trade Secret	15

02

GREEN PRACTICES:

LEADING IN ZERO-CARBON INFRASTRUCTURE AND NEW ENERGY ECOSYSTEMS

Vision of Green Wing Lee	16
Sustainable Practices and Diversified Layout	17
Excellence in Delivery and Protection of Client Interests	31

03

ENVIRONMENTAL PROTECTION:

LOW-CARBON EMISSIONS AND GREEN COEXISTENCE

Emission Control and Reduction at Source	35
Smart Energy and Energy Efficiency	41
Resource Conservation and Recycling	43
Waste Reduction and Recycling	47
Lifecycle Environment Management	50
Climate Action: Enhancing Climate Resilience of Businesses	52

04

SOCIAL INCLUSION:

CO-CREATING SOCIAL VALUE

Equal Employment and Inclusive Workplace	59
Occupational Health and Safety Protection	62
Talent Development and Empowerment	64
Green Procurement and Collaboration with Partners	65
Community Commitment and Philanthropic Initiatives	66

INDEX TABLE OF ESG REPORTING CODE OF THE STOCK EXCHANGE	68
---	----

FOREWORD

ABOUT THIS REPORT

This is the Environmental, Social and Governance Report (the "**Report**") prepared by Wing Lee Development Construction Holdings Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**", "**Wing Lee Development Construction**", or "**we**") to present the Group's performance in sustainable development to its stakeholders.

The Report is available for access or download in electronic format on the websites of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (<http://www.hkexnews.hk>) and the Company (<https://www.winglee.com.hk>).

| Reporting Principles

The Report has been prepared in accordance with Appendix C2 Environmental, Social and Governance Reporting Code (the "**ESG Reporting Code**") to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. For details on the compliance of the Report with the ESG Reporting Code, please refer to the "INDEX TABLE OF ESG REPORTING CODE OF THE STOCK EXCHANGE" section within the Report.

In the preparation of the Report, the following reporting principles have been strictly adhered to:

Reporting Principles	Application of the Reporting Principles
Materiality	Through a systematic materiality assessment, the Group has identified and analysed core ESG issues with significant impact on its business and stakeholders, which form the primary focus of disclosure in this Report. The Board of Directors and the Management have reviewed and given final approval to the results of the materiality assessment to ensure that the allocation of ESG resources remains aligned with the corporate strategy direction.
Quantitative	The calculation standards, methodologies, assumptions and sources of major conversion factors for the key environmental and social performance indicators disclosed in the Report are all explained in the relevant sections hereof. We have also disclosed environmental targets, including greenhouse gas (" GHG ") emissions, energy consumption, water usage and waste treatment, based on the Group's operations.
Balance	The Report has been prepared in a fair, objective, and unbiased manner to present a comprehensive, truthful and balanced picture of the Group's annual ESG performance and achievements, as well as the challenges we face and the paths for improvement in our implementation.

Reporting Principles	Application of the Reporting Principles
Consistency	The Group uses consistent reporting methodologies to allow for meaningful comparisons of key performance indicators over time. As the second ESG report of the Group, the Report builds upon the disclosure framework established in the previous reporting year and further refines data compilation and statistical methodologies. Should any changes occur in the disclosure scope or calculation methodologies that may affect the comparability of the Report with previous reports, the Group will provide appropriate explanations for the relevant data and information.

Reporting Boundary

The Report aims to objectively disclose the Group's specific initiatives and outcomes in managing ESG-related issues during the period from 1 April 2025 to 31 March 2026 (the "Reporting Year" or the "Year 2025/26").

The reporting boundary of the Report is consistent with that of the Group's Annual Report and primarily covers its operations in Hong Kong. The subsidiaries of the Group include Wing Lee Group (Holdings) Limited, Wing Lee Construction Limited, Wing Lee Development (International) Limited, Tai Shan Engineering & Construction Co., Limited, Wing Lee New Energy Limited, Sum Hing Trading Limited and Kaiser Construction Engineering Company Limited. The Group will continue to assess the ESG impact of its operations and expand the scope of disclosure where appropriate.

ABOUT THE GROUP

Wing Lee Development Construction was established in 2005, with its primary operations and business firmly rooted in Hong Kong. As a significant contributor to the urban infrastructure development of Hong Kong, the Group has diversified its operations across three core sectors: civil engineering, mechanical and electrical engineering, and new energy. The Group also actively responds to global sustainable development strategies by further expanding its new energy business into Southeast Asia and global markets. On 9 October 2024, Wing Lee Development Construction was listed on the Main Board of the Stock Exchange under the stock code of 9639.HK.

As a pioneer in green infrastructure in Hong Kong, the Group firmly believes that innovation and transformation are the keys to breaking new ground in the traditional construction industry. Since 2018, the Group has taken the lead in exploring low-carbon innovation in the construction sector by fully integrating ESG principles throughout the entire project lifecycle, striving to evolve itself into a leader in green buildings and highly resilient infrastructure construction.

The Group welcomes stakeholders to provide valuable comments on this Report and the Group's sustainability performance through the following channels.

Address: Room C, 30th Floor, TML Tower, No. 3 Hoi Shing Road, Tsuen Wan, Hong Kong

Tel.: +852 2416 1222

Email: ir@winglee.com.hk

MESSAGE FROM THE BOARD

To all stakeholders:

The Board of Directors of the Company (the "**Board of Directors**" or the "**Board**") is pleased to present the annual ESG Report of the Group. As the highest decision-making body for the Group's sustainability strategy and governance, the Board assumes ultimate responsibility for formulating the Group's ESG strategy, assessing ESG-related risks and overseeing ESG targets. Furthermore, the Board regularly receives dedicated reports from the Management on the progress of sustainable development. It thoroughly integrates ESG compliance and risk management performance into the Group's long-term decision-making process, ensuring that all strategies remain closely aligned with the relevant stages of business development.

Business Sustainability Vision

As a Hong Kong-based infrastructure contractor with an outstanding operational scale, the Group's business covers civil engineering, electrical and mechanical engineering, and new energy projects. We deeply understand that achieving long-term sustainable development requires not only prudent operating strategies, but also active fulfilment of environmental responsibilities, investment in talent development and giving back to society.

Accordingly, guided by the United Nations' 17 Sustainable Development Goals (the "**SDGs**"), the Board is systematically driving the Group's core strategic transformation from a traditional engineering contractor to a provider of zero-carbon infrastructure and new energy ecosystems. We focus on a diversified development strategy across our three core business segments. In civil engineering and electrical and mechanical engineering, we strengthen environmental protection and ecological integration measures to ensure the efficient and safe operation of urban energy and infrastructure. In the new energy business, we seize the historical opportunity presented by Hong Kong's transition toward a zero-carbon future and drive deep integration across the entire value chain through innovation, taking the lead in reshaping the landscape of green development and setting new industry benchmarks. We firmly believe that by continuously enhancing operational quality and sustainability resilience, the Group will steadfastly pursue sustainable growth in long-term value and create far-reaching and positive benefits for society and the environment.

Responding to Climate Action and Green Finance Innovation

The Board fully supports the vision of "Zero-carbon Emissions · Liveable City · Sustainable Development" set out in Hong Kong's Climate Action Plan 2050 published by the Government of Hong Kong Special Administrative Region. We actively integrate actions addressing climate change and the promotion of a low-carbon transition into the core of our corporate strategy, driving the digital, intelligent, and green transition of the industry across multiple dimensions.

The Group has implemented an environmental management system compliant with ISO 14001:2015. Since 2023, we have introduced electric construction machinery and new-energy commercial vehicles in batches to replace traditional fossil-fuel-powered equipment. To accelerate equipment electrification, the Group successfully secured Hong Kong's first green loan for noise mitigation during the Reporting Year, specifically for the purchase of electric construction equipment certified under the "Quality Powered Mechanical Equipment" (the "**QPME**") scheme of the Hong Kong Environmental Protection Department (the "**EPD**"). This has set an innovative benchmark in the industry for using green financial instruments to drive noise reduction at source and low-carbon transition.

The Board actively deploys the commercialisation of the green ecosystems. We have taken the lead in launching the "Zero Carbon Smart Alliance" and the "Zero Carbon Smart Space" platform, integrating the industrial chain around "Solar, Storage, Charging, Swapping and Recycling". By signing the Memoranda of Understanding for Strategic Cooperation (the "**strategic cooperation MoUs**") with global industry leaders such as Contemporary Amperex Technology Co., Limited ("**CATL**") and SANY Group Co., Ltd. ("**SANY Group**"), the Group has introduced high-efficiency charging systems and rapid swapping technologies to create closed-loop lifecycle ecological service solutions for new energy construction equipment, providing tangible support for the roll-out and application of electrified products in the Hong Kong market.

Optimisation of Working Environment and Quality Management

Talent is the core driver for the sustainable business growth of the Group. Adhering to a "people-oriented" management philosophy, the Board is committed to creating a respectful, diverse, inclusive, safe and healthy working environment and fully implementing an occupational health and safety management system compliant with ISO 45001:2018. Consistently upholding the principle of "leading engineering with wisdom and empowering management with technology", we have independently developed a 4S Smart Site Safety System Platform and introduced advanced digital office systems, adopting a dual-track technological approach to simultaneously enhance the effectiveness of construction safety controls and the precision of project execution. In terms of talent development and service quality, we have established a systematic training mechanism and clear career advancement pathways to strengthen the development of our talent pipeline. Furthermore, we strictly adhere to the requirements of the ISO 9001:2015 Quality Management System and conduct rigorous supply chain risk assessments to ensure the quality of our engineering services.

Looking ahead, the Board will continue to uphold the principle of maintaining close dialogue with business partners and clients to gain a deep understanding of stakeholders' needs and expectations. We will closely monitor climate-related and social risks and progressively optimise our governance tools to ensure that the Group's environmental and social targets remain closely aligned with the relevant stages of business development, thereby creating long-term, sustainable, and shared value for all stakeholders with strategic resolve rooted in steadfast actions.

Board of Directors, Wing Lee Development Construction Holdings Limited

June 29, 2026

EXCELLENCE IN GOVERNANCE: LAYING THE FOUNDATIONS FOR GREEN TRANSITION

ENHANCEMENT OF ESG GOVERNANCE SYSTEM

| ESG Governance Structure

The Group firmly believes that a robust and effective governance structure is essential for the proper management of ESG matters. As the Group's core decision-making body, the Board bears overall responsibility for the Group's ESG matters. In day-to-day governance, the Board focuses on fulfilling the following core responsibilities:



Appointing the principal responsible person for the Group's ESG matters to ensure there is a clear driving force for the coordination and advancement of related work;



Conducting a comprehensive review of the risks faced by the Group in environmental (covering climate-related risks and opportunities), social and governance matters, and identifying potential risk areas accurately;



Defining and approving ESG policies, strategies, action plans and targets to provide clear guidance and direction for the development of ESG initiatives;



Approving the implementation of ESG-related initiatives and allocating the necessary resources reasonably to ensure their effective execution;



Ensuring appropriate and adequate ESG information disclosure by the Group and closely monitoring and actively promoting continuous improvement in ESG performance; and



Giving final approval to the annual ESG Report to objectively and accurately reflect the Group's annual achievements and progress in the ESG field.

Under the strict oversight of the Board, the senior management is responsible for the practical execution and implementation of the Group's ESG initiatives. The specific responsibilities of the senior management include:



Formulating and effectively implementing ESG policies, targets and strategies to ensure their alignment with the Group's overall strategic plans;



Conducting regular materiality assessments of ESG issues and timely adjusting work priorities and resource allocation based on the assessment results;



Accurately identifying and continuously monitoring the Group's environmental (including climate-related risks), social and governance risks to achieve "early detection and timely response" ;



Ensuring that the Group has established appropriate and efficient ESG risk management and internal control systems to provide a solid foundation for the sound implementation of ESG initiatives;



Overseeing and assessing the implementation and actual performance of ESG-related policies and measures to ensure that the Group strictly complies with the requirements of relevant regulations and industry standards;



Maintaining regular communication with the Board regarding ESG matters arising from day-to-day operations to keep the Board informed of the latest developments;



Reviewing the annual ESG report and providing professional opinions and recommendations to ensure that the Report is true, accurate and complete; and



Reporting regularly to the Board on the progress and performance of ESG initiatives to provide a sound basis for the Board's decision-making.

Environmental, Social and Governance Report

To ensure that the Board maintains an in-depth understanding of the Group's ESG matters and effectively manages ESG-related risks, the Board has established an efficient and dynamic reporting mechanism requiring the senior management to report ESG matters arising during daily operations and the progress of corresponding follow-up actions in a timely manner. In specific circumstances—such as significant deviations in key ESG performance indicators ("KPIs") from preset targets, the occurrence of major ESG incidents, or changes to ESG-related policies and regulations by regulatory authorities—the senior management must promptly report such circumstances to the Board to enable the decision-makers to make swift, prudent decisions and implement strategic responses. Furthermore, the Group has engaged professional third-party advisers to provide expert guidance and ensure that the Group's ESG-related disclosures strictly align with the latest regulatory requirements, thereby continuously enhancing the transparency, quality and credibility of its disclosures.

Looking ahead, the Group will steadfastly uphold the principles of sustainable development and take even more robust and determined steps to deepen its low-carbon operations and fulfil its social responsibilities. We firmly believe that through the continuous optimisation of corporate governance and the collective efforts of all employees, the Group will achieve even more fruitful governance outcomes under the strategic blueprint for sustainable development. Whilst pursuing long-term, robust economic returns, we will actively contribute to promoting the harmonious coexistence of the green ecosystem and the community environment.

| Routine Engagement with Stakeholders

The Group deeply believes that in-depth and active engagement with stakeholders forms an indispensable cornerstone for improving the Group's sustainable development governance. We consistently uphold a stakeholder-centric communication philosophy to maintain close and ongoing engagement with our stakeholders. Through diverse channels and methods, we actively listen to and deeply understand their expectations, suggestions and feedback regarding the Group's development. Such input serves as an important basis for optimising corporate decision-making and clarifying the direction of sustainable development for both the Group and its local communities.

Considering the current nature of our business, operational scale and internal control management requirements, the Group has conducted a systematic hierarchical classification of its major stakeholders during the Reporting Year. Among them, internal stakeholders primarily comprise the Board of Directors, senior and middle management, and employees of Wing Lee Development Construction. External stakeholders broadly include shareholders, investors, clients, suppliers, subcontractors, business partners, government authorities, regulatory bodies, non-profit and non-governmental organisations, communities and the public.

The Group has established the following regular communication channels and engagement mechanisms with these core stakeholders:

Stakeholder Category		Communication Channels
Internal stakeholders	Board of Directors	· Regular Board meetings · Strategic decision-making seminars · Official correspondence
	Middle and senior management	· Regular operational management meetings · Performance assessment · Meetings and emails
	Employees	· Trainings · Performance assessment · Meetings and emails
External stakeholders	Shareholders and investors	· Annual general meetings and other general meetings of shareholders · Financial reports, announcements and circulars · Company's website
	Clients	· Company's website · Telephone calls and emails · Project progress follow-ups
	Suppliers and subcontractors	· On-site visits · Supplier management meetings · Tendering and bidding evaluations · Telephone calls and emails
	Business partners	· Signing strategic cooperation MoUs · Joint project meetings · Senior-level reciprocal visits
	Government and regulatory bodies	· Submission of routine compliance reports · Consultation on policies and regulations · On-site compliance audits
	Non-profit and non-governmental organisations	· Charitable donations · Special symposiums and exchanges
	Community	· Company's website · ESG Report · Community activities · Media channels

| Identification and Assessment of Material Issues

The Group regularly conducts annual ESG materiality assessments to systematically review ESG issues that are material to its business operations and value chain. The assessment results serve as the core basis for the Board and the management to formulate the Group's ESG strategy, optimise resource allocation and identify climate and business risks, thereby ensuring that the Group's day-to-day operations and long-term planning closely meet stakeholders' substantive expectations and uphold our solemn commitment to sustainable development. The materiality assessment for the Reporting Year was strictly in accordance with three core stages, including identification, prioritisation and validation.



Identification

With comprehensive reference to the ESG Reporting Code, the latest international sustainability standards, industry benchmarks and the operational characteristics of the Group, we have established a comprehensive framework covering three dimensions, environmental, social and corporate operations, and identified a total of 23 highly relevant ESG issues.



Prioritisation

To gain a deeper understanding of the core concerns and forward-looking opinions of both internal and external stakeholders, we have invited various stakeholder groups to objectively score each material issue through questionnaires based on two dimensions of "Materiality to Stakeholders" and "Materiality to the Group's Sustainable Development". Subsequently, we conducted a quantitative analysis of the scoring results from both internal and external stakeholders, based on which we constructed the materiality matrix for the Reporting Year and determined the priority of initiatives related to each issue.



Validation

The Board, together with the senior management, conducted the final review, confirmation and validation of the materiality matrix developed for the Reporting Year. Both the management and the Board unanimously agree that the assessment results objectively and faithfully reflect the material risks and opportunities faced by the Group at its current stage of business development and are aligned with the strategic direction of the Group's long-term sustainable development.

The following is the materiality matrix for the Reporting Year:

Materiality Matrix in 2025/2026 ESG Report of Wing Lee Development Construction



Environmental, Social and Governance Report

Materiality	No.	Issue (Listed in descending order of materiality)
Issues with High Materiality	22	Operational Compliance
	21	Sustainable Operations
	6	Environmental Compliance
	16	Quality and Safety of Services
	14	Supply Chain Management
	17	Industry Cooperation and Development
	20	Innovation and Digitalisation
	4	Renewable Energy Opportunities
	9	Talent Attraction and Retention
	3	Energy and Resource Management
Issues with Moderate Materiality	18	Green and Sustainable Finance
	15	Data Security and Privacy Protection
	7	Employee Rights and Benefits
	12	Compliant Employment
	10	Occupational Health and Safety
	23	Anti-Corruption
	11	Employee Training and Development
	8	Inclusion, Equal Opportunities and Anti-Discrimination
Issues with General Materiality	13	Community Investment and Engagement
	5	Waste Management
	1	Response to Climate Change
	19	Intellectual Property Rights
	2	Air Emissions

COMPLIANT OPERATIONS AND RISK PREVENTION

The Group regards a robust compliance management and risk monitoring framework as the fundamental cornerstone for achieving sustainable development and optimising the effectiveness of corporate governance. To ensure full compliance with the latest Listing Rules, the ESG Reporting Code and the Corporate Governance Code of the Stock Exchange, the Group has established a multi-dimensional compliance and risk management mechanism. In our day-to-day operations and information disclosure management, we implement a division of responsibilities based on the principle of "external professional collaboration and internal centralised governance". We engage professionally qualified compliance advisers to provide forward-looking advice and guidance on listing compliance matters, commission specialist teams to continuously monitor public sentiment, and appoint external audit firms to conduct regular compliance audits of our annual reports and relevant statutory disclosures. The senior management holds monthly operational review meetings to systematically assess potential compliance and ESG risks across all operational activities, covering occupational health and safety, supply chain management, environmental compliance, public sentiment dynamics and compliance reporting. Relevant meeting minutes and compliance records are properly archived by the Board Office and regularly submitted to the Board for review, serving as an important basis for risk prevention and strategic decision-making.

In addition, the Group regularly invites external compliance advisers to provide specialised training on compliance matters of listed companies for the management and core teams. During the Reporting Year, the training focused on strengthening corporate governance and internal controls, systematically covering six core compliance dimensions: general responsibilities of directors, information disclosure, reportable transactions, related-party transactions, standards governing securities transactions by directors, and disclosure obligations regarding rights and interests. This aims to continuously deepen the management team's understanding of the latest regulatory environment and comprehensively safeguard the legitimate rights and interests of all shareholders and stakeholders.

The Group aims to continuously optimise the compliance mechanisms, driving the transformation of compliance practices from regulatory baselines into corporate culture and day-to-day operations, thereby creating trusted long-term value for shareholders, employees and society.

INTEGRITY-BASED OPERATIONS AND BUSINESS ETHICS

The Group regards conducting business in an honest, fair, impartial and ethical approach as the foundation for conducting business operations and governance standards. We strictly comply with applicable laws and regulations in Hong Kong and adopt a resolute "zero-tolerance" stance to prevent bribery, extortion, fraud, money laundering and terrorist financing activities.

The applicable laws and regulations include, but are not limited to:

- The Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong); and
- The Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615 of the Laws of Hong Kong).

Environmental, Social and Governance Report

To foster a culture of integrity throughout the organisation, the Group has formulated and implemented the Anti-Corruption Policy, the Whistleblowing Policy, and the Code of Conduct on Integrity and Ethics, extending compliance requirements to the Group's supply chain through procurement procedures. These policies and regulations clearly stipulate that the management and all employees are strictly prohibited from soliciting, offering or accepting any form of improper advantage from any person having official business dealings with the Group (including suppliers, contractors, and consultants) when conducting business or other commercial transactions.

During the Reporting Year, the Group was not aware of any corruption litigation cases against the Group or its employees that were concluded or adjudicated by the courts, nor were there any known material non-compliance incidents that had a significant adverse impact on the Group's reputation, financial position or operations.

The Group's anti-corruption and anti-bribery measures are set out in detail below:

Category	Relevant Measures
Restrictions on the Acceptance of Benefits	Directors, supervisors, management and all employees are prohibited from soliciting any benefits from individuals having business dealings with the Group during business. If they intend to accept any benefits (including gifts, hospitality or money) offered by such individuals, they shall apply in writing to the Board in advance for special approval and may proceed only upon receiving explicit permission.
Restrictions on Provision of Benefits and Hospitality	No director or employee shall, directly, indirectly or through a third party, offer bribes, kickbacks or other improper benefits to directors, employees, or agents of other enterprises or to any public officials, to obtain business advantages or influence decision-making.
Conflicts of Interest	A conflict of interest refers to a situation where the personal interests of a director or employee (including the financial or non-financial interests of their immediate family members, close friends or entities to which they belong) conflict, or may conflict, with the interests of the Group. Employees shall avoid accepting hospitality that is excessively lavish, frequent or likely to influence their objective judgement from parties with whom the Group has business dealings. All hospitality shall comply with the principles of reasonableness, necessity, and normal business practice, and shall be registered in the internal system for reference. All employees are required to proactively identify and declare any actual or potential conflicts of interest and report them promptly in writing to the supervisors or the Board. The personnel involved shall immediately abstain from the relevant decision-making process and in accordance with the Board's instructions, allow other appropriate personnel to handle the matter on their behalf. For any resolution deliberated by the Board, the relevant directors shall disclose any direct or indirect interests that they or the entities they represent hold in the matter and shall not participate in the voting or exert any influence, thereby ensuring the impartiality of relevant decision-making.

The Group has established an independent and confidential whistleblowing mechanism, encouraging employees and external third parties to report any suspected serious misconduct that breaches business integrity. To ensure that whistleblowers need not be concerned about identity leakage or retaliation, written reports should be placed in a sealed envelope clearly marked "Private and Confidential – To Be Opened by the Addressee Only" and sent by post to the Group's registered address for direct submission to the Chairman of the Board or the Chairman of the Audit Committee for review. Upon investigation and verification of any violations, the individuals involved will face disciplinary action, and in serious cases, their employment or appointment will be terminated. Where suspected misconduct involves corruption, money laundering or other criminal offences, the Group will, in accordance with applicable laws and regulations, report the matter to the Independent Commission Against Corruption ("ICAC") of Hong Kong or other relevant law enforcement authorities. The Group regularly reviews the effectiveness of the whistleblowing mechanism and ensures its continued effectiveness through audits and third-party assessments.

To strengthen business ethics awareness and foster a culture of anti-corruption compliance amongst all members, the Group regularly provides specialised anti-corruption training for directors, the management and all employees, while actively inviting key business partners to participate in order to promote the implementation of shared values. During the Reporting Year, we actively organised and participated in a diverse range of training sessions on anti-corruption, business ethics and compliance. The training contents were closely aligned with the operational scenarios and governance responsibilities of employees at all levels, primarily covering the following three core compliance domains:

● Integrity Governance for Management and Decision-Makers

Focusing on enhancing the compliance and integrity leadership of key decision-makers, we actively participated in specialised programmes organised by professional organisations, such as the "Ethical and Governance Roles of Directors and Senior Management of Publicly Listed Companies", the "Integrity Training Workshop for Frontline Practitioners Working in the Business Sector", and the "Professional Ethics – Key to Success – ICAC Webinar for Financial Services Practitioners" organised by the ICAC. These initiatives aimed to strengthen the decision-making layer's awareness of the latest anti-corruption regulations and the prevention of financial ethics risks.

● Integrity Duty Performance for Frontline, Engineering and Specific Roles

Building on the foundation of frontline compliance management in construction and daily operations, targeted training programmes were conducted, including the "Integrity Training Workshop for Site Supervisory Staff" and the "Integrity Training Workshop for Frontline Practitioners Working in the Business Sector". Simultaneously, key personnel in safety management were arranged to participate in the "Online Open Seminar on Professional Ethics and Conduct for Trainers of the Mandatory Safety Training Courses" hosted by the Occupational Safety & Health Council, to ensure that clean and upright conduct and integrity are deeply embedded in site safety and engineering quality management.

● Cross-sector Legal Compliance and Fair Competition

To broaden employees' awareness of legal compliance, the Group also arranged for relevant core teams to participate in online seminars on the Competition Ordinance, ensuring that the Group strictly complies with the legal requirements relating to fair competition and anti-monopoly practices while pursuing high-quality development.

PROTECTION OF INTELLECTUAL PROPERTY AND TRADE SECRET

The Group attaches great importance to the protection of trade secrets and intellectual property rights, strictly complies with relevant laws and regulations, and standardises employees' conduct regarding intellectual property protection in daily operations and project delivery. Regarding the protection of our proprietary intellectual assets, we have fully incorporated the protection of trade secrets and intellectual property into our internal policies, such as the Employee Handbook. This handbook strictly stipulates that no employee may, without authorisation, disclose or misuse the Group's confidential data, such as engineering contracts and design drawings. Employees authorised to access or manage core commercial data shall always implement strict confidentiality measures to prevent the unauthorised disclosure or misuse of intellectual property assets. The Group has also appointed dedicated personnel to closely monitor and prevent infringements such as counterfeit trademarks in the market, thereby safeguarding the Group's intellectual property rights and preventing confusion over its trademarks. Additionally, we fully respect the intellectual property rights of third parties. Strict reviews are conducted throughout the procurement and construction processes to ensure that all software, technologies and construction solutions adopted by the Group are lawful and compliant.

During the Reporting Year, we were not aware of (i) any material infringement by the Group of any intellectual property rights owned by third parties; (ii) any material infringement by any third party of any intellectual property rights owned by the Group; or (iii) any pending or threatened claims against us or any member of the Group in respect of any material infringement of third-party intellectual property rights.

GREEN PRACTICES: LEADING IN ZERO-CARBON INFRASTRUCTURE AND NEW ENERGY ECOSYSTEMS

VISION OF GREEN WING LEE

Sustainable development is a shared mission for humanity. It represents not only the pursuit of technological innovation but also a commitment to the future. Guided by the Paris Agreement, the Government of Hong Kong has formulated the Hong Kong Climate Action Plan 2050, committing to driving the city's green transition and achieving carbon neutrality through four key strategies: "net-zero electricity generation, energy saving and green buildings, green transport, and waste reduction for all". In the face of global climate challenges, the Group actively embraces the vision of "Zero-carbon Emissions · Liveable City · Sustainable Development". Together with partners from across different sectors, we are shaping a smart and zero-carbon future to inject green momentum into urban development and create a smarter, cleaner and more livable environment for future generations.

Throughout this process, the Group has joined forces with industry leaders such as SANY Group and CATL to pool innovative strengths and implement our ESG strategies. We are committed to redefining the future of the construction industry through zero-carbon intelligence, establishing a benchmark for the industry's green transition, demonstrating the innovation and diverse potential of the Hong Kong construction industry, and creating new possibilities for society. We integrate sustainable development principles into our daily operations, striving to contribute to global sustainability whilst achieving corporate growth.

● Our Vision

Committed to becoming a pioneer in the new generation of green infrastructure, leading industrial upgrading and contributing to global sustainable development.

● Our Mission

Upholding top-tier industry standards for safety, health, environment and quality in the industry; striving to build safe, green and resilient modern urban infrastructure, and enabling the synergy of environmental protection and long-term social welfare.

● Our Objectives

Consolidating our market leadership and continuously expanding market share; precisely grasping growth opportunities in the new energy business to achieve steady business expansion; and actively promoting the harmonious coexistence between corporate operations, the community and the environment to drive long-term value creation.

● Our Commitment to Sustainable Development

Continuously deepening value co-creation with partners and clients; responding precisely to their needs and expectations; and driving continuous improvement in service quality; continually enhancing operational quality and sustainability resilience to lay a solid foundation for long-term and steady growth and creating positive value for society and the environment.

SUSTAINABLE PRACTICES AND DIVERSIFIED LAYOUT

As a responsible corporate citizen and a leader in green innovation in the construction industry, the Group consistently integrates the principles of sustainable development into every aspect of our business operations. From the recycling of water resources and source-based pollution control to the dedicated development of affordable green infrastructure, and to the widespread application and industrial-scale promotion of new energy technologies, the Group transforms environmental governance strategies into tangible results, actively fulfils its green commitments to the ecological environment and continuously creates long-term value for society through forward-looking and industry-influential low-carbon initiatives.

The Group continually expands and deepens sustainable development practices, striving to demonstrate excellence in environmental management and social responsibility fulfilment across our core projects and diverse innovation initiatives. We are committed to setting a benchmark for environmental protection practice in the construction industry and creating a greener and more sustainable built environment for Hong Kong.

| New Energy Applications and Alliance-Based Collaboration



Highlights | Collective Effort: Co-creating a New Zero Carbon Industrial Ecosystem

Based on profound insights into opportunities in Hong Kong's green infrastructure and circular economy markets, the Group joined forces with the globally leading construction machinery brand SANY Group, the world-leading new energy technology innovator CATL, and several renowned cross-sector technology enterprises to establish the "Zero Carbon Smart Alliance". The Alliance is rooted in Hong Kong with a global vision. Its establishment not only actively responds to the low-carbon environmental policies of the Hong Kong Government and global carbon reduction initiatives, but also embraces the shared mission of building a greener Hong Kong under the guidance of the national strategy for developing new quality productive forces. By injecting renewable energy and low-carbon innovative technologies into traditional industries, the Alliance has successfully driven the industrial transformation and upgrading of traditional sectors, becoming a new driving force for promoting Hong Kong's circular economy and the development of new-quality productive forces. This strategic initiative makes a tangible contribution to Hong Kong's sustainable development and further strengthens Hong Kong's leading position in green development within the Guangdong-Hong Kong-Macao Greater Bay Area.



Highlights | Collective Effort: Co-creating a New Zero Carbon Industrial Ecosystem

The Alliance was officially launched on 9 May 2025, with the aim of implementing ESG strategies and deeply integrating the industrial chain—encompassing green transport, green buildings, smart photovoltaics, energy storage systems, smart cities and AI applications—to provide practical support for the development and construction of Hong Kong's new energy industrial chain. On the launch day, the Alliance issued a joint initiative urging collective efforts to promote the policy upgrading and symbiotic development of the industry. Our chairman, Mr. Yao Hongli, also publicly called upon enterprises worldwide to work together in building a greener planet, welcoming leading companies from all sectors to join the Alliance to promote its expansion beyond Hong Kong onto the global stage, extending its green reach into every aspect of daily life. As of the date of this Report, the Zero Carbon Smart Alliance had nine partners.



Speech by Yao Hongli, Chairman of the Group



Launch Ceremony for the Zero Carbon Smart Alliance and Opening of the Zero Carbon Smart Space



Highlights | Collective Effort: Co-creating a New Zero Carbon Industrial Ecosystem

The Alliance fully leverages the technical strengths and innovative capabilities of its members to actively promote the "Hong Kong Model" to international markets:

- **Showcasing at green exhibitions**
 - On 11 September 2025, the Group and China Wealth Hong Kong Machine Limited ("**China Wealth Hong Kong**") participated in ReThink HK, Asia's top business event for sustainable development. Under the dual-engine model of "Green Infrastructure + Smart Equipment" , the two parties showcased the Alliance's latest achievements and innovations in green transport and low-carbon infrastructure to industry professionals from Hong Kong and overseas.



Joining Hands with Core Member of the Alliance to Exhibit New Energy Equipment at ReThink HK 2025

- **Introduction Localised Green Transition Solutions**

Through close collaboration among Alliance members, Wing Lee New Energy Limited, a holding subsidiary of the Group, signed a strategic cooperation MoU with Wealth Generation International Limited and China Wealth Hong Kong in November 2025 to jointly promote new energy commercial vehicles and mobile charging services tailored to Hong Kong, supporting the low-carbon transition of Hong Kong's logistics and construction industries.
- **Global Energy Storage and Green Ecosystem Development**

Leveraging the Alliance's resource advantages, Wing Kai New Energy Technologies Limited ("**Wing Kai New Energy**"), a holding subsidiary of the Group, entered a strategic cooperation MoU with CATL in November 2025, focusing on collaboration regarding the supply of global energy storage systems and integrated solution platforms. Wing Kai New Energy, headquartered in Hong Kong, is deeply involved in the clean energy sector. It focuses primarily on two strategic segments: battery swapping for new energy commercial vehicles and energy storage, and provides comprehensive and efficient solutions ranging from infrastructure construction and hardware product R&D to digitalised operational management. Leveraging the industrial synergy between "vehicles, power, stations and storage" , the Group has successfully established a smart energy ecosystem comprising vehicle ownership platforms, swapping platforms, battery banks and energy storage operations.



Highlights | Collective Effort: Co-creating a New Zero Carbon Industrial Ecosystem

The ecosystem established by the Group through the Alliance not only responds to regulatory requirements for climate risk disclosure but also transforms "low carbon" from a compliance requirement into a core competitive advantage. This pathway from traditional industries towards "digitalisation, smart transformation and low-carbon transition" establishes a clear benchmark for Hong Kong's construction industry and demonstrates high ESG investment value and social significance.



Highlights | Zero Carbon Smart Space: Hong Kong's First "Holistic and Multi-Scenario" Zero-Carbon Technology Demonstration Base

In active response to the vision set out in Hong Kong's Climate Action Plan 2050 and in line with the Group's ESG strategy, we are actively seizing the opportunities arising from the digitalisation, smart transformation and low-carbon transition of the construction industry.

During the Reporting Year, we led the development of the Zero Carbon Smart Space in San Tin, Yuen Long, which was officially completed and opened on 9 May 2025. The project covers a total area of approximately 4,500 square metres. It is open to the public free of charge year-round and regularly hosts technical seminars and experiential activities. As Hong Kong's first demonstration base for advanced zero-carbon technologies in the construction, transport and public services sectors, this facility has established a full-chain solution encompassing solar power, energy storage, charging, battery swapping, with the aim of accelerating cross-sectoral technological convergence and leading the digitalisation, smart transformation and low-carbon transition of the industry.



Guests at the Opening Ceremony Touring the Zero Carbon Smart Space



Zero Carbon Smart Space



Highlights

Zero Carbon Smart Space: Hong Kong's First "Holistic and Multi-Scenario" Zero-Carbon Technology Demonstration Base

As a core innovation platform, the space deeply integrates advanced technologies from industry-leading enterprises such as SANY Group and CATL, and innovatively presents a comprehensive enterprise-level solution covering the entire value chain of "Solar, Storage, Charging, Swapping and Recycling", comprehensively demonstrating a closed-loop pathway for smart energy storage, charging and swapping technologies and the zero-carbon energy network:

- **Solar (Photovoltaics)** Tailored to Hong Kong's densely built environment, we have developed integrated photovoltaic solutions for rooftops and facades, providing full-cycle services and smart photovoltaic applications. We aim to help increase the proportion of renewable energy generation across Hong Kong to between 7.5% and 10.0% by 2035. Concurrently, we have deployed a Photovoltaic, Energy Storage, Direct Current, Flexible Energy Supply System in the park. During the Reporting Year, the system generated a cumulative total of 17,016 kWh of photovoltaic electricity and fed 17,016 kWh into the grid, successfully establishing a flexible energy regulation mechanism that has effectively enhanced the park's energy self-sufficiency and low-carbon operational performance.
- **Storage (Energy Storage Technology)** We have introduced CATL's advanced intelligent energy storage technology to replace conventional diesel generators on construction sites, effectively balancing peak and off-peak electricity demand, alleviating pressure on the power grid, and meeting the instantaneous high-current requirements of construction equipment.
- **Charging (Fast Charging)** We have taken the lead in introducing CATL's Shenxing superfast charging technology and showcasing the "CharGo" mobile charging and intelligent dispatching technology, enabling a seamless "charger-to-vehicle" charging experience and providing comprehensive support for the electrification of construction machinery and heavy commercial vehicles.
- **Swapping (Rapid Battery Swapping)** We have established Hong Kong's first commercial vehicle battery swapping station, showcasing a fully automated, five-minute battery-swapping technology and an automated swapping station to create a seamless energy replenishment network and ensure reliable operation of electric vehicles throughout the territory.
- **Battery Recycling** Leveraging CATL's power battery recycling technology, a network of battery recycling stations will be established across Hong Kong, with plans to achieve an overall recovery rate of over 99.3% for critical metal materials, thereby establishing a closed-loop battery materials supply chain.



Hong Kong's First Battery Swapping Station and Industry-leading Electric Commercial Vehicle



Highlights

Zero Carbon Smart Space: Hong Kong's First "Holistic and Multi-Scenario" Zero-Carbon Technology Demonstration Base

The interior of the Zero Carbon Smart Space also integrates "cutting-edge green technologies" with "upgraded innovation capabilities", further consolidating smart IoT applications and green living scenarios across all aspects of daily life and construction sites:

- Intelligent (Safe Smart Construction Sites)**
 In response to the Government's "Construction Industry 2.0" initiative and the "4S (Smart Site Safety System)" requirements, the facility integrates AI and IoT technologies to enable one-click control over the movements of people, machinery and vehicles. Through a smart warning mechanism, we continuously improve site safety and enhance resource utilisation efficiency.
- Parking (Smart Multi-Storey Parking)**
 By introducing a comprehensive robotic multi-storey parking solution and establishing intelligent multi-storey parking zones, the facility addresses Hong Kong's social issues such as "difficult and expensive parking", and limited space. Coupled with automated rapid charging services, it optimises transport infrastructure and improves residents' travel experiences.
- Smart Living and AI Applications**
 A smart living and smart healthcare experience centre has been created, showcasing smart home systems and IoT-enabled smart healthcare and wellness platforms. In the future, AI applications will be further integrated to reshape the logic of the industry and daily life through technology.



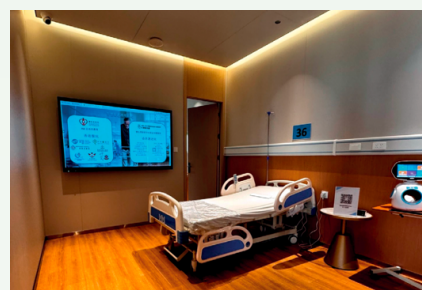
Smart Parking in the Zero Carbon Smart Space



Intelligent Platform in the Zero Carbon Smart Space



Smart Living in the Zero Carbon Smart Space



Smart Healthcare in the Zero Carbon Smart Space



Highlights | Lam Tei Quarry Project: The Largest Smart and Green Concrete Batching Plant in China

The Group has always regarded promoting the digitalisation, smart transformation and low-carbon transition of the construction industry as a core mission in practising sustainable development. Guided by our new ESG strategic plan, the Group successfully secured the contract for the core works of the concrete batching plant at the Lam Tei Quarry in Tuen Mun. The project was not only a milestone in integrating the Group's civil engineering and new energy businesses but also marked a crucial step for Hong Kong's construction industry in advancing "new industrialisation" and leading the development of "green new quality productive forces".

The Group played a pivotal role in the project through collaboration with China Wealth Hong Kong, a core member of the Zero Carbon Smart Alliance, to provide clients with comprehensive one-stop engineering and technical services. This profoundly demonstrated the complementary strengths of the Alliance members in technological R&D, supply chain integration and local engineering practice, but also pioneered a new model of cooperation in green infrastructure, laying a solid foundation for jointly undertaking large-scale environmentally friendly infrastructure projects for the Hong Kong Government and major developers in the future.

The scope of the project specifically covered:

- **Civil engineering and infrastructure construction** Spearheading the comprehensive and high-standard site levelling, foundation construction, and the building of various ancillary facilities.
- **Smart system integration and full-lifecycle deployment** Responsible for leading the detailed engineering design, equipment supply, on-site installation, system commissioning and trial operation of industry-leading intelligent mixing control systems.
- **Application of top-tier low-carbon equipment** Comprehensively introducing and deploying SANY Group's world-leading digital, intelligent and low-carbon production equipment to ensure high efficiency, precision and low-energy operations throughout the production process.



Highlights

Supporting Works of Lamma Power Station: Driving the Low-Carbon Transition of Hong Kong's Energy Structure

To actively support the energy transition strategy of the Hong Kong Government and enhance the operational efficiency and environmental sustainability of the urban power grid, the Group, drawing on its outstanding technical expertise in civil engineering and large-scale infrastructure support, played a key role in the critical upgrade and supporting infrastructure works for the Lamma Power Station. The project not only demonstrated the Group's capabilities in civil engineering but also represented a pivotal practice in assisting the evolution of Hong Kong's power system towards low-carbon development and modernisation.

As one of Hong Kong's core power sources, the Lamma Power Station is actively pursuing a structural transition from traditional coal-fired power generation to low-carbon natural gas generation, gradually replacing decommissioned coal-fired units with brand-new and high-efficiency gas turbine generating sets. As a steadfast supporter of this major transformation, the Group has led and participated in the construction and optimisation of key supporting infrastructure during the power station's upgrading process, making outstanding technical contributions and delivering significant social benefits:

- **Support for the power station's expansion**
By delivering high-quality peripheral infrastructure, structures and civil engineering works for the new gas-fired generating units, the Group provided robust ground infrastructure support for the smooth implementation of the power station's core expansion facilities. This indirectly contributed to the decarbonisation of Hong Kong's overall energy structure and helped address the electricity needs of a greater number of Hong Kong residents.
- **Strict construction coordination and premium safe delivery**
The Group's construction team worked in strict coordination with the power station's highly sensitive and congested on-site environment. Without disrupting existing power generation operations, they advanced the infrastructure expansion works safely and efficiently, ensuring that the civil engineering works aligned seamlessly with the overall expansion schedule and jointly supported the smooth implementation of the emission reduction and upgrading project of the power station.

The successful implementation of this power station infrastructure expansion project demonstrated the Group's engineering coordination capability to support the upgrading of major and complex public infrastructure and represented a practical measure by the Group to assist the Government of Hong Kong in realising Hong Kong's Climate Action Plan 2050 and advancing towards the goal of carbon neutrality. Through its professional delivery of these essential electricity infrastructure expansion and civil engineering projects, the Group has made a tangible contribution to ensuring the continued stability and security of Hong Kong's energy supply infrastructure.



Highlights | Solar Photovoltaic Installation and Maintenance

The Group fully recognises the importance of optimising the energy mix in addressing climate change and achieving the "net zero emissions" target. Since 2018, the Group has begun exploring its strategic network for new energy and has actively supported the "Solar Harvest" scheme, promoting the practical application of new energy technologies within urban infrastructure. Through years of dedicated efforts, we have installed solar photovoltaic systems for more than 400 schools, non-governmental organisations and refuse collection points under the EPD across Hong Kong, while providing full lifecycle operation and maintenance services, earning an excellent reputation within the industry.

These projects have generated far-reaching social benefits, demonstrating the Group's commitment as a responsible corporate citizen to resource recycling, and also creating more environmentally educational and intelligent spaces for the next generation by providing clean energy facilities for schools. As a leader in Hong Kong's construction industry, the Group supports the city's energy emission reduction strategies through concrete actions, steadily advances the digitalisation and intelligent development of green infrastructure, and strives to create long-term and sustainable ecological value for society.

Green Finance and Transition Investment

As a pioneer in promoting sustainable development within the construction industry, the Group successfully secured a dedicated equipment loan of HKD 20 million from Hang Seng Bank in June 2025. This financing pioneered the ESG financing sector for Hong Kong's construction industry, becoming the city's first green loan specifically designated for noise mitigation. Through this dedicated green funding, the Group is systematically optimising its frontline machinery and equipment portfolio to address at source the noise and air pollution issues arising from construction sites that most significantly impact neighbouring communities.



Hang Seng Bank Providing Hong Kong's First Green Loan for Noise Mitigation to Wing Lee Development Construction

● Dedicated Financing and Equipment Electrification

The core objective of this green loan is to accelerate the "electrification transition" of core construction equipment through dedicated financial instruments. The use of proceeds adheres to a strict principle of dedicated funds for dedicated purposes, being fully utilised for the purchase of electric construction equipment that complies with the QPME standards of the EPD or equivalent recognised green standards. Compared with conventional diesel-powered machinery, these electric machines offer significant advantages by being "quieter, more efficient, modern and environmentally friendly". By introducing electric equipment on a large scale to replace traditional high-noise, high-emission fuel-powered machinery, the Group aims to significantly reduce noise levels and exhaust emissions on construction sites at source, thereby pragmatically responding to the pain points of disturbance to community tranquillity caused by intensified urban construction activities.

● Implementation Progress and Resource Allocation

As at 31 March 2026, the Group had made substantial progress under the equipment replacement programme supported by the green loan. According to internal audits and statistical data, the cumulative utilisation of the green loan for noise mitigation reached HKD 7,100,000 during the Reporting Year. In terms of equipment procurement, we have successfully acquired and put into operation a total of 66 units of equipment that meet the requirements of QPME. The relevant heavy machinery assets encompass a variety of key engineering equipment, including 3 brand-new electric light-duty trucks and 63 SANY Heavy Industry high-efficiency new-energy generator sets.

● Green Finance Certification and Compliance Management

To ensure the transparency and compliance of financing activities, this green loan is subject to rigorous third-party assessment in accordance with internationally recognised standards. The assessment and review of the loan incorporated the noise mitigation category under the QPME standards into the evaluation scope, ensuring that all approved loans complied with the Green Loan Principles jointly developed by the Asia Pacific Loan Market Association, the Loan Market Association, and the Loan Syndications and Trading Association. This demonstrates the Group's rigour in green finance management and provides a practical benchmark for green finance within Hong Kong's construction industry.

● Social Inclusion and Environmental Benefits

The green loan has effectively driven the synergistic enhancement of environmental and social benefits. From a social perspective, the Group has substantially reduced the impact of construction noise on nearby residents through the implementation of low-noise construction solutions. Whilst maintaining community harmony and enhancing quality of life, this has further strengthened its commitment as a responsible corporate citizen. From an environmental perspective, we have comprehensively advanced the "diesel-to-electricity" transition of equipment, directly reducing total GHG emissions during operations and optimising our energy usage framework. This has laid the core technical foundation for the Group to achieve routine low-carbon operations and realise its long-term vision of carbon neutrality. Furthermore, from an operational and management perspective, this green loan has further broadened the Group's funding channels, optimised its capital structure, and provided the financial impetus for the long-term green transition and sustainable development of the Group.

| Sustainable Water Resources and Pollution Control



Highlights | Green Construction Practices in the Mui Wo Sewage Collection System

Public sewage facilities are critical urban infrastructure that directly impact people's livelihoods. During the construction of the Mui Wo Sewage Collection System project, the Group integrated the principles of green construction, community integration and resource recycling into the project's lifecycle management, striving to set an industry benchmark whilst improving rural environmental hygiene on Lantau Island.

The Ma Po Tsuen and Luk Tei Tong areas of Mui Wo had no public sewerage facilities prior to this project. The project addressed local sewage treatment challenges through the expansion of the public sewerage collection system, benefiting approximately 1,100 village residents. As the contractor, we were responsible for the road construction and drainage works required for the project's sewage collection. The project intercepted sewage at source, completely replaced conventional septic tanks, and effectively prevented pollutants from infiltrating soil and water bodies while improving local public health and environmental quality.

As a key participant in this essential livelihood project, the Group was responsible for carrying out the following construction works, which have brought significant positive benefits to the local environment:

- **Construction of a sewage pumping house to address topographical challenges**
Taking into account the geographical characteristics of the Luk Tei Tong area, the Group participated in constructing a sewage pumping station with a design capacity of 365 cubic metres per day. This pumping station overcomes the challenges posed by the topographical gradient, ensuring that sewage can be transported stably and efficiently to downstream treatment facilities, thereby eliminating the risk of pollutants seeping into the soil and water bodies at source.
- **Establishment of a long-distance sewage system to improve public health**
The Group was responsible for constructing a sewage system with a total length of approximately 2.8 kilometres. Through this comprehensive underground network, dispersed pollution sources have been effectively intercepted and collected. The project will significantly improve local public health and create a cleaner and more liveable community environment.

The successful implementation of this sewerage collection project demonstrates the Group's capability in supporting governments' rural infrastructure improvement initiatives and represents a practical step in the Group's implementation of the "Environmental Protection" and "Community Inclusion" pillars of its ESG philosophy. By professionally undertaking such environmental infrastructure projects that are vital to people's livelihoods, the Group is making a tangible contribution to improving local water quality and sanitation, thereby promoting the safety of Hong Kong's water resources and the sustainable development of its ecological environment.



Extension of the Public Sewerage Collection System to Luk Tei Tong and Ma Po Tsuen in Mui Wo



Highlights

Sewage Treatment Plant Relocation Project Delivering Long-term Benefits to Surrounding Communities and the Environment

The Group participated in the "Ma On Shan Cavern Sewage Treatment Works" commissioned by the Hong Kong Drainage Services Department. With sustainable development as its core guiding principle, the project deeply integrated ecological conservation, community care and innovative construction to fulfil its ESG commitments throughout the project lifecycle.

The "Relocation of Sha Tin Sewage Treatment Works to Caverns" Project aims to relocate Hong Kong's largest secondary sewage treatment works, the Sha Tin Sewage Treatment Works, to caverns beneath Nui Po Shan at A Kung Kok. As the largest cavern development project currently underway in Hong Kong, the project involves constructing a principal cavern complex covering approximately 14 hectares, with a total volume reaching 2.3 million cubic metres. The aim is to provide accommodation for wastewater treatment facilities in subsequent phases of the project, delivering long-term benefits to the communities and environment of Sha Tin. The relocation not only addresses the issue of ageing facilities but also, through the natural barrier effect of the rock cavern combined with advanced odour control measures, eliminates the environmental nuisance caused by traditional open-air treatment plants to surrounding communities (particularly in the Ma On Shan area), thereby creating a higher-quality living space for residents.

The Group participated in the construction of the sewage pumping station for the project. As the critical hub between the surface collection network and the cavern treatment works, the structural stability of the sewage pumping station forms the foundation for ensuring the reliable treatment of sewage from the surrounding area in the future. We strictly adhered to construction standards to ensure the project's quality meets long-term operational requirements, thereby effectively safeguarding the continuity and reliability of the regional sewage treatment system and providing substantial support for maintaining the safety of surrounding water bodies and community hygiene.



Highlights

Comprehensive Upgrading and Green Redevelopment of the Island West Transfer Station

To continuously enhance the efficiency of municipal solid waste treatment in Hong Kong and respond to the community's high expectations regarding environmental hygiene, the Group, drawing on its profound experience in environmental infrastructure, participated in the key upgrading works for the Island West Transfer Station.

Located on the waterfront in Kennedy Town, the Island West Transfer Station has served the community for over 20 years since commencing operations in 1997. Faced with ageing facilities and rising public expectations regarding environmental protection, the Group actively collaborated with the EPD's upgrade programme. Through a series of targeted engineering works, the project aimed to eliminate the risks of leakage and odour posed by the outdated facilities, whilst unlocking the station's latent processing capacity. The core objective of the project was to ensure, through infrastructure upgrades, that the transfer station could continue to serve as a key hub within Hong Kong's waste management system, providing stable and high-quality public services.

The Group was responsible for executing critical site formation and foundation works. As the foundation of the entire transfer station facility, the quality of our engineering works directly impacts the stable operation of the subsequent heavy-duty compaction machinery and sealed container systems. Through precise measurements and high-standard foundation treatment, we have provided the ageing transfer station with a robust "new framework" and effectively enhanced the facility's structural safety and durability, providing a reliable physical support for the subsequent installation of advanced odour and wastewater control systems.

The smooth progress of this deep upgrading project demonstrates the Group's engineering expertise in addressing environmental challenges in high-density urban areas and represents a practical step in the Group's implementation of the environmental responsibility and community well-being pillars of its ESG philosophy.

| Development of Inclusive Infrastructure



Highlights | Advancement in the Upgrade of the Urban Public Lighting System

As a leader in Hong Kong's green infrastructure sector, the Group has consistently regarded enhancing the affordability, safety and sustainability of public infrastructure as a core mission. On 12 August 2025, Kaiser Construction Engineering Company Limited, a wholly-owned subsidiary of the Group, successfully won the tender for a street lighting project from the Hong Kong Highways Department and formally entered into the contract for the improvement of road light circuits in Kowloon City District. This project represents a concrete example of Wing Lee Development Construction's proactive response to the Hong Kong Government's initiatives to optimise urban infrastructure and enhance the efficiency of public financial resources. It aims to create a higher-quality and low-carbon lighting environment for residents of Kowloon City District through professional engineering management and technical optimisation.



Contract Signing Ceremony

The modernisation of public infrastructure in Kowloon City District, one of Hong Kong's traditional urban districts with a high population density, is of vital importance to the well-being of the community. The core works of the project include:

- **Comprehensive circuit replacement** Responsible for replacing up to 6,000 metres of existing conduits and electrical cables for street lighting circuits in Kowloon City District with new conduits and cables that comply with modern safety and energy efficiency standards.
- **System improvement works** Conducting related ancillary circuit improvement works to comprehensively optimise power transmission efficiency, thereby reducing electrical power losses and maintenance costs caused by ageing lines.

The Group integrates the concepts of "high cost-effectiveness" and "high reliability" throughout the entire project lifecycle, creating a safer, more energy-efficient and cost-effective modern urban environment for the residents of Kowloon City District. Specifically, the systematic renewal of ageing street lighting circuits will effectively reduce future expenditure on emergency repairs caused by circuit faults, while achieving dual savings in public energy resources and public funds by minimising electrical leakage and transmission losses. The installation of new conduits and cables will significantly enhance the safety of underground utility lines in older districts, prevent streetlight failures caused by heavy rainstorms or ageing infrastructure, ensure the long-term stability of public lighting in Kowloon City at night, and effectively safeguard the safety of pedestrians and traffic.



Street Lighting Circuit Improvement Works in Kowloon City District



Highlights

Deepening the Development of Hong Kong's Core Power Network to Deliver Efficient and Reliable Public Utility Services

As a leading infrastructure contractor in Hong Kong, Wing Lee Development Construction has long been committed to delivering cost-effective, highly reliable, and affordable infrastructure construction and maintenance services. In the field of electricity supply, which is closely linked to the daily lives of the public, the Group has specialised in core electrical and mechanical engineering projects, serving CLP Power Hong Kong Limited ("CLP") either directly or indirectly, which provides electricity to over 80% of Hong Kong's population. Through efficient project management and technical expertise, we have played an indispensable role in safeguarding the public's welfare by ensuring that the community has access to stable and high-quality electricity infrastructure services.

Leveraging outstanding construction capabilities, the Group has undertaken comprehensive electrical and mechanical engineering works across multiple key administrative districts in Hong Kong, establishing a dual-track strategic model of "direct contracting + subcontracting" . As the Group's core capabilities and business scale have grown, we have established a long-term construction partnership with CLP to comprehensively coordinate the infrastructure projects of certain power networks. We are committed to extending our high-standard infrastructure services to more regions, and our service network has covered densely populated residential and commercial areas such as Sham Shui Po, Wong Tai Sin, and Tsuen Wan. We have achieved a strategic transition from the "backbone subcontractor" to the "pioneering contractor".

The master agreements for electrical and mechanical engineering works that we have signed with key clients such as the CLP demonstrate our full-cycle service capabilities, ranging from infrastructure development to emergency maintenance:

- **Core engineering expertise** Wing Lee Development Construction possesses extensive technical expertise and practical experience in cable trench excavation, cable laying and cable jointing works, ensuring the accurate and safe installation of underground power networks.
- **24-hour emergency repair capability** In response to unforeseen incidents affecting urban infrastructure, the Group is fully equipped to provide emergency response and repair services for cable faults. We can respond immediately and rectify cable faults in areas such as Sham Shui Po, Wong Tai Sin and Tsuen Wan, thereby minimising the impact of power disruptions on the daily lives of residents and commercial operations.

By closely integrating "Efficient Construction" with "Emergency Support", the Group has effectively reduced the operational and maintenance costs of public infrastructure. Looking ahead, the Group will continue to leverage its core strengths in electrical and mechanical engineering and maintenance services to provide high-quality infrastructure that supports Hong Kong's public well-being and economic development.



Site of Electrical Cable Laying Works in Tsuen Wan District

EXCELLENCE IN DELIVERY AND PROTECTION OF CLIENT INTERESTS

| Lean Engineering Quality and Meticulous Safety Management

Since its establishment, the Group has accumulated extensive professional knowledge and experience across a wide range of construction services, including site formation works in civil engineering, road and drainage works, cable trench excavation, laying and jointing in electrical and mechanical engineering, and solar photovoltaic projects. It has consistently regarded engineering quality and standards as the cornerstone of its services. We are committed to maintaining high-quality standards across all engineering projects and are dedicated to providing clients with premium and reliable infrastructure services.

During the Reporting Year, the Group strictly complied with all applicable laws and regulations relating to the products and services it provides, including but not limited to:

- The Buildings Ordinance (Cap. 123 of the Laws of Hong Kong); and
- The Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong).

● Engineering Quality and Safety Management

To enhance its information technology capabilities and improve project implementation efficiency, the Group actively promotes smart construction sites and digital transformation, having comprehensively introduced an Enterprise Resource Planning system (the "**ERP system**") that integrates core modules such as centralised transactions, inventory management, project management and human resources management. Furthermore, all of the Group's project companies have implemented a quality management system certified under ISO 9001:2015 and have established the Engineering Supervision and Management System to ensure that every procedure, from project planning and construction to completion inspection, fully meets clients' quality requirements.

To extend the quality and safety control network to every construction site, the Group assigns at least one resident site representative to each project. The representative is responsible for real-time communication with clients and subcontractors on site, coordinating mutual requirements and resource allocation, and facilitating effective communication between teams to promptly identify and resolve any reported or potential issues and risks relating to project quality, occupational health and safety, and the environment. With regard to project progress management, the Operations Department or the Engineering Department updates the project construction schedule on a weekly basis, meticulously recording the actual progress of the project, the planned construction period, and details of the corresponding construction tasks or phases during that period. Should any significant discrepancies be identified, the management will promptly activate corrective measures to follow up on the matter and make detailed annotations in the schedule to ensure that the relevant issues have been properly resolved. To maintain strict oversight of workmanship delivered by workers and subcontractors, project managers and site foremen conduct daily site inspections. Subcontractors' work quality is incorporated into the Group's unified quality control system, and where work fails to meet acceptance standards, subcontractors are required to carry out rectification works to ensure compliance with minimum quality requirements.

The Group consistently adheres to high standards in the execution of public projects it undertakes and has established a refined quality governance system. With regard to subcontractor management, the Group continuously monitors the construction quality of subcontractors and proactively identifies deviations in workmanship through mechanisms such as scoring and interviews. Where performance fails to meet standards or deficiencies are identified, the management team will intervene promptly to coordinate corrective actions. Subcontractors that fail to achieve the required improvements within the specified timeframe are decisively eliminated and replaced to safeguard project delivery quality at source. The Group also implements stringent closed-loop quality control over engineering materials procured. Dedicated quality inspectors carry out rigorous inspections upon delivery, and any materials failing to meet the required standards are rejected and returned, and relevant suppliers are replaced where appropriate. The Group's comprehensive engineering management system has effectively enhanced operational efficiency and reinforced its reputation for delivering high-quality projects.

During the Reporting Year, the Group deployed the 4S Smart Site Safety System Platform across all its engineering projects, deeply integrating advanced IoT sensor technologies, AI image recognition and a comprehensive digital management platform into the day-to-day operations of construction sites to achieve the digitalised and intelligent safety management of construction sites. The platform encompasses functions such as 24-hour site surveillance, machinery and vehicle management, AI recognition, personnel safety monitoring, a centralised alarm centre and project data display boards, enabling the full lifecycle digital management of core site assets and workers. The 4S Smart Site Safety System Platform not only ensures that construction processes comply with relevant standards but also helps mitigate engineering risks arising from human error or equipment failure, reducing the likelihood of work stoppages and rework caused by safety incidents or construction deviations, thereby scientifically enhancing project quality.

During the Reporting Year, the Group did not receive any significant complaints regarding the health and safety of its products and services, nor was it aware of any serious breaches of relevant laws and regulations that would have a material adverse impact on the Group's reputation, financial position or operations.

● Client Service Management

The Group also places great importance on clients' rights and stakeholder communication. Under its Sales to Collection Management System, comprehensive client and third-party feedback and closed-loop complaint handling processes have been established to ensure that relevant departments thoroughly investigate issues, identify root causes, monitor complaint resolution, and maintain appropriate coordination, communication, and responses with all relevant parties involved. With regard to construction projects carried out in public areas, the Engineering Department strictly implements requirements for civilised construction practices. It proactively displays feedback hotlines and contact details in prominent locations on construction sites, actively solicits feedback from local communities, and makes timely improvements based on feedback from clients and third parties. This minimises potential disruption to neighbouring residents caused by construction works, thereby enhancing the Group's service quality. During the Reporting Year, the Group did not receive any material complaints regarding its products and services.

Given that the Group's businesses primarily comprise engineering services rather than product manufacturing, the disclosure requirements relating to the percentage of products sold or delivered that were subject to recalls for safety and health reasons, together with the related recall procedures, are not applicable to the Group.

| Data Security and Privacy Protection

The Group regards the maintenance of data security and the protection of stakeholders' privacy as a core commitment to fulfilling product responsibility, safeguarding the rights and interests of clients and employees, and strengthening corporate data governance. To ensure the secure, reliable and efficient operation of information systems, the Group has established the Information Technology Management System. In day-to-day operations, we actively build an information security defence system covering the entire system lifecycle and regularly review the effectiveness of the implementation of various policies and protective measures. When handling the personal data of employees and clients, we require all employees to exercise the utmost care to ensure compliance with the Personal Data (Privacy) Ordinance.

During the Reporting Year, the Group systematically implemented comprehensive data governance and privacy protection measures centred on two key dimensions of "technical defences" and "management controls". We strictly adhere to the core security principles of "least privilege" and "separation of duties" in implementing dynamic access controls. Through robust internal administrative processes, we ensure that only specific and formally authorised personnel may access sensitive data, and we have established mandatory password security policies and authentication mechanisms to mitigate the risk of unauthorised access at source. The Group deploys enterprise-grade firewalls and intrusion prevention systems at the network perimeter, implements routine system patch management and real-time virus protection, and carries out regular automated internal network backups of core business systems. This provides comprehensive protection for the physical and network security of end-user devices and server environments, ensuring data integrity and service continuity. Furthermore, we have established a rigorous software licensing and authorisation management mechanism, complemented by standardised procedures for the disposal of data storage media, to prevent sensitive information from remaining on decommissioned hardware. The Group also regularly conducts operational training and briefings on privacy protection policies to enhance all employees' understanding of and ability to comply with data processing standards, fostering a strong governance culture within the organisation based on the principle that "data security protection is everyone's responsibility", thereby comprehensively establishing a robust foundation for data governance.

In line with the digital transformation of our business operations, the Group has fully implemented the 4S Smart Site Safety System Platform. Where the system processes frontline workers' biometric data (including facial recognition data for attendance purposes), real-time geolocation and movement tracking data, and sensitive health indicators such as heart rate and body temperature, the Group places the highest priority on protecting personal privacy by implementing six key layers of protection: data minimisation, end-to-end encryption, multi-level role-based access control, comprehensive organisational data segregation, stringent password security protocols, and high-standard storage security together with penetration testing, thereby ensuring full compliance with the core requirements of the Personal Data (Privacy) Ordinance of Hong Kong.

During the Reporting Year, the Group was not aware of any breaches of data privacy or data security, nor of any breaches of laws and regulations relating to the operation of the 4S Platform, nor of any significant client complaints.

| Responsible Marketing and Brand Reputation

The Group conducts only limited advertising and promotional activities and therefore faces no significant advertising-related risks. Nevertheless, when marketing its products and services, the Group subjects all promotional materials to rigorous review and oversight to ensure that they are fully compliant with applicable laws and regulations concerning product advertising and labelling in Hong Kong and accurately reflect the actual quality and content of its products and services.

ENVIRONMENTAL PROTECTION: LOW-CARBON EMISSIONS AND GREEN COEXISTENCE

The Group fully recognises the importance of environmental protection to its sustainable development and remains committed to integrating green management into its daily operations, striving to minimise the potential environmental impacts of its business activities.

We strictly implement and comply with all applicable laws and regulations concerning emissions of air pollutants and greenhouse gases, discharge of effluent, soil protection, and the treatment of hazardous and non-hazardous waste. During the Reporting Year, the Group was not aware of any material non-compliance with relevant environmental laws and regulations, nor any related litigation or penalties that had a material adverse impact on the Group's operations.

The principal laws and regulations governing the Group's construction and project management activities include, but are not limited to:

- The Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong);
- The Noise Control Ordinance (Cap. 400 of the Laws of Hong Kong);
- The Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong); and
- The Water Pollution Control Ordinance (Cap. 358 of the Laws of Hong Kong).

Adhering to the principle of "control at source" in reducing emissions, the Group actively develops a low-carbon operating model, proactively identifies environmental risks, reduces resource consumption, prevents environmental pollution and continuously improves environmental performance. The Group's environmental management system has been certified under ISO 14001:2015, covering its core business operations, including civil engineering construction, building construction and maintenance, trench excavation, and utility installation works. In addition, we extend green management to our supply chain. Through rigorous systems and procedures, we strengthen oversight of site workers and subcontractors, working together to reduce the carbon footprint across the value chain during construction and day-to-day operations.

As a main contractor in civil engineering, the Group formulates a dedicated environmental management plan for each project prior to commencement, clearly defining the environmental protection duties, responsibilities and accountabilities of personnel at all levels. Each project is supported by a dedicated environmental management team responsible for continuously monitoring the implementation and effectiveness of the plan and various carbon reduction measures. The Plan is also reviewed and updated regularly in response to regulatory developments and operational changes to ensure its continued relevance and compliance. When acting as a subcontractor, the Group also actively responds to and cooperates with environmental initiatives and management arrangements led by the main contractor.

EMISSION CONTROL AND REDUCTION AT SOURCE

| Carbon Footprint Tracking and Emission Reduction Practices

The Group recognises the urgency of addressing global climate change and conducts regular inventories and measurements of its GHG emissions.

During the Reporting Year, the Group's direct GHG emissions (Scope 1) primarily arose from the consumption of petrol and diesel by private cars and trucks, as well as diesel consumption by construction machinery and equipment. Indirect energy GHG emissions (Scope 2) stemmed from electricity consumption during daily operations, while other indirect GHG emissions (Scope 3) arose from business activities including waste generated in operations, fuel- and energy-related activities not included in Scope 1 or Scope 2, and carbon emissions from business travel.

The table below sets out the Group's GHG emissions data for the Reporting Year¹:

	Unit	Year 2025/26
Scope 1 GHG Emissions	tCO₂e	1,145.9
Petrol and Diesel Consumption by Private Cars and Trucks	tCO ₂ e	121.1
Diesel Consumption by Construction Machinery and Equipment	tCO ₂ e	1,024.8
Scope 2 GHG Emissions	tCO₂e	119.8
Purchased Electricity	tCO ₂ e	119.8

¹ The calculation of GHG emissions data is based on the following references, including but not limited to: the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard published by the World Resources Institute and the World Business Council for Sustainable Development, the global warming potential values from the Sixth Assessment Report issued by the Intergovernmental Panel on Climate Change, How to Prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs published by the Stock Exchange, and the ESG Data Hub released by CLP Holdings Limited.

	Unit	Year 2025/26
Scope 3 GHG Emissions	tCO ₂ e	351.7
Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	tCO ₂ e	328.8
Category 5: Waste Generated in Operations	tCO ₂ e	15.3
Category 6: Business Travel	tCO ₂ e	7.6
Total GHG Emissions (Scope 1 & Scope 2)	tCO ₂ e	1,265.7
Total GHG Emissions (Scope 1, Scope 2 & Scope 3)	tCO ₂ e	1,617.4
Total GHG Emission Intensity (Scope 1 & Scope 2)	tCO ₂ e/HKD Million Revenue ²	2.0

The Group has consistently regarded the reduction of GHG emissions as the centre of its environmental management. Drawing on previous emissions reduction practices and the operational conditions during the Reporting Year, we have established a clear phased climate target: with the Year 2024/25 as the baseline year, we will maintain or reduce total GHG emissions intensity (Scope 1 and Scope 2) within five years. We have also established a regular review mechanism to dynamically track the progress of various emission reduction measures and assess the achievement of our climate targets in a timely manner.

². In Year 2025/26, the Group's revenue amounted to approximately HKD 620,321,000, which is used for calculating the emissions intensity.

Environmental, Social and Governance Report

To achieve the above climate targets, the Group has comprehensively implemented a green management policy, embedding low-carbon principles into construction works, business transformation and daily office operations. Specific environmental protection measures include, but are not limited to:

- **Promoting the Low-carbon Transition of Equipment**

Since 2023, the Group has proactively commenced the gradual replacement of conventional construction equipment with new energy equipment, actively substituting clean energy for non-renewable energy sources. This reduces operational reliance on fossil fuels at source and effectively lowers direct carbon emissions from construction sites.

- **Strengthening Site and Supply Chain Management**

The Group ensures that its operations fully comply with environmental laws and regulations, client specifications and the industry's best practices; regularly assesses the potential environmental impacts and risks of its business activities, products and services; and ensures that all subcontractors and their workers strictly adhere to the Group's environmental policy and site rules.

- **Promoting Energy Efficiency and Green Office Practices**

- **Green transport**

We encourage employees to prefer public transport for daily commuting and business travel and work together to reduce transport-related carbon emissions.

- **Electricity conservation**

The Group actively works to comprehensively reduce Scope 2 (electricity consumption) GHG emissions during operations through measures such as implementing refined energy management in offices and operational premises, introducing smart lighting systems, and procuring energy-efficient products (for specific green energy and electricity-saving management measures, please refer to the "Smart Energy and Energy Efficiency" section of the Report).

- **Waste reduction at source and resource conservation**

We actively foster a green corporate culture by regularly providing training on the implementation of digital and intelligent systems; we advocate for paperless approval processes and digital office practices, and encourage employees to print on both sides of the paper; and, we urge employees to consciously conserve water in daily operations and avoid wasting drinking water (for specific energy, water and waste management measures, please refer to the relevant sections below).

During the Reporting Year, the Group made substantial progress in advancing its green and low-carbon transition and implementing energy conservation and emissions reduction measures. Benefiting from optimised energy management on construction sites and the application of new energy technologies, the Group's total GHG emissions decreased by 3.6%, demonstrating our firm commitment to controlling our absolute carbon footprint at the operational level.

Due to the macroeconomic environment, cyclical fluctuations in the construction industry and the Group's business transformation and restructuring, GHG emissions intensity, measured by operating revenue, increased by approximately 11.3 % year-on-year. The Group will continue to adjust its business development strategy, further optimise its internal carbon emissions accounting and energy consumption indicator systems, and gradually integrate digital monitoring and refined resource allocation into all projects. Whilst ensuring the stability of our operations, we will continuously review and dynamically assess the appropriateness of our medium- to long-term emission reduction targets in light of actual business developments and market conditions.

| Proper Management of Air Emissions

Our daily operations involve extensive civil engineering and on-site construction activities. Construction dust or fugitive dust is inevitably generated during processes such as demolition, drilling, foundation excavation, or the breaking up of rock and man-made hard materials. In addition, the fuel consumption of the Group's construction machinery, equipment, private cars and trucks used in daily operations also leads to the emissions of air pollutants such as nitrogen oxides (NOx), sulphur oxides (SOx), carbon monoxide (CO) and particulate matter (PM).

The Group strictly monitors the fuel consumption of its operational vehicles and regularly assesses air emissions based on fuel consumption records and standard emission factors. During the Reporting Year, we further refined the accuracy of our data collection and carbon emissions accounting by including the Group's off-road construction machinery and equipment within the scope of our calculations.

The table below sets out the air emissions data from the fuel consumption of the Group's road vehicles during the Reporting Year³ arising from fuel consumption by its own road vehicles and the operation of off-road construction machinery and equipment:

3. The air emissions data were calculated with reference to How to Prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs published by the Stock Exchange and the Air Pollutant Emission Inventory Guidebook 2023 issued by the Co-operative Programme for Monitoring and Evaluation of the Long-range Transmission of Air Pollutants in Europe. Due to data availability constraints, these figures do not include dust emissions during construction or exhaust emissions generated by the operation of off-road construction machinery and equipment. The Group will continue to optimise its data collection mechanisms and actively promote comprehensive coverage of quantifiable management areas.

	Unit	Year 2025/26
Petrol and Diesel Consumption by Private Cars and Trucks		
Nitrogen Oxides (NOx)	kg	132.8
Sulphur Oxides (SOx)	kg	0.7
Particulate Matters (PM)	kg	11.8
Diesel Consumption by Construction Machinery and Equipment		
Nitrogen Oxides (NOx)	kg	10,764.0
Carbon Monoxide (CO)	kg	3,554.2
Particulate Matter (PM)	kg	694.1

To balance business development with the protection of air quality in surrounding communities, the Group implemented a range of targeted frontline management measures during the Reporting Year to address different sources of air emissions.

● Source Control of Construction Dust (Fugitive Dust)

- Smart spray for dust suppression

The Group has equipped construction sites with silent, high-pressure electric sprayers. During high-dust-generating processes such as excavation and ground breaking, site workers precisely adjust the spray angle and the system automatically activates the water spray to suppress dust at source, thereby effectively preventing the spread of dust and maintaining good air quality at the construction site and in the surrounding areas.

● Management of Exhaust Emissions from Construction Machinery and Vehicles

- Promoting the green upgrade of equipment and vehicles

We continuously increase investment in environmentally friendly vehicles and clean energy by progressively replacing conventional fuel-powered vehicles with electric vehicles to actively reduce petrol and diesel consumption.

We also increase investment in environmentally friendly construction machinery, procuring new eco-friendly machinery and new energy equipment from accredited suppliers to replace traditional machinery. Whilst meeting the operational requirements of our engineering projects, we gradually reduce our reliance on non-renewable energy sources to fundamentally reduce exhaust emissions and carbon emissions.

- Improving fuel efficiency

We establish regular maintenance and inspection mechanisms, and carry out routine upkeep and monitoring of the Group's vehicle fleet to ensure they remain in optimal operating condition, thereby preventing additional exhaust emissions caused by reduced mechanical performance or fuel efficiency.

We actively encourage employees to plan their driving routes before travelling in order to minimise unnecessary fuel consumption resulting from traffic congestion or extended journey times.

We continually encourage employees to choose public transport for their daily commuting.

SMART ENERGY AND ENERGY EFFICIENCY

The Group fully recognises that energy management is a core step in achieving its low-carbon transition. Our energy consumption is primarily divided into direct and indirect energy consumption: direct energy consumption mainly arises from the petrol and diesel required to power our operational vehicles, as well as the petrol and diesel consumed by engineering machinery at construction sites. Indirect energy consumption, on the other hand, primarily arises from the purchased electricity used in the daily operations of our offices and construction sites. Apart from the energy sources described above, the Group's business operations and construction activities do not involve the use of other fuels such as town gas, natural gas or liquefied petroleum gas.

The Group has established a comprehensive energy data collection and inventory mechanism to regularly record and analyse fuel and electricity consumption and assess energy efficiency across individual construction projects.

The table below sets out the Group's energy consumption data within the Reporting Year:

	Unit	Year 2025/26
Direct Energy Consumption	MWh	4,634.9
Petrol and Diesel Consumption by Private Cars and Trucks	MWh	450.8
Diesel Consumption by Construction Machinery and Equipment	MWh	4,184.1
Indirect Energy Consumption	MWh	352.4
Purchased Electricity	MWh	352.4
Total Energy Consumption	MWh	4,987.3
Total Energy Consumption Intensity	MWh/HKD Million Revenue	8.0

To demonstrate our commitment to resource efficiency, the Group has established a clear energy conservation target: with the Year 2024/25 as the baseline year, we will maintain or reduce total energy consumption intensity within five years (i.e., by Year 2030).

The Group adopts a dual-track strategy combining green hardware replacement and enhanced energy efficiency management. On the one hand, we actively promote the low-carbon transition of operational transport and construction machinery to substantially reduce fossil fuel consumption and the associated direct GHG emissions at source. On the other hand, we strengthen refined energy management in our daily operations to improve electricity efficiency comprehensively.

The key initiatives implemented by the Group during the Reporting Year are as follows:

Promoting the Adoption of Clean Energy for Construction Equipment and Vehicles

- **Expanding the green fleet**

During the Reporting Year, the Group purchased 14 new-energy vehicles, bringing the total number of new-energy vehicles for office purposes to 27 and significantly increasing the proportion of environmentally friendly vehicles within its business fleet.
- **Introducing low-carbon heavy machinery**

To further reduce emissions on construction sites, we have also continued to introduce electric excavators and other heavy machinery into frontline operations. The green hardware replacement initiative has already begun to yield positive results. It not only significantly reduces reliance on diesel during construction processes but also effectively controls emission intensity in operational processes.

Improving Electricity Efficiency on Construction Sites and in Office Premises

- **Implementing green procurement policies**

When purchasing or replacing electrical appliances for temporary facilities on construction sites and in office premises, we strictly adhere to green procurement policies, and prefer energy-efficient appliances and LED lighting with high energy efficiency ratings, to improve electricity efficiency at the hardware level.
- **Refined energy management in offices**

Raising energy-saving awareness: Energy-saving reminders are prominently displayed throughout offices and operational sites, while regular environmental awareness campaigns encourage employees to switch off idle or unused office equipment, lighting systems and computers promptly, reducing unnecessary electricity consumption.

Smart temperature control and energy efficiency management: We implement intelligent temperature management for office air-conditioning systems, and maintain indoor temperatures uniformly within an environmental-friendly and comfortable range. This guides employees to adopt low-carbon energy consumption habits and strictly controls unnecessary electricity consumption.

Actively Promoting the Use of Renewable Energy in Society

The Group has actively installed rooftop solar photovoltaic panels within its Zero Carbon Smart Space and fully participated in Hong Kong's "Feed-in Tariff" Scheme. During the Reporting Year, the project generated a cumulative total of 17,016 kWh of photovoltaic electricity, all of which was fed into the grid. Through flexible energy regulation mechanisms, the park has not only achieved the smart allocation and efficient external supply of green electricity but has also, through concrete actions, increased the proportion of renewable energy in Hong Kong's energy mix, thereby fulfilling the Group's low-carbon commitment to promoting the green transition of the society's energy structure.

In terms of energy management and efficiency improvement, the Group actively promoted green construction sites and refined energy allocation during the Reporting Year. Benefiting from strict controls over electricity and fuel consumption on project sites, the Group's total energy consumption decreased by 4.8% year-on-year, reflecting the tangible effectiveness of its energy conservation measures at the operational level.

However, due to cyclical market fluctuations and changes in revenue arising from business transformation, energy consumption intensity recorded a structural increase of 10.0%. Looking ahead, we will optimise our performance indicator framework and accelerate the transition towards a new energy ecosystem to enhance our green resilience to market fluctuations.

RESOURCE CONSERVATION AND RECYCLING

This section primarily discloses the Group's consumption of water resources, office paper and other operational resources, together with the corresponding management measures. Given the nature of the Group's business as a main contractor and subcontractor, our operational and construction processes do not involve the use of any packaging materials.

Please refer to the table below for the Group's resource consumption data during the Reporting Year:

	Unit	Year 2025/26
Total Water Consumption	m ³	3,935.0
Total Water Consumption Intensity	m ³ /HKD Million Revenue	6.3
Office Paper Consumption	Tonne	3.1

| Lean Water Resource Management

The conservation and efficient use of water resources are environmental issues of global concern. Water used in the Group's operations and construction projects is entirely from the municipal water supply network. Owing to the geographical location of our operations, we have not encountered any difficulties in securing suitable water sources. In addition, to address water security risks associated with climate change, the Group has established a clear phased target:

With the Year 2024/25 as the baseline year, we will maintain or reduce total water consumption intensity within five years.

To achieve this target, we have implemented the following refined water conservation measures:

- **Refined management of construction sites**

The Group has strengthened routine inspection and maintenance of water-using facilities at construction sites and office premises. Whenever faults or leakages are identified in water supply facilities or pipelines, the responsible personnel are required to notify qualified technicians immediately for repair.
- **Enhanced promotion of water conservation and environmental protection**

We actively promote the importance of water conservation to all employees and subcontractors. Water-saving signage is displayed in key water-consuming areas to guide employees in adhering to the principles of "water conservation and efficient use", thereby reducing unnecessary water consumption in daily operations and construction activities.
- **Synergy between water conservation and carbon reduction**

Office employees are encouraged to practise water-saving behaviours comprehensively; this measure not only directly reduces water consumption but also indirectly lowers electricity consumption associated with municipal water supply and wastewater treatment processes, thereby achieving dual reductions in water use and carbon emissions.

During the Reporting Year, the Group's total water consumption increased by 50.0% compared with the previous reporting year, and its water consumption intensity, calculated per unit of operating revenue, increased by 73.3%. The increase in this indicator stems primarily from the combined effect of the inelastic demand arising from business expansion and the refinement of statistical boundaries. As the number of core projects undertaken by the Group has increased, the baseline water demand for daily operations has risen accordingly.

During the Reporting Year, the Group relocated to a new and more spacious office building, and its newly constructed zero-carbon smart space officially commenced operations. The increase in the number of permanent employees has led to a reasonable rise in office water consumption. Furthermore, the new office premises have fully implemented independent sanitary facilities, and the associated routine water consumption is now directly included in the Group's own water meter readings. This has enabled the complete and accurate reflection of consumption that was previously borne collectively by the building's property management and could not be itemised separately, resulting in a technical, phased increase in statistical data.

The Group fully recognises the importance of resource recycling. As the operation of our Zero Carbon Smart Space and new office premises gradually gets back on track, the Group will further refine its water management practices at office premises and construction sites. We will achieve this by strengthening the maintenance and inspection of water-using equipment, strictly preventing leaks and wastage, promoting water-efficient fixtures, and implementing routine monitoring of energy consumption data. In addition to diversifying and expanding its business, it will continue to optimise the efficiency of water resource utilisation, achieving a harmonious balance between business expansion and environmental protection.

| Green Office and Digital Intelligence Operation

The Group actively promotes a green office culture by closely integrating "waste reduction at source" with "digital intelligence transformation", striving to reduce office paper consumption. Through a two-pronged approach combining operational process optimisation and employee behavioural guidance, we have implemented the following key management measures:

- **Comprehensively Promoting Digital and Paperless Office Practices**

Launching digital and intelligent systems: During the Reporting Year, the Group actively introduced and upgraded its internal digital and intelligent office systems, implementing electronic approval and cross-departmental collaboration processes to gradually replace traditional paper-based documents and approval procedures. We have now successfully integrated the entire process from procurement to finance, achieving the online deployment and interconnection across human resources, finance and procurement modules, thereby significantly reducing paper usage throughout the entire process.

Providing training on digital systems: We also provide employees with regular training on the operation of digital systems to enhance cross-departmental online collaboration and reduce reliance on paper documents at source.

Promoting the digitisation of document management: We advocate replacing paper meeting handouts with electronic meeting materials to reduce unnecessary photocopying in daily office work.

- **Promoting Circular Economy and Green Culture**

Promoting environmentally friendly procurement: When purchasing office supplies, we prioritise FSC-certified recycled paper, including office printing paper and toilet paper.

Efficient paper use and recycling: We post reminders next to printing equipment in the office to set the default to double-sided printing; encourage employees to sort and collect waste office paper generated daily and reuse it as much as possible while ensuring information security, thereby effectively improving the reuse rate of office resources.

Use of green office supplies: The use of disposable office supplies is minimised throughout the workplace, with reusable office materials adopted wherever practicable. For example, offices are uniformly equipped with recyclable bamboo fiber tissue boxes, and employees are actively encouraged to foster low-carbon office habits by using reusable drinking containers (such as glass cups).



Highlights | Opening and Launch of Zero and Low-Carbon Projects — A Model of Sustainable Event Management

The Group is committed not only to energy conservation and emissions reduction in its daily operations, but also to actively supporting Hong Kong's strategic transition towards a green and low-carbon future. During the Reporting Year, the Group jointly hosted the Launch Ceremony of the Zero Carbon Smart Alliance and the Opening Ceremony of the Zero Carbon Smart Space with SANY Group and CATL, demonstrating the Group's commitment to supporting Hong Kong's development as a green technology demonstration base.

To put the "zero-carbon" philosophy into practice and ensure the event fully met the high standards of environmental protection and low-carbon office practices, the Group implemented the following green meeting arrangements during the organisation of the opening ceremony and throughout the event:

- Full implementation of the "plastic-free" drinking water initiative**

Conventional bottled water in plastic containers was not provided at the event. Instead, reusable glass cups and environmental-friendly disposable paper cups were used throughout, eliminating plastic waste at source and demonstrating the Group's commitment as an environmental leader.
- Promoting the circular economy and environmental-friendly materials**

To mark the opening of the facility, the Group specially produced and distributed reusable eco-friendly tote bags. Recyclable tissue boxes and the Zero Carbon Smart Space Initiative printed on environmental-friendly paper were also provided throughout the venue to promote a low-carbon culture centred on waste recycling and reduction.
- Practicing green travel**

In support of the Government's policy direction for green transport and to reduce transport-related carbon emissions from individual vehicle journeys, guests were encouraged in the invitation to use public transport wherever possible. In addition, we arranged dedicated coach services for return transfers across the city; through this model of collective travel, we effectively reduced the event's carbon footprint across the value chain.

Looking ahead, the Group will continue to seize opportunities for green transition, promote the application of new energy technologies, and contribute to Hong Kong's goal of achieving carbon neutrality by 2050.



Group Photo of Guests Holding the Zero Carbon Smart Space Initiative Printed on Environmental-Friendly Paper

WASTE REDUCTION AND RECYCLING

The Group, in strict accordance with the Waste Disposal Ordinance of Hong Kong and relevant guidelines issued by the EPD, conducts systematic sorting and compliant disposal of waste generated from business operations and construction sites. Adhering to the principles of "waste reduction at source, waste separation for recycling, and compliant disposal", we actively promote waste reduction awareness among all employees in order to minimise the environmental impacts of the Group's operations.

| Compliant Treatment of Hazardous Waste

Given the nature of the Group's core civil engineering business, no hazardous waste with significant environmental impacts is generated directly during construction or operation activities. However, in line with our commitment to continuously enhancing ESG governance and improving the transparency of environmental disclosures, the Group further expanded the statistical and identification boundaries of its environmental data during the Reporting Year by incorporating the quantitative reporting of small quantities of hazardous waste generated from daily office operations and administrative support activities, primarily including spent printer consumables and end-of-life electronic equipment. In addition, we continue to closely supervise the management of waste batteries and waste oil generated from the maintenance of construction vehicles and machinery.

The table below sets out the data on hazardous waste generated by the Group's daily office operations during the Reporting Year:

	Unit	Year 2025/26
Discarded Toner Cartridges	Unit	40
Discarded Ink Cartridges	Unit	8
Electronic Equipment (including monitors, host computers, switches, and firewalls)	Unit	18

The Group has implemented strict sorting procedures and a 100% compliant disposal process for the above hazardous waste:

- Administrative office consumables**

For toner cartridges, ink cartridges and obsolete electronic equipment replaced during daily office operations, the Group maintains detailed records to track quantities accurately. All such items are handed over in full to qualified third-party recyclers with the appropriate credentials for resource recovery and recycling or safe disposal, ensuring they are diverted from the municipal landfill system.
- Engineering equipment maintenance materials**

Waste batteries and waste oil generated from construction machinery are managed under the Group's established arrangements. Qualified third-party service providers are responsible for collecting and properly disposing of these materials during the routine maintenance and inspection of vehicles and machinery. As these materials are taken away and disposed of directly by suppliers during maintenance, the Group currently focuses on maintaining strict on-site compliance oversight. In the future, we will gradually explore ways to strengthen data sharing with maintenance suppliers to improve the management of environmental boundaries for hazardous waste across the value chain.

Recycling of Non-hazardous Waste

Non-hazardous waste generated from the Group's daily operations primarily comprises construction waste and routine office wastepaper.

The table below sets out the non-hazardous waste generated from the Group's daily office operations during the Reporting Year:

	Unit	Year 2025/26
Construction Waste	Tonne	11,645.0
Waste Office Paper	Tonne	3.1
Total Amount of Non-hazardous Waste Generated	Tonne	11,648.1
Total Non-hazardous Waste Generation Intensity	Tonne/HKD Million Revenue	18.8

Environmental, Social and Governance Report

To minimise the environmental impact of solid waste generated from business operations, the Group has established a clear phased waste reduction target:

With the Year 2024/25 as the baseline year, we are committed to maintaining or reducing the total non-hazardous waste generation intensity within five years.

To achieve this target, the Group has implemented the following refined management measures for non-hazardous waste in accordance with the Project Supervision and Management System:

- **Accurate material budgeting at source**
Prior to the commencement of a construction project, rigorous reviews and precise calculations of construction materials are carried out to ensure the rational allocation of resources required for the project, thereby preventing unnecessary construction waste arising from material surpluses at source.
- **Implementation of on-site segregation and charging mechanisms**
We strictly adhere to the "Construction Waste Disposal Charging Scheme" of the EPD to implement responsible waste management. Construction waste generated on site is collected centrally and transported in its entirety by authorised professional waste service providers to designated landfills or recycling facilities for proper disposal, thereby enhancing the recycling of reusable materials.
- **Promotion of waste sorting and recycling among all employees**
We continuously carry out environmental education for all employees, and guide site workers, subcontractors and office personnel to sort reusable and recyclable materials (such as scrap metal and timber) on-site for collection and recycling by the main contractor or specialist recyclers.
- **Back-end wastepaper recycling network**
In line with our office-based waste reduction at source policy, we actively encourage employees to sort waste documents and non-confidential drawings generated in their daily work. All collected wastepaper is channelled into the recycling systems of office buildings or residential estates, where it is processed for recycling through social resource recycling networks. This enhances the reuse rate of solid resources and minimises the volume of solid waste sent to landfill as much as possible.

During the Reporting Year, the total non-hazardous waste generation of the Group fluctuated, and the non-hazardous waste generation intensity, calculated per unit of operating revenue, increased by 27.9% year-on-year.

Assessment results indicate that the increase in construction waste this year was primarily attributable to accelerated progress on certain core projects within the Group's main business operations—which involve substantial earthworks and foundation engineering—leading to a rise in the weight of inert construction waste. As this type of inert waste is primarily disposed of at public fill reception facilities or landfill sites, and its physical and chemical properties are highly stable, it does not generate additional GHG emissions through decomposition. Accordingly, it has not had any material adverse impact on the Group's overall carbon reduction performance or climate outcomes.

With regard to office resource consumption, the Group's headquarters has actively implemented digitalised workflows, leading to a substantial reduction in daily paper consumption at the headquarters, with the benefits of paperless office initiatives beginning to emerge. However, as the Zero Carbon Smart Space was officially commissioned during the year, there was a temporary increase in paper demand during the operational commissioning phase, the establishment of administrative systems, and the printing of green and low-carbon promotional materials.

In response, the Group strictly adheres to its green procurement policy, ensuring that all new paper requirements are met exclusively with paper that complies with environmental standards. This measure, whilst meeting the needs of new site launches, minimises the consumption of natural forest resources to the greatest extent possible, demonstrating the Group's meticulous management of resource recycling. The Group will continue to uphold the principles of waste reduction at

source and resource recycling, whilst actively exploring the on-site recycling of inert materials. Furthermore, as the Zero Carbon Smart Space enter routine operation, the Group will actively replicate the proven paperless office practices of its headquarters, making greater use of electronic brochures and digital media for green and low-carbon promotional activities. This will minimise the volume of physical printing at source, thereby achieving even greater efficiency in resource utilisation.

LIFECYCLE ENVIRONMENT MANAGEMENT

The Group recognises that civil engineering and construction activities create value for society, but may also have potential impacts on the surrounding ecological environment, community well-being and natural resources. We are committed to integrating environmental protection frameworks into our daily operations and project management throughout the entire project lifecycle.

As outlined earlier in the Report, the Group has established an ISO 14001:2015-certified environmental management system. Prior to the commencement of each engineering project, we conduct dynamic monitoring of various environmental risks under the Environmental Management Plan and through a dedicated project environmental management team. This rigorous management framework not only covers the management of GHG emissions and resource consumption, but also extends to the comprehensive management of construction noise, fugitive dust and the ecological environment and natural resources.

In support of the Group's green operations strategy, in addition to its GHG emission reduction target, the Group has also established clear phased environmental targets covering non-hazardous waste, energy consumption and water consumption. These targets are reviewed annually and dynamically assessed by management to balance business growth with environmental protection while ensuring that they remain practical and scientifically robust.

| Control of Construction Noise

Noise control is a key aspect of the Group's efforts to safeguard community well-being and protect the surrounding natural environment. The Group strictly complies with the Noise Control Ordinance of Hong Kong and adopts comprehensive measures to effectively control construction noise affecting neighbouring communities:

- **Strict compliance with time restrictions and permit requirements**

The Group strictly conducts all noise-sensitive activities within the permitted hours stipulated by the EPD. Where construction activities are required during restricted hours, such as at night or on public holidays, or where percussive piling is undertaken on weekdays, the Group ensures that a Construction Noise Permit has been lawfully obtained from the EPD.

- **Optimisation of on-site compliance practices**

We actively employ advanced noise-reduction technologies and equipment, such as sound-insulating screens, at construction sites to block the transmission of noise; and we continuously optimise on-site operational procedures, enhance worker training, strictly prohibit machinery from idling during non-operational periods, and maintain constructive communication with neighbouring communities to further improve noise control measures.



Highlights | Green Equipment Upgrading and Noise Reduction Achievements

To reduce construction noise affecting surrounding communities at source, the Group actively advanced the clean energy transition of its construction equipment during the Reporting Year by introducing pure electric construction machinery certified under the QPME Scheme of the EPD or otherwise recognised as environmental-friendly equipment, including electric excavators, electric semi-trailer tractors and electric bulldozers. During the Reporting Year, the Group deployed a total of 66 certified construction equipment units and vehicles meeting the relevant environmental standards, including 3 electric light goods vehicles and 63 SANY Heavy Industry new-energy power generator units of various capacities. According to technical assessment data, this series of units, equipped with high-performance soundproofing technology, maintains a sound power level of 93 to 98 decibels during full-load operation. In comparison, the standard generator in Hong Kong (CNP101) has a benchmark level of approximately 108 decibels, resulting in a significant reduction of 10 to 15 decibels with the new equipment. Given the logarithmic effect of decibels, this translates to a successful reduction of physical sound power by 90.0% to 96.9% during operation, which greatly surpasses traditional generators, effectively minimising noise disturbance from construction activities to surrounding communities and on-site personnel.

As verified by on-site testing, this batch of new energy equipment demonstrated outstanding noise reduction performance upon deployment, with actual operational noise levels falling well below the statutory decibel limits stipulated by the QPME Scheme of the EPD. This initiative demonstrates the Group's commitment to refined environmental management for local communities and natural resources, effectively reducing construction noise pollution while achieving a balance between community well-being and construction efficiency through technological innovation.

Compliant Treatment of Wastewater

The Group attaches great importance to the protection of natural water bodies and marine ecosystems in Hong Kong. In strict accordance with the Water Pollution Control Ordinance and the sewage discharge requirements of the EPD, it implements systematic segregation and compliant management of sewage generated during operations and construction:

- **Pre-treatment of construction site wastewater**

With regard to slurry water and cleaning wastewater generated during construction at each site, the Group strictly prohibits the direct discharge of untreated effluent. All construction sites are equipped with settling tanks or wastewater treatment facilities to ensure that construction wastewater meets statutory discharge standards and obtains a sewage discharge licence issued by the EPD before being discharged into the designated public drainage system.

- **Compliant discharge of domestic sewage from office operations**

All domestic sewage generated by the Group during daily office and support operations is discharged in full into the public municipal sewage collection and treatment system, where it undergoes centralised treatment at government-operated sewage treatment works.

Given the nature of our business, the Group's water consumption may generally be regarded as equivalent to its wastewater discharge. For details of water consumption, water withdrawal and related water conservation measures, please refer to the "Resource Conservation and Recycling- Lean Water Resource Management" section in the Report.

CLIMATE ACTION: ENHANCING CLIMATE RESILIENCE OF BUSINESSES

The potential impacts of global climate change on ecosystems and diverse industries are becoming increasingly significant. The Group recognises that climate-related risks and opportunities will have wide-ranging implications for our engineering operations, supply chain resilience and long-term financial sustainability. Accordingly, the Group is aligning itself with internationally recognised climate disclosure frameworks by actively developing a climate-resilient, low-carbon operating model based on the four core pillars of Governance, Strategy, Risk Management and Metrics and Targets.

The Group fully recognises the continuing evolution of climate-related disclosure practices and closely monitors new climate disclosure requirements introduced by the Stock Exchange and other relevant regulatory authorities. However, given that the Group is still in the process of gradually establishing and refining certain climate-related management tools and quantitative analysis methods, there remains scope for further improvement in disclosures across certain areas at the current stage. Going forward, the Group will continue to monitor updates to regulatory guidance and best practices, and, in line with its own development pace, will progressively enhance the completeness, transparency and consistency of its climate-related disclosures.

| Governance Functions of the Board

The Group has established a top-down climate governance structure to ensure that climate-related risks and opportunities receive substantive oversight at the Board level. The Group also leverages the professional support of external ESG consultants through regular expert briefings and policy updates to enhance the Board's capability and expertise in overseeing climate-related risks and opportunities.

The Board bears ultimate responsibility for guiding the Group's climate strategy and approving climate-related targets, and receives regular briefings to oversee the progress of implementation and compliance outcomes of climate actions. The senior management is primarily responsible for identifying, assessing, and managing climate-related risks. Under the leadership of the senior management, individual business units and functional departments are responsible for coordinating, implementing and periodically reviewing climate-related targets, monitoring progress on GHG emissions reduction, and reporting regularly to the Board to ensure that the Group's climate strategy remains closely aligned with its stage of business development.

The Group is currently in the early stages of deepening its climate risk management. The existing remuneration structure for the management is primarily linked to our overall operational performance, compliance risk control and long-term strategic objectives, and does not yet incorporate climate-related performance indicators. In the future, as the Group's internal carbon data collection and climate performance assessment systems become more mature, we will gradually explore the feasibility of incorporating key climate indicators into the remuneration policy for the senior management.

| Climate Strategy Planning and Response

Taking into account the Group's business nature as a Hong Kong-based engineering contractor, we have comprehensively assessed the material impacts of climate-related risks and opportunities on the Group's daily operations, financial position and operating performance. We have evaluated the short-, medium-, and long-term climate-related risks (including physical and transition risks) and opportunities facing our business, and have formulated targeted climate response measures. During the assessment process, the Group referred to international standards and industry practices to define the impact duration for climate-related risks and opportunities, namely the short term (1 year), medium term (2–5 years) and long term (>5 years), to support the identification and discussion of relevant risks and opportunities across the Group's different strategic decision-making and planning cycles.

Environmental, Social and Governance Report

The Group closely monitors the global trend towards more comprehensive climate-related disclosures and keeps abreast of the latest climate disclosure requirements issued by the Stock Exchange and other relevant regulatory authorities. During the Reporting Year, we conducted a preliminary assessment of the potential impacts of various climate-related risks and opportunities with reference to the relevant disclosure guidance issued by the Stock Exchange. However, as the long-term potential financial impacts of certain climate-related risks and opportunities cannot yet be fully isolated and quantified, and the models, assumptions, and measurement methodologies used to estimate such financial impacts remain highly uncertain, the resulting quantitative estimates currently lack sufficient objective reference value. In accordance with the principle of prudence, the Group has applied the "financial impact exemption" to the expected financial impact of climate-related risks and opportunities during the Reporting Year.

The climate-related risks and opportunities identified during the Reporting Year did not have a material impact on the Group's business strategy or decision-making. Accordingly, the Group has not formulated a climate transition plan at this stage. We will closely monitor climate-related policies and regulations, industry governance trends and changes in regulatory requirements, formulate relevant climate transition plans and adjust our disclosure arrangements in due course.

During the Reporting Year, the Group has not yet undertaken a systematic assessment of climate scenario analysis and the associated financial impact analysis. In the future, as relevant regulatory requirements become clearer and the Group's internal data infrastructure and analytical capabilities are gradually enhanced, the Group will assess the feasibility of conducting climate scenario analysis and financial impact assessments at an appropriate time and will progressively incorporate climate-related risks and opportunities into its overall risk management and strategic planning.

Assessment of Climate-related Risks			
Risk Type	Physical Risk		
Risk Name	Acute Risk	Chronic Risk	
Description of Risk	Extreme weather events such as typhoons, strong winds, torrential rain, flooding and heatwaves.	Rise in average temperature.	Rise in sea level.
Impact Duration	Short term	Medium to long term	Long term
Impact on Business	Situated in the subtropics, Hong Kong is prone to high temperatures, typhoons, and torrential rain. Extreme weather events can directly lead to work stoppages on construction sites, damage to building materials and temporary facilities, damage to equipment used for work at height, and may even result in health incidents among workers.	An increasing number of extremely hot days during the summer poses direct health risks to construction workers engaged in prolonged outdoor work, increasing safety risks and duty-of-care responsibilities. Certain construction materials may also exhibit reduced durability under high temperatures, requiring more frequent maintenance or the adoption of higher-grade materials.	Low-lying coastal areas in Hong Kong face a persistent risk of flooding, exposing construction projects, materials warehouses and equipment assets to the threat of water damage, which affects operational stability and asset security.

Assessment of Climate-related Risks			
Risk Type	Physical Risk		
Risk Name	Acute Risk	Chronic Risk	
Impact on the Value Chain	• Extreme weather events may disrupt suppliers' logistics operations, resulting in delivery delays. • Equipment rental scheduling and subcontractor programme coordination may also be affected.	• Suppliers may need to modify construction material formulations to accommodate higher temperatures. • Subcontractors' quotations may incorporate additional costs associated with operating in high-temperature environments.	• The stability of coastal supply chain nodes (ports, warehouses) declines. • Operating costs for downstream charging facilities and energy storage stations may increase.
Financial Impact	• The reconstruction, clean-up and repair of facilities and equipment will directly increase project costs. • Medical expenses and compensation liabilities may increase. • Work stoppages may result in the continued incurrence of indirect costs such as management fees and rental expenses. • Project delays may lead to client claims and late payment penalties.	• Increased annual energy consumption for cooling may result in higher electricity bills. • Long-term employee health management costs may increase. • The cost of heat-resistant construction materials may rise.	• Expenditure on flood protection infrastructure may increase. • Maintenance and insurance costs for coastal assets may increase. • Losses due to equipment damage may be caused by seawater intrusion. • Long-term impairment may occur in the value of coastal land assets.
Adaptation and Mitigation Measures	• Established the Code of Practice for Working under Typhoon and Rainstorm Warnings to provide clear guidance to employees on work arrangements and emergency response procedures during adverse weather conditions. • Provide workers with cooling facilities (such as electric fans and portable cooling fans), set up rest areas, and ensure an adequate supply of drinking water. • Incorporate climate risks into cost estimates, and clearly define weather clauses and schedule buffers.	• Promote energy efficiency improvements in offices and warehouse facilities. • Lead the industry's low-carbon transition as a pioneer in green innovation. • Invest in the 4S Smart Site Safety System Platform to monitor equipment operation and workers' health conditions in real time.	• Take sea level rise risks into account in project planning and site selection, and prefer locations at higher elevations.

Assessment of Climate-related Risks			
Risk Type	Transition Risk		
Risk Name	Policy and Legal Risk	Market and Reputational Risk	Technology Risk
Description of Risk	With the introduction of the "carbon peaking and carbon neutrality" goals and the carbon tariff of the EU, regulatory requirements for the disclosure and calculation of GHG emissions are becoming increasingly stringent, and carbon audit requirements are being upgraded.	Investors and clients are placing greater emphasis on ESG performance, with contractors possessing strong green credentials becoming increasingly preferred.	Traditional high-carbon construction materials and methods are facing gradual obsolescence, while low-carbon green engineering technologies are creating greater pressure for R&D and innovation.
Impact Duration	Medium to long term	Medium to long term	Medium to long term
Impact on Business	- Requirements for the accounting and management of carbon emissions during the construction process are increasing, with greater focus on the emission intensity of construction vehicles and machinery. - The Stock Exchange requires companies to systematically disclose climate-related information and indicators; those failing to meet these standards face compliance and legal risks.	Failure to continuously enhance green competitiveness may result in market share being eroded by competitors better able to meet green standards.	Failure to adopt appropriate technological pathways or keep pace with market expectations may expose the business to the risk of obsolescence.
Impact on the Value Chain	- More stringent carbon emissions data requirements for subcontractors are in place, together with compliance with potential green construction standards. - Clients may increasingly prefer contractors capable of providing carbon footprint data.	- Higher green certification requirements have risen for upstream suppliers. - Downstream clients may increasingly prefer to enter into green contracts. - Financial institutions may impose more stringent lending conditions on high-carbon enterprises.	- Equipment suppliers are accelerating the introduction of successive generations of electrical products, potentially reducing the availability of maintenance services and spare parts for conventional fuel-powered equipment. - Subcontractors will also be required to upgrade their equipment accordingly.

Assessment of Climate-related Risks			
Risk Type	Transition Risk		
Risk Name	Policy and Legal Risk	Market and Reputational Risk	Technology Risk
Financial Impact	• Costs associated with carbon accounting and disclosure may increase, including those of staffing and data systems. • Failure to meet regulatory requirements may result in compliance penalties or restrictions on tender eligibility. • Assets that are incompatible with emissions reduction pathways may depreciate more rapidly.	• Reduced competitiveness in tendering may lead to the loss of project opportunities. • Investors and clients may apply valuation discounts to companies with weak ESG performance. • Financing costs may increase.	• The depreciation of conventional fuel-powered equipment may be accelerated. • Technology upgrades may require earlier-than-anticipated asset replacement, resulting in additional capital expenditure. • Initial training and maintenance costs associated with adopting new technologies may increase.
Adaptation and Mitigation Measures	• Closely monitor policy developments and strengthen compliance capabilities in advance. • Engage specialist organisations to prepare ESG reports and actively enhance climate disclosure capabilities. • Strengthen energy management and carbon emissions accounting to continuously reduce carbon emissions.	• Actively promote and implement the zero-carbon philosophy to establish a responsible corporate image. • Establish an ESG strategy, chart a sustainable development course, and seek preferential financing such as green loans. • Fully consider climate factors when assessing supplier risks to enhance the climate resilience of the supply chain.	• Establish the Net-Zero Smart Alliance with industry leaders such as CATL and SANY Group to build a full-chain green solution covering "Solar, Storage, Charging, Swapping and Recycling". • Implement digital management through the 4S Smart Site Safety System Platform to enhance the efficiency of technology application.

During the Reporting Year, the Group did not record any material business interruption, employee safety incident or client rights issue arising from extreme weather events, and climate change did not have any material impact on the Group's operations. Given the nature of the Group's business, it is not anticipated that climate change will have a material impact on the Group's operations in the short, medium or long term. Going forward, we will continue to monitor trends in extreme weather associated with climate change, review and optimise our response measures where appropriate, and further strengthen our resilience and business continuity capabilities under extreme weather conditions.

Identification of Climate-related Opportunities		
Opportunity Type	Market	Products and Services
Opportunity Name	Hong Kong's carbon neutrality policy drives the expansion of the green infrastructure market.	The demand for climate-resilient products and services may increase.
Description of Opportunity	To support the achievement of carbon neutrality before 2050, the Government of Hong Kong published Hong Kong's Climate Action Plan 2050 in 2021, setting out four major decarbonisation strategies. Green buildings, energy-efficiency retrofits, the promotion of electric commercial vehicles, and the development of charging infrastructure have become key areas of policy support, providing engineering contractors with numerous project opportunities.	Traditional engineering contractors can upgrade their business from simple construction contracting to one-stop green energy solution services.
Impact Duration	Medium to long term	Medium to long term
Impact on Business	- Green infrastructure projects are expected to gradually replace certain traditional infrastructure projects and become one of the principal sources of contracts for engineering contractors. - Companies will need to adapt to new technical standards and tender requirements, including low-carbon construction, green building materials and carbon footprint accounting required by governments and project owners.	Expanding into value-added services beyond traditional engineering operations will help smooth fluctuations arising from infrastructure cycles and enhance business resilience.
Impact on the Value Chain	- Upstream equipment suppliers will expand green production capacity. - Downstream clients will impose higher requirements for green credentials. - Contractors with green engineering capabilities will strengthen their position within the value chain and be better placed to secure more favourable contract terms.	- Integrating upstream equipment supply with downstream operation and maintenance services will shorten the value chain and improve profit margins. - Closer technological collaboration with equipment suppliers will create differentiated competitive advantages.
Financial Impact	- Green infrastructure projects generally benefit from government subsidies and preferential financing, helping to reduce project financing costs. - Early positioning in the green market may secure first-mover advantages and generate long-term contract revenue.	- Additional recurring income streams will improve cash flow structure and enhance corporate valuation. - Reduced dependence on individual project completion will improve business stability by minimising revenue gaps between projects.

Identification of Climate-related Opportunities		
Opportunity Type	Market	Products and Services
Adaptation or Advancement Actions	• Closely monitor policy developments regarding government charging infrastructure and green building initiatives, and prepare tender qualifications in advance. • Establish preliminary communications with potential project owners (such as public transport operators, logistics firms, and property developers) to understand their needs and plan ahead. • Apply for government green funds or subsidy schemes to reduce the upfront investment costs of projects such as charging stations. • Expand the battery banking business and leverage financial instruments to enhance financing capacity and stabilize cash flow.	• Proactively expand into the solar photovoltaic systems business and actively develop related installation and O&M services to meet the surging market demand for green electricity, thereby creating new revenue growth drivers for the Group. • Actively pursue strategic partnerships with leading new energy technology enterprises to secure access to core equipment and technical support, facilitating cross-sector collaboration within the green ecosystem.

Climate-Related Risk Management

The Group has incorporated climate risk management into its daily operations. Business departments and dedicated working groups primarily conduct qualitative assessments of potential physical and transition risks through ongoing monitoring of climate policies and market developments. The assessment results are submitted to the management, where appropriate, as an internal reference for daily operational decisions, including project scheduling, adjustments to construction methodologies and the procurement of green equipment, to minimise potential compliance and reputational risks.

Looking ahead, the Group will continue to monitor developments in climate-related regulations and industry trends on the basis of its existing management framework. Taking into account the actual scale of its business and available resources, we will progressively optimise our climate management arrangements, enhance our resilience to climate change without unnecessarily increasing administrative costs, and actively explore low-carbon development opportunities aligned with our core businesses.

Climate Targets and Performance Review

Based on the current operational profile and accumulated historical data, the Group has established a climate monitoring framework centred on total GHG emissions (please refer to the section headed "Emission Control and Reduction at Source" of the Report) and discloses progress against the relevant indicators quantitatively in its ESG Report on an annual basis. At the end of the Reporting Year, the environmental and GHG emission reduction targets and monitoring processes previously set by the Group had progressed as planned, with no material revisions.

As the Group is currently strengthening its environmental data infrastructure and refining its internal inventory systems, it does not yet possess the level of data granularity required to undertake comprehensive external climate scenario analysis or quantitative assessment. Based on the principles of cost-effectiveness and transparent compliance, the climate targets and methodologies set out in the Report have not been independently verified by a third party. During the Reporting Year, the Group did not use external carbon credits to offset GHG emissions, nor did it apply an internal carbon pricing mechanism in its business decision-making. As its data collection systems continue to mature, the Group will review the introduction of relevant climate management tools progressively and at appropriate times.

SOCIAL INCLUSION: CO-CREATING SOCIAL VALUE

EQUAL EMPLOYMENT AND INCLUSIVE WORKPLACE

The Group recognises that employees are the core asset underpinning its sustainable development and consistently attaches great importance to employees' retention, well-being and long-term development. We have established the Human Resources and Payroll Management System to comprehensively regulate its human resources management processes and provide a clear institutional framework for safeguarding the lawful rights and interests of all employees.

During the Reporting Year, the Group fully complied with all applicable laws and regulations relating to remuneration and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other terms of employment and employee benefits, including but not limited to:

- The Employment Ordinance (Cap. 57 of the Laws of Hong Kong);
- The Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong); and
- The Minimum Wage Ordinance (Cap. 608 of the Laws of Hong Kong).

During the Reporting Year, the Group was not aware of any material breaches of relevant laws or regulations that had a significant impact on the Group.

The Group is committed to promoting equal opportunities, diversity and anti-discrimination in the workplace by taking into account a broad range of employee characteristics, including gender, age, cultural and educational background, nationality, ethnicity, industry experience, professional skills and knowledge. Recruiting departments are required to conduct all recruitment processes in strict accordance with the principles of diversity, the Group's established policies and the annual human resources budget. Through comprehensive controls covering recruitment requisition approval, interviews and background checks, the Group ensures both the efficiency and quality of talent selection while building a high-calibre workforce from the outset.

We maintain a zero-tolerance policy towards child labour, forced labour and illegal immigration, and strictly prohibit the employment of illegal immigrants and forced labourers in our offices or on construction sites. In accordance with the Human Resources and Payroll Management System of the Group, the Human Resources and Administration Department conducts rigorous identity verification during the recruitment process by requiring all candidates to provide valid proof of identity, ensuring that they meet the statutory minimum working age and possess the appropriate right-to-work status. Should any falsification of age or identity be identified, the Group will immediately terminate the employment relationship and take appropriate disciplinary action. Furthermore, the Group is committed to fostering a working environment characterised by equality and mutual respect, and strictly prohibits any form of verbal or physical abuse, corporal punishment and inappropriate disciplinary measures. The Group enforces a strict prohibition and zero-tolerance policy towards any behaviour constituting workplace oppression or sexual harassment, thereby effectively safeguarding the dignity and legitimate rights and interests of all employees.

The Group also actively mobilises internal resources to encourage employees to contribute to the development of its talent ecosystem. Through the implementation of the Employee Referral Incentive Scheme, the Group broadens its channels for attracting high-quality talent, strengthens its strategic talent pool, and provides timely recognition and rewards for employees' contributions, thereby enhancing employees' sense of belonging, engagement and team cohesion while creating shared value for both employees and the Group.

Environmental, Social and Governance Report

As at 31 March 2026, the Group had a total of 362 employees, all of whom were full-time employees based in Hong Kong. The specific breakdown of employee numbers by category is set out in the table below:

	Unit	Year 2025/26
Total Number of Employees	Person	362
By Gender		
Male	Person	297
Female	Person	65
By Employment Type		
Full-time	Person	362
Part-time	Person	0
By Age Group		
Below 30	Person	31
30–50	Person	199
Above 50	Person	132
By Employee Category		
Directors	Person	6
Senior management	Person	5
Middle management	Person	19
Employees	Person	332

The Group has established a remuneration system that balances market competitiveness with internal equity. Salary adjustments, performance bonuses and promotion opportunities are closely linked to the Group's overall business performance, profitability and the results of individual performance assessment. This aims to effectively retain key personnel and provide career development and salary progression pathways for hard-working, ambitious and high-performing talent. With regard to employee benefits, the Group has established the Employee Leave and Benefits Management Policy to comprehensively regulate leave applications, approval procedures and the corresponding employee benefits. In addition to statutory paid annual leave and sick leave, all employees are entitled to marriage leave, compassionate leave, maternity leave and paternity leave, helping them achieve a healthy work-life balance.

Environmental, Social and Governance Report

In terms of performance management, the Group updated its Employee Performance Appraisal Form during the Reporting Year. This form comprehensively covers multiple core dimensions—including work effectiveness, initiative and sense of responsibility, professional knowledge and skills, teamwork, and professional conduct—enabling a holistic and objective assessment of employees' overall performance. To establish an effective performance-sharing mechanism, year-end performance bonuses are directly linked to employees' appraisal ratings, ensuring that outstanding performance is recognised through timely and meaningful rewards.

The Group equally prioritises compliant and dignified management of employee departures; whether an employee resigns or their employment is terminated, approval procedures, handover of duties and the return of company assets are strictly carried out in accordance with established processes. On an employee's final working day, designated personnel from the Human Resources and Administration Department explain the salary settlement calculation in detail and arrange prompt payment of all outstanding remuneration, ensuring that every step is completed transparently, fairly and in full compliance with the Laws of Hong Kong, thereby safeguarding the lawful rights and interests of both employers and employees while demonstrating the Group's commitment as a responsible employer.

The table below sets out the Group's employee turnover rates for the Reporting Year⁴:

	Unit	Year 2025/26
Total	Percentage	62.2%
By Gender		
Male	Percentage	66.0%
Female	Percentage	44.6%
By Age Group		
Below 30 ⁵	Percentage	112.9%
30–50	Percentage	48.7%
Above 50	Percentage	70.5%
By Region		
Hong Kong	Percentage	62.2%

4. Employee turnover rate = Number of employees who left the Group during the year in that category ÷ Number of employees in that category at the end of the year.

5. Given the markedly cyclical nature of the construction and engineering sector, as certain short-term projects were successfully completed as scheduled during the Reporting Year, the direct employees involved in those projects concluded their employment in phases in accordance with their employment contracts and normal contractual procedures. Owing to the combined effect of the standard employment practices and changes in the accounting base at the end of the period, the cumulative turnover rate for this specific category during the year statistically exceeded 100%, which was not caused by any changes in the Group's internal operating environment or labour policies. Going forward, the Group will continue to monitor the protection of labour rights within its current employment practices to ensure the stability of its overall operations.

OCCUPATIONAL HEALTH AND SAFETY PROTECTION

The Group attaches great importance to the occupational health and safety of its employees and has fully implemented an occupational health and safety management system certified under ISO 45001:2018, striving to create a safe and healthy working environment. During the Reporting Year, the Group strictly complied with all relevant laws and regulations concerning the provision of a safe working environment and the protection of employees from occupational hazards, including but not limited to the Employees' Compensation Ordinance (Cap. 282 of the Laws of Hong Kong) and the Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong). During the year, the Group was not aware of any material non-compliance with relevant laws or regulations that had a significant impact on the Group.

Through the implementation of the Engineering Supervision and Management System, the Group standardises engineering safety management procedures and develops a dedicated Safety and Health Management Plan for each project. Safety responsibilities are clearly assigned to all personnel, from project managers to frontline workers, establishing a clearly defined governance framework with well-defined responsibilities and accountabilities. To safeguard employees during adverse weather conditions, the Group has also established the Code of Practice in Times of Typhoons and Rainstorms.

The Group's specific safety management measures are set out in the table below:

Safety Training	We maintain strict control from the outset, requiring all site workers (including subcontractors' employees) on their first day on site to attend an induction briefing on site safety and specialised safety training. This ensures they have a thorough understanding of safety procedures for civil and cable works, emergency response, hazard reporting processes and site management.
Protective Equipment	We provide employees and subcontractors with appropriate personal protective equipment tailored to their specific roles, such as full-body safety harnesses, safety helmets and safety boots. We also require all employees to wear industrial dust masks whilst carrying out construction activities to effectively filter airborne particles, including dust and fumes, thereby preventing direct inhalation of harmful fumes and dust and safeguarding their health.
Communication and Transparency	Safety noticeboards and accident statistics display boards are installed on-site to ensure open communication channels and data transparency. Through regular internal and external safety meetings, as well as the compilation of detailed safety reports and training records, we ensure the effective communication of safety strategies and the receipt of feedback.
Risk Management	Based on pre-construction risk assessments, we proactively identify potential hazards and implement preventive measures in advance.
Management and Supervisory Responsibilities	The project management team comprehensively oversees the implementation of policies, ensuring that safety measures are incorporated into construction plans from the planning stage and maintained throughout the project. Site supervisors work closely with the safety team to ensure that on-site safety requirements are effectively communicated and implemented for every newly appointed employee.
Monitoring and Audits	Safety officers and/or safety supervisors are required to conduct daily site inspections to ensure strict compliance with occupational health and safety laws, rules and regulations. We may also engage external safety consultants to assist us in conducting safety oversight in accordance with specific standards. In accordance with the Factories and Industrial Undertakings (Safety Management) Regulation, the Group regularly commissions independent safety audits and system reviews to scientifically assess and continuously optimise the effectiveness of all safety measures, thereby laying a solid safety foundation for the enterprise's sound operations.

Environmental, Social and Governance Report

The 4S Smart Site Safety System Platform provides strong technological support for safeguarding employee health and safety. The Group equips frontline employees with smartwatches to collect real-time data on location and key vital signs such as heart rate and body temperature. The platform features built-in non-intrusive monitoring and real-time personnel alert mechanisms. Should the system detect abnormal body temperature, irregular heart rate, a fall, a fall into water, or a failure to record vital signs after work has commenced, it immediately triggers an alarm. Combined with the devices' built-in one-touch SOS emergency assistance function, this enables the management control centre to receive real-time notifications and pinpoint the exact location the moment an incident occurs, significantly reducing emergency response times. Furthermore, the artificial intelligence monitoring system deployed on-site can proactively identify violations such as frontline personnel not wearing safety helmets or vehicles being parked illegally, whilst also providing real-time warnings of early-stage fire hazards such as flames or smoke. For on-site transport and heavy machinery operations, the system uses dedicated sensors and intelligent algorithms to assess drivers' attention levels and fatigue, monitoring behaviours including fatigued driving, using mobile phones while driving, distracted driving and smoking, and generating real-time alerts to prevent serious traffic or machinery accidents caused by human error.

With regard to work-related injury accidents, the Group has fully implemented a series of targeted optimisation and preventative measures to respond in real time and eliminate potential safety hazards on site. Prior to the commencement of any construction project, the management rigorously assesses and reviews the main contractor's insurance cover to ensure that all frontline employees are provided with adequate and compliant insurance cover from the outset. For all incidents that have occurred, we have established routine measures such as debriefing sessions, accident summaries, monthly safety reviews and policy assessments to ensure that governance measures remain timely and forward-looking.

The Group has also established standard procedures for handling and recording workplace accidents to ensure an immediate response when they occur. Following an accident, the injured worker or any witness is required to report the incident promptly to the on-site safety officer or safety supervisor, as appropriate, providing key information including the location, time and cause of the injury. Upon receiving the report, the safety officer or safety supervisor immediately prepares an accident notification detailing the location, date and time of the incident, the injured employee's name, particulars of the accident and injuries sustained, together with the immediate response and follow-up actions taken by the safety team, and submits it to the administrative personnel. The administrative personnel maintain a comprehensive master file for each injury case, ensuring that all relevant information is systematically recorded and properly archived. Finally, the administrative team reports all relevant work-related injury cases to the main contractor and the Labour Department in accordance with statutory and contractual requirements, thereby fulfilling the Group's social responsibilities and legal obligations while safeguarding employees' statutory rights and interests.

Over the past three years, the Group has not recorded any fatal work-related accidents. During the Reporting Year, we recorded a total of 3 work-related accidents, resulting in 164 working days lost due to work-related injuries.

	Unit	Year 2025/26
Number of Work-related Deaths during the Reporting Year	Person	0
Number of Work-related Injuries during the Reporting Year	Person	3
Number of Lost Working Days due to Work-Related Injuries during the Reporting Year	Day	164

TALENT DEVELOPMENT AND EMPOWERMENT

The growth and development of our employees are the core drivers of the Group's sustainable development. Accordingly, the Group is committed to providing comprehensive and effective training programmes to strengthen employees' professional knowledge and enhance their core technical capabilities. Relevant training plans and supporting management procedures are comprehensively set out in the Group's Human Resources and Payroll Management System, covering induction training, safety training, anti-corruption training and a wide range of specialised training programmes.

With regard to operational safety, the Group consistently adheres to the principle of "Safety First" by providing comprehensive health and safety induction training for every new employee entering a construction site. This training focuses on site safety standards, emergency response procedures and environmental compliance requirements relating to the handling of pollutants. We also regularly organise specific specialist safety training courses to continuously enhance occupational safety awareness amongst all staff. Furthermore, the Group actively encourages and fully or partially sponsors employees to participate in external training, assisting them in obtaining professional qualifications relevant to their career development.

During the Reporting Year, the proportion of the Group's employees who received training was 90.9%⁶. The table below sets out the Group's employee training statistics by category:

Year 2025/26		
	Percentage of Employees Trained (%) ⁷	Average Training Duration (Hours) ⁸
Total	90.9%	1.1
By Gender		
Male	97.6%	1.0
Female	60.0%	1.5

6. Percentage of employees trained = Total number of employees trained during the year ÷ Total number of employees at the end of the year × 100%.

7. For the Reporting Year, we have updated the calculation methodology for the percentage of employees trained by gender and employee category. The calculation formula is: "Number of employees trained in that category during the year ÷ Total number of employees in that category at the end of the year × 100%" (previously: "Number of employees trained in that category during the year ÷ Total number of employees trained during the year × 100%").

8. Average training duration = Annual training hours for that category ÷ Number of employees in that category at the end of the year.

Year 2025/26		
	Percentage of Employees Trained (%)	Average Training Duration (Hours)
By Employee Category		
Directors	100.0%	4.3
Senior management	100.0%	1.0
Middle management	100.0%	1.0
Employees	90.1%	1.0

GREEN PROCUREMENT AND COLLABORATION WITH PARTNERS

The management of suppliers and subcontractors forms the cornerstone of Wing Lee Development Construction's business operations and value chain, playing a critical role in enabling the Group to consistently deliver high-quality projects and services to its clients. We have established rigorous screening, assessment and monitoring mechanisms, and are committed to building a responsible and resilient supply chain. The Group's supplier ecosystem primarily comprises three major categories: subcontractors; suppliers of materials (such as steel, uPVC pipes and solar photovoltaic panels); and suppliers of miscellaneous support services (such as machinery rental services, testing services and technical consultancy services).

The Group has established and regularly updates its Procurement Management System, the Procurement to Payment Management System, the Engineering Supervision and Management System and other relevant policies to continuously strengthen its supply chain management framework. We implement a rigorous supplier qualification and classification system. During the tendering, quotation comparison and new supplier onboarding stages, the Procurement Department conducts background checks on prospective partners in accordance with applicable laws and regulations. The review materials include, but are not limited to, company background, scope of business, commercial reputation, service quality and pricing, to ensure that the services, materials and products they provide meet the Group's requirements and standards. The Group includes suppliers in its approved list following a review process and conducts annual reassessments of their pricing, product quality, delivery efficiency and credit rating. The assessment results are collated by the Procurement Department and submitted to the management for approval; any supplier failing to meet the assessment criteria will have their partnership with the Group immediately terminated and will be removed from the list.

The Group also actively implements its Sustainable Procurement Policy and the Responsible Procurement Statement to monitor environmental and social risks across the supply chain. We incorporate ESG considerations into our procurement activities by upholding the principle of balancing ESG performance with value for money. Priority is given to suppliers that demonstrate strong environmental performance, fulfil their social responsibilities and maintain sound corporate governance, with ESG performance serving as a key criterion for supplier selection and the continuation of business relationships. We give priority to suppliers certified under ISO 9001, ISO 14001 and ISO 45001 management systems to ensure compliance with relevant environmental, occupational health and safety, and labour standards and regulations. In addition, in support of the national carbon peaking and carbon neutrality strategy, we give preference to suppliers holding green building material certifications or Environmental Product Declarations, while strictly restricting the procurement of construction materials characterised by high energy consumption, high pollution, high volatile organic compound emissions or those prohibited by national regulations. Suppliers with outdated production capacity are progressively phased out. The Group adopts a zero-tolerance approach to commercial bribery and improper transfer of benefits. We have established a transparent whistleblowing and traceability mechanism and work together with our business partners to build a fair, ethical, and sustainable supply chain.

During the Reporting Year, the Group engaged a total of 526 suppliers. The table below sets out the geographical distribution of the Group's suppliers during the Reporting Year:

	Unit	Year 2025/26
Total Number of Suppliers	Enterprise	526
By Region		
Hong Kong	Enterprise	507
Mainland China	Enterprise	19
Overseas	Enterprise	0

COMMUNITY COMMITMENT AND PHILANTHROPIC INITIATIVES

The Group has always regarded the fulfilment of its social responsibilities as its duty, and has consistently put its core corporate values and spirit of service into practice. Over the years, we have remained committed to education and culture, environmental protection, and community welfare, striving to promote sustainable community development. The Group has established and maintained close partnerships with various charitable organisations, supporting community development through continuous investment of resources. We raise employees' awareness and encourage them to participate actively in community volunteer services, demonstrating care and compassion for the local community through practical action. During the Reporting Year, the Group donated HKD 50,000 to the Community Chest of Hong Kong and HKD 10,000 to the Hong Kong Society for the Prevention of Cruelty to Animals.

We have also strengthened our engagement with industry and the business community by joining professional organisations such as the Hong Kong Green Building Council, the China-Hong Kong Logistics Association, the Greater Bay Area Industry and Commerce Federation in Hong Kong, the Federation of Hong Kong Industries and the Hong Kong Construction Materials Association. We have supported organisations including the Hong Kong Institution of Engineers, the Hong Kong E-Vehicles Business General Association and the Institute of Quarrying Hong Kong Branch through sponsorship of publications and events, jointly promoting the green transformation of the industry. The Group has also actively expanded its public communication channels by launching a weekly "Zero Carbon Footprints" column in Sing Tao Daily to promote green building and environmental sustainability concepts to the wider public from multiple perspectives. In recognition of our continued contributions to social responsibility, the Group has been awarded the "Caring Company" logo for more than five consecutive years since 2019. Looking ahead, we plan to further increase our support for the community by investing additional resources in education, culture, and other charitable initiatives.



Case

Zero Carbon Smart Space: Partnering with Various Sectors to Embark on an Environmental Science Outreach Journey

The Group's Zero Carbon Smart Space in San Tin, Yuen Long, is open to the public year-round. We are committed to developing it into an important platform for environmental education, industry–university–research collaboration and technical exchange within Hong Kong, transforming cutting-edge technologies into educational resources accessible to the public and practical platforms for industry-wide collaboration. To further this commitment, we have organised numerous exchange activities since the opening of the facility. At the industry level, in October 2025, technical representatives from the Hong Kong Branch of the Institution of Engineering and Technology ("IET") and the Hong Kong Branch of the Institution of Mechanical Engineers ("IMEch") visited the facility to engage in in-depth discussions with the Group's technical team on cutting-edge applications of green infrastructure and smart engineering.

In support of industry–education integration, on 4 March 2026, teachers and students from Buddhist Tai Kwong Chi Hong College, together with representatives from the Hong Kong Electrical Contractors' Association, visited the facility. Through immersive demonstrations of advanced applications including a five-minute automatic battery-swapping station, a 5G remote-controlled unmanned excavator and smart home elderly care solutions, we delivered an engaging practical lesson on achieving "zero carbon" for secondary school students and industry representatives. On 20 March, 56 teachers and students from the Technological and Higher Education Institute of Hong Kong ("THEi") visited the facility to explore innovative products representing "new quality productive forces", including SANY Group's construction machinery and CATL's energy storage equipment, effectively bridging the gap between academic theory and industrial application.

Through diverse science outreach and technology demonstrations, we have raised awareness of new energy sources within academic and business circles, thereby empowering the cultivation of green talent in Hong Kong. In the future, we will continue to open the doors of the Zero Carbon Smart Space to people across Hong Kong, driving environmental awareness through the popularisation of technology and contributing to Hong Kong's low-carbon transition.



The Group Introducing Innovative Products Representing New Quality Productive Forces to Teachers and Students from THEi



Teachers and Students from Buddhist Tai Kwong Chi Hong College Participating in the "Zero Carbon" Education Tour



Representatives from IET and IMechE Visiting the Zero Carbon Smart Space



Industry–University–Research Exchange Event

INDEX TABLE OF ESG REPORTING CODE OF THE STOCK EXCHANGE

Mandatory Disclosure Requirements	Corresponding Sections	
Governance Structure	Excellence in Governance: Laying the Foundations for Green Transition - Enhancement of ESG Governance System	
Reporting Principles	Foreword – About the Report: Reporting Principles	
Reporting Boundary	Foreword – About the Report: Reporting Boundary	
General Disclosures and KPIs	Description	Corresponding Sections
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Environmental Protection: Low-Carbon Emissions and Green Coexistence
KPI A1.1	The types of emissions and respective emissions data.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Emission Control and Reduction at Source
KPI A1.2	[Repealed 1 January 2025]	NA
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Waste Reduction and Recycling

Environmental, Social and Governance Report

General Disclosures and KPIs	Description	Corresponding Sections
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Waste Reduction and Recycling
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Emission Control and Reduction at Source Environmental Protection: Low-Carbon Emissions and Green Coexistence - Climate Action: Enhancing Climate Resilience of Businesses
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.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Waste Reduction and Recycling

Aspect KPI A2: Use of Resources

General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Smart Energy and Energy Efficiency Environmental Protection: Low-Carbon Emissions and Green Coexistence - Resource Conservation and Recycling
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Smart Energy and Energy Efficiency
KPI A2.2	Water consumption in total and intensity.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Resource Conservation and Recycling
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Smart Energy and Energy Efficiency

General Disclosures and KPIs	Description	Corresponding Sections
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Resource Conservation and Recycling
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A

Aspect A3: Environment and Natural Resources

General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Lifecycle Environment Management
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Lifecycle Environment Management

Aspect A4: Climate Change

General Disclosure	Repealed 1 January 2025	N/A
KPI A4.1	Repealed 1 January 2025	N/A

B. Social

Aspect B1: Employment

General Disclosure	Relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Social Inclusion: Co-creating Social Value - Equal Employment and Inclusive Workplace
KPI B1.1	Total workforce by gender, employment type (for example, full- or part time), age group and geographical region.	Social Inclusion: Co-creating Social Value - Equal Employment and Inclusive Workplace

Environmental, Social and Governance Report

General Disclosures and KPIs	Description	Corresponding Sections
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Social Inclusion: Co-creating Social Value - Equal Employment and Inclusive Workplace

Aspect B2: Health and Safety

General Disclosure	Relating to providing a safe working environment and protecting employees from occupational hazards: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Social Inclusion: Co-creating Social Value - Occupational Health and Safety Protection
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Social Inclusion: Co-creating Social Value - Occupational Health and Safety Protection
KPI B2.2	Lost days due to work injury.	Social Inclusion: Co-creating Social Value - Occupational Health and Safety Protection
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Social Inclusion: Co-creating Social Value - Occupational Health and Safety Protection

Aspect B3: Development and Training

General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Social Inclusion: Co-creating Social Value - Talent Development and Empowerment
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Social Inclusion: Co-creating Social Value - Talent Development and Empowerment
KPI B3.2	The average training hours completed per employee by gender and employee category.	Social Inclusion: Co-creating Social Value - Talent Development and Empowerment

Aspect B4: Labour Standards

General Disclosures and KPIs	Description	Corresponding Sections
General Disclosure	Relating to preventing child and forced labor: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Social Inclusion: Co-creating Social Value - Equal Employment and Inclusive Workplace
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	Social Inclusion: Co-creating Social Value - Equal Employment and Inclusive Workplace
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Social Inclusion: Co-creating Social Value - Equal Employment and Inclusive Workplace

Aspect B5: Supply Chain Management

General Disclosure	Policies on managing environmental and social risks of the supply chain.	Social Inclusion: Co-creating Social Value - Green Procurement and Collaboration with Partners
KPI B5.1	Number of suppliers by geographical region.	Social Inclusion: Co-creating Social Value - Green Procurement and Collaboration with Partners
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.	Social Inclusion: Co-creating Social Value - Green Procurement and Collaboration with Partners
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Social Inclusion: Co-creating Social Value - Green Procurement and Collaboration with Partners
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Social Inclusion: Co-creating Social Value - Green Procurement and Collaboration with Partners

Aspect KPI B6: Product Responsibility

General Disclosure	Relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Green Practices: Leading in Zero-Carbon Infrastructure and New Energy Ecosystems: Excellence in Delivery and Protection of Client Interests
--------------------	--	---

Environmental, Social and Governance Report

General Disclosures and KPIs	Description	Corresponding Sections
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Green Practices: Leading in Zero-Carbon Infrastructure and New Energy Ecosystems: Excellence in Delivery and Protection of Client Interests
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Excellence in Governance: Laying the Foundations for Green Transition - Protection of Intellectual Property and Trade Secret
KPI B6.4	Description of quality assurance process and recall procedures.	Green Practices: Leading in Zero-Carbon Infrastructure and New Energy Ecosystems: Excellence in Delivery and Protection of Client Interests
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Green Practices: Leading in Zero-Carbon Infrastructure and New Energy Ecosystems: Excellence in Delivery and Protection of Client Interests

Aspect B7: Anti-Corruption

General Disclosure	Relating to bribery, extortion, fraud and money laundering: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Excellence in Governance: Laying the Foundations for Green Transition - Integrity-Based Operations and Business Ethics
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Excellence in Governance: Laying the Foundations for Green Transition - Integrity-Based Operations and Business Ethics
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Excellence in Governance: Laying the Foundations for Green Transition - Integrity-Based Operations and Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Excellence in Governance: Laying the Foundations for Green Transition - Integrity-Based Operations and Business Ethics

General Disclosures and KPIs	Description	Corresponding Sections
------------------------------	-------------	------------------------

Aspect B8: Community Investment

General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Social Inclusion: Co-creating Social Value - Community Commitment and Philanthropic Initiatives
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Social Inclusion: Co-creating Social Value - Community Commitment and Philanthropic Initiatives
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Social Inclusion: Co-creating Social Value - Community Commitment and Philanthropic Initiatives

Climate-Related Disclosures	Description	Corresponding Sections
Governance	Relating to information on the responsibilities of the governing bodies and management responsible for overseeing climate-related risks and opportunities, the assessment of their skills, the methods by which they are made aware of risks, and their specific roles and integration processes in strategy formulation, target monitoring and performance assessment.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Climate Action: Enhancing Climate Resilience of Businesses
Strategy	Relating to information on the impact of climate-related risks and opportunities on the issuer's business model, value chain, strategy and decision-making, including their current and projected financial impact on the issuer's financial position and cash flows, as well as details of the issuer's climate resilience assessment and scenario analysis.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Climate Action: Enhancing Climate Resilience of Businesses
Risk Management	Relating to information on the issuer's processes and policies for identifying, assessing, prioritising and monitoring climate-related risks and opportunities, including data sources, the application of scenario analysis, risk quantification criteria, and the extent to which these processes are integrated into the overall risk management framework.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Climate Action: Enhancing Climate Resilience of Businesses
Metrics and Targets	Relating to information on the issuer's disclosed climate-related targets and objectives, including Scope 1, 2 and 3 GHG emissions data and measurement methodologies, the value of assets affected by climate risks and opportunities, capital allocation, internal carbon pricing and remuneration policies, and the details of climate-related targets set to monitor progress against the strategy.	Environmental Protection: Low-Carbon Emissions and Green Coexistence - Climate Action: Enhancing Climate Resilience of Businesses



榮利營造控股有限公司

WING LEE DEVELOPMENT CONSTRUCTION HOLDINGS LIMITED