



零在科技金融集團有限公司
ZERO FINTECH GROUP LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code: 00093



2024

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE REPORT

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ABOUT THIS REPORT

Zero Fintech Group Limited (hereafter referred to as the “**Company**” or “**Zero Fintech**”) along with our subsidiaries (collectively referred to as “**our Group**”, “**we**” or “**us**”) as listed in the scope of report are pleased to present the 2024 Environmental, Social, and Governance (“**ESG**”) report (the “**Report**”), summarising our policies, approaches, and performance on ESG-related topics and issues.

The name of the Company has been changed from “Termbray Industries International (Holdings) Limited” to “Zero Fintech Group Limited”. Additionally, the Chinese secondary name “零在科技金融集團有限公司” has been adopted in place of the previous unregistered Chinese name “添利工業國際（集團）有限公司”. These new names have been officially entered into the register maintained by the Registrar of Companies in Bermuda, effective from 19 June 2024.

Additionally, on 3 July 2024, the Company officially adopted its new English and Chinese names: “Zero Fintech Group Limited” and “零在科技金融集團有限公司,” in accordance with Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong).

Zero Fintech is an investment holding company, and our Group’s principal businesses include property investment and development in the People’s Republic of China (the “**PRC**”) and Hong Kong and money lending business of providing loans in Hong Kong.

Scope of Report

The Report presents our Group’s ESG management strategies and evaluates the environmental and social performance of our Group for the period from 1 January 2024 to 31 December 2024 (the “**Reporting Period**” or “**2024**”). It encompasses our core operations in property investment, money lending services (including mortgage and personal loan financing in Hong Kong), and property development in PRC. During the Reporting Period, Alpha Times Hong Kong Limited and its subsidiaries were acquired by our Group and are included in the Report. Conversely, the disposal of Termbray (Fujian) Land Development Company Limited was completed on 12 January 2024, and is therefore excluded from the scope of the Report.

Reporting Standard

The Report has been prepared in accordance with the ESG Reporting Guide outlined in Appendix C2 to the Rules Governing the Listing of Securities (“**ESG Reporting Guide**”) on The Stock Exchange of Hong Kong Limited (“**HKEx**”). It has been reviewed and approved by the board of directors (the “**Board**”) of the Company.

Reporting Principles

During the preparation process, our Group adheres to the fundamental reporting principles, namely Materiality, Quantitative, Balance and Consistency, as outlined in the HKEx ESG Reporting Guide.

Reporting Principle	Description
1 Materiality	We have conducted a comprehensive materiality assessment to identify the key topics that are relevant to our stakeholders and have a significant impact on our business. The results of this assessment are presented in the section – Materiality Assessment.
2 Quantitative	In line with the ESG Reporting Guide, we present our ESG performance using environmental and social key performance indicators (“ KPI(s) ”) that are calculated using robust methodologies. This enables us to evaluate and validate the effectiveness of our ESG policies and management systems.
3 Balance	We have calculated and presented the environmental and social KPIs in accordance with the ESG Reporting Guide, using rigorous methodologies as described in the respective sections of this Report. To provide an unbiased comparison of our ESG performance over time, we include data comparisons from the previous year.
4 Consistency	The same methodologies, standards, and reporting scope have been maintained for this Report, consistent with previous years’ Reports. This ensures that our ESG performance is presented in a transparent and comparable manner.

Contact & Feedback

Our Group values your feedback and opinion on the Report. Please feel free to contact us with the following contact information:

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Email: group@zerofintech.com.hk

Company website: <https://www.zerofintech.com.hk>



ESG MANAGEMENT APPROACH

Zero Fintech is committed to implementing effective environmental protection and social policies to enhance community well-being and achieve long-term sustainability. We firmly believe that the sustainable development of our business operations is intricately linked to the welfare of the communities in which we operate. Therefore, our Group consistently employs a comprehensive strategic approach that integrates ESG values and considerations into all aspects of our business practices.

By integrating environmental sustainability principles into our operations through the implementation of ESG policies, our Group guides its actions in crucial areas such as community engagement, business practices, and environmental concerns to align with our sustainable objectives. This strategic alignment empowers us to chart a sustainable course, ensuring that our operations not only benefit our business but also make positive contributions to society and the environment at large.

Our ESG Policy

Our Group believes that implementing effective ESG policies is crucial to realising our sustainable development philosophy. We affirm this commitment with the goal of fostering environmental improvement, enhancing community quality of life, and advocating for green enterprises. Our overarching policy, namely The Sustainable Development Policy, serves as guiding principles in integrating environmental protection and social responsibility into our daily operation as well as showing our commitment to sustainability.

The Sustainable Development Policy

- Adhering to all sustainability-related laws, regulations, and other mandates to safeguard the environment and enhance the community
- Utilising resources efficiently, minimising water and electricity wastage, reducing carbon emissions, and preventing pollution
- Extending our environmental and social principles to the supply chain and customers, endorsing green products while upholding quality and accountability
- Cultivating a healthy, safe, supportive, and equitable work environment to train staff, develop diverse skills, and unlock their potential
- Maintaining a workplace free from corruption, bribery, and fraud, fostering a clean and productive setting

- Communicating company's environmental objectives, metrics, and performance with employees to enhance environmental awareness
- Improving community quality of life, fostering strong relationships, and valuing stakeholder perspectives

ESG Governance Structure

The Board plays a crucial role in overseeing the effective implementation of the ESG management system across our Group. To assist the Board in achieving its ESG objectives, we have established an ESG Working Group. This cross-functional team, composed of executives and members from various departments, collaborates to develop and implement ESG policies and initiatives.

In response to environmental challenges and to ensure compliance with all relevant laws and regulations, we have implemented a robust Environmental Management System ("**EMS**") led by our Chief Executive Officer ("**CEO**"). The EMS is supported by a dedicated team from various departments, as detailed in the Environmental Management Handbook. Ultimately, our CEO ensures the smooth implementation of the EMS, guaranteeing that it aligns with our corporate objectives, industry standards, and regulatory requirements.



The key responsibilities of the respective personnel are outlined below:

Governing Body	Roles and Responsibilities
CEO	<ul style="list-style-type: none">• Directs and oversees our Group's operations• Establishes sustainability targets and KPIs at our Group level• Facilitates internal and external communications• Ensures the EMS's effectiveness• Allocates essential resources for the establishment, implementation, maintenance, and enhancement of the EMS
ESG Working Group	<ul style="list-style-type: none">• Reviews our Group's environmental performance through relevant meetings and approves associated environmental documents• Oversees the overall operations of each department• Ensures that all work-related programmes and guidelines are established, controlled, implemented, and understood by employees, with related documents easily accessible
Department Heads	<ul style="list-style-type: none">• Oversee the daily implementation of environmental practices by the Property Department, Engineering Department and Security Department• Communicate relevant environmental policy information from management to staff• Maintain regular contact with government agencies to ensure compliance with safety regulations• Track the progress of departmental environmental targets• Provide training to employees on environmental practices

ESG Risks Management

Understanding the importance of potential impacts arising from ESG risks in our business operations, our Group has implemented a comprehensive set of risk management controls to protect against these risks. A key example of our proactive approach is the establishment of the Environmental Risk Management and Structure Policy, which outlines clear risk management procedures and associated staff responsibilities.

To ensure the effectiveness of our risk management procedures, the ESG Working Group diligently oversees and evaluates the implementation of these measures. This oversight guarantees that management at all levels fully understands their roles in relation to our Group's ESG objectives. As a result, we can effectively identify and assess potential ESG risks, along with their impacts and likelihood, enabling us to develop and implement appropriate mitigation strategies.

Externally, we engaged an independent consultant to conduct an ESG risk assessment during the Reporting Period. Risks identified as having a significant impact and a high likelihood of occurrence have been incorporated into our risk management framework. Mitigation measures have been developed and integrated into our operational practices. The following list provides an overview of the identified ESG risks and the corresponding mitigation measures employed.

Our ESG risk assessment is outlined below:

Risk Identified	Potential Impacts and Mitigation Measures
IT Security and Access Risk	As an investment holding company, the potential impacts associate with IT Security & Access Risk may include data breaches, leading to reputational damage, and legal consequences. To mitigate these risks, our Group prioritise robust cybersecurity measures, employee training, data encryption and regular network monitoring. Additionally, we have established a Personal and Business Data Policy that shows our commitment to data protection. We believe a regular compliance check will help our Group stay aligned with industry standards and regulations to safeguard against potential IT security risks.
Legal and Regulatory Risk	Our Group recognises the importance of addressing legal and regulatory risks to safeguard our operations and reputation. Non-compliance can lead to legal proceedings, reputational damage, financial losses, and market access restrictions. To mitigate these risks, we have established robust compliance programmes, provided Anti-Corruption training and awareness sessions for employees, set up a whistleblowing channel to report any illegal actions of employees, conducted regular risk assessments, and promoted ethical standards within the organisation. By proactively managing legal and regulatory risks, we aim to ensure compliance and sustain long-term success in a dynamic regulatory landscape.
Widespread Diseases	Our Group acknowledges the importance of managing risks associated with widespread diseases to safeguard employee health and operational continuity. As we understand the potential impacts may include workforce health issues, our Group has integrated health and safety protocols outlined in the Occupational Health and Safety (" OHS ") Policy, emphasising hygiene maintenance. Additional measures include education on disease prevention, regular sanitisation practices, health monitoring initiatives, and clear communication channels to ensure proactive management of disease risks, protect employee well-being, and maintain compliance with health and safety regulations.



Risk Identified

Potential Impacts and Mitigation Measures

Service Failure

Our Group prioritises addressing service failures to ensure long-term customer loyalty and satisfaction, recognising potential impacts such as loss of customer trust, operational inefficiencies, and competitive disadvantages. Leveraging our Customer Compliance Policy, which streamlines complaint management procedures and ensures prompt resolution through relevant departments, feedback analysis drives proactive measures to mitigate recurring issues and foster continuous improvement. By emphasising customer feedback mechanisms and our quality assurance processes, our Group strives to maintain a competitive edge through exceptional customer service delivery.

Changing Consumer Needs Risk

Our Group recognises the risks associated with changing consumer needs, including decreased market relevance, loss of competitive advantage, reduced customer satisfaction, financial implications, and operational inefficiencies. To mitigate these risks, our Group employs proactive strategies such as conducting regular market research, analysing customer feedback, fostering innovation, maintaining flexibility and agility, promoting cross-functional collaboration, and investing in employee training. By embracing a culture of innovation and customer-centricity, our Group aims to swiftly adapt to evolving consumer preferences, anticipate market shifts, enhance product and service offerings, drive operational efficiency, and sustain a competitive edge in the dynamic business landscape.



STAKEHOLDER ENGAGEMENT

Continuous communication and interaction with stakeholders who significantly influence our Group or are affected by our operations are essential for the successful implementation of our ESG strategy. We engage with them regularly to understand their priorities, expectations, and perspectives on ESG issues. An annual stakeholder engagement process is conducted to update the materiality matrix, ensuring we address the issues that matter most to them and align our priorities with our ESG management strategies and policies.

With the updated materiality matrix, our Group can enhance its ESG management policies and practices, identify more effective ways to address ESG challenges, and continually improve its ESG performance by incorporating stakeholders' insights and addressing their concerns. As shown in the table below, we routinely communicate with these stakeholders through the indicated channels:

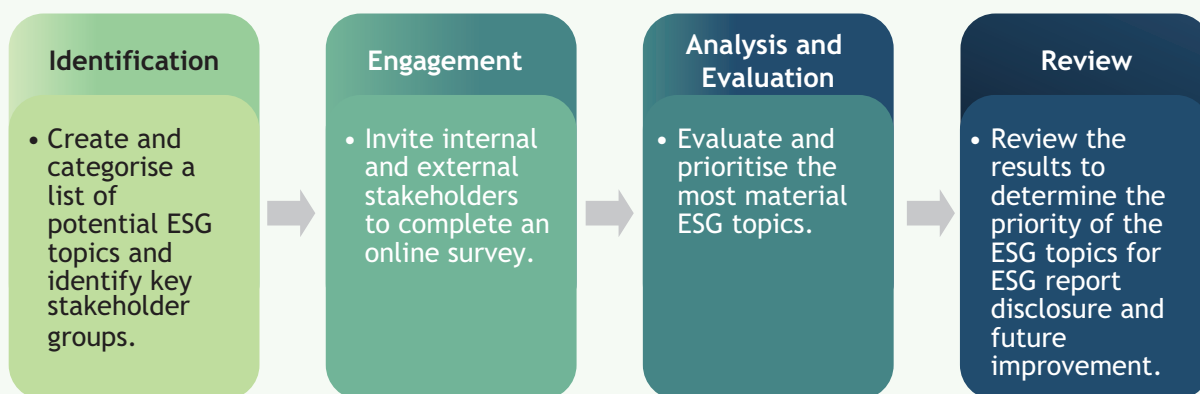
Stakeholder Groups	Communication Channels
Investors and shareholders	<ul style="list-style-type: none">• Company website• Company's publications• Hotline and email• Annual general meeting• Annual and interim reports
Customers	<ul style="list-style-type: none">• Company website• Customer direct communication• Customer feedback and complaints• Customer satisfaction surveys
Employees	<ul style="list-style-type: none">• Training• Orientation• Email• Regular meetings
Suppliers and business partners	<ul style="list-style-type: none">• Selection assessment• Procurement process• Performance assessment• Regular communication with business partners (e.g. email, meetings, on-site visit etc.)
Community and the public	<ul style="list-style-type: none">• Company website• Company's publications• Community activities

MATERIALITY ASSESSMENT

Our Group has conducted a materiality assessment to identify and address the most significant ESG topics that are important to our stakeholders. Materiality refers to factors that have a current or future impact on our ability to fulfil our ESG commitments. We commissioned an independent consultant to conduct an online questionnaire to gather insights from our internal and external stakeholders, including staff, clients, and board members.

Following the assessment, our stakeholders evaluated 34 ESG concerns, considering their significance and relevance to both our business operations and the stakeholders themselves. They identified several topics related to the environment, employment, operations, and community as material, based on an understanding of our business nature and desktop research. By recognising the importance of these topics from both our Group's and stakeholders' perspectives, we can identify disparities between our trajectory and stakeholder expectations. This enables us to take steps to align our Group's development direction more closely with stakeholder expectations.

The ESG topics have been categorised into three levels: High, Medium, and Low. This categorisation provides a framework for developing effective strategic plans and allocating resources, accordingly, allowing us to prioritise our efforts and focus on areas of the highest significance and impact. This approach supports our Group in continuously enhancing our ESG performance, governance, and policies.



The materiality matrix below illustrates the prioritisation of ESG issues based on their significance as determined by our stakeholders. The topics located in the upper right corner of the matrix have been identified as having the greatest impact on our Group's business operations and are considered the most significant by our stakeholders.



Environment	Social	
	Employment	Operation
1. Air emission	15. Labour rights	24. Customer satisfaction
2. Greenhouse gas ("GHG") emission	16. Labour-management relations	25. Customer service quality and complaints handling
3. Decarbonisation	17. Employee retention	26. Customer health and safety
4. Conservation of ecosystem	18. Diversity and equal opportunity	27. Marketing and product and service labelling compliance
5. Nature-related risk and opportunity management	19. Non-discrimination	28. Intellectual property
6. Circular economy	20. Occupational health and safety	29. Customer privacy and data protection
7. Environmental data management	21. Employee training	30. Responsible supply chain management
8. Climate Change mitigation	22. Employee development	31. Fair operating practice on supplier
9. Climate risk management	23. Prevention of child labour and forced labour	32. Business ethics
10. Energy efficiency		33. Socio-economic compliance
11. Water and effluents		Community
12. Use of materials		34. Community involvement
13. Waste management		
14. Environmental compliance		

Based on the materiality matrix, our Group has identified Ethical Business as the key areas requiring increased focus and effort. In response, we have formulated a comprehensive set of ESG policies, measures, and targets specifically designed to address the concerning areas, with the goal of driving continuous improvement in our ESG performance over time.

Key concerns from stakeholders

Our responses

Section

Ethical business

Our Group is committed to maintaining the highest ethical standards in our operations. To address concerns related to ethical business practices, we have implemented an Anti-Bribery, Extortion, Fraud, and Money Laundering Policy. Additionally, we have an Internal Whistleblowing Policy in place to encourage transparency and accountability. These measures reinforce our dedication to conducting business ethically and responsibly.

Ethical Business

Customer privacy and data protection

Our Group is committed to upholding the highest standards of customer privacy and data protection. As a result, we have implemented a comprehensive Personal and Business Data Policy that outlines our dedication to safeguarding personal information. Stringent measures are in place to securely store all data and prevent unauthorised access by external entities without explicit consent from the individuals concerned. Ensuring data privacy is a top priority for us, and our “Customer Notification Letter Regarding Customer Information” clearly outlines the possible purposes for using customer information, reinforcing our commitment to transparency and trust.

Privacy Protection



Key concerns from stakeholders

Labour/management relations

Our responses

Our Group is fully committed to protecting the labour rights of our staff and job applicants while adhering to the standards set forth by Labour Law. We strictly prohibit any forms of child labour and forced labour within our operations and have implemented comprehensive policies to prevent and eliminate these practices. Our Child Labour Policy is actively enforced, and our Human Resources Department adheres diligently to the recruitment guidelines outlined in our Recruitment and Human Resource Policy, which is regularly reviewed to ensure compliance with the latest regulations. We value and welcome any feedback from our stakeholders regarding labour relations, as we strive for continuous improvement in this area.

Section

Child & Forced Labour

Key concerns from stakeholders

Employee retention

Our responses

Our Group is committed to fostering an environment that encourages mutual development and employee retention through a motivational framework that links rewards to performance. We require employees to uphold the Company's standards and comply with all relevant regulations, and in return, we offer competitive remuneration packages tailored to individual performance, experience, and qualifications. The Board routinely reviews our policies on remuneration, compensation, dismissal, recruitment, and workplace guidelines to ensure they align with best practices. Additionally, we provide extra paid time off beyond statutory holidays and annual leave, recognising the importance of supporting our employees during various life circumstances. Furthermore, we host team-building events regularly to strengthen relationships with our employees and enhance collaboration within the workplace. This commitment not only ensures their well-being but also promotes a balanced work-life dynamic.

Section

Relationship with Our Employees;

Talent Attraction and Retention



Key concerns from stakeholders

Socio-economic compliance

Our responses

Our Group is committed to socio-economic compliance by ensuring that our operations align with both legal standards and ethical practices. We believe that satisfying our customers is integral to this commitment, as we strive to provide high-quality products and services that contribute positively to the communities we serve. We actively engage with stakeholders to understand their needs and expectations, and we implement sustainable practices that not only meet regulatory requirements but also enhance the overall socio-economic landscape. By prioritising customer satisfaction and community well-being, we aim to create lasting value and foster trust among our stakeholders.

Section

Services and Product Excellence

CARE FOR OUR EMPLOYEES

Zero Fintech places a strong emphasis on the well-being of our employees, particularly in health and safety. We efficiently allocate our resources to ensure the sustained physical, mental, and financial wellness of our workforce while fostering their career development. This commitment is reflected in our ongoing efforts to maintain high employment standards and cultivate an environment that encourages innovation and diversity in the workplace. We enhance the quality of our work environment by implementing robust standards and policies to mitigate health and safety risks. Through these initiatives, we strive to create a supportive and thriving workplace for our employees.

As of the end of the Reporting Period, the total number of employees was 106. The employment figures as of the end of the Reporting Period are shown below:

		2024	2023	2022
Total number of employees¹		106	62	51
By gender	Male	60.38%	60.29%	61.22%
	Female	39.62%	39.71%	38.78%
By age group	Below 30	24.53%	10.29%	10.21%
	30 to 50	60.38%	66.18%	59.18%
	Over 50	15.09%	23.53%	30.61%
By geographical region	Hong Kong	50.94%	73.53%	53.06%
	PRC	49.06%	26.47%	46.94%
By employment type	Senior Management	4.72%	8.82%	6.12%
	Middle Management	9.43%	20.59%	18.37%
	General Staff	85.85%	70.59%	75.51%

¹ The number excludes Directors.

Relationship with Our Employees

Our Group places a significant emphasis on nurturing positive relationships with employees through engaging team-building events, recognising the value of cultivating team spirit among our staff. This year, at the 2024 Zero Fintech Group Limited Annual Conference – “Gathering together to create great FUN” in both Shenzhen and Chongqing venues, team games were played to enhance team spirit and strengthen connections among colleagues. The conference featured performances by our employees, showcasing their talents. Moreover, a lucky draw game was organised, providing opportunities for awards and creating an atmosphere of excitement and engagement.

As a token of appreciation for outstanding performance, we recognised our high-performing employees over the year, with the prestigious “Best Employee Award” during the conference, highlighting their contributions and dedication to our Group.

Zero Fintech Group Limited Annual Conference – “Gathering together to create great FUN”



In addition, we organised other social activities aimed at nurturing team spirit and supporting the mental well-being of our employees. Throughout the year, we coordinated events such as the Chinese New Year Celebration, Mid-Autumn Festival Events, Christmas Party, and Annual Dinner, with the purposes of fostering enhanced collegial interaction and promoting a sense of communal celebration among our team members.



Annual Dinner



Chinese New Year Celebration

Employee Communication Management

Our Group emphasises transparent and effective communication with our employees through our Employee Communication Management Procedure. Our communication principles include respect, timeliness, effectiveness, and a two-way dialogue approach.



• Respect



• Timeliness



• Effectiveness



• Two-way
Dialogue
Approach

At the heart of our communication strategy lies an effort to connect with our employees on a personal level. We believe having an open dialogue and transparent interactions can cultivate a sense of unity within our Group. Through a blend of formal and informal communication channels, we strive to create an environment where every voice is heard and valued. Our commitment to regular staff meetings, performance reviews, and other communication channels are driven by our desire to not just convey information but to foster a culture of mutual respect and understanding. We recognise that true collaboration and trust can only flourish in an environment where communication flows freely and feedback is welcomed with open arms. By prioritising communication efforts and nurturing a culture of openness, we seek to build a community where every individual feels empowered to share their thoughts, ideas, and concerns without hesitation.

Talent Attraction and Retention

The success and growth of our Group depends significantly on our dedicated workforce. Our Group recognises that fostering effective communication between management and employees is important for enhancing employee motivation. Through our annual staff assessment, we actively seek feedback from our workforce to address their needs and concerns.

Our Group is committed to fostering an environment that encourages mutual development by implementing a motivational framework that connects rewards to performance. Employees are required to uphold the Company's standards and comply with all relevant regulations. To recognise and motivate their contributions to business conduct and performance, we offer competitive remuneration packages based on factors such as performance, experience, and qualifications. The Board routinely reviews our Group's policies on remuneration, compensation, dismissal, recruitment, and workplace guidelines.

In addition to statutory holidays and annual leave of up to 15 days, employees receive extra paid time off to accommodate various needs, including sick leave, marital leave, maternity leave, compassionate leave, and jury duty. We recognise the importance of providing these additional benefits to support our employees during different life circumstances, ensuring their well-being and promoting a balanced work-life dynamic.

During the Reporting Period, the employee turnover rate was 47.17%. The detailed breakdown is presented in the table below:

Employee Turnover Rate ²		2024	2023	2022
Total		47.17%	51.47%	50.98%
By gender	Male	38.10%	52.38%	56.00%
	Female	21.43%	47.37%	46.15%
By geographical region	Hong Kong	21.43%	60.00%	70.00%
	PRC	38.10%	14.29%	23.81%
By age group	Below 30	13.10%	80.00%	80.00%
	30 to 50	41.67%	60.00%	60.00%
	Over 50	4.76%	25.00%	25.00%

² The turnover rate of each category was calculated by dividing the number of employees who left the Company during the Reporting Period by the number of employees as of 31 December 2024 and 31 December 2023.

Health and Safety in the Workplace

Committed to cultivating a secure, civilised, comfortable, and healthy workplace environment that resonates with our core values of “Safety First, Prevention as Main Focus, Complemented with Controls”, prioritising the well-being and safety of our employees is fundamental to our employee management approach. We maintain a steadfast commitment to continually improving our OHS System.

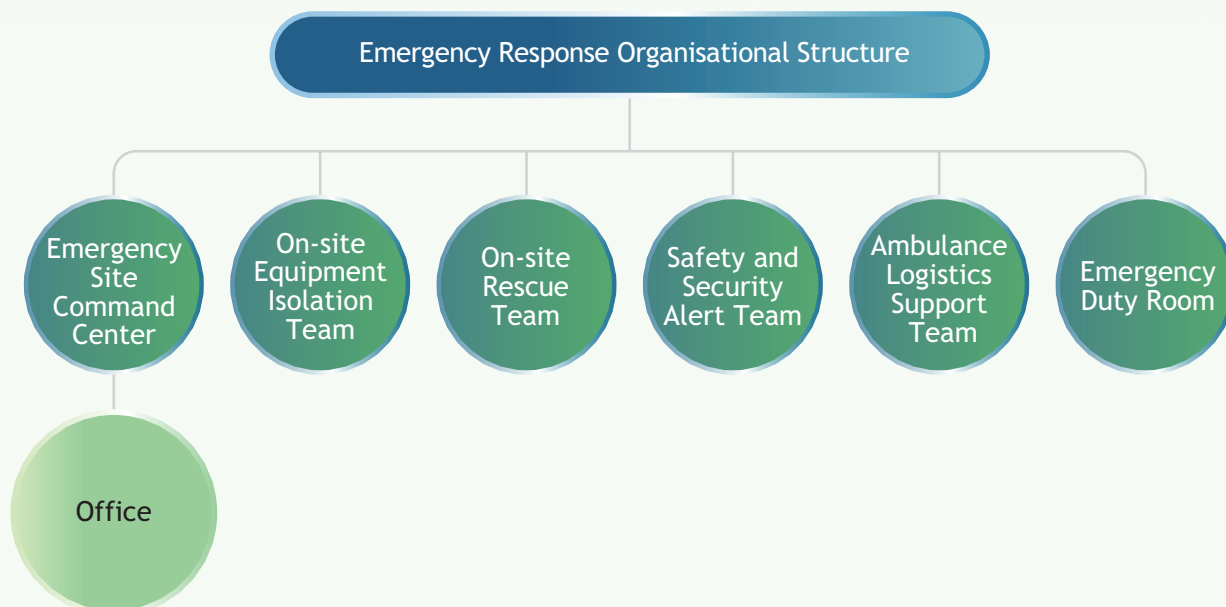


OHS Policy

Our Group has put in place an OHS Policy, which acts as a comprehensive framework for efficiently managing health and safety risks. This policy outlines the necessary steps to protect the well-being of employees in the workplace. These include compliance with all relevant laws and regulations, accident prevention strategies, communication of safety objectives to employees, regular workplace inspections, fire safety measures, hygiene maintenance, and provision of emergency facilities. Executed by our diligent Human Resources Department with collaboration from all management sectors, our OHS Policy demonstrates our dedication to prioritising the well-being and safety of our workforce at every level.

Emergency Response Organisational Structure

We have established an Emergency Response Organisational Structure, with teams and their responsibilities clearly defined within our Emergency Response Organisational Structure. Each team is well-aware of its role when dealing with any emergency involving safety risks. The hierarchy of the Emergency Response Organisational Structure is as follows.



Safety Management Department

Furthermore, in our commitment to upholding workplace occupational health and safety standards and adhering to legal regulations, we have implemented a comprehensive set of safety protocols. The Safety Management Department plays an important role in supervising the handling of manufacturing equipment and essential infrastructure to guarantee workplace safety. This includes conducting risk assessments and furnishing our staff with the necessary personal protective equipment to mitigate potential hazards. The Safety Management Department is required to achieve the occupational health and safety target indicators that are regularly communicated to foster a culture of awareness. Our firefighting equipment is diligently maintained and easily accessible, complemented by continuous staff training on fire safety procedures. Additionally, our Safety Management Department is actively involved in formulating fire safety protocols, organising drills, and ensuring the upkeep of firefighting equipment. We emphasise routine checks, monitoring procedures, and the provision of suitable personal protective equipment to ensure compliance with fire safety regulations and prompt hazard identification.

Fire Emergency Protocols

Our fire emergency protocols are designed to ensure prompt action during fire incidents. This involves immediate notification of the relevant authorities, swift evacuation of staffs, and thorough post-incident analyses to facilitate ongoing improvements. At the core of our strong fire safety methodology lies the regular upkeep of fire extinguishers, continual inspections, and the implementation of fire drills. These critical elements form the foundation of our comprehensive fire safety strategy, ensuring a quick and effective response in emergencies.

In addition, we organise frequent training sessions aimed at enhancing fire safety awareness and practical skills among our employees, aligning with our commitment to upholding safety principles within our workforce.

Fire Safety Inspection



During the Reporting Period, our Group was not aware of any material breach of relevant laws and regulations in Hong Kong pertaining to the provision of a safe working environment and protection of employees from occupational hazards, such as Occupational Safety and Health Ordinance (Cap. 509) and Employees' Compensation Ordinance (Cap. 282).

	2024	2023	2022
Number of work-related incidents	0	0	0
Number of lost day due to work-related injuries	0	0	0
Number of work-related fatalities	0	0	0

Equal Employment and Promotion

Our Group always strives to foster inclusivity within our workplace, enabling the incorporation of diverse perspectives in our decision-making process. It is our mission to uphold the principles of equality, fairness, diversity, and transparency at every stage of our employment procedure. Our employment decisions are based solely on objective criteria, such as the applicant's abilities, past accomplishments, qualifications, and experience, and is strictly in compliance with relevant laws and regulations. We prohibit any forms of unfavourable treatment, discrimination, or harassment.

Our commitment extends to cultivating a work environment that values fairness and fosters collaborative development. We have implemented a regular performance evaluation system that serves to emphasise employees' responsibilities and supports them in setting and achieving long-term career objectives. Our Group acknowledges and rewards employees who have completed accredited training, demonstrated exceptional performance and made significant contributions to the success of the organisation. The efforts of those individuals are duly recognised by providing them with promotions, training opportunities, and incentives.

During the Reporting Period, our Group was not aware of any material breaches of relevant laws and regulations in the PRC and Hong Kong, including among others The Labour Law of the People's Republic of China and the Law on the Employment Ordinance (Cap. 57) of Hong Kong, that have a significant impact on our Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination, and other benefits and welfare.



Child and Forced Labour

We are fully committed to protecting the labour rights of our staff and job applicants while adhering to the standards set forth by the Labour Law. Any forms of child labour and forced labour are strictly forbidden within our operations. To ensure strict adherence to this commitment, we have implemented comprehensive policies aimed to prevent and eliminate any child and forced labour practices.

Pre-employment and annual medical examinations are also arranged for new and existing employees. In any event that child labour or forced labour is discovered, designated staff members are required to take swift actions for rectification. This may include arranging health examinations, terminating and safely return the child to original place of residence, and providing necessary education support until they reach the appropriate age for employment. It is important to note that our anti-child labour and forced labour rules also extend to our suppliers.


Our Child Labour Policy is in place to ensure the compliance with national laws and preventing inadvertent child labour. Child labour is defined as individuals under 16 years of age. The Policy is implemented to cover all departments, emphasising recruitment processes and child labour management. Moreover, our Forced Labour Policy is designed to eliminate compulsory labour practices and reinforce our corporate social responsibility. Applicable across all personnel levels, the policy prohibits the exploitation of employees under threat or pressure.

Our Human Resources Department diligently adheres to the recruitment guidelines outlined in the Recruitment and Human Resource Policy, subjecting the policy to regular reviews to guarantee compliance with the latest regulations.

During the Reporting Period, our Group was not aware of any material non-compliance with laws and regulations in the PRC and Hong Kong, including among others The Labour Law of the People's Republic of China, Law on the Protection of Minors of the PRC, Provisions on the Prohibition of Using Child Labour and the Employment Ordinance (Cap. 57) of Hong Kong, relating to child and forced labour.

Diversity and Inclusion

In our ongoing efforts to promote diversity and inclusivity within our Group, we strictly prohibit all forms of discrimination. Gender equality is a fundamental principle in our employment practices. We champion equal opportunities for women who meet job requirements, ensuring they receive fair compensation for their work. Gender should never be a barrier to employment, except where specific national regulations restrict women from certain roles. It is crucial for our managers to approach every employment-related decision, including hiring, compensation, training, promotions, and all other aspects, with fairness and impartiality towards each employee. We have zero tolerance for discrimination and sexual harassment, and we ensure that all staff members are promptly informed about such behaviours.



Our Group maintains a strict policy against any form of compulsory, threatening, demeaning, or exploitative behaviour by management towards employees, whether through gestures, language, or physical contact. We have established transparent and efficient procedures for reporting and addressing complaints of discrimination and harassment. Employees are encouraged to voice their concerns in writing or verbally to relevant management or the HR department. We are committed to conducting prompt investigations and providing responses within seven working days of the conclusion of the inquiry.

We highly respect the rights of all our employees to observe and adhere to their beliefs and cultural norms related to race, social class, nationality, religion, disability, gender, sexual orientation, union membership, and union creed requirements. We ensure that no employee faces prejudice for exercising these fundamental rights.

Training and Development

Our Group is committed to unlocking the potential of our employees to enhance our overall competitive edge while supporting their individual career aspirations. We allocate resources towards developing comprehensive staff training programmes to enhance their skills, provide them with the latest expertise, and deepen their understanding of market trends. To facilitate this, we have established a robust Training and Management Policy that guides our employee development initiatives. We regularly review and update this policy to ensure that the training objectives remain current. Our training programmes are categorised into: New Employee Training, Position-specific Skills Training, Quality Training, and Knowledge Training.

Annually, each department collaborates with the Human Resources Department to design training plans tailored to the department's unique operational context, individual roles, past performance, and employees' developmental needs. The Human Resources Department actively engages in dialogue with departments, conducts regular training surveys, and facilitates various training opportunities, including on-the-job training, professional development sessions, and external seminars. To support employees in external training sections, we provide financial assistance for workshop fees, seminar costs, and course charges.

Our new employee onboarding sessions are designed to assist new joiners in understanding our company culture and operations, ensuring a seamless integration process. Led by the Human Resources Department, these sessions cover essential aspects such as company values, safety protocols, social responsibility, job-specific knowledge, and integrity principles. These onboarding sessions are instrumental in fostering a cohesive work environment. Throughout the Reporting Period, a total of 67.58 training hours was delivered to our employees.

Our commitment to skill-based training ensures that employees acquire the specialised competencies essential for success in their roles. To uphold the quality of our training initiatives, we conduct detailed training assessments for sessions delivered by both internal and external trainers. These assessments are based on four criteria: 1) Learning Assessment, to measure the level of participants' understanding of the training content; 2) Course Evaluation, to collect participants' satisfaction levels with the training courses, instructors, and training organisations; 3) Behavioural Assessment, to observe employees' behavioural changes after the training sessions; and 4) Outcome Evaluation, to assess the impact of training on company performance. Through these training assessments, we can determine whether our training plans are aligned with business objectives, individual responsibilities, and performance standards, thereby fostering a culture of continuous learning that promotes personal and organisational growth.

In managing training expenditures, we adhere to a transparent and accountable process. Projects requiring funding undergo approval via a structured "Training Approval Form", guaranteeing prudent resource allocation. Internal and external training activities with associated costs are monitored and approved based on established guidelines. Any deviations from the training plan are reviewed in consultation with the Human Resources Department to optimise training resources effectively across departments.

2024	Percentage (%) of Employees Trained ³	Average Training Hours (Hours)
Total of training hours	63.21%	1.01
By gender		
Male	50.00%	1.50
Female	83.33%	0.56
By employment category		
Senior Management	—	—
Management/Supervisor	70.00%	1.27
General Staff	65.93%	0.98

³ Percentage of employees who received training is calculated by dividing the number of trained employees of each category by total employees of that category.



SERVICE AND PRODUCT RESPONSIBILITY

We are committed to fulfilling the expectations and needs of our clients through the establishment of enduring, sustainable partnerships with our business associates and stakeholders. Annually, we strictly evaluate and scrutinise the credentials of our suppliers to pinpoint those who resonate with our objectives of enhancing our offerings and services while reducing our environmental impacts. This commitment enables us to consistently deliver exceptional service while maintaining our pledge to environmental responsibility.

Supply Chain Management

Our Group recognises the importance of maintaining a reliable and efficient supply chain management system to facilitate seamless operations and deliver high-quality products and services to our clients. To uphold these standards, we have implemented the Supply Chain Management Policy, which outlines our supplier selection procedures and the criteria for evaluating and managing our current suppliers. We are committed to ensuring fairness and impartiality throughout the procurement and bidding processes by fostering effective communication among all relevant departments. We expect all our vendors, contractors, and suppliers to comply with relevant laws and regulations. Our Logistics Department conducts annual supplier assessments to evaluate and rate suppliers, ensuring they meet our stringent standards in areas such as fair bidding processes, and the prioritisation of eco-friendly procurement, collaboration with our Group, product quality, delivery timeliness, cost control practices, and fulfilment of corporate social responsibilities. Additionally, the policy emphasises the qualification of suppliers such as technical capabilities, quality certifications, and environmental responsibility when assessing suppliers. Supplier management is also conducted to maintain quality standards and take action to improve supplier performance. Non-compliant behaviours, such as environmental violations, may result in suppliers being blacklisted.

We are committed to nurturing strong and enduring relationships with qualified suppliers to establish sustainable collaborations that ensure the stability and quality of our supply chain. During the Reporting Period, we engaged with 31 suppliers, with 24 originating from Hong Kong and 7 from the PRC.

Green Procurement

To reduce the environmental footprint of our supply chain and embrace environmental consciousness, we offer precedence to procuring more sustainable products. Within our procurement procedures, we not only factor in cost and quality but also integrate ESG considerations into our decision-making processes. Aligned with our Group's Environmental Protection Policy, we have adopted green procurement principles to promote sustainable sourcing by selecting eco-friendly goods.

Our focus lies in acquiring and utilising materials, products, and services with reduced environmental impacts, considering aspects such as resource efficiency, eco-friendly production methods, energy efficiency, adherence to environmental regulations, safe disposal, and recyclability. Furthermore, we prioritise collaborating with suppliers who uphold ethical business standards and exhibit a dedication to sustainable growth.

Services and Product Excellence

Our Group places a strong emphasis on delivering products and services of exceptional quality that surpass customer expectations to uphold its reputation and achieve ongoing success. To ensure customer satisfaction, we highly value feedback from our clients and actively seek their input and concerns regarding the quality and performance of our offerings.

Customer Satisfaction Results

This year, we implemented a satisfaction survey mechanism in our Customer Service Centre (“CS”) starting in late April. We achieved an impressive annual average score of 4.68, which reflects a high level of customer satisfaction and indicates our commitment to service excellence. This score is based on feedback collected immediately after service calls, where customers rated our performance on a scale from 1 to 5, with 5 being the highest level of satisfaction.

Satisfaction Scores	1	2	3	4	5	Total
No. of People	8	5	15	35	298	361

Looking ahead to 2025, our Group plans to intensify efforts to encourage customer feedback further, ensuring we continue to meet and exceed our customers’ expectations.

Handling Customer Complaints

We interact with customers through various communication channels, including our website, hotline, and surveys, to gain a deeper understanding of their needs and expectations. Our Customer Complaint Management Procedure outlines the procedures for managing complaints, guaranteeing that each issue is promptly addressed by the relevant department through the appropriate channels. The feedback collected has been carefully analysed and utilised to proactively address any recurring issues and drive continuous improvement.

Throughout the Reporting Period, no complaints related to products or services were received, and we were not aware of any significant violations of relevant laws and regulations pertaining to health and product safety. To the best of our knowledge, no product sold or shipped by us was recalled in 2024 due to safety or health concerns.

Privacy Protection

We highly value the protection of personal data belonging to our customers, suppliers, contractors, and partners. In compliance with relevant laws, such as the Hong Kong Personal Data (Privacy) Ordinance, we have implemented a comprehensive Personal and Business Data Policy that outlines our commitment to data protection. Stringent measures are in place to securely store all data and prevent unauthorised access by external entities without explicit consent from the individuals concerned.

Ensuring data privacy is a top priority for us. Our “Customer Notification Letter Regarding Customer Information” explicitly states the possible purposes for using our customer information. Our Group ensures to obtain customer consent for any direct marketing purposes. If customers do not wish for their data to be used by our company for such purposes or shared with others for direct marketing, they are welcome to notify us to exercise their right to refuse postal mail, email, mobile phone messages, and/or telephone marketing, at no cost to them. Therefore, we ensure our customers are well-informed about their rights and provide their consent before using our services.

Advertising Ethics and Use of Product Label

Our Group offers accurate and trustworthy product information in our marketing and advertising materials to ensure that our customers make well-informed purchasing decisions. We strictly prohibit the use of deceptive documents or any practices that could compromise the accuracy of product details. Our aim is to prevent the misuse of products and reduce the risks associated with misinformation.

Our Product Labelling Procedure reflects our commitment to protecting consumers’ rights to access authentic product information. The procedure sets forth clear guidelines for appropriate labelling practices, focusing on accurately representing product features and specifications. Our aim is to promote transparency, uphold consumer confidence, and adhere to the highest standards of professionalism and integrity in our marketing and advertising efforts.



ETHICAL BUSINESS

Business integrity is a fundamental value in our Group, and we are dedicated to conducting our business activities in accordance with high ethical standards. To ensure that employees are mindful of professional ethics and uphold the Company's reputation, our Group has introduced an Employee Handbook and an Employee Code of Conduct ("**Code**") and policies. These documents adhere to relevant laws and regulations and are applicable to all employees, directors, and subsidiaries. They outline the expected behaviours of our employees and the foundational principles guiding our management approaches across various areas, including business ethics, conflicts of interest, bribery, and procurement.

In 2024, there were no reported cases regarding breaches of the Code.

Anti-corruption and Anti-money Laundering

Our Group does not tolerate all forms of corruption and money laundering activities within our Group. To cultivate an ethical corporate environment, we have instituted the Anti-bribery, Extortion, Fraud, and Money Laundering Policy along with the Internal Whistleblowing Policy. Our employees, spanning from management to staff, are strictly prohibited from accepting any gifts or offerings that could compromise fairness and independence in the workplace. This prohibition extends to all parties, including customers, suppliers, service providers, and contractors engaged in business with our Group.

Additionally, we have implemented a robust system to swiftly prevent, and address identified issues related to commercial bribery and money laundering. Each department head is tasked with conducting supervisory inspections to promptly spot any signs of non-compliance with the policy and laws within their departments. Clear guidelines have been established, encompassing essential controls like record-keeping, employee training, and continuous client monitoring.

Our Group has organised an anti-money laundering and terrorist financing training programme to enhance our understanding of the characteristics and patterns of commercial bribery and money laundering. This enables us to identify specific features and trends, allowing us to develop targeted prevention strategies. Moreover, employees at different grading levels are required to attend an exam for this training. In 2024, our employees who took this exam achieved a 100% passing rate.

By exploring these aspects, we can propose concrete actions to address early indicators of commercial bribery, ensuring the timely resolution of potential issues. We encourage employees to report any suspicious transactions through our confidential whistleblowing channels. Regular reviews of these guidelines are conducted to ensure alignment with the latest laws and regulations.

Whistle-blowing Channels

Within the framework of our company's commitment to ethical practices and transparency, we have established an Internal Whistle-blowing Management Team in alignment with our Internal Whistle-blowing Policy. This initiative aims to prevent operational and managerial risks effectively, encouraging all employees to actively engage in company governance by promptly reporting any internal operational deficiencies or violations. Our policy highlights the importance of lawful and compliant operations, ensuring a culture of accountability and confidentiality for whistle-blowers. Below are the principles of our Whistle-blowing Policy:

Extensive employee participation

Immediate supervision and reporting


Timely and effective handling

Strictly hold people accountable

Maintaining confidentiality for whistleblowers

Under the General Provisions of the policy, the Internal Whistle-blowing Management Team, led by the office head, oversees the development, modification, and implementation of the whistle-blowing work system. This team is responsible for receiving and investigating reports of operational defects or violations, analysing reported behaviours, and recommending remedial measures to the Company, adhering to strict accountability principles outlined in our guidelines.

The scope of reporting encompasses all departments and operational aspects of the Group, including but not limited to violations of company policies, financial irregularities, non-transparent recruitment practices, procurement violations, security vulnerabilities, and actions that could potentially lead to economic or reputational harm. Through a structured reporting procedure, employees can submit reports in writing or verbally to the Internal Whistle-blowing Management Team, which maintains records and convenes meetings to discuss, analyse, and determine appropriate actions in response to reported issues.



As part of our commitment to transparency and integrity, the Group upholds the principle of whistle-blower confidentiality, ensuring that individuals who come forward with concerns are protected. In 2024, there were no reported cases of corrupt issues against our Group or its employees.

Intellectual Property Rights Protection

Our Group is committed to cultivating a culture that promotes innovation and upholds the value of intellectual property. We understand the significance of safeguarding intellectual assets, encompassing trademarks, patents, copyrights, designs, plant varieties, and integrated circuit layout designs, as a means of recognising the creativity and effort of our workforce. To ensure adherence to legal requirements concerning intellectual property, employees are guided by the Code, a document that offers explicit directives on the acquisition, maintenance, processing, and utilisation of intellectual property.

Throughout the Reporting Period, our Group did not encounter any instances of non-conformity with relevant laws and regulations pertaining to intellectual property concerning our products and services. This shows our commitment to intellectual property compliance and underscores our dedication to ethical conduct.

COMMUNITY INVOLVEMENT

Our Group actively seeks opportunities to benefit our communities and make a positive impact. During the Reporting Period, our Group proudly partnered with Gingko Moment Bakery to engage in a meaningful food distribution initiative aimed at supporting the elderly. This collaboration allowed us to address the growing need for assistance among senior citizens in our community, particularly those who may be facing food insecurity.

The event involved the preparation and distribution of nutritious meals, ensuring that our elderly neighbours received not only sustenance but also a sense of care and connection. Volunteers from our Group actively participated in the distribution process, fostering a spirit of community and compassion. By working alongside Gingko Moment Bakery, we were able to leverage their expertise in food preparation and logistics, ensuring that the initiative was efficient and impactful.

This activity not only strengthened our ties with the community but also reinforced our commitment to social responsibility. We believe that by supporting vulnerable populations, we contribute to a more inclusive and caring society.



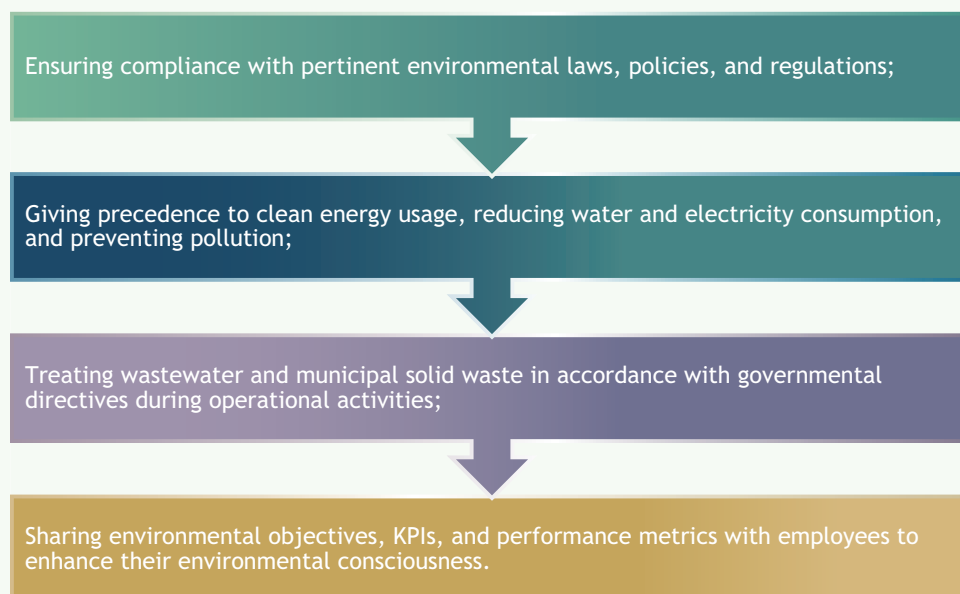
ENVIRONMENTAL MANAGEMENT

A fundamental aspect of our Group's strategy for continuous improvement involves setting sustainability targets. Within our internal policy framework, both our management and staff bear responsibility for the environmental impact of our Group's activities. Each year, our Group's management conducts an annual review to ensure the efficient functioning of the environmental system and to evaluate sustainability performance from the previous year. Following this assessment, subsidiaries may receive updated goals based on their past performance, with designated accountable staff overseeing these objectives.

Moreover, we extend our environmental and social values to our stakeholders. A variety of environmental policies governing the operation of our Group, its suppliers, and contractors have been established. Our Group's Environmental Protection Policy sets forth comprehensive and specific guidelines covering initiatives and measures across both our Office and Construction Site operations. By adhering to this policy, we diligently comply with all relevant laws and regulations while striving to minimise resource consumption, waste generation, and GHG emissions, and implement responsible waste management practices.

EMS

In pursuit of our sustainability objectives, a range of environmental policies governing the operations of our Group, its suppliers, and contractors have been established. A comprehensive environmental policy at our Group level is in place to ensure the proper implementation of the EMS, with the primary aim of reducing our Group's energy and natural resource consumption and lessening its environmental impact. Our Group commits to adhering to the guiding principles outlined in this policy to guide its actions and decisions.



Our Sustainability Targets:



Energy Consumption



20% by 2025

30% by 2030

Reducing 20% of its energy consumption by 2025 and 30% by 2030 (with the baseline in 2021).



Water Consumption



10% by 2025

15% by 2030

Reducing 10% of its water consumption by 2025 and 15% by 2030 (with the baseline in 2021).

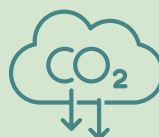
Air and GHG Emissions

To attain our short-term and long-term GHG emission targets, our Group has established guidelines for effectively managing business operations that have a significant impact on our emissions. The GHG and Air Emission Policy has been developed to ensure compliance with governmental regulations, specifically the Measures of Guangdong Province on Prevention and Control of Air Pollution. This policy is designed to effectively monitor and control the air and GHG emissions of our Group. Within this policy framework, the Construction Site Emission Management Policy serves as a vital component, providing contractors with clear instructions on how to manage air emissions at construction sites and fulfil their environmental protection responsibilities.



15% by 2025

20% by 2030



**Achieving Carbon
Neutrality in
2050**

Air and GHG Emissions

Reducing 15% of absolute GHG emissions by 2025, 20% by 2030 and achieving carbon neutrality in 2050 (with the baseline in 2021).



Our Group actively implement the following emission mitigation measures:

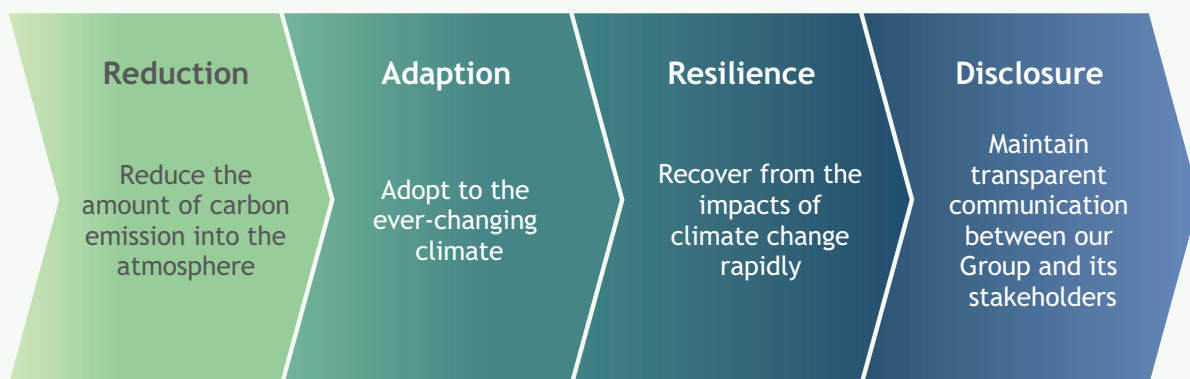
- 1 Ensuring compliance with applicable laws and regulations and obtaining the necessary emission licences
- 2 Deploying suitable emission reduction equipment during the construction process, such as installing suspended particle removers
- 3 Substituting regular diesel with ultra-low sulfur diesel for all diesel-powered machinery and facilities
- 4 Conducting regular maintenance and repairs of machinery and facilities to ensure emissions remain within established limits
- 5 Increasing the utilisation of renewable and low-carbon energy sources whenever possible
- 6 Engaging with our staff and suppliers to promote carbon emission reduction in their day-to-day operations

Climate Change

As the impacts of climate change become increasingly evident, it is crucial for businesses, including our Group, to respond proactively. Addressing climate change is not just an environmental imperative; it is essential for ensuring sustainable development, protecting public health, and safeguarding future generations. By taking decisive action now, we believe we can mitigate the risks associated with climate change, promote resilience, and foster a more sustainable and equitable future for all.

Climate Change Emergency Response Plan

To strengthen its resilience against climate change, our company is dedicated to enhancing sustainability and resilience through the implementation of a comprehensive Climate Change Emergency Response Plan. This initiative reflects our commitment to effective emergency management in the face of climate change and weather-related disasters. By improving our management capabilities and emergency response strategies, we aim to minimise potential losses from severe weather events while ensuring the safety of our residents and their properties. Our Group's dedication to tackling climate change focuses on four key areas:



Our Climate Change Emergency Response Plan defines “Meteorological Disasters” as severe weather events, including heavy rain, thunderstorms, typhoons, and extreme temperatures, which pose significant risks to life and property. In alignment with our core values, we prioritise preventing accidents from escalating and minimising casualties. Our proactive approach focuses on comprehensive preparedness, integrating prevention measures with effective response strategies.

To strengthen our efforts, our company has established protocols for extreme weather situations. Relevant departments will conduct thorough safety inspections of electrical systems, fire safety equipment, and evacuation routes when adverse weather conditions arise. These inspections ensure that all safety measures are in place and that we are prepared for any necessary rescue operations. Each team plays a crucial role in disaster prevention and response, emphasising the importance of resource integration and efficient communication. Our leadership team, headed by the General Manager, is tasked with coordinating emergency efforts and overseeing the implementation of the plan. This team is responsible for making timely adjustments based on evolving situations and challenges. Furthermore, we are committed to ongoing training and drills to ensure that all personnel are equipped to respond effectively to emergencies.

In the aftermath of any incident, our company prioritises prompt reporting to higher authorities and filing insurance claims for property losses. Immediate actions will also be taken to rescue both personnel and property. By continuously evaluating our response efforts and refining our strategies, we strive to create a safer environment for our residents while reinforcing our commitment to sustainability and resilience in the face of climate change.

Identification of Physical and Transitional Risks

We have examined and assessed the potential physical and transitional risks related to climate change to gain a clearer understanding of the challenges we might face and their impact on our operations.

Physical risk

Climate change and extreme weather events are expected to create damages to our physical assets and interrupt industrial operation.

For instance, coastal locations may experience more frequent flooding, leading to higher costs for maintaining physical assets and recovery from suspended operations.



Transitional Risk

Our Group foresees a potential rise in operational costs resulting from an increasingly stringent global regulatory landscape. As governments and international bodies strengthen regulations related to environmental sustainability, businesses will face heightened compliance requirements.

Furthermore, there is likely to be escalating pressure from business partners and stakeholders to meet evolving expectations regarding climate change initiatives. This may necessitate the implementation of additional measures and strategic investments aimed at aligning with sustainability objectives and addressing climate-related challenges. Such efforts could significantly influence our Group's financial performance and operational strategies, as adapting to these requirements will involve both upfront costs and long-term planning to ensure resilience and competitiveness in a changing market.

Climate Management

Our Group is fully committed to addressing climate change by implementing effective measures and adopting best practices to protect our operations from its impacts. We understand the importance of minimising potential risks while capitalising on emerging opportunities.

To mitigate the risks associated with severe weather events such as storms, typhoons, and floods, particularly at Ever Success Plaza, our residential property in Zhongshan, we have developed a comprehensive Flood and Typhoon Emergency Plan. This plan provides a structured framework to ensure proper guidance and control during such events. Additionally, we offer training materials to enhance our staff's understanding of climate change and disaster preparedness.

We maintain a continuous process of monitoring, analysing, and responding to developments in climate change across various sectors, including market trends, technological advancements, legal frameworks, and policy shifts. Our goal is to proactively manage the risks linked to the transition to a low-carbon economy. To facilitate this, we prioritise access to relevant data and resources while actively seeking to deepen our Group's understanding of industry-leading practices. We conduct regular assessments to evaluate the impact of climate change on our business operations and to measure the effectiveness of our strategies for climate adaptation and mitigation.

Wastewater Discharge

Our Group has developed a Wastewater Discharge Control Policy, accompanied by comprehensive procedures, to prevent contamination of surrounding water sources. Our goal is to ensure that the quality of discharged effluent complies with established standards and regulations, such as the Discharge Limits of Water Pollutants in Guangdong Province. By closely monitoring wastewater discharge, we enhance our wastewater management effectiveness and systematically control the wastewater generated by our operations. In addition to managing our own wastewater production, we are dedicated to supporting our staff, residents, tenants, contractors, and service providers in adhering to our Group's wastewater discharge control standards. The following standards are outlined in our Wastewater Discharge Control Policy for both construction and non-construction areas:

Construction sites

- Installation of sewage treatment facilities to prevent direct discharge of sewage into the public sewage system
- Routine inspections of wastewater discharges
- Implementation of preventative measures to avoid wastewater contamination, such as the proper storage of chemicals



Office or other properties

- Inspections and repair of the drainage system if any flaws are identified
- Prevention of drainage system obstruction
- Control of water consumption

Handling Hazardous and Non-hazardous Waste

Our Group emphasise environmental protection by preventing pollution and minimising adverse impacts on ecosystems and natural resources. Effective management of both hazardous and non-hazardous waste throughout the production, inventory, and logistics processes is crucial for promoting sustainable development and complying with waste management regulations. This fosters trust among stakeholders and underscores our social and environmental responsibilities. By implementing effective waste management practices, we reduce potential health and safety risks for our employees, contractors, and the surrounding community, thereby creating a safer working and living environment.

While our Group generates waste, such as ink cartridges, our property investment and development, and money lending operations have significantly minimised the creation of hazardous waste. We closely monitor hazardous waste as defined in the Directory of National Hazardous Waste, as well as materials classified as dangerous under national regulations. Our contractors and service providers are required to adhere to our Hazardous Waste Management Policy when handling hazardous materials. All hazardous waste must be stored in leak-proof containers, and arrangements for proper disposal through authorised hazardous waste collectors are essential to ensure appropriate treatment.

Non-hazardous waste is systematically categorised into recyclable and non-recyclable waste to facilitate proper handling. Non-recyclable waste includes items that cannot be reused due to hygiene issues or recycling challenges, while recyclable waste consists of resources that can be extracted or repurposed. To ensure effective management of non-hazardous waste, we have implemented a Non-hazardous Waste Management Policy that provides guidance to all staff, including workers, contractors, and service providers, on the proper management of these materials. This policy enables us to maximise resource utilisation and minimise the environmental impact associated with non-hazardous waste handling.

Encourage recycling and utilisation of wastepaper and consumer product packaging



Limit excessive packaging to reduce waste generated by single-use products



The collection, transportation, and disposal of large-sized waste should be handled by qualified disposal companies

Reduce the generation of kitchen residual waste and prohibit the disposal of hazardous waste as household waste

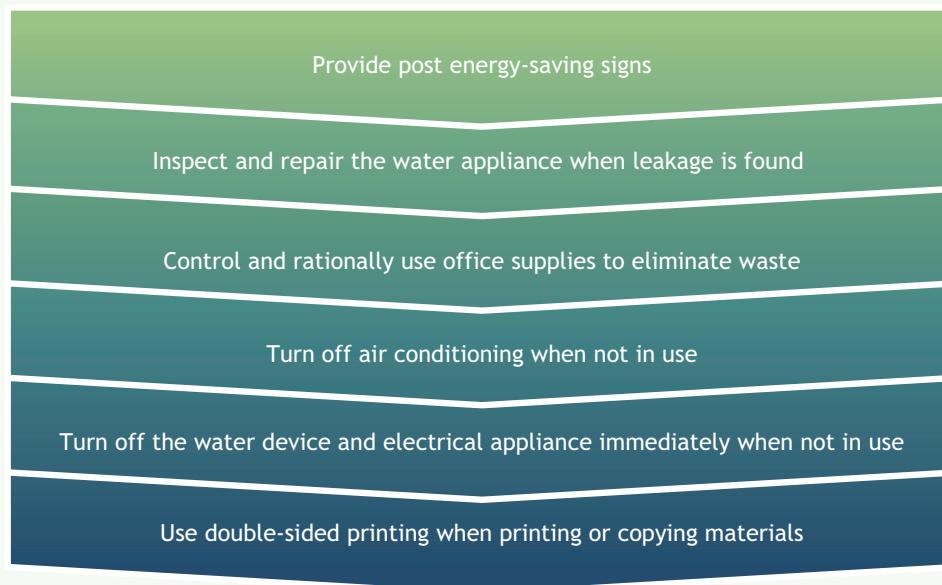
Strict adherence to the construction waste treatment facilities

Use of Resources

Energy, electricity, and water are the primary resources utilised by our Group. To minimise environmental impact and promote sustainable development, we actively implement the Policy on Efficient Use of Resources, which aims to conserve energy, reduce our carbon footprint, and achieve sustainability. The Company's management conducts annual reviews of our Group's energy-saving performance, allowing us to set new goals for energy and resource consumption reduction based on the performance of our subsidiaries. Dedicated personnel are assigned to oversee and manage these targets for each subsidiary.

During the Reporting Period, we established specific targets for electricity and water conservation to reduce resource consumption. These targets, are effectively communicated to our employees, supported by comprehensive environmental training to enhance their awareness. We firmly believe that by collaborating with our employees, we can effectively promote resource conservation and protect the environment.

As our primary business operations are office-based, we actively advocate for the “Green Office” concept. To support this initiative, we have implemented an Office Management Policy, which outlines the initiatives and specific guidelines for managing electricity usage, postal services, and office equipment. This policy consolidates our main policies and systems, such as the Office Environment Management System, Office Supplies Management System, Meeting Management System, Mobile Equipment Usage Management System, and Maintenance Management System, to provide clear guidelines for our employees to follow. Below are some of the key initiatives we have undertaken:



Our Group’s General Management Department conducts regular inspections of resource and energy usage in the workspaces and updates the “Office Area Monthly Inspection Registration Form” accordingly. If any practices that violate energy-saving principles are identified for the first time, reminders will be issued to the staff members.

As part of our commitment to environmental sustainability, we proudly participated in the “Give an Hour for Earth” initiative, in which we believe making positive impact on the planet. This encourages individuals and organisations to contribute just one hour of their time by turning off all lights. By participating in this initiative, we not only raised awareness about the importance of sustainability but also showcased our ongoing efforts to reduce our ecological footprint. Our team’s involvement reflects our belief that collective action, no matter how small, can lead to significant change for the environment.

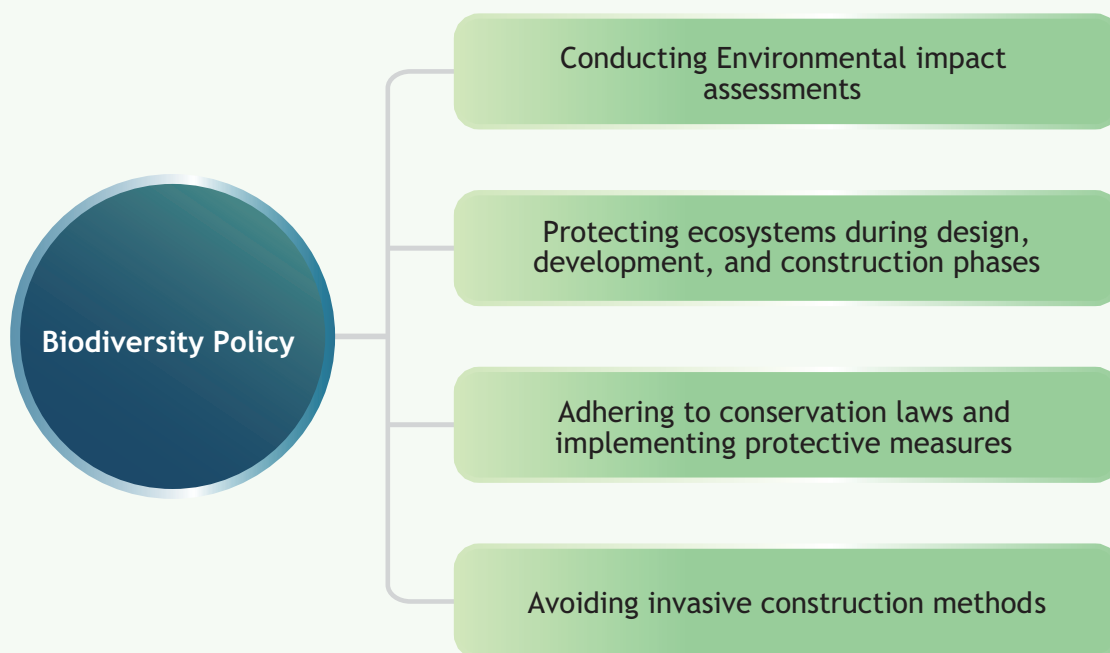


Biodiversity

Our Group is committed to protecting biodiversity through a comprehensive Biodiversity Policy that focuses on identifying and assessing the potential risks and negative impacts of its activities on ecosystems and wildlife. By conducting thorough environmental impact assessments prior to project initiation, the Company ensures that potential threats to local biodiversity are understood and mitigated.

In the design, development, and construction phases, our Group prioritises the protection of ecosystems and natural habitats. This includes integrating green spaces into projects and using sustainable materials, which help protect local flora and fauna. The Company is also dedicated to ensuring that its operations do not adversely affect endangered species, adhering to both international and local conservation laws and implementing protective measures when necessary.

Furthermore, our Group avoids invasive construction methods that could harm the ecological environment. By selecting techniques that minimise soil disturbance and reduce pollution, the Company demonstrates its commitment to sustainable practices. Through these efforts, our Group aims to contribute positively to biodiversity conservation and foster sustainable development across its operations. Below summarises our Biodiversity Policy:



Our Environmental Performance

	Unit	2024	2023	2022
Energy consumption				
Total energy consumption	MWh	317.70	327.15	340.63
Total energy intensity	MWh/million HKD sales	1.19	1.67	2.09
Direct energy consumption				
– Diesel	MWh	0.00	0.00	1.81
Indirect energy consumption				
– Purchased electricity	MWh	250.56	327.15	338.82
GHG emissions				
Scope 1 ⁴	tCO ₂ e	0.00	0.00	0.47
Scope 2 ⁵	tCO ₂ e	144.45 ⁶	197.57	211.82
Scope 3 ⁷	tCO ₂ e	0.07	0.40	0.017
Total GHG emission	tCO ₂ e	144.45	197.97	212.31
Intensity	MWh/million HKD sales	0.54	1.01	1.30
Water consumption				
Freshwater	m ³	609.00	512.00	602.00
Intensity	m ³ /million HKD sales	2.27	2.61	3.70
Waste				
Non-hazardous waste	Tonne	3.20	3.20	3.50
Total waste intensity	Tonne/million HKD sales	0.01	0.02	0.02
Paper consumption⁸				
Office paper	Tonne	0.13	0.08	0.12
Intensity	Tonne/million HKD sales	0.0005	0.0004	0.001

⁴ Scope 1 represents direct GHG emissions generated from the use of LPG by emergency generator in PRC.

⁵ Scope 2 represents indirect GHG emissions generated from the use of purchased electricity for offices in Hong Kong and PRC.

⁶ The emission factors for purchased electricity in 2024 are referenced from the “Appendix C” in the document “Guidelines for Quantifying and Reporting Organisational Greenhouse Gas Emissions”; the “Electricity supplied by Hong Kong Electric” from Appendix 2: Reporting Guidance on Environmental KPIs; and “Carbon Dioxide Emission Factors for Electricity in 2022” from the Ministry of Ecology and Environment and the National Bureau of Statistics.

⁷ Scope 3 represents other indirect GHG emissions generated from the paper waste disposed at landfills.

⁸ The figure of office paper consumption includes the Company’s office in Hong Kong and PRC.

HKEx ESG REPORTING GUIDE INDEX

HKEx ESG Reporting Guide General Disclosures & KPIs

Explanation/Reference Section

Aspect A: Environment

A1 Emissions

Information on:

- (a) the policies; and
- (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Note:

Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.

Environmental Management –
Emissions
Climate Change
Wastewater Discharge
Hazardous and Non-hazardous Waste
Use of Resources
Biodiversity

KPI A1.1

The types of emissions and respective emissions data.

Environmental Management –
Emissions
Environmental Key Performance Indicators

KPI A1.2

Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).

Environmental Management –
Emissions
Environmental Key Performance Indicators

KPI A1.3

Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).

Environmental Management –
Hazardous and Non-hazardous Waste
Environmental Key Performance Indicators

KPI A1.4

Total non-hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).

Environmental Management –
Hazardous and Non-hazardous Waste
Environmental Key Performance Indicators

KPI A1.5

Description of measures to mitigate emissions and results achieved.

Environmental Management –
Emissions
Climate Change
Wastewater Discharge
Hazardous and Non-hazardous Waste
Use of Resources
Biodiversity

KPI A1.6

Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.

Environmental Management –
Hazardous and Non-hazardous Waste
Environmental Key Performance Indicators

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Explanation/Reference Section

A2 Use of Resources	<p>Policies on efficient use of resources including energy, water and other raw materials.</p> <p>Note:</p> <p>Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	<p>Environmental Management – Emissions Use of Resources</p>
KPI A2.1	<p>Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).</p>	<p>Environmental Management – Emissions Environmental Key Performance Indicators</p>
KPI A2.2	<p>Water consumption in total and intensity (e.g. per unit of production volume, per facility).</p>	<p>Environmental Management – Environmental Key Performance Indicators</p>
KPI A2.3	<p>Description of energy use efficiency initiatives and results achieved.</p>	<p>Environmental Management – Emissions Environmental Key Performance Indicators</p>
KPI A2.4	<p>Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.</p>	<p>Environmental Management – Wastewater Discharge Environmental Key Performance Indicators</p>
KPI A2.5	<p>Total packaging material used for finished products (in tonnes), and, if applicable, with reference to per unit produced.</p>	<p>Environmental Management – Use of Resources Environmental Key Performance Indicators</p>
A3 The Environment and Natural Resources	<p>Policies on minimising the issuer's significant impact on the environment and natural resources.</p>	<p>Environmental Management – Climate Change Biodiversity</p>
KPI A3.1	<p>Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.</p>	<p>Environmental Management – Climate Change Biodiversity</p>
A4 Climate Change	<p>Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.</p>	<p>Environmental Management – Climate Change Biodiversity</p>
KPI A4.1	<p>Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.</p>	<p>Environmental Management – Climate Change Biodiversity</p>

Aspect B: Social

B1 Employment	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 	Care for Our Employees – Talent Attraction and Retention Equal Employment and Promotion Child and Forced Labour
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Care for Our Employees
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Care for Our Employees – Talent Attraction and Retention
B2 Health and Safety	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 	Care for Our Employees – Health and Safety in the Workplace
KPI B2.1	Number and rate of work-related fatalities.	Care for Our Employees – Health and Safety in the Workplace
KPI B2.2	Lost days due to work injury.	Care for Our Employees – Health and Safety in the Workplace
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Care for Our Employees – Health and Safety in the Workplace
B3 Development and Training	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Care for Our Employees – Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Care for Our Employees – Development and Training

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KPI B3.2	The average training hours completed per employee by gender and employee category.	Care for Our Employees – Development and Training
B4 Labour Standards	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour. 	Care for Our Employees – Child and Forced Labour
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Care for Our Employees – Child and Forced Labour
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Care for Our Employees – Child and Forced Labour
B5 Supply Chain Management	Policies on managing environmental and social risks of the supply chain.	Service and Product Responsibility – Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Service and Product Responsibility – Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Service and Product Responsibility – Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Service and Product Responsibility – Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Service and Product Responsibility – Supply Chain Management
B6 Product Responsibility	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 	Service and Product Responsibility – Services and Product Excellence Advertising Ethics and Use of Product Label

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KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Service and Product Responsibility – Services and Product Excellence
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Service and Product Responsibility – Services and Product Excellence
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Service and Product Responsibility – Services and Product Excellence
KPI B6.4	Description of quality assurance process and recall procedures.	Service and Product Responsibility – Services and Product Excellence
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Service and Product Responsibility – Privacy Protection
B7 Anti-corruption	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Ethical Business – Anti-corruption and Anti-money Laundering
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.	Ethical Business – Anti-corruption and Anti-money Laundering
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Ethical Business – Anti-corruption and Anti-money Laundering
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Ethical Business – Anti-corruption and Anti-money Laundering
B8 Community Investment	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	COMMUNITY INVOLVEMENT
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	COMMUNITY INVOLVEMENT
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	COMMUNITY INVOLVEMENT