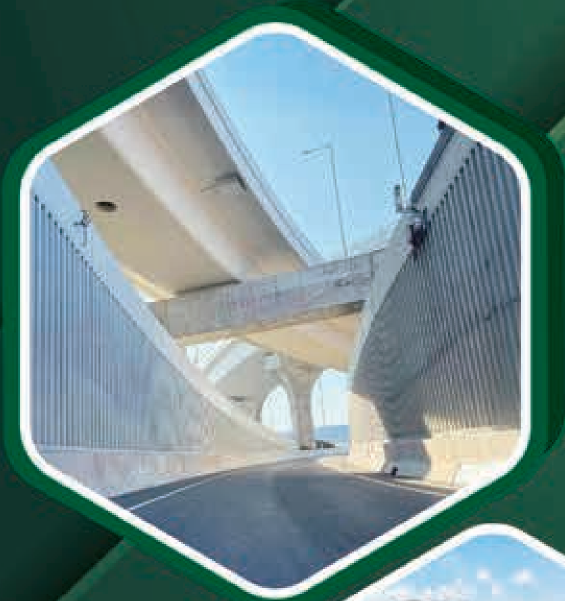
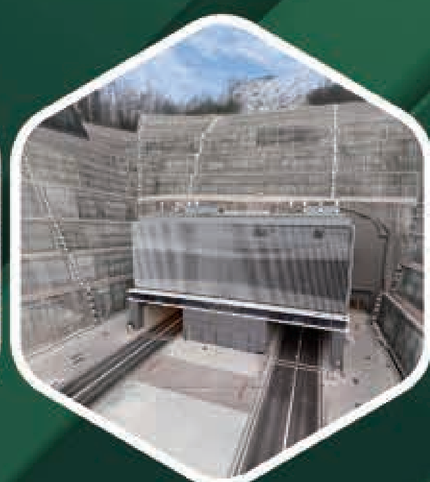
GME

GME Group Holdings Limited
駿傑集團控股有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 8188)

Environmental, Social and Governance Report 2025



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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1 ABOUT THIS REPORT

1.1 Business Review

GME Group Holdings Limited (the "**Company**", or "**GME**") is listed on GEM of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), and its subsidiaries (collectively, the "**Group**") are principally engaged in the provision of underground construction services and mainly serves main contractors in public sector infrastructure projects. Public sector projects refer to the projects in which the main contractors are employed by The Government of Hong Kong Special Administrative Region (the "**Hong Kong Government**"), its statutory bodies or statutory corporations. The Group has also been involved in some private sector projects, which have covered all other types of engagements. Good Mind Engineering Limited ("**GMEHK**"), an indirect wholly-owned subsidiary of the Company, is a Group 2 Registered Specialist Trade Contractor with various trade qualifications under the Construction Industry Council ("**CIC**"), which includes concreting, concreting formwork, reinforcement bar fixing, scaffolding and structural steelworks (obtained on 8 September 2025). Also, GMEHK is a Group 1 Registered Specialist Trade Contractor with the erection of a concrete precast component under CIC. GMEHK is a well-established subcontractor engaged in civil engineering works which operates solely in Hong Kong. Best Build Construction Company Limited ("**Best Build**"), an indirect wholly-owned subsidiary of the Company, holds a license issued by the Development Bureau of the Hong Kong Government for carrying out Roads and Drainage Works (Group B). Best Build is expected to be highly valuable in strengthening the Group's operational development, thereby creating a business synergy effect that enhances the overall performance of the Group's business.

GME demonstrates a strong commitment to safety on its construction sites. It fosters open communication among workers and continuously evaluates and improves its safety protocols to ensure a secure and respectful work environment. During the Reporting Period, the Company received "The Most Popular Enterprise for Global Talent Award" on 29 March 2025 at the Innovating Hong Kong Global Talent Carnival 2025 organised by Innovating Hong Kong Carnival Limited. The selection attracted companies across multiple industries, and this award acknowledges the Company's outstanding contributions to the construction industry and its active participation in promoting global talent development. The Group is committed to building a culture of innovation and talent development within the construction industry, aligning with its corporate strategies and culture. The Group is also committed to continuing its efforts to foster the growth of international talent, thereby contributing to Hong Kong's economic prosperity.

Besides, the Company received another award from the Hong Kong Institute of Financial Analysts and Professional Commentators Limited and HOY TV, namely the IFAPC Potential Development 2025 on 11 December 2025 at the Outstanding Listed Companies Award 2025 ceremony. The IFAPC Award recognises listed companies for their excellence in corporate governance, sustainable growth, and innovative capabilities, highlighting the high-quality development and resilience of Hong Kong's financial market. The Group is committed to strengthening corporate governance by providing a clear framework, enhancing corporate transparency and reporting, implementing appropriate risk management and internal controls, and engaging Stakeholders through improved corporate communication. Additionally, the Group actively participates in the Construction Innovation and Technology Fund (the "**CITF**") under the CIC to implement innovative construction methods and technologies to enhance construction safety culture.

Subsequent to the Reporting Period, the Company received the ListCo Excellence Awards 2025 on 13 January 2026 at the ceremony jointly organised by am730, PR Asia Consultants Limited and the ListCo Excellence Awards Organising Committee. The ListCo Excellence Award establishes industry benchmarks of excellence and recognises listed companies whose exceptional performance is widely acknowledged by the business and investment sectors, thereby providing a valuable reference for investors in both Hong Kong and Mainland China.

To demonstrate GME's commitment to engaging with work safety, GME works closely with its customers. During the Reporting Period, it received safety awards from its main customers in recognition of construction work safety at their construction sites.

A summary of the financial results, including the revenue, gross profit, profit before income tax expense and profit for the year attributable to the owners of the Company (the "**Net Profits**") and the total assets, total liabilities and net assets of the Group for the year ended 31 December 2025 (the "**Reporting Period**") and other comparative figures, as extracted from the audited financial statements of the annual report 2025 dated 27 March 2026 (the "**Annual Report**") are as follows:

	For the year ended 31 December	
	2025	2024
Financial Results	**HK$'000**	HK$'000
Revenue	**941,112**	815,181
Gross profit	**151,373**	158,150
Profit before income tax expense	**105,403**	104,334
Net Profit	**87,274**	86,171

	As at 31 December	
	2025	2024
Assets and Liabilities	**HK$'000**	HK$'000
Total assets	**370,686**	319,557
Total liabilities	**161,193**	148,049
Net assets	**209,493**	171,508

The Group's revenue was primarily generated from public sector projects for the provision of (i) tunnel construction services; and (ii) utility construction services and others for the Reporting Period. The following table sets out the breakdown of the Group's revenue by project types for the periods indicated:

	For the year ended 31 December			
	2025	**2025**	2024	2024
	HK$'000	**% of total revenue**	HK$'000	% of total revenue
Public sector projects				
– Tunnel construction services	**202,445**	**21.5**	545,082	66.9
– Utility construction services and others	**737,457**	**78.4**	250,171	30.7
Sub-total	**939,902**	**99.9**	795,253	97.6
Private sector projects	**1,210**	**0.01**	19,928	2.4
Total	**941,112**	**100.0**	815,181	100.0

The Group's revenue increased from approximately HK$815,181,000 for the year ended 31 December 2024 to approximately HK$941,112,000 for the year ended 31 December 2025, representing an increase of approximately HK$125,931,000 or 15.4%. Such significant increase in revenue was mainly attributable to the gearing up of the construction works for the Group's non-tunnel construction projects during the Reporting Period.

The gross profit and gross profit margin of the Group for the year ended 31 December 2025 was approximately HK$151,373,000 and 16.1%, respectively (2024: approximately HK$158,150,000 and 19.4%, respectively). The decrease in gross profit was primarily due to the persistently weak construction market in general and specifically, the public sector.

The Group's Net Profit for the Reporting Period was approximately HK$87,274,000 (2024: approximately HK$86,171,000), representing a slight increase of approximately HK$1,103,000.

Please refer to GME's website at http://www.gmehk.com for more information about the business of the Group.

1.2 Corporate Strategies, Business Model and Culture

The purpose of the Group is to provide high-value construction services to the public and its customers.

Since the listing date on 22 February 2017 (the "**Listing Date**"), the Group has committed to developing further its reputation as a quality provider of integrated tunnel construction services, and enhancing the efficiency of the Group's operations to serve the public and its customers.

The core values of the Group can be summarised as Quality, Safety, and Integrity.

For the above reasons, the Group has established the strategic directions as follows:

1. to strengthen the business relationship with the Group's customers;
2. to provide responsible and sustainable leadership for the Group's services;
3. to maintain the revenue growth of the Group's services;
4. to maintain the cost effective measures for the Group's services;
5. to cultivate the workforce capability to serve the Group's customers;
6. to develop the Group's reputation as a quality service provider;
7. to provide a continuous safe work environment for both its employees as well as the public; and
8. to remain at all times ethical in providing its engineering services.

The board (the "**Board**") of directors of the Company (the "**Director(s)**") is committed to making decisions objectively in the best interests of the shareholders of the Company (the "**Shareholder(s)**") and stakeholders of the Company (the "**Stakeholder(s)**"). Therefore, the Directors will continue to apply such strategic directions into its works and services.

1.3 Reporting Boundary

The Environmental, Social and Governance ("**ESG**") report of the Group for the year ended 31 December 2025 (the "**ESG Report**") focuses on the Group's environmental and social related policies, initiatives and performances arising from its business and operation in the provision of underground construction services in Hong Kong by the Company's indirect wholly-owned subsidiaries, GMEHK and Best Build, which accounted for all the revenue of the Group during the Reporting Period.

1.4 ESG Governance

The Board is responsible for overseeing ESG matters relating to the Group, assessing the potential impacts of ESG issues and managing material ESG issues as part of the risk assessment and internal controls of the Group in a timely manner. The management and the employees of the Group who are responsible for the Group's key business operations have formed an ESG working group (the "**ESG Working Group**") to manage and monitor the ESG issues including the climate-related risk and opportunities, formulate the Groups' ESG strategies, set ESG-related goals and targets and prepare this ESG Report.

The Group's ESG management approach and strategy are summarised as follows:

Step 1: Identify and evaluate relevant material ESG issues through engagements with stakeholders
Step 2: Prioritise relevant material ESG issues through materiality assessment
Step 3: Manage and monitor the material ESG issues, and set ESG-related goals and targets
Step 4: Respond to stakeholders' feedback

The ESG Working Group reports the assessment results of the ESG issues and the progress of the ESG-related goals and targets to the Board. The Board then makes recommendations to the ESG Working Group in relation to the general direction of the Group's ESG strategy and ensures the Group has implemented an effective ESG monitoring system in respect of the Group's ESG strategy. Please refer to the section below for the ESG strategy.

1.5 Reporting Framework and Principles

This ESG Report is prepared in accordance with Appendix C2 – Environmental, Social and Governance Reporting Code ("**ESG Code**") issued by The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") under the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**").

The Company considers the maintenance of a high standard of corporate governance important to the continuous growth of the Group. The Company's corporate governance practices are based on the code provisions as set out in the Corporate Governance Code as contained in Appendix C1 to the GEM Listing Rules. Information regarding corporate governance of the Group is addressed in the Annual Report.

The reporting principles of materiality, quantitative, balance, and consistency have been strictly applied in determining and compiling the content of this ESG Report.

Materiality	The Group conducted regular management meetings and engagements with Stakeholders to conclude materiality assessment process for ESG issues, which involves a four-step approach as aforementioned in the ESG governance. Please refer to the sections below for the details of Stakeholders engagement and materiality assessment.
Quantitative	For the key performance indicators ("**KPI**") of the environmental section in this ESG Report, quantitative indicators of energy emissions/energy consumption are reported with the relevant standards, definitions, methodologies and calculation methods to provide clear explanations of the Group's environmental performance and ensure they are numerically comparable over the years. This ESG Report also discloses the ESG targets based on the ESG strategy, which is mentioned the section below.
Balance	The Group reports the ESG information in an unbiased manner with an objective of revealing the potential risks and opportunities associated with each ESG topics in order to maintain credibility of this ESG Report.
Consistency	The Group ensures consistency of the reporting standards, data collection and calculation methods adopted and provides figures of previous years of KPI under this reporting framework to allow meaningful comparison.

1.6 Stakeholders Engagement

The Group recognises the importance of effective communication with Stakeholders in order to achieve long term sustainable development. Therefore, the Group regularly communicates with its key Stakeholders, including but not limited to employees, shareholders/investors, customers (including main contractors), suppliers, statutory bodies and the community, through various communication channels and proactively responds to their opinions.

The Group's major communication channels with its key Stakeholders who have a significant impact on its business, or which experience significant impacts from its operations, are summarised as follows:

Key Stakeholders	Major communication channels
Employees	Performance appraisals Regular departmental meetings
Shareholders/investors	Company's website Annual general meeting Financial reports Announcements and circulars
Customers (including main contractors)	Tender meetings Customers satisfaction surveys Progress meetings
Suppliers	Suppliers assessments Site inspections
Statutory bodies	Announcements and circulars Written correspondences
Community	ESG report Charity events

The Group welcomes Stakeholders to raise any questions regarding any ESG issues, which will assist the Group in assessing various ESG aspects and defining its business sustainability approach. The Group's ESG approach and performance rely on the valuable feedback from its Stakeholders. Written comments or enquiries about ESG may be sent to the Company through the company secretary of the Company whose contact details are as follows:

Address: 41/F, United Asia Finance Centre, 333 Lockhart Road, Wan Chai, Hong Kong
Fax: +852 3105 1881
E-mail: companysecretary@gmehk.com

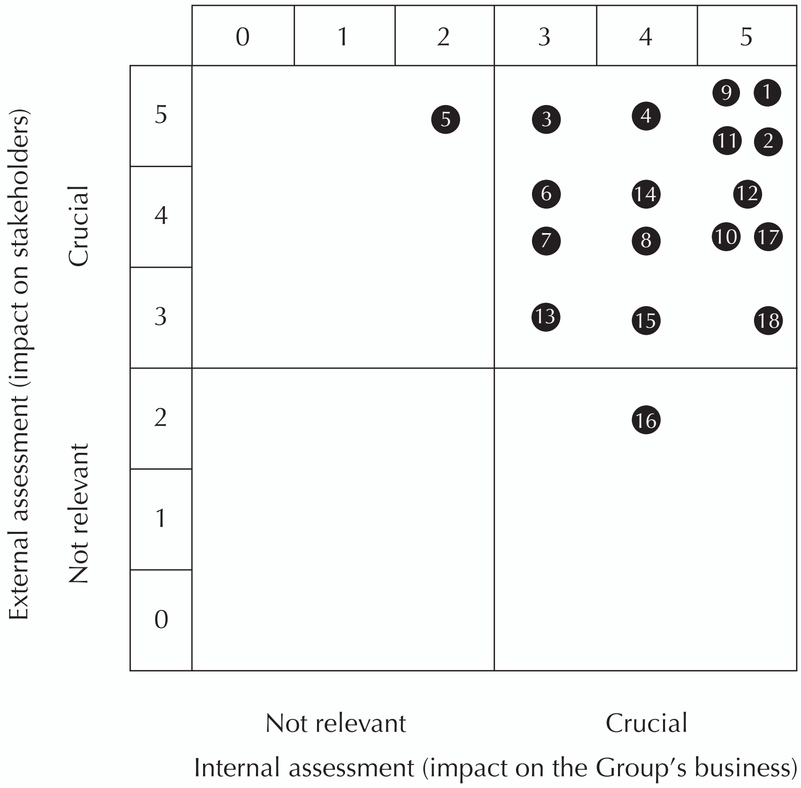
1.7 Materiality Assessment

Through the engagement of different Stakeholders' activities via the communication channels mentioned above, the ESG Working Group has conducted materiality assessment of various ESG aspects by using the materiality matrix, identified material ESG issues and considered their impacts on the Stakeholders and their importance and relevance to the Group's operations.

During the Reporting Period, the Group has identified the following material ESG issues:

ESG aspects	Material ESG issues	Materiality matrix label
A. Environment		
A1. Emissions	A1.1 Air Pollutant and Greenhouse Gas Emissions A1.2 Dust Emissions A1.3 Waste Management A1.4 Noise Abatement A1.5 Wastewater Management	1 2 3 4 5
A2. Use of Resources	A2.1 Energy Efficiency Initiative A2.2 Waste Reduction Initiative	6 7
A3. The Environment and Natural Resources	A3.1 Construction Impact Control	8
A4. Climate Change	A4.1 Climate Risk Management	9
B. Social		
B1. Employment	B1.1 Employment Practices	10
B2. Health and Safety	B2.1 Employee Protection	11
B3. Development and Training	B3.1 Vocational Training and Career Development	12
B4. Labour Standards	B4.1 Proscription of Child and Forced Labour	13
B5. Supply Chain Management	B5.1 Supplier Selection	14
B6. Product Responsibility	B6.1 Quality Management B6.2 Customer Data Protection	15 16
B7. Anti-corruption	B7.1 Corporate Integrity	17
B8. Community Investment	B8.1 Community Contribution	18

The diagram below is the materiality matrix of the Group (the "**Materiality Matrix**"), which serves to identify and prioritise the material ESG issues covered in this ESG Report. During the Reporting Period, the ESG Working Group performed an internal assessment to evaluate the relationship between the identified material ESG issues and the enterprise risks of the Group. The assessment results of the material ESG issues are then positioned along the Materiality Matrix's horizontal axis from left to right, reflecting their level of crucial impact on the Group's business. The ESG Working Group then integrated the ESG survey outcome conducted with the stakeholders of the Group to determine the importance of each material ESG issue, which is plotted vertically on the Materiality Matrix based on the impact on Stakeholders' interests. The material ESG issues of the Group at the top right-hand quadrant are identified as critical and have greater impact on the business and the Stakeholders.



Based on the results of the materiality assessment, GME and its Stakeholders are mostly concerned about (i) the emissions management in relation to air pollutant and greenhouse gas emissions, dust emissions, and climate change management; (ii) workplace health and safety in relation to the employee protection; (iii) supply chain management in relation to the supplier selection; and (iv) staff development and training. As a result, the ESG Working Group has set the ESG-related goals and targets based on ESG strategy, which are disclosed in the section below. The Group reviews material ESG issues regularly for continuous improvement in its sustainability performance.

1.8 ESG Strategy

The ESG strategy of the Group is to provide responsible and sustainable leadership for its services. Therefore, the Group has established four ESG-goals as the guiding principles, which cover all of its operations.

1. *Protecting the environment*

   GME is committed to controlling the total energy consumption, greenhouse gas emissions, and hazardous and non-hazardous waste emissions to balance the revenue growth and its negative environmental impacts on operations.

2. *Sustainable purchasing of construction materials*

   GME is committed to procuring environmentally friendly materials. Timber is one of the main construction materials. To address the climate change issue and contribute to nature conservation, the Group has set a ESG target to procure FSC timbers.

3. *Cultivating the workforce capability*

   GME emphasises workforce development to provide high-value construction services to the public and its customers. Therefore, GME targets to train more than 50%.

4. *Continuous safe work environment*

   GME realises the high risk of work safety in the construction industry. Therefore, safety is the first priority. Thus, the Group uses the lost time injuries frequency rate ("**LTIFR**") to measure its safety performance. It represents the number of lost time injuries during the financial year relative to the total number of hours worked in that year. GME sets the LTIFR target below 3.0.

   The ESG-related goals and targets are summarized as follows:

ESG aspects	Goals	Targets
1. Environment	Protecting the environment	By 2025, the Group targets a 15% reduction in energy intensity, greenhouse gas intensity, and both hazardous and non-hazardous waste intensity. Building on this progress, the Group further aims to achieve an additional 15% reduction in these metrics by 2030, using 2025 as the baseline.
2. Supply Chain Management	Sustainable purchasing of construction materials	All timber purchased by GMEHK should be with FSC certification
3. Development and Training	Cultivating the workforce capability	More than 50% of employees will be trained
4. Health and Safety	Continuous safe work environment	The LTIFR should be below 3.0

Please refer to the individual section of the ESG aspects below for the discussion of the actual performance of the ESG-related goals and targets during the Reporting Period.

1.9 Approval

This ESG Report was confirmed and approved by the Board on 27 March 2026.

2 ENVIRONMENT CONSCIOUSNESS

2.1 Environmental Policy and Management System

GME is well aware of its environmental footprints and is dedicated to implementing relevant mitigation measures to improve its environmental performance. The Group is committed to reducing the environmental impact of its activities. In line with its environmental consciousness approach and its strategic direction to provide responsible and sustainable leadership for the Group's services, GME has set up the following environmental policies and management system relating to its construction activities:

- Operate in manners pursuant to local environmental laws, regulations and requirement
- Integrate pollution control, conservation of resources and waste reduction practices in all operations through rapid communications with main contractors
- Implement environmental-friendly workplace policies to engage employees in sustainable environment practices and raise their awareness in environmental protection
- Establish environmental objectives and review those objectives with targets to continuously improve GME's environmental-friendly workplace policies

The principles of the environmental-friendly workplace policies aimed at improving the Group's environmental consciousness for future sustainability and managing the Group's emissions and resources by applying the concept of 4Rs in the Group's operations, i.e. reduce, reuse, recycle and replace.

Prior to undertaking construction activities that are conducted under the guidance of method statements, GME had assessed the risks of the identified environmental impacts and programmed appropriate measures to limit and mitigate the influence accordingly. The environmental impacts vary according to the nature and the scope of work of the Group's construction activities. Therefore, the measures to limit and mitigate such impacts also vary with different projects. For these reasons, the KPI disclosed in this ESG report in relation to the ESG aspects represent the Group's overall performance based on the construction activities mix during the Reporting Period. The comparative figures of such KPI for the corresponding year in 2024 may have different construction activities mix. Please refer to the section headed "Business Review" above for details of the construction activities.

During the Reporting Period, the Group had complied with the applicable environmental laws and regulations related to air pollutant and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes.

Emission management

For air emission management, please refer to the section entitled Climate-Related Disclosure below.

Dust Management

Dust and debris are identified as a major pollutant generated during the excavation process of construction. Dust containment solutions, including dust suppression by use of water, dust control curtains and application of low-dust equipment, were therefore implemented to minimise the impact. In close collaboration with the main contractors, the Group has also conducted regular dust monitoring. In case of dust level exceeding the compliance limit, proper corrective measures will be taken to control it. During the Reporting Period, the Group mainly participated in the structural non-tunnel construction projects and excavation works for the Group's tunnel excavation projects were insignificant. Therefore, dust and debris from the excavation process were regarded as non-major pollutants to the environment during the Reporting Period.

Waste Management

During the Reporting Period, the Group's projects mainly focused on structural works for underground construction. Therefore, hazardous waste (mainly chemical waste) was not material for the Group's operation during the Reporting Period. In case there is any hazardous waste produced, the Group must engage a qualified chemical waste collector to handle such waste, which is in compliance with the relevant environmental regulations and rules.

The Group has identified two main categories of non-hazardous waste: construction and demolition waste and general refuse.

Construction and Demolition Waste

Construction wastes are categorised into inert and non-inert construction and demolition ("**C&D**") waste at the construction sites. Inert C&D waste is mainly generated from excavation which contains soil, concrete and debris. It is often reusable in the later stage of construction. Non-inert C&D waste consists of metals, wood and general refuse. Recyclable non-inert C&D waste is reused when applicable, while other non-recyclable materials are collected by waste handling companies and sent to a landfill.

Through close cooperation with the main contractors, GME has implemented its waste management policy in accordance with the Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong) to assist the Group to manage and record waste generated over the construction period effectively. The policy includes the following key principles:

- Quantify materials required and prevent over purchasing
- Store materials by type accordingly and avoid deterioration
- Reuse materials where possible to minimise waste

Office Refuse

The Group is committed to promoting waste reduction and recycling in the office. To effectively manage waste, the Group has designated an area for placing waste recycling facilities and engaged employees to support such initiative. Endorsed in the environmental-friendly workplace policies, the Group has disclosed and implemented the following to reduce waste and promote recycling:

- Reuse single-side printed paper
- Put misprinted or waste papers in the recycle paper box near the photocopier to encourage reuse
- Store surplus materials for future use
- Reuse stationery supplies such as envelopes and document folders
- Assign an area and place recycling bins to collect recyclable wastes

Overview of Waste Generation

Non-hazardous Waste	2025 Tonne	2024 Tonne
C&D Waste	3	8
General Refuse	7	57
Total Non-hazardous Waste	10	65

The total non-hazardous waste mainly represented scrap materials and broken concrete from the completion of construction projects. During the Reporting Period, the major structural non-tunnel construction projects were substantially completed. Therefore, the total non-hazardous waste was decreased.

Waste generated on site and from office is systematically collected with appropriate segregation and sorting on site prior to disposal, in accordance with local regulatory requirements. All practicable steps are taken to minimize general refuse and waste.

Overview of Waste Generation Intensity

Non-hazardous Waste Intensity	Unit	2025	2024
Revenue	HK$ million	941	815
Total Non-hazardous Waste	Tonne	10	65
Non-hazardous Waste Intensity (Total Non-hazardous Waste/Revenue)		0.01	0.08

To protect the environment, the Group is committed to reducing the hazardous and non-hazardous waste intensity by 15% in 2025. This target has been met. Historically, after the completion of construction projects, the intensity of non-hazardous waste, especially broken concrete and scrap materials increased. To minimise the hazardous waste intensity, the ESG Working Group has discussed to the management of the Company (the "**Management**") to address this issue. Management will pay more attention to the project planning to minimize non-hazardous wastage to protect its environment.

The Group is dedicated to continuously looking into possibilities of enhancing waste management practices. During the Reporting Period, waste has been managed in accordance with relevant laws and regulations.

Noise Abatement

With close cooperation with the main contractors, the Group had ensured that the construction sites were installed with noise barriers and had monitored the noise levels to ensure they did not exceed the compliance level stipulated in the Noise Control Ordinance (Chapter 400 of the Laws of Hong Kong) and distract the surroundings. Furthermore, construction workers were guided to take appropriate and proactive measures such as avoiding machine idling during high noise level activities to minimise the impact of noise pollutions, especially in noise-sensitive areas.

Wastewater Management

The wastewater generated mainly comes from tunnel excavation, shotcreting and dust suppression activities. These wastewater discharges often contain mixed pollutants such as suspended solids and chemical components. GME understands the importance of managing wastewater discharge to prevent contamination of the nearby water bodies. The Group tends to minimise the water consumption whenever possible. During the Reporting Period, the Group was mainly involved in the structural works for underground construction. Therefore, wastewater was not material to the Group's operation. For this reason, the Group has not set any target for water efficiency. Wastewater generated is collected and treated in strict compliance with the Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong).

Climate Change

The Group is committed to providing information, training, and resources to preserve natural resources due to the increasing awareness of the impact of climate change. Therefore, the Board has discussed and implemented the climate change policy to reduce the energy intensity and greenhouse gas intensity to control the emissions. Details of the discussion are summarised as follows:

1. *Emissions Management*

   The rising temperature may increase the operating costs for the energy consumption for maintaining the cooling system on the construction site and/or decrease the number of working days for the construction. Therefore, the Group is committed to implementing and maintaining a high standard of emissions management to protect the environment. The Management will continue to explore more actionable strategies, such as switching to more energy-efficient cooling systems at the construction sites to contribute the reduction of the energy intensity. In addition, the Group continues to provide workers training to prevent heatstroke, resting kiosks, and other facilities for workers to cope with the challenge of construction works during the hot weather in Hong Kong.

2. *Sustainable Procurement*

   Extreme weather conditions (such as heavy rain and typhoons) will disrupt the logistic arrangement of the Group, which will prolong the construction progress and increase additional overhead costs. To address this climate change issue, the Group will procure sustainable materials (such as FSC timbers), if possible, to contribute to nature conservation. The Group keeps procuring FSC timbers since 2007.

   Please refer to the section entitled below "Climate-Related Disclosure" for more information.

2.2 Effective Resources Management

Energy Usage

Reduction of energy usage is a major part of the Group's environmental management approach. The Group strives to comply with all energy requirements while implementing proactive measures to save energy generated from fuels and electricity. GME has adopted energy efficient machinery which lowers the emissions and energy usage comparing to normal machinery having the same output. Maintenance was carried out frequently to optimize machinery performance and fuel usage efficiency.

The Group has gradually installed environmental-friendly LED lighting fixtures in the office. In addition, the following measures have been adopted as required under GME's environmental-friendly workplace policies:

- Switch off electrical appliances when they are not in use
- Maintain the temperature of the air conditioner at 25 degrees Celsius
- Purchase electrical appliances with Grade 1 or 2 energy label
- Use energy-saving fluorescence or LED lighting fixtures

Please refer to the below sub-section headed "Air Pollutant and Greenhouse Gas Emissions" for the discussion of the Group's energy use efficiency target and steps taken to achieve this target.

Water Consumption

During the Reporting Period, the Group's projects mainly focused on structural works for underground construction and water was provided by the main contractors for floor cooling and washing purposes. Therefore, water consumption is not material to the Group's operations as sourcing mater is not fit for purpose for the KPI calculation. In addition, the majority of the water supply facilities are provided and managed by main contractors. Therefore, the procurement of suitable water sources is not material to the Group. Therefore, the Group has not set any water efficiency ESG targets.

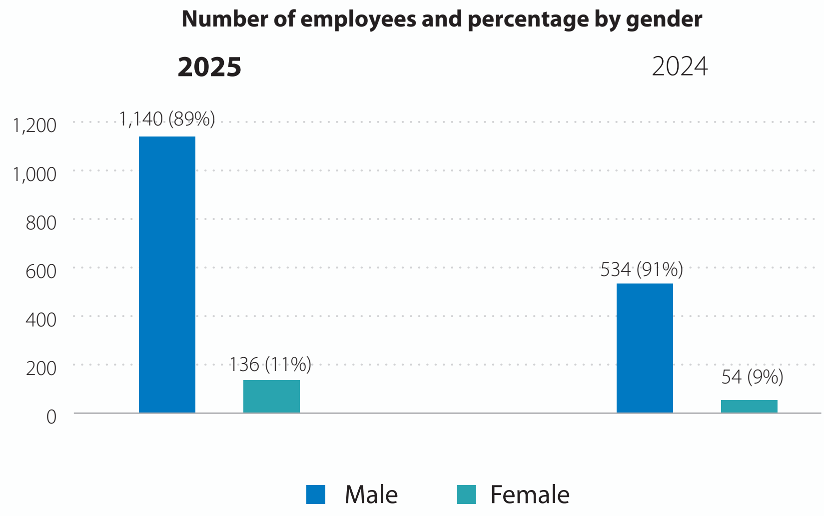
In relation to utilising water resources, GME has implemented best practices for water usage in its operations. As for eliminating unnecessary use of fresh water, wastewater is treated and recycled on sites in accordance with the instructions from the main contractors, and sprayed and used for concrete cooling and equipment washing.

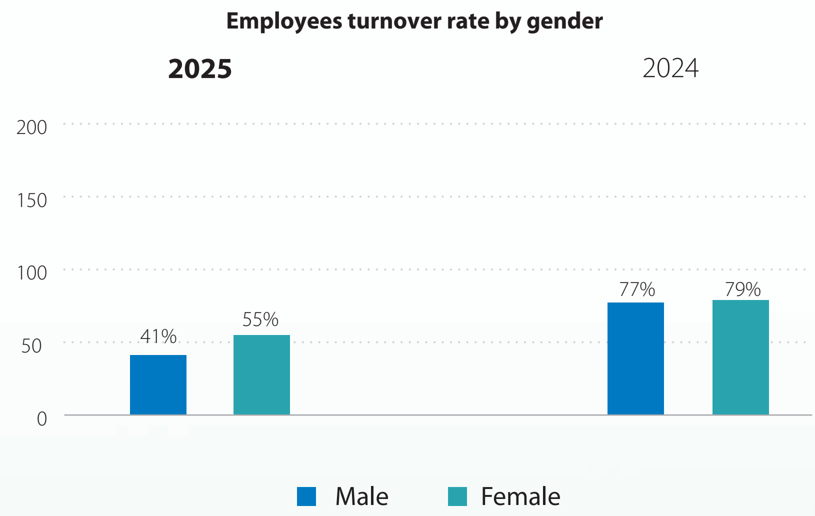
3 SOCIAL PERFORMANCE

3.1 Employment and Talent Development

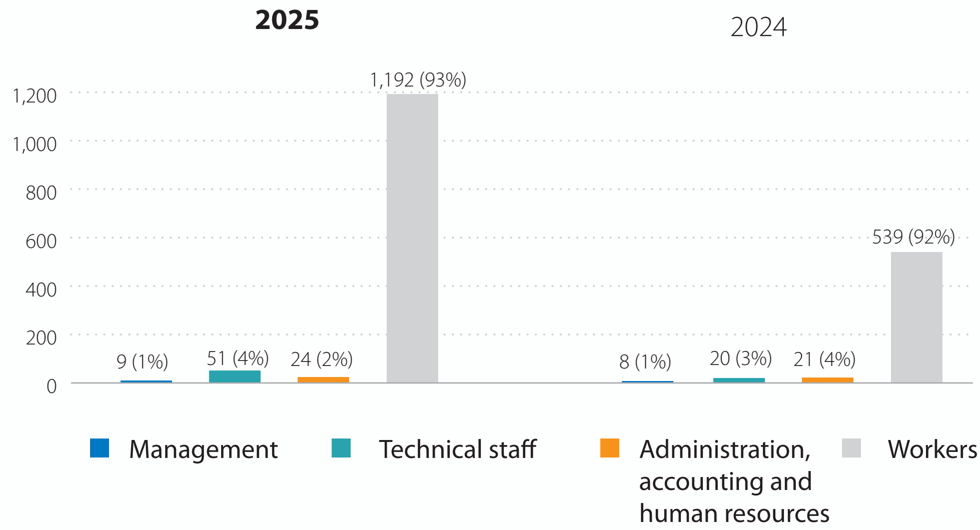
The total full-time workforce of the Group is 1,276 people for the Reporting Period (2024: 588 people). The Group believes business can be sustained with a supportive and dynamic team and thus, places great emphasis on workforce development in order to pool suitable talents together and take its success to the next level. This aligns with the Group's strategic direction to cultivate the workforce's capability to serve the customers. Therefore, the Group is committed to maintaining a diverse workforce in terms of age, gender, family status, nationality and race. Starting with recruitment and promotion policies to conducting appraisals, GME has continued to develop talents and bring out their full potential through strategic job assignment that recognizes their strengths and talents. During the Reporting Period, all the employees of GME are based in Hong Kong.

Overview of the employment profile by gender and professional profile in Hong Kong

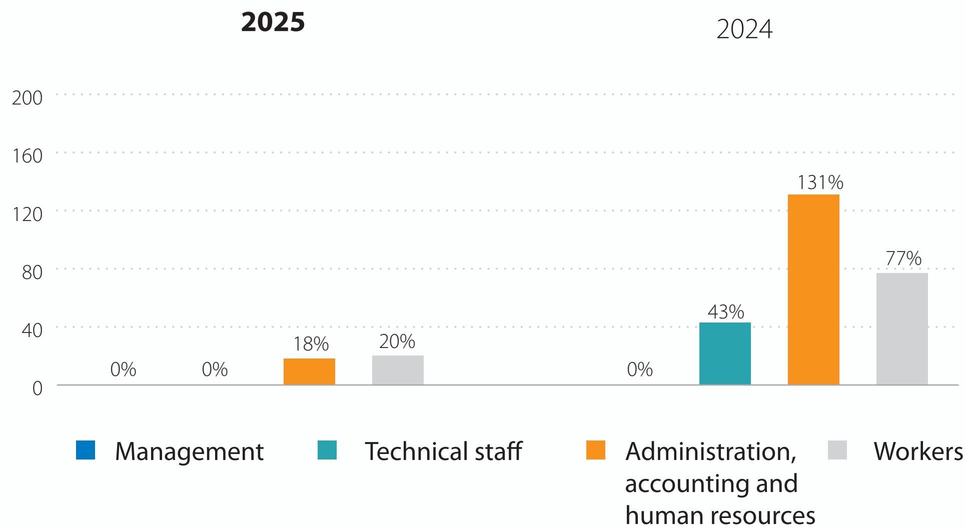




Number of employees and percentage by professional profile



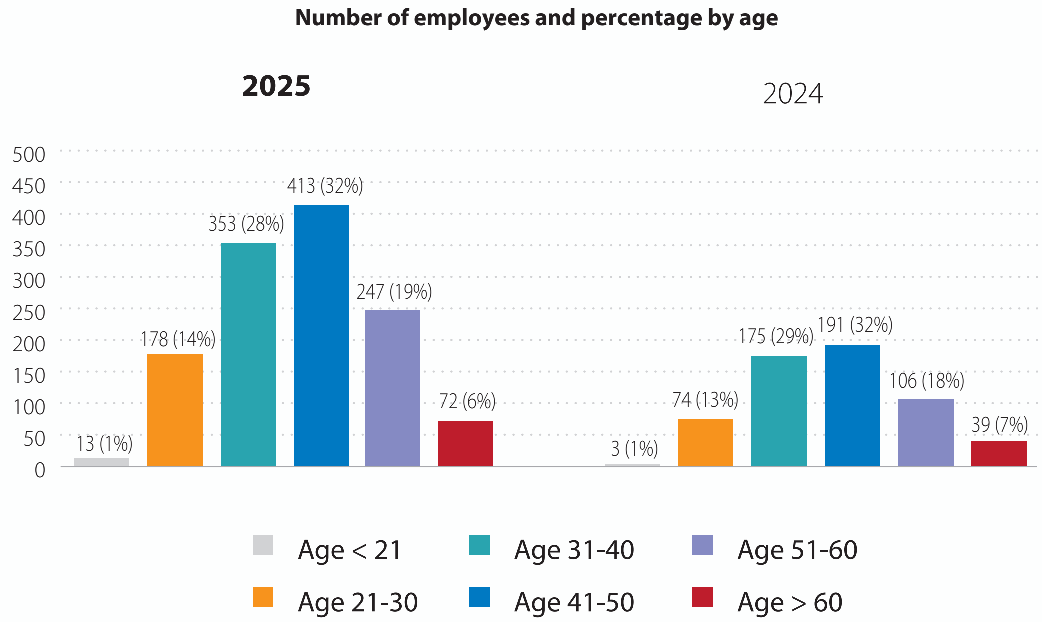
Employees turnover rate by professional profile

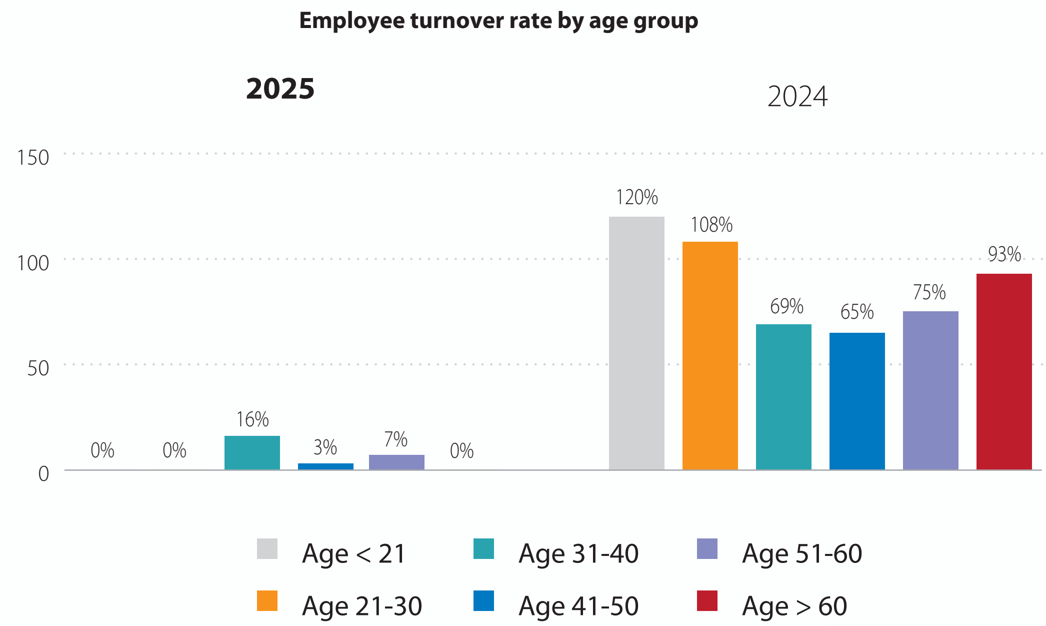


The Board and the nomination committee of the Board discussed with the ESG Working Group on the importance of gender diversity across the workforce of the Group. In general, the male workforce dominates the construction industry due to the heavy work nature. However, the Group welcomes all female talents to join the Group to work together to provide high-value construction services to the public.

The Group will offer competitive compensation packages and on-the-job training to attract and retain technical staff and skilled workers. Besides, the Group will explore the opportunity to adopt innovative technology to optimize the skillset of technical staff and workers for construction works.

Overview of the employment profile by age group in Hong Kong





In general, aging workforce is common in construction industry. The Group welcomes employees from different age group to join. During the Reporting Period, the Group recruited more youngsters to join the Group and provided on-the-job trainings.

Employment Practices

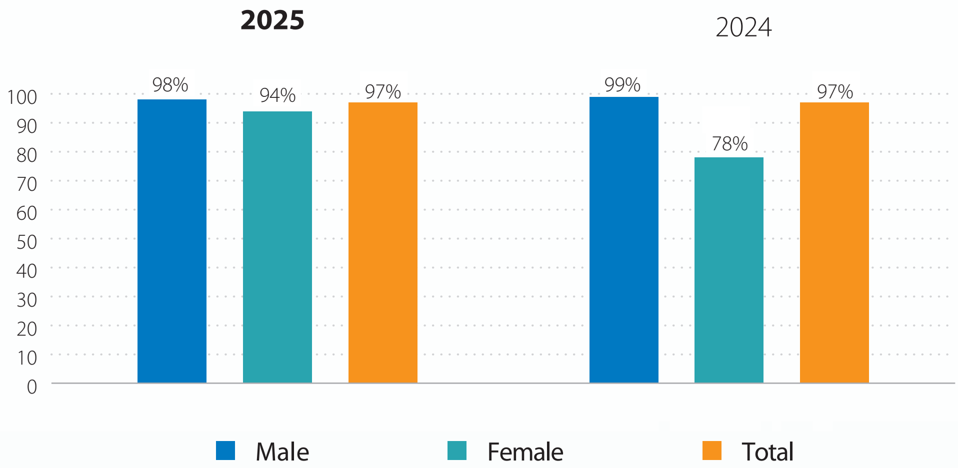
GME is devoted to create a harmonious working environment where the staff feels comfortable to adapt to and strive at. All candidates and employees were solely assessed based on their capabilities and qualifications. GME's Employment Handbook has clearly defined the policies to handle the employment-related issues, including compensation based on market levels, job duties, experience and performance and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity to provide a free working space free from discrimination, diversity, anti-discrimination, and other benefits and welfare. Male and female workers have equal opportunity. The human resources department of the Group is responsible for maintaining the fairness of the recruitment procedures including the avoidance of discrimination in all practices. In accordance with applicable local laws, all staff were also offered with reasonable remuneration packages according to their experiences and performances. Reasonable working hours and annual leaves were provided to staff to encourage a work-life balance. Dismissal of an employee's contract shall be enforced in line with the Employee Handbook of the Group, which is in accordance with the Employment Ordinance (Chapter 57 of the Laws of Hong Kong).

Vocational Training and Career Development

The Group considers staff as the Group's foundation to sustain future development. For this instance, GME encourages staff to build up their capacities and refine their skills, knowledge and competence in order to be capable of leading the Group to achieve its business excellence. The newly employed workers must attend site induction training offered by the main contractors. Based on the job nature and role, employees were provided with relevant vocational trainings sponsored by the Group to strengthen their skills and expertise in their duties and talents.

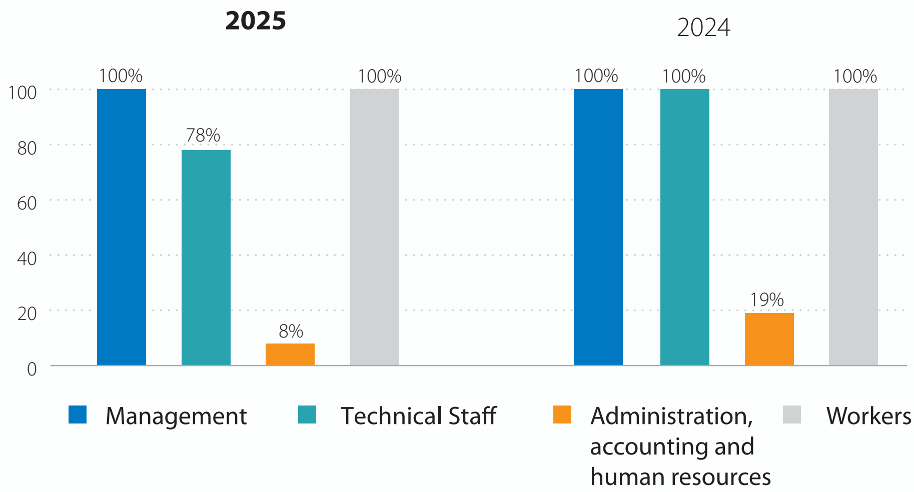
Overview of the employees development and training profile in Hong Kong

Employees trained by gender

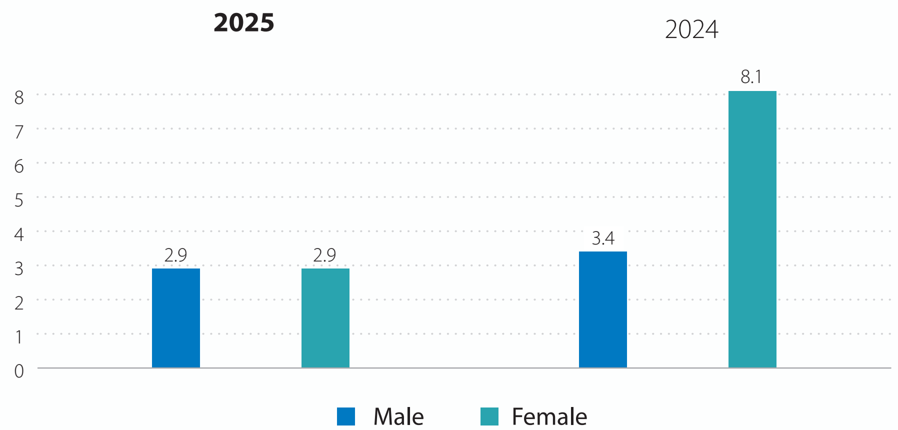


The ESG-related goal of the Group's human resources development and training is to cultivating the workforce capability. GME has set a target for more than 50% of employees to be trained by 2025. During the Reporting Period, 97% of the staff were trained which has met the target.

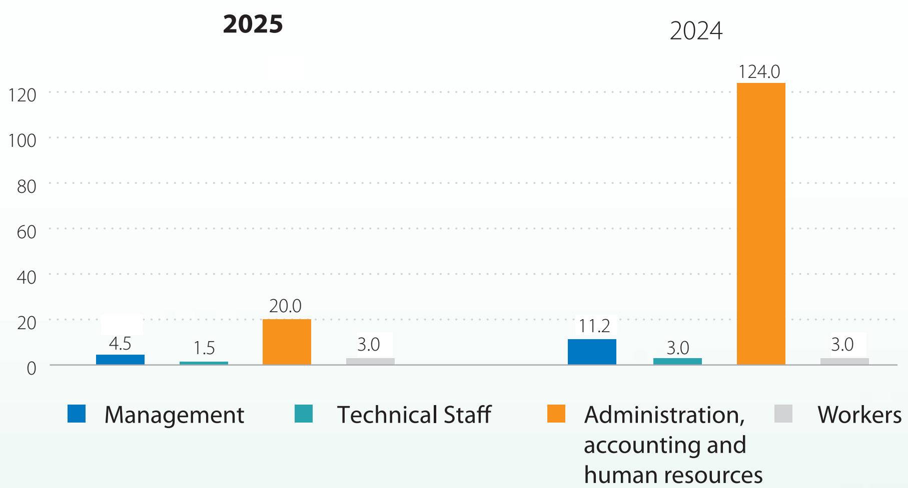
Employees trained by professional profile



Average training hours completed per employee by gender



Average training hours completed per employee by professional profile



Labour Standards

GME has continually taken positive actions to ensure equal opportunities in the conduct of employment activities. The human resources department of the Group sternly rejects the recruitment of child and forced labour to protect the human rights of the employees by screening candidates at all workplaces including the construction sites. The Group has established internal control system in human resources management to prevent the wrongful recruitment of child labour and forced labour. The interviewer should check the candidates' identity cards during the interview to prevent illegal recruitment of child labour. Further, the human resources department of the Group will discuss the employment contracts with the newly employed staff and explain the details of job description to avoid forced labour. During the Reporting Period, the management of the Group reviewed its risk management and internal control system in relation to the human resources management and reported to the Board that no child labour and forced labour were detected in its operation.

During the Reporting Period, the Group has complied with all relevant employment laws and regulation, including the Employment Ordinance (Chapter 57 of the Laws of Hong Kong).

3.2 Workplace Health and Safety

During the Reporting Period, the Group's operations have complied with all relevant laws and regulations relating to workplace health and safety, including the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong). The project team will work closely with the main contractors to comply with such laws and regulations as well as the additional requirements of the occupational health and safety measures imposed by them.

In order to create a low-risk environment, the Group provides a healthy and safe workplace for its employees and continuously reviews and improves its health and safety policies from time to time to minimise occupational risks where possible. Besides, the Group is actively adopting advanced construction technology (such as automation, and artificial intelligence) to its construction projects, which can improve site safety, enhance environmental performance, uplift build quality, and boost productivity. This is also the Group's strategic direction continuously to provide a safe work environment for both its employees and the public. Therefore, the Group sets out the health and safety policies and safety measures to reflect the Group's core value for safety, as follows:

Health and Safety Policies

The Group's health and safety policies are as follows:

- Establish a culture that promotes employee wellness and health
- Provide medical examinations for workers to assure their health status if deemed required
- Implement and maintain improvement plans and practices regarding to key improvement areas
- Furnish necessary safety information and provide relevant trainings
- Increase employees' health and safety awareness and knowledge through regular communications
- Ensure commitment from all employees and all levels of management
- Require business partners to meet the same health and safety standard

Safety Measures for Employee Protection

GME has adopted various safety measures at construction sites, which are in line with the main contractors' high standards of health and safety practices, to safeguard its employees from workplace injuries. Such measures included but are not limited to:

- Provide adequate training to workers and appoint supervisors coaching them on safe postures for lifting heavy or bulky objects
- Pre-check and ensure machines are only operated by professionally trained workers
- Conduct regular maintenance on machinery to prevent malfunctions
- Properly stack construction materials to prevent them from sliding or collapsing where overhead work is being performed
- Erect warning signs in working areas with potential occupational risks

GMEHK received government grants from the Construction Innovation and Technology Fund (CITF) launched by the Construction Industry Council in Hong Kong to purchase a loader crane to improve construction safety.

Construction Safety Review

The Group is conscious of workers' safety and will continue to reform related practices where possible to safeguard workers' safety. During the Reporting Period, the Group appointed an independent consultant to review the construction site safety.

Safety Performance

1. *LTIFR*

   The LTIFR was approximately 2.3 for the year ended 31 December 2025 (2024: approximately: 4.6). LTIFR is a frequency rate that shows how many lost time injuries occurred over a specified time (e.g. per 1,000,000 hours) worked in a period. The LTIFR mentioned above is calculated by multiplying the number of lost time injuries of the Group that occurred during the relevant calendar year by 1,000,000 divided by the number of hours worked by site workers over the same calendar year. It is assumed that the working hour of each worker is ten hours per day. The number of working days for the year ended 31 December 2025 was 364 days (2024: 364 days). The target of LTIFR below 3.0 was met.

2. *Lost Days Rate*

   During the Reporting Period, the lost days due to the work injury of the Group was 1,500 (2024: 1,913) and the lost days rate of the Group due to work injury was approximately 69.1 (2024: 224.8). The lost day rate is calculated by multiplying the number of lost days due to the work injury of the Group that occurred during the relevant calendar year by 200,000 divided by the number of hours worked by site workers over the same calendar year.

3. *Fatality Rate*

   There had not been any work-related fatalities during the years ended 31 December 2024 and 2025.

3.3 Product and Service Management

GME treasures the trust that the Group has built with its valuable customers based on the quality products and services that were delivered to them, and the Group treats it as an incentive for its continuous growth and mastery of its craft.

Quality Management

GME is committed to providing exquisite products and services with its sustained efforts. Complying with ISO 9001:2015, the Quality Management System ("**QMS**") has been established and applied on management activities, resources management, product realisation complaints and quality control.

Under the guidance of QMS, each project is carefully supervised to guarantee the services provided by GME meet its customers' expectations including completion within the agreed timeframe and budget and compliance of applicable regulations.

During the Reporting Period, the Group was not aware of any products recall due to safety and health reasons.

During the Reporting Period, the Group was not aware of any product and service related complaints.

Customer Data Protection

The Group cares about customers' intellectual property rights and takes related issues seriously. Daily operations are guided by and recorded through the Document, Data and Record Control Procedures and Management System Record List to safeguard customers' intellectual property rights.

Supply Chain Management

The Group greatly appreciates the support from a diverse pool of committed suppliers. The Group recognises their importance in providing construction materials and equipment in premium business quality, and the Group is committed to engaging them to contribute to a better future together.

During the Reporting Period, the Group had 394 suppliers in Hong Kong (2024: 232) and 1 supplier in China (2024: 1). A comprehensive QMS was implemented to monitor the supplier selection and procurement processes. The suppliers are assessed in numerous criteria including environmental and social aspects and inspections are conducted to further assure suppliers' overall rating. Apart from meeting the Group's quality requirements in all aspects, suppliers are also required to meet GME ethical standards in order to become a qualified supplier.

The procurement department of the Group tends to source sustainable purchases of construction materials, if possible, in order to respond to the climate change issue. Also, GME pays extra attention to construction materials stability and safety. In this regard, the Group either sends the material samples obtained from qualified suppliers to laboratories to conduct quality tests or request suppliers to provide test reports. The samples that fail to pass such tests would be returned to the suppliers. To address the carbon footprint and climate changes, the Group is committed to purchasing timber with FSC certification by 2025. During the Reporting Period, all the timber purchased by GMEHK has FSC certification.

During the Reporting Period, the Group was not aware of any incidents of non-compliance with the regulations and laws concerning healthy and safety, advertising, labelling and privacy matters of its products and services provided that have a significant impact on the Company.

Corporate Integrity

The Group is committed to remain at all times ethical in providing its engineering services, and is dedicated in upholding its integrity and fairness in the entire operation. Any form of corruption activities is strictly prohibited and this is clearly communicated to staff at all levels and suppliers to ensure business professionalism in making decisions. For the purpose of monitoring corporate ethics, GME has implemented the Code of Conduct, Anti-corruption Policy and Employee Handbook which encapsulated proper procedures to follow to avoid related legal and ethical issues, including bribery, extortion, fraud and money laundering. Staff and suppliers must declare conflicts of interests. During the Reporting Period and up to the date of this ESG Report, the Board has reviewed the Anti-corruption Policy. Besides, the Directors and staff visit the website of Hong Kong Business Ethics Development Centre of the Independent Commission Against Correction of Hong Kong for the rules and regulations updates and online training courses.

The Group has adopted a whistle-blowing policy whereby stakeholders are encouraged to report to the audit committee of the Board (the "**Audit Committee**") any suspected misconduct, malpractice, impropriety or unethical and unfair treatment without fear of reprisal. Such policy can be found on the Group's website at http://www.gmehk.com. All cases reported are strictly confidential and investigations will be carried out by the Audit Committee thoroughly in a sensitive manner. In case of any violation found, the Group shall handle in accordance with the applicable laws and undertake disciplinary actions as necessary.

During the Reporting Period, the Group did not have any concluded legal cases in respect of the corrupt practices brought against the Group or its employee, and was not aware of any breach of laws and regulations relating to bribery, extortion, fraud and money laundering.

3.4 Community Contribution

The Group is devoted to contributing to improving the society where we operate. Embracing the culture of giving back to the community, we actively worked with non-profit organisations, participated in fund-raising activities, and provided financial support to socially vulnerable groups. For example, during the Reporting Period, the Group participated in and donated community projects such as mooncake distribution event and winter solstice event.

4 CLIMATE-RELATED DISCLOSURES

The Climate-Related Disclosures have been prepared by GME to provide transparent, comprehensive disclosure of the Company's climate-related governance, strategy, risk management, and metrics and targets for the Reporting Period.

Under the enhanced HKEX ESG reporting framework, the Group is mandatorily required to disclose Scope 1 and Scope 2 greenhouse gas ("**GHG**") emissions.

Climate-related governance

The Board has overall responsibility for overseeing the Group's climate-related risks and opportunities as part of its broader oversight of ESG and risk management matters. It sets the strategic direction on climate issues, approves climate-related targets and key performance indicators, and reviews management's progress against these targets on an ongoing basis.

In performing its oversight role, the Board considers the potential impacts of material climate-related risks and opportunities on the Group's business model, project portfolio, construction operations and financial position. This includes reviewing significant climate-related risk assessments and action plans, such as measures to enhance site safety during extreme weather, improve the energy efficiency of construction activities, and reduce greenhouse gas emissions.

The Board receives regular updates (at least annually, and more frequently where appropriate) from the senior management of the Company (the "**Senior Management**") on climate-related performance, key regulatory developments relevant to the construction sector, and major climate-related risk exposures. Where necessary, the Board seeks external professional advice and, where appropriate, independent assurance on selected climate-related information to support its oversight.

Management's role in assessing and managing climate-related risks and opportunities

Day-to-day management of climate-related risks and opportunities is delegated by the Board to Senior Management. The Executive Director has executive responsibility for implementing the Board-approved climate strategy, supported by a cross-functional ESG Working Group comprising representatives from project management, site operations, procurement, plant and equipment, safety and environmental, accounting and risk management.

This ESG Working Group is responsible for:

– identifying and assessing physical climate-related risks (such as extreme rainfall, high temperatures, flooding and typhoons affecting construction sites and project schedules) and transition risks (such as new emissions regulations, tighter building codes and client requirements on low-carbon construction);

– evaluating climate-related opportunities, including low-carbon construction methods, use of greener materials, energy-efficient equipment and waste reduction initiatives;

– integrating climate-related considerations into tendering, project design review, construction planning, site management, supply-chain management, enterprise risk management and capital expenditure decisions; and

– coordinating the collection, analysis and reporting of climate-related data and metrics, including site-level energy consumption, fuel usage, greenhouse gas emissions and relevant operational indicators.

Senior Management reports to the Board which cover key climate-related risk indicators, performance against climate-related targets and major action plans. Material climate-related issues, including significant incidents or emerging regulatory changes, are escalated to the Board for discussion and decision-making as appropriate.

Tackling climate change

The Group has clearly defined responsibilities for climate change governance in line with its business nature. This includes proactively identifying climate-related risks and opportunities, and assessing their potential effects on business operations.

The Group has integrated the identification, assessment, prioritization, and monitoring of climate-related risks and opportunities into its overall risk management process. During the Reporting Period, the Group systematically identified and assessed climate-related risks and opportunities. With reference to applicable regulatory requirements and industry disclosure practices, the Group have identified the following climate-related risks and opportunities based on the Group's business model and value chain characteristics:

Types of risks/opportunities	Description of risks/ opportunities	Current and anticipated impacts on GME business model/value chain
Physical risk	Extreme weather events such as typhoons, heavy rains and floods	Extreme weather events may pose operational threats to GME construction site, suppliers, and main contractors. Additionally, safety concerns related to GME construction site may affect GME construction progress.
	Rising mean temperature	Rising mean temperatures may increase cooling demand and result in higher energy consumption. At the same time, cooling measures for construction workers will be required to comply with the Hong Kong Government's occupational temperature and humidity requirements.
Transition risk	Increasing market attention to GME's climate performance	Regulators, investors, clients and other Stakeholders are increasingly demanding higher standards for GME's climate performance. Climate-related disclosures and responses may significantly impact corporate reputation.
	Energy and environmental policy costs incurred through the supply chain	Energy and environmental policies may increase the costs of raw materials, energy and transportation for suppliers potentially affecting GME procurement costs.
Opportunities	Green office and low-carbon travel	We promote energy conservation and carbon reduction in the workplace and encourage employees to take low-carbon travel to reduce daily operation costs.

The Hong Kong Governance processes, controls and procedures for climate-related matters

The Group has established governance processes, controls and procedures to support effective oversight and management of climate-related issues in its construction operations. Climate-related risks have been incorporated into the Group's risk taxonomy and are assessed as part of the regular enterprise risk management cycle, including project-level and Group-level risk identification, assessment, mitigation, monitoring and reporting.

At the project level, climate-related considerations are embedded in site risk assessments, method statements, emergency response plans, and safety management systems, including procedures for extreme weather events, work rescheduling, site access, and the protection of materials and equipment. At the Group level, climate-related risks and mitigation measures are consolidated and reviewed by Senior Management and the Board as part of periodic risk reviews.

The Group maintains internal controls and reporting processes to support the collection and verification of climate-related data. These include clearly defined responsibilities for data owners (such as project managers, site agents and supervisors), documented methodologies and assumptions for key climate-related metrics, and internal review procedures prior to reporting to Senior Management and the Board.

Where appropriate, the Group refers to recognised frameworks and standards when enhancing its climate-related governance and disclosures, and continues to refine its processes in light of evolving regulatory requirements, industry practices and Stakeholder expectations. Relevant staff, particularly those involved in project management, site operations and procurement, receive periodic training on climate-related topics, including regulatory developments, risk management approaches and best practices in climate-related disclosures.

(A) Climate related risks and opportunities and their impact on the business and strategy

The Group has identified climate related risks and opportunities that may materially affect its construction and related businesses over the short, medium and long term. These include physical risks arising from more frequent and severe extreme weather events (such as heavy rainfall, high temperatures, flooding and typhoons), and transition risks arising from changes in regulations, building codes, client requirements and market expectations on decarbonisation and sustainable construction.

Physical climate related risks may adversely impact project execution, including site safety, construction progress, productivity, project costs and supply chain reliability. Transition risks may affect the Group through more stringent environmental and energy efficiency requirements in tender specifications, increased compliance costs, potential carbon related charges and changes in demand for low carbon construction solutions.

At the same time, the Group sees climate related opportunities in areas such as adoption of greener construction methods and materials, improvement of energy efficiency of construction equipment, optimisation of logistics and waste management, and participation in projects with stronger sustainability performance requirements. These opportunities may enhance the Group's competitiveness in tendering, support long term relationships with key clients and improve operational efficiency.

(B) Integration of climate related considerations into business planning and decision making

The Group takes climate related risks and opportunities into account when formulating its business strategy, annual budgets and medium term plans. In evaluating new tenders and project opportunities, the Group considers climate related factors such as exposure to extreme weather, site conditions, programme flexibility, availability of low carbon materials and equipment, and specific environmental or carbon related requirements in client specifications.

Climate related considerations are integrated into project planning and site management, including the design of construction methods, selection of materials and subcontractors, scheduling of weather sensitive activities, and planning for temporary works and site protection measures. Where appropriate, the Group works with clients, consultants and supply chain partners to identify and implement practical low carbon or resource efficient solutions on site.

At the Group level, Senior Management periodically reviews the potential financial and operational implications of material climate related risks and opportunities, including possible impacts on revenue mix, cost structure, capital expenditure needs (for example, investment in more energy efficient plant and equipment) and insurance coverage. These assessments are taken into account when updating the Group's strategic priorities and resource allocation.

(C) Climate related targets, action plans and monitoring

To support its climate related strategy, the Group has set internal objectives to improve its environmental and climate related performance over time. These include targets and initiatives to enhance energy efficiency of construction operations, reduce fuel consumption and associated greenhouse gas emissions where practicable, strengthen site level controls for extreme weather events, and promote waste reduction and recycling.

The Group is progressively enhancing its data collection and monitoring of climate related metrics, including site level energy and fuel usage, greenhouse gas emissions and relevant operational indicators. This information is used to assess performance against its internal objectives, identify areas for improvement and support decision making on operational measures and capital investments.

The Group recognises that climate related regulations, standards and stakeholder expectations are evolving and will continue to refine its climate related strategy, targets and action plans in light of these developments. It also seeks to raise awareness among employees, subcontractors and other stakeholders about climate related risks and good practices, with a view to strengthening resilience and supporting the transition towards more sustainable construction.

During the Reporting Period, climate-related risks and opportunities did not have a material impact on the Group's financial position, financial performance or cash flows.

ESG Working Group conducted interviews with the stakeholders of the Group on identification and assessment of climate-related risks and opportunities. Based on (i) the severity of risk impact on the Group's financial performance; (ii) the likelihood of the risk; and (iii) the speed at which the risk may materialize, the Group evaluated the degree of impact of climate risks and opportunities on GME's business operations and value chain. Based on the Group's assessment, no climate-related risks or opportunities are expected to have a material impact on the Group's development strategy and decision-making, business model (including resource allocation), financial position, financial performance, cash flows, financing channels or capital cost in the short, medium, or long term.

Air pollutant and greenhouse gas emissions

The Group's main sources of air emissions are carbon dioxide and greenhouse gas generated by fuel-powered machinery and vehicles usage on operation sites, and electricity consumption in the office. The volume of air pollutants and greenhouse gas emissions vary according to the nature and the scope of construction activities. For these reasons, the Group carefully calculates the planned machinery hours usage before the commencement of construction activities. The Group uses approved or exempted Non-road Mobile Machinery (NRMMs) when necessary. Moreover, the workers are asked to avoid queuing trucks and idling machines on site to lower unnecessary emissions. At the same time, the technical staff of the Group works closely with the main contractors to monitor gaseous emissions.

Regarding the emissions associated, the Group has implemented mitigation measures, including but not limited to the application of low-emission equipment and ultra-low-sulfur diesel as fuel. This fuel in turn has allowed equipment to fulfil emissions standards. The Group also monitors the gaseous emissions regularly to ensure compliance with the Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong).

Overview of Energy Consumption

Energy Consumption	2025 kWh	2024 kWh
Electricity	101,514	40,046
Diesel [1]	6,575,411	7,206,218
Petrol [1]	76,445	121,496
Total Energy Consumption	6,753,370	7,367,760

Note [1]: The calculation method and emission factors used are referenced from《附件8、中國陸上交通運輸企業溫室氣體排放核算方法與報告指南(試行)》.

The decrease in the total energy consumption by 614,390 kWh or approximately 8.3% was mainly due to the decrease in the diesel consumption during the Reporting Period.

The decrease in petrol consumption was mainly due to the decrease in the travel mileage on the Group's owned motor vehicles among the construction sites and replacing two gasoline vehicles to electric vehicles during the Reporting Period. Mitigation measures were taken to minimise the environmental impact for petrol usage, including but not limited to (i) conducting regular and proper maintenance of the motor vehicles; (ii) switching off the motor vehicles when idling; (iii) planning the route ahead of time so that the employees can travel to the construction site together to reduce the motor vehicle usage; and (iv) the adoption of electric vehicles to replace the Group's fuel consumption motor vehicles.

The increase in electricity consumption was mainly due to the recent increase in electricity usage due to the expansion of office space and increase in number of electric vehicles during the Reporting Period.

Overview of Greenhouse Gas (“GHG”) and Other Air Pollutant Emissions [(2)]

GHG and Other Air Pollutant Emissions [(2)]	2025 Tonne of CO_2 equivalent	2024 Tonne of CO_2 equivalent
Scope 1 Direct GHG Emission	1,476	1,925
Scope 2 Indirect GHG Emission	53	32
Total GHG Emissions	1,799	1,957
NO_x Emission	17.72	19.51
PM Emission	1.14	1.26

Note [(2)]: The calculation method and emission factors used are referenced from EMEP/EEA air pollutant emission inventory guidebook 2016 (passenger cars, light commercial trucks, heavy duty vehicles including buses and motor cycles).

Scope 1 direct GHG emission represented the direct emission from the source owned or controlled by the Group, which included the construction machinery and motor vehicles. Scope 2 indirect GHG emission represented the indirect emission from the source resulted from the purchase of electricity consumed by the Group. Therefore, the increase in the total GHG emissions was mainly due to the increase in the consumption of the diesel and electricity as mentioned above.

During the Reporting Period, the Group has purchased two electric vehicles (2024: five) to replace the fuel consumption motor vehicles in order to reduce the petrol consumption, reduce the carbon footprint and contribute to environmental sustainability. The Groups hopes this transition can cope with the climate change and reduce the GHG and other air pollutant emissions.

Overview of Energy Intensity and GHG Intensity

Energy Intensity	Unit	2025	2024
Revenue	HK$ million	941	815
Total Energy Consumption	kWh	6,753,370	7,367,760
Energy Intensity (Total Energy Consumption/Revenue)		7,177	9,040

GHG Intensity	Unit	2025	2024
Revenue	HK$ million	941	815
Total GHG Emissions	Tonne	1,799	1,957
GHG Intensity (Total GHG Emissions/Revenue)		1.91	2.40

Due to the Group works closely with the supervision staff at the construction sites to efficiently plan the machinery hours usage for the construction activities, the energy intensity and GHG intensity were decreased by 20.6% and 20.5%, respectively. They already achieved the target of reducing the energy and greenhouse gas intensity by 15% during the Reporting Period.

Climate resilience

During the Reporting Period, the ESG Working Group assessed its climate resilience in line with the enhanced climate related disclosure requirements under Appendix C2 to the GEM Listing Rules. The assessment covered the Group's core underground construction activities in Hong Kong and considered both physical risks (such as more frequent typhoons, extreme rainfall, flooding and higher temperatures) and transition risks (such as stricter environmental regulations, client low carbon requirements and changing stakeholder expectations). Based on this assessment, the Group does not expect climate related risks and opportunities to have a material impact on its strategy, business model, financial position, financial performance, cash flows or cost of capital in the short, medium or long term, taking into account that most of its revenue is derived from Hong Kong public sector infrastructure projects where climate resilience is already embedded into project design and contract requirements.

The Group acknowledges uncertainties regarding the future severity and timing of extreme weather events, the pace of regulatory changes and potential shifts in client specifications. To address these uncertainties, the Group carried out a qualitative climate related scenario analysis in 2025–2026, considering (i) an "orderly transition" scenario with gradually tighter climate policies and expectations, and (ii) a "heightened physical risk" scenario with more frequent and severe extreme weather events. Under both scenarios, and after taking into account existing and planned mitigation and adaptation measures (such as energy efficient machinery, electric vehicles, strengthened site controls and extreme weather work procedures), the Group concluded that potential impacts on its financial performance are not expected to be material. If climate related risks intensify, the Group considers that it has the capacity to adjust through further improvements in project planning and scheduling, investment in more resilient and low carbon equipment, enhancements to site protection and safety measures, and closer collaboration with main contractors and government bodies.

Risk management

The Group integrates **climate related risks** into its existing risk management and internal control framework, in line with Appendix C2 of the GEM Listing Rules. Climate related risks (both physical risks such as extreme rainfall, typhoons, flooding and high temperatures, and transition risks such as tighter environmental regulations and low carbon requirements from public sector clients) are identified and assessed through the Group's regular enterprise risk assessments, project level reviews, site inspections and stakeholder engagement. Significant climate related risks are managed through measures embedded in project planning and site management, including strengthened extreme weather procedures, schedule adjustments, use of more energy efficient machinery and electric vehicles, and enhanced worker protection, with the ESG Working Group monitoring these risks and mitigation measures and reporting at least annually to the Board.

Climate related metrics and targets

In line with paragraphs 30 to 32 of Appendix C2 to the GEM Listing Rules, the Group discloses climate related metrics and targets that are relevant to its underground construction business in Hong Kong. The key metrics presented in the "Environmental Performance" section of this ESG Report include total Scope 1 and Scope 2 greenhouse gas emissions and related emissions intensity (for example, tonnes of CO_2 equivalent per HKD million of revenue), total energy consumption by fuel and electricity and related energy intensity, and non hazardous waste generation and waste intensity. These metrics are calculated using commonly accepted methodologies and disclosed together with comparative data.

The Group has set climate-related environmental targets to reduce its energy intensity, greenhouse gas emissions intensity, and hazardous and non-hazardous waste intensity by 15% by 2030, and monitors performance against these targets using the above metrics. Where reasonably practicable, the Group also considers cross-industry climate metrics under Appendix C2 and will refine and expand its climate-related metrics and targets over time as data quality and market practice develop.

Climate related transition plan, targets and progress

To address climate related risks and opportunities in accordance with paragraphs 33 to 36 of Appendix C2 to the GEM Listing Rules, the Group has adopted a transition plan focused on improving energy efficiency, reducing greenhouse gas emissions and waste, and enhancing the resilience of its construction activities in Hong Kong. The key measures under this plan include gradually upgrading construction plant and vehicles to more energy efficient models, increasing the use of environmentally friendly and FSC certified materials where practicable, and strengthening site management and procedures for extreme weather.

The Group has set climate related environmental targets to reduce its energy intensity, greenhouse gas emissions intensity and hazardous and non hazardous waste intensity by 15% by 2025, with performance tracked using the metrics disclosed in the Environmental Performance section of this report. The Group reviews progress against these targets at least annually and, taking into account changes in project mix and activity levels, will refine its transition plan, intermediate milestones and underlying assumptions over time in light of regulatory developments, market practice and its operational capabilities.

Basis of preparation, estimates and limitations for climate related disclosures

The Group's climate related disclosures in this report, including greenhouse gas emissions, energy and waste data, climate related metrics, targets, scenario analysis and financial assessments, are prepared in accordance with Appendix C2 to the GEM Listing Rules and the relevant implementation and transitional provisions. Where the ESG Code permits the use of reasonable and supportable information that is available without undue cost or effort, the Group has applied this approach, particularly for forward looking assessments, scenario analysis and certain cross industry climate metrics.

The preparation of climate related information unavoidably involves **judgement, estimates and assumptions**, for example in selecting emission factors, defining data boundaries, allocating energy or waste to specific activities, and assessing the potential financial effects of climate related risks and opportunities over the short, medium and long term. These estimates and assumptions are based on currently available data, the Group's experience and external references where appropriate, and are subject to uncertainties, including future policy developments, technological changes and the evolution of climate science. The Group will continue to enhance the quality, coverage and granularity of its climate related data and methodologies over time, and may revise or refine its estimates, assumptions and disclosures in future reporting periods as more robust information and market practice emerge.

5 PERFORMANCE TABLE

The following tables summarise the key KPI in respect of the environmental and social performance of the Group during the Reporting Period and their comparative figures for the corresponding year in 2024, which have been disclosed in the sections headed "Environmental Consciousness" and "Social Performance" of this ESG Report.

5.1 Environmental Performance

Energy Consumption	2025 kWh	2024 kWh	2023 kWh	2022 kWh	2021 kWh	2020 kWh
Electricity	101,514	40,046	35,835	35,188	37,243	34,261
Diesel [1]	6,575,411	7,206,218	6,052,761	2,760,275	3,666,462	2,923,197
Petrol [1]	76,445	121,496	171,868	97,109	73,765	160,873
Total Energy Consumption	6,753,370	7,367,760	6,260,464	2,892,572	3,777,470	3,118,331

Note [1]: The calculation method and emission factors used are referenced from《附件8、中國陸上交通運輸企業溫室氣體排放核算方法與報告指南(試行)》.

	Tonne of CO_2 equivalent					
GHG and Other Air Pollutant Emissions [2]	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**
Scope 1 Direct GHG Emission	1,476	1,925	1,637	753	983	814
Scope 2 Indirect GHG Emission	53	32	28	28	29	27
Total GHG Emissions	1,799	1,957	1,665	781	1,012	841
NO_x Emission	17.72	19.51	16.46	7.46	9.90	7.94
PM Emission	1.14	1.26	1.06	0.48	0.64	0.51

Note [2]: The calculation method and emission factors used are referenced from EMEP/EEA air pollutant emission inventory guidebook 2016 (passenger cars, light commercial trucks, heavy duty vehicles including buses and motor cycles).

Non-hazardous Waste	2025 Tonne	2024 Tonne	2023 Tonne	2022 Tonne	2021 Tonne	2020 Tonne
C&D Waste	3	8	10	195	3	75
General Refuse	7	57	21	60	2	73
Total Non-hazardous Waste	10	65	31	255	5	148

Energy Intensity	Unit	2025	2024	2023	2022	2021	2020
Revenue	HK$ million	941	815	550	441	444	135
Total Energy Consumption	kWh	6,753,370	7,367,760	6,260,464	2,892,572	3,777,470	3,118,331
Energy Intensity (Total Energy Consumption/Revenue)		7,177	9,040	11,383	6,559	8,508	9,913.56

GHG Intensity	Unit	2025	2024	2023	2022	2021	2020
Revenue	HK$ million	941	815	550	441	444	135
Total GHG Emissions	Tonne	1,799	1,957	1,665	781	1,012	841
GHG Intensity (Total GHG Emissions/ Revenue)		1.91	2.40	3.03	1.77	2.28	6.23

Non-hazardous Waste Intensity	Unit	2025	2024	2023	2022	2021	2020
Revenue	HK$ million	941	815	550	441	444	135
Total Non-hazardous Waste	Tonne	10	65	31	256	5	148
Non-hazardous Waste Intensity (Total Non-hazardous Waste/ Revenue)		0.01	0.08	0.06	0.58	0.01	1.10

5.2 Social Performance

Occupational Health and Safety	2025	2024	2023	2022	2021	2020
Lost Day Rate [3]	69.1	224.8	9.7	13.8	4.6	4.3
Lost days due to work injury	1,500	1,913	110	127	73	N/A
Number of work-related fatalities (Number of people)	0	0	0	0	0	0
LTIFR [4]	2.3	4.6	1.3	0.5	0.6	2.2

Note [3]: The lost day rate is calculated by multiplying the number of lost days due to the work injury of the Group that occurred during the relevant calendar year by 200,000 divided by the number of hours worked by site workers over the same calendar year.

Note [4]: LTIFR is a frequency rate that shows how many lost time injuries occurred over a specified time (e.g. per 1,000,000 hours) worked in a period. The LTIFR mentioned above is calculated by multiplying the number of lost time injuries of the Group that occurred during the relevant calendar year by 1,000,000 divided by the number of hours worked by site workers over the same calendar year. It is assumed that the working hour of each worker is ten hours per day. The number of working days for the year ended 31 December 2025 was 364 days (2024: 364 days).

N/A: Not available

	No. of people					
Employees Profile in Hong Kong	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**
Employees by Gender						
Male	1,140	534	610	510	860	274
Female	136	54	52	32	53	10
Overall	1,276	588	662	542	913	290
Employees by Professional Profile						
Management	9	8	6	6	6	6
Technical staff	51	20	22	22	20	10
Administration, accounting and human resources	24	21	14	10	14	12
Workers	1,192	539	620	504	873	262
Employees by Age						
Age <21	13	3	7	7	2	0
Age 21–30	178	74	105	60	139	38
Age 31–40	353	175	179	119	222	77
Age 41–50	413	191	193	147	259	77
Age 51–60	247	106	112	146	179	61
Age >60	72	39	66	63	102	37

Employees Turnover Rate in Hong Kong	2025 %	2024 %	2023 %	2022 %	2021 %	2020 %
Employees Turnover Rate by Gender						
Male	41	77	198	116	32	81
Female	55	79	117	106	9	63
Overall	43	77	192	116	30	N/A
Employees Turnover Rate by Professional Profile						
Management	0	0	0	6	0	0
Technical staff	0	43	64	14	13	0
Administration, accounting and human resources	18	131	25	83	8	54
Workers	20	77	203	120	31	84
Employees Turnover Rate by Age						
Age <21	0	120	300	126	0	100
Age 21–30	0	108	261	135	34	94
Age 31–40	16	69	189	121	32	79
Age 41–50	3	65	179	116	23	78
Age 51–60	7	75	197	96	34	73
Age >60	0	93	125	114	30	80

N/A: Not applicable

Employees Trained Percentage in Hong Kong	2025 %	2024 %	2023 %	2022 %	2021 %	2020 %
Employees Trained by Gender						
Male	98	99	98	90	91	75
Female	94	78	83	75	75	50
Overall	97	97	97	89	90	N/A
Employees Trained by Professional Profile						
Management	100	100	100	100	100	100
Technical staff	78	100	64	14	60	50
Administration, accounting and human resources	8	19	21	10	7	8
Workers	100	100	100	87	90	77

Average Training Hours in Hong Kong	2025 Hours	2024 Hours	2023 Hours	2022 Hours	2021 Hours	2020 Hours
Average Training Hours Completed per Employee by Gender						
Male	2.9	3.4	3.1	3.0	3.0	2.4
Female	2.9	8.1	3.1	3.0	3.0	3.0
Average Training Hours Completed by Professional Profile						
Management	4.5	11.2	10.1	2.5	5.1	5.5
Technical staff	1.5	3.0	3.0	6.0	3.0	3.0
Administration, accounting and human resources	20.0	124.0	30.0	15.0	15.0	15.0
Workers	3.0	3.0	3.0	3.0	3.0	3.0

Suppliers by Location	2025 No. of Suppliers	2024 No. of Suppliers	2023 No. of Suppliers	2022 No. of Suppliers	2021 No. of Suppliers	2020 No. of Suppliers
Hong Kong	394	232	215	310	231	N/A
China	1	1	1	2	–	N/A

N/A: Not applicable

6 THE STOCK EXCHANGE'S ESG CODE INDEX

This ESG Report may not include the additional disclosure requirements under ESG Code.

Aspect/Description/KPI	Statement/Section	Page No.
A. Environmental		
A1 Emissions		
A1 General Disclosure	Environmental Policy and Management System	11
A1.1 The types of emissions and respective emissions data	Emissions Management	11
A1.2 Repealed in January 2025	N/A	N/A
A1.3 Total hazardous waste produced and intensity	Emissions Management – Waste Management	12
A1.4 Total non-hazardous waste produced and intensity	Emissions Management – Waste Management	12
A1.5 Description of emission targets set and steps taken to achieve them	Emissions Management	11
A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction targets set and steps taken to achieve them	Emissions Management – Waste Management	12

Aspect/Description/KPI	Statement/Section	Page No.
A2 Use of Resources		
A2 General Disclosure	Effective Resources Management	15
A2.1 Direct and/or indirect energy consumption by type in total and intensity	Emission Management and Effective Resources Management	11/15
A2.2 Water consumption in total and intensity	Effective Resources Management	15
A2.3 Description of energy use efficiency targets set and steps taken to achieve them	Emission Management and Effective Resources Management	11/15
A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency targets sets and steps taken to achieve them	Effective Resources Management	15
A2.5 Total packaging material used for finished products and, if applicable, with reference to per unit produced	The Group is principally engaged in the provision of underground construction services. Therefore, packaging material is not material to the Group's operations.	N/A
A3 The Environment and Natural Resources		
A3 General Disclosure	Environment Consciousness	11
A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Environment Consciousness	11
A4 Climate Change		
A4 General Disclosure	Emissions Management – Climate Change	14
A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Emissions Management – Climate Change	14

Aspect/Description/KPI	Statement/Section	Page No.
B. Social		
B1 Employment		
B1 General Disclosure	Employment and Talent Development	16
B1.1 Total workforce by gender, employment type, age group and geographical region	Employment and Talent Development	16
B1.2 Employee turnover rate by gender, age group and geographical region	Employment and Talent Development	16
B2 Health and Safety		
B2 General Disclosure	Workplace Health and Safety	21
B2.1 Number and rate of work-related fatalities in each of the past three years including the reporting year	Workplace Health and Safety – Safety Performance	22
B2.2 Lost days due to work injury	Workplace Health and Safety – Safety Performance	22
B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored	Workplace Health and Safety	21
B3 Development and Training		
B3 General Disclosure	Employment and Talent Development – Vocational Training and Career Development	19
B3.1 The percentage of employees trained by gender and employee category	Employment and Talent Development – Vocational Training and Career Development	19
B3.2 The average training hours completed per employee by gender and employee category	Employment and Talent Development – Vocational Training and Career Development	19

Aspect/Description/KPI	Statement/Section	Page No.
B4 Labour Standards		
B4 General Disclosure	Employment and Talent Development – Labour Standards	21
B4.1 Description of measures to review employment practices to avoid child and forced labour	Employment and Talent Development – Labour Standards	21
B4.2 Description of steps taken to eliminate such practices when discovered	Employment and Talent Development – Labour Standards	21
B5 Supply Chain Management		
B5 General Disclosure	Product and Service Management – Supply Chain Management	23
B5.1 Number of suppliers by geographical region	Product and Service Management – Supply Chain Management	23
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	Product and Service Management – Supply Chain Management	23
B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Product and Service Management – Supply Chain Management	23
B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Product and Service Management – Supply Chain Management	23

Aspect/Description/KPI	Statement/Section	Page No.
B6 Product Responsibility		
B6 General Disclosure	Product and Service Management	23
B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	Product and Service Management	23
B6.2 Number of products and service related complaints received and how they are dealt with	Product and Service Management – Quality Management	23
B6.3 Description of practices relating to observing and protecting intellectual property rights	Intellectual property rights are non-material issue to the Group's operations	N/A
B6.4 Description of quality assurance process and recall procedures	Product and Service Management – Quality Management	23
B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored	Product and Service Management – Customer Data Protection	23
B7 Anti-Corruption		
B7 General Disclosure	Product and Service Management – Corporate Integrity	24
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	Product and Service Management – Corporate Integrity	24
B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	Product and Service Management – Corporate Integrity	24
B7.3 Description of anti-corruption training provided to Directors and Staff	Product and Service Management – Corporate Integrity	24

Aspect/Description/KPI	Statement/Section	Page No.
B8 Community Investment		
B8 General Disclosure	Community Contribution	24
B8.1 Focus areas of contribution	Community Contribution	24
B8.2 Resources contributed (e.g. money or time) to the focus area	Community Contribution	24

Climate-related Disclosures

Aspect		Statement/Section	Page No.
(I) Governance			
An issuer shall disclose information about:			
(a)	Disclosure on the governance body(s) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:		
	(i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	Climate-related Governance	25
	(ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	Climate-related Governance	25
	(iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	Climate-related Governance	25

Aspect		Statement/Section	Page No.
	(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities, including whether and how related performance metrics are included in remuneration policies; and	Climate-related Governance	25
(b)	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:		
	(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	Management's role in assessing and managing climate-related risk and opportunities	25
	(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Management's role in assessing and managing climate-related risk and opportunities	25

Aspect		Statement/Section	Page No.
(II) Strategy			
Climate-related risks and opportunities			
An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:			
(a)	describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	Management's role in assessing and managing climate-related risks and opportunities	25
(b)	explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	Management's role in assessing and managing climate-related risks and opportunities	25
(c)	specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	Management's role in assessing and managing climate-related risks and opportunities	25
(d)	explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	Management's role in assessing and managing climate-related risks and opportunities	25
Business model and value chain			
An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:			
(a)	a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	Tracking Climate Change	26
(b)	a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Tracking Climate Change	26

Aspect		Statement/Section	Page No.
Strategy and decision-making			
An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:			
(a)	information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about: (i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities; (ii) current and anticipated adaptation and mitigation efforts (direct or indirect); (iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any).	The Hong Kong Governance processes, controls and procedures for climate-related matters	27
(b)	information about how the issuer is resourcing, and plans to resource, the activities disclosed; and	The Hong Kong Governance processes, controls and procedures for climate-related matters	27
(c)	information about the progress of plans disclosed in previous reporting periods.	The Hong Kong Governance processes, controls and procedures for climate-related matters	27

Aspect		Statement/Section	Page No.
Financial position, financial performance and cash flows			
Current financial effect			
(a)	An issuer shall disclose qualitative and quantitative information about how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	The Hong Kong Governance processes, controls and procedures for climate-related matters	27
(b)	the climate-related risks and opportunities identified, for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	The Hong Kong Governance processes, controls and procedures for climate-related matters	27
Anticipated financial effect			
(a)	The issuer shall provide qualitative and quantitative disclosures about how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and	The Hong Kong Governance processes, controls and procedures for climate-related matters	27
(b)	how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	The Hong Kong Governance processes, controls and procedures for climate-related matters	27

Aspect		Statement/Section	Page No.
Climate Resilience			
(a)	The issuer shall provide qualitative and quantitative disclosures about the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	Climate resilience	31
(b)	how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used; (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out.	Climate resilience	31

Aspect		Statement/Section	Page No.
(III) Risk Management			
(a)	An issuer shall disclose information about the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about: (i) the inputs and parameters the issuer uses; (ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks; (iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	Climate-related risk and opportunities and risk management	27/32
(b)	the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	Climate-related risk and opportunities and risk management	27/32
(c)	the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	Climate-related risk and opportunities and risk management	27/32

Aspect		Statement/Section	Page No.
(IV) Metrics and Targets			
Greenhouse gas emissions			
(a)	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as: • Scope 1 greenhouse gas emissions; • Scope 2 greenhouse gas emissions; and • Scope 3 greenhouse gas emissions.	Air pollutant and Greenhouse Gas Emissions	29
(b)	measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	Air pollutant and Greenhouse Gas Emissions	29
(c)	disclose the approach it uses to measure its greenhouse gas emissions;	Air pollutant and Greenhouse Gas Emissions	29
(d)	for Scope 2 greenhouse gas emissions disclosed, disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and	Air pollutant and Greenhouse Gas Emissions	29
(e)	for Scope 3 greenhouse gas emissions disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	N/A	N/A

Aspect		Statement/Section	Page No.
Climate-related risks and opportunities			
(a)	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to: (i) climate-related transition risks; and (ii) climate-related physical risks.	Climate-related metrics and targets	32
(b)	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	Climate-related metrics and targets	32
Capital deployment, internal carbon prices, remuneration and industry-based metrics			
(a)	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Climate-related transition plan, target and progress	32
(b)	An issuer shall disclose: (i) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (ii) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	Climate-related transition plan, target and progress	32
(c)	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	Climate-related transition plan, target and progress	32

Aspect		Statement/Section	Page No.
Capital deployment, internal carbon prices, remuneration and industry-based metrics			
(d)	In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	Climate-related transition plan, target and progress	32
Climate-related targets			
(a)	An issuer shall disclose (i) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (ii) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.	Basis of preparation, estimates and limitations for climate-related disclosures	33
(b)	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target.	Basis of preparation, estimates and limitations for climate-related disclosures	33
(c)	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	Basis of preparation, estimates and limitations for climate-related disclosures	33
(d)	For each greenhouse gas emissions target disclosed: (i) which greenhouse gases are covered by the target; (ii) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; (iii) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target; (iv) whether the target was derived using a sectoral decarbonisation approach; and (v) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target.	Basis of preparation, estimates and limitations for climate-related disclosures	33

Remarks:
N/A: not applicable