



Environmental, Social and Governance Report 2025

Vobile Group Limited Stock Code : 3738

Incorporated in the Caymen Islands with limited liability

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ABOUT THIS REPORT

Vobile Group Limited (the “Company” together with its subsidiaries, hereinafter referred to as the “Group”) is pleased to present our annual Environmental, Social and Governance Report (the “Report”) for the year ended 31 December 2025 to provide an overview of our management measures and practices of issues affecting the operation, including environmental, social and governance (“ESG”) issues. The Report is prepared by the Group with the assistance from an external professional service firm.

REPORTING PERIOD

The Report illustrates the Group’s initiative and performance regarding the environmental and social aspects during the reporting period from 1 January 2025 to 31 December 2025 (the “Reporting Period”).

REPORTING SCOPE

The Report covers all major subsidiaries of the Group in the People’s Republic of China (“PRC”) and the United States which account for approximately 97.5% of our revenue of the Group (2024: cover major subsidiaries of the Group in the PRC and the United States accounted for approximately 98.8% of revenue of the Group) that principally engaged in the business of providing platforms and services for digital content assets protection and transactions. The Group will continue in assessing the impacts of its business on the major ESG aspects and to include in the Report.

REPORTING BASIS

The Report is prepared in accordance with the ESG Reporting Code set out in Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Group has complied with the disclosure requirements of the “comply or explain” provisions set out in the ESG Reporting Code. During the process of preparation of this Report, we summarised the Group’s performance in corporate and social responsibilities based on the principles of “Materiality, Quantitative, Balance and Consistency”. Please refer to the table below for our understanding and response to such reporting principles.

Reporting Principles	Definitions	Our Response
Materiality	The issues covered in this Report should reflect the significant impacts of the Group on the economy, environment and society, or the scope of assessments and decisions of stakeholders being affected.	Through continuous communication with stakeholders, combined with the Group’s strategic development and business operations, we can identify current material sustainable development issues.
Quantitative	The Report should disclose key performance indicators (“KPIs”) in a measurable manner.	The Group quantitatively discloses its environmental and social KPIs, and provides textual explanations on quantitative resources.

ABOUT THIS REPORT

Reporting Principles	Definitions	Our Response
Balance	The Report should reflect fairly the overall sustainability performance of the Group.	The Group has explained in detail the sustainable development issues that have a significant impact in the business, including the results achieved and the challenges it faces.
Consistency	The Group should use consistent disclosure principles for the preparation of this Report.	The Group will ensure that the disclosure scope and reporting methods of this Report are generally consistent every year.

SOURCES OF INFORMATION

The information disclosed in this Report is derived from the Group's formal documents, statistics or public information. The Board is responsible for the truthfulness, accuracy and completeness of its contents.

ACCESS TO THIS REPORT

The Report is available in Chinese and English versions. In case of any discrepancy between the Chinese and English versions of the Report, the English version shall prevail. You may access the Group's official website at www.vobilegroup.com or the website of the Stock Exchange at <http://www.hkex.com.hk> for an electronic copy of the Report.

CONTACT INFORMATION

The Group welcomes your feedback on the Report for our sustainability initiatives. Please contact us by email via ir@vobilegroup.com.

INTRODUCTION

The Group principally engages in the business of providing platforms and services for digital content assets protection and transactions.

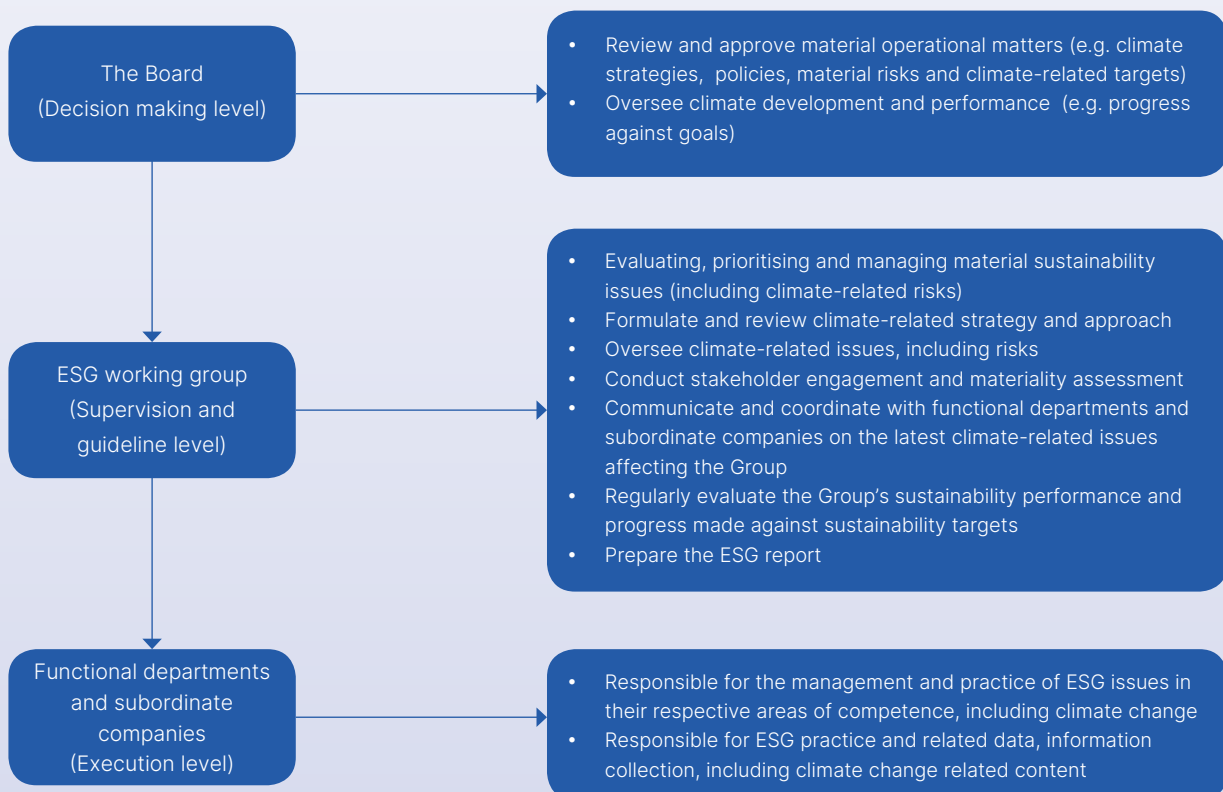
We value the stakeholders' demands and expectation and recognise the importance of sustainable development of our business. In order to respond to the expectation of the stakeholders on the transparency of disclosure through public reports and corporate responsibility performance, we are committed to improving our business practices and maintaining our relationships with the stakeholders by addressing their concerns.

ABOUT THIS REPORT

SUSTAINABILITY GOVERNANCE

The Group has established an ESG framework to promote and implement the Group's sustainability strategy. To ensure effective ESG management, our ESG governance structure, composed of the Board, ESG working group, respective functional departments and subordinate companies, was established to promote ESG management and disclosure. The Board, the ultimate decision-making body of the Group, is responsible for the Group's ESG governance. The Board steers the Group's sustainable development forward and bears the overall responsibility of its ESG efforts. The Board also oversees climate-related risks and opportunities during board meetings on an annual basis to ensure that our climate development and performance are on track. In the future, the Board will continue to strengthen ESG risk management and improve ESG working mechanism and regulatory processes to enhance its ESG governance standard. The ESG working group comprising various head of business and functional departments, serving on the supervision and coordination level, is responsible for implementing ESG governance strategy, coordinating ESG matters, compiling ESG reports, and reporting relevant work progress to the Board on a regular basis. To oversee duties performed by the ESG working group, climate-related performance target are set at the group level to assist our Board in evaluating the effectiveness of its climate strategy and measures on an annual basis. Each functional department and subordinate company, serving on the execution level, is responsible for rolling out initiatives set up by the ESG working group and reporting relevant work progress and data.

The established governance structure ensures that the Board can make informed decisions when integrating climate-related considerations into our overall business strategies. To support this, relevant training are provided to the Board and senior management with the latest knowledge on climate change to deepen understanding of the context of climate change and response actions.



ABOUT THIS REPORT

STAKEHOLDERS ENGAGEMENT

We identified the key stakeholder of our business operations, including investors, employees, customers, vendors, service providers, suppliers and the community. We interact with our stakeholders regularly through various communication channels. The following table illustrates the issues of concern of our major stakeholders and the ways we communicate with them:

Stakeholders	Issues of concern	Engagement channels
Government and regulators	<ul style="list-style-type: none"> — Compliance with laws and regulations — Proper tax payment 	<ul style="list-style-type: none"> — Annual and interim reports — Website
Shareholders and investors	<ul style="list-style-type: none"> — Information disclosure and transparency — Low risk — Protection of interests and fair treatment of shareholders — Return on the investment 	<ul style="list-style-type: none"> — Annual and interim reports, announcements and circulars — Annual general meeting and other shareholder meetings — Non-deal roadshows, investors conference
Employees	<ul style="list-style-type: none"> — Career Development opportunities — Health and safety — Safeguard the rights and interests of employees — Working environment 	<ul style="list-style-type: none"> — Conference — Employee activities — Training and seminars
Customers	<ul style="list-style-type: none"> — High-quality products — Integrity — Reputation — Stable relationship 	<ul style="list-style-type: none"> — Customer service hotline — Email, phone calls — Industry exhibitions — Regular meeting — Website, brochures, annual and interim reports
Suppliers	<ul style="list-style-type: none"> — Fair, open — Honest cooperation — Information resources sharing — Stable relationship — Risk reduction 	<ul style="list-style-type: none"> — Business meetings, supplier conferences, phone calls, interviews — Regular meeting — Review and assessment
Public and communities	<ul style="list-style-type: none"> — Community involvement — Social responsibilities 	<ul style="list-style-type: none"> — Annual and interim reports — Charity and social investment — Volunteering

ABOUT THIS REPORT

MATERIALITY ASSESSMENT

The Group attaches importance to the materiality assessment of ESG issues for the purpose of timely and comprehensive understanding of the materiality of each ESG issue to the business development of the Group and the expectation of stakeholders, in order to facilitate the Group's effective disclosure of ESG information and continuous improvement in the management level of relevant issues. The materiality assessment on ESG issues of the Group during the Reporting Period covers the following steps:

- Step 1 The Group identified the following 21 issues in accordance with the disclosure requirements set out in the ESG Reporting Code and based on the business characteristics and daily operation of the Group. These issues are considered to have impacts on the environment and the society during our operation.
- Step 2 Based on the understanding of the demands and expectations of stakeholder during the daily operation, the Group determined the materiality of ESG issues by benchmarking the key points and the trend of ESG works of industry peers.
- Step 3 Based on the result of the materiality assessment, the Group discussed and determined the key disclosure of the Report for the Reporting Period and the key points for improvement in the future ESG work of the Group.

Social Aspects	Environmental Aspects
<ul style="list-style-type: none">1. Equal opportunity2. Employment and employee benefits3. Occupational health and safety4. Employee development and training5. Prevention of child labor and forced labor6. Selection and evaluation of suppliers7. Control and management on environmental and social risks along the supply chain8. Product and service quality9. Complaint handling10. Protection of intellectual property rights11. Customer data privacy and data security12. Anti-corruption and money laundering13. Community investment	<ul style="list-style-type: none">14. Exhaust emissions15. Greenhouse gas emissions16. Waste management17. Energy consumption18. Water consumption19. Paper consumption20. Management of risks associated with Environmental and Natural Resources21. Climate change

According to the results of materiality assessment, 9 material topics (note) are regarded as the most concerned issues of stakeholder and the Group. While taking into account environmental and social responsibilities, the Group will pay more attention to the above areas, and strive to achieve continuous improvement and sustainable business development.

Note: Presented in bold.

ENVIRONMENTAL ASPECTS

EMISSIONS

Given the nature of the operations, the Group poses less negative impact to the environment than most traditional industries, and the Group is not aware of any material environmental liability risk or compliance costs. However, the Group is committed to continuously improving the environmental sustainability of our business. In striving to do the right thing as a company, the Group recognises that it has a responsibility to reduce the negative impact of the operations and take account of the resources and materials it uses each day.

The Group's businesses are mostly carried out locally in offices. Vehicles of the PRC operation are mainly for local travelling by senior management. The Group has encompassed the general approach towards controlling environmental impacts of office activities. The Group's most significant environmental impacts are greenhouse gas ("GHG") emissions from electricity consumption, the sources of which include computer equipment, the air-conditioning systems, the lighting systems, printers and other office equipment. Generally, the Group's GHG emission mainly includes carbon dioxide ("CO₂"). The Group does not engage in any discharge of waste into water and land, and there was no significant generation of hazardous wastes or non-hazardous wastes. In line with the aim to minimise emissions, the Group has implemented energy saving practices which are mentioned in the section headed "Use of Resources" to reduce the GHG emissions.

Regarding Scope 3 other indirect emissions, carbon emissions may be emitted by our suppliers and service providers in our value chain that may not be environmental-friendly. To mitigate our indirect impact through third-party suppliers and service providers, we plan to strengthen our ESG practices and actively research the carbon footprint of our third-party suppliers and service providers and enlist environmental protection capability as one of our assessment elements when evaluating such suppliers and service providers to ensure that our suppliers and service providers are fully competent in carrying out sustainable operations and exerts continuous effort to minimise environmental impact. When screening those suppliers and service providers in the future, low carbon (i.e. evidenced with environmental compliance history and certification in environmental protection) will be our top priority criteria with evaluation metrics emphasising environmental impact, energy and resource utilisation, use of renewable energy and other innovative means for producing a smaller carbon footprint. Besides, we have a long practice of encouraging our employees to make their travelling and commuting as energy efficient as possible. For instance, our practice requires our employees to select economy class as a preference for business travel. We are aware of the significance of reducing our Scope 3 other indirect emissions, by implementing practical measures in our daily operation during the Reporting Period as mentioned above. We identified our Scope 3 GHG emissions amongst the 15 Scope 3 categories and noted that 8 categories are relevant to our business. The other categories are not included (i.e. Categories 4, 8, 9, 10, 11,12 and 14) as they are irrelevant to our business. During the Reporting Period, we have begun to disclose our scope 3 GHG emissions for selected categories (i.e. Categories 3, 5, 6 and 13). We recognise that there are still data gaps within the data reported and aim to expand our data disclosure for other categories going forward. Please refer to section headed "CO₂ Emissions" below for details.

Major air pollutants emission from vehicles of the PRC operation during the Reporting Period and the corresponding period of 2024 are as follows:

Air pollutants emission	2025 (kg)	2024 (kg)
Sulphur Dioxide	0.02	0.06
Nitrogen Oxides	0.96	2.99
Particulate Matter	0.07	0.22

ENVIRONMENTAL ASPECTS

The CO₂ emission during the Reporting Period and the corresponding period of 2024 are as follow:

CO₂ Emissions

Type of GHG emissions (note 2)	Equivalent CO ₂ emission (kg) 2025	Equivalent CO ₂ emission (kg) 2024
Scope 1 Direct emissions	3,580	10,463
Scope 2 Indirect emissions (location-based) (note 3)	235,765	231,641
Scope 3 Other indirect emissions	162,407	—
Total	401,752	242,104
Intensity (kg/thousand HK\$ revenue)	0.14	0.10

Scope 3 category (note 4)	Description	Methodology	2025 (kg of equivalent CO ₂ emission)
3. Fuel- and energy related activities	Emissions related to the production of fuels and energy purchased and consumed by us (including transmission and distribution losses)	Emissions in this category are spend-based calculation using fuel and electricity data consumed from our operation and applying third-party provided emission factors	7,072
5. Waste generated in operations	Treatment of domestic wastewater in our operation	Emissions in this category are calculated using a waste-type specific method (whereby the waste data generated in operation are broken down by waste types and waste treatment methods) and applying third-party provided emission factors	361
6. Business travel	Emissions from transportation (mainly by flight) of our employees for business related activities	Emissions in this category are calculated using a spend-based method that determines carbon emissions based on spending on each mode of business travel and applying third-party provided emission factors	108,198
13. Downstream leased assets	Emissions from operation of assets owned by our Group and leased to tenants	Emissions in this category are calculated using spend-based approach, whereby third-party provided emission factors have been applied to our leasing activities	46,776
Total Scope 3 Other indirect emissions			162,407

ENVIRONMENTAL ASPECTS

Notes:

1. The calculation of environmental KPIs are with reference to "A Corporate Accounting and Reporting Standard" from the GHG Protocol and the "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the HKEx.
2. Our measurement approach to measure greenhouse gas emissions is by operational control due to the ability to take full ownership of all GHG gas emissions we can directly influence and reduce.
3. In light of the renewed tenancy agreement in 2021, bill of electricity for office in the United States was included in rental. Thus, record of electricity consumption for operation in the United States during 2025 and 2024 are not available for calculation of GHG emission.
4. Scope 3 emissions were calculated based on emission factors from UK Government GHG Conversion Factors for Company Reporting 2024.

USE OF RESOURCES

The Group highly prioritises the efficient use of resources. The major resources used by the Group are electricity, unleaded petrol, water and paper. Due to our business nature, no packaging material is used. The Group strives to improve the efficient use of natural resources, such as minimising waste/emissions and implementing effective recycling programs. Practical measures are implemented as follows:

Electricity

Electricity charge does not form a separate item in the rent of certain offices. However, electricity saving measures are encouraged so that electrical appliances are required to be set in the energy saving mode where possible. Computers are turned to sleep mode automatically within 20 minutes. The room temperature should be set within a reasonable range. Also, power supplies should be switched off when they are not in use. Preference will be given to office equipment with relatively high energy efficiency.

The energy consumption during the Reporting Period and the corresponding period of 2024 are as follows:

Energy Consumption

Type of energy	Energy consumed (kWh) 2025	Energy consumed (kWh) 2024
Unleaded petrol	12,812	37,447
Purchased electricity (note)	386,436	379,677
Total	399,248	417,124
Energy intensity (kWh/thousand HK\$ revenue)	0.14	0.17

Note:

In light of the renewed tenancy agreement in 2021, bill of electricity for office in the United States was included in rental. Thus, record of electricity consumption for operation in the United States during 2025 and 2024 are not available.

ENVIRONMENTAL ASPECTS

Water

The impact of freshwater use is relatively insignificant for the Group as its businesses are services-focused. The Group did not encounter any problems in sourcing water that is fit for the purpose. Water rate charges do not form a separate item in the rent, yet the Group encourages its staff to reduce water wastage, for example, by preventing running water taps while cleaning their lunch boxes in the pantry.

During the Reporting Period, the Group consumed/generated no significant non-hazardous waste, water, paper or packaging materials due to its business nature. The Group is not aware of any material violation of any applicable environmental laws or regulations.

THE ENVIRONMENT AND NATURAL RESOURCES

The Group raises its staff's awareness of environmental issues through education and training, and encourages its employees' support for improving the Group's performance, promotes environmental awareness amongst the customers, business partners and shareholders, supports community activities in relation to environmental protection and sustainability and evaluates regularly and monitors past and present business activities impacting upon health, safety and environmental matters. With the integration of policies mentioned in the sections headed "Emissions" and "Use of Resources", the Group strives to minimise the impacts on the environment and natural resources.

EMPLOYMENT

As a technology innovation company, the Group fully understands that a sound talent management system is a key driver of sustainable corporate development. We always adhere to the core concept of “People-Oriented” and integrate it into every aspect of human resource management. We strive to create a fair, diverse, and inclusive development environment by establishing a comprehensive rights protection mechanism, standardised management system, and an open and inclusive corporate culture, thereby creating favorable conditions for the realisation of talent potential.

Our success depends on our ability to attract, retain and motivate qualified personnel. The Group’s employee handbook sets out the standards for compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. We always prioritise employee rights and are committed to building harmonious and sustainable labor relations, laying a solid foundation for the long-term development of the Group. The Group had strictly complied with the relevant laws and regulations relating to employment, compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare during the Reporting Period. The gender is derived from the profile information self-declared and provided by employees during the onboarding process.

As at 31 December 2025, there are 579 full-time employees (2024: 535 full-time employees) in our Group that mainly located in our offices in California and Hangzhou and their breakdown by gender is 304 males and 275 females (2024: 250 males and 285 females), respectively. Regarding total workforce by age group, there are 228 persons aged below 30, 237 persons aged between 31–40, 81 persons aged between 41–50 and 33 persons aged over 50 as at 31 December 2025 (2024: 243 persons aged below 30, 206 persons aged between 31–40, 61 persons aged between 41–50 and 25 persons aged over 50).

Recruitment

We actively promotes a culture of diversity and inclusion, dedicated to creating a work environment that respects differences, embraces diversity, and fosters value realisation. We firmly believe that a diverse team can bring a broader perspective and deeper insights, which helps enhance the organisation’s overall creativity and competitiveness. In our talent management practices, we adhere to the principle of “Appointing People Based on Abilities”, ensuring fair treatment of every employee and candidate in recruitment, training, promotion, transfer, compensation, incentives, and benefits, without discrimination based on age, gender, health, marital status, family situation, race, color, or nationality. Through diverse recruitment channels, a robust internal referral system, and a continuously optimised talent management system, we attract, develop, and retain outstanding talent, infusing the Group with a steady stream of vitality for sustainable development. We also focus on the personalised development needs of employees, providing a variety of career growth paths to help each employee realise their own value and grow together with the Group. We strictly prohibit any form of forced labor and employment discrimination and respect employees’ rights to freedom of association and collective bargaining. We legally sign labor contracts with employees and pay social welfare in accordance to local laws and regulations.

SOCIAL ASPECTS

Promotion

Talent is the core competitiveness of technology enterprises. We have always adhered to the strategy of talent cultivation as a key driver of enterprise development. By building a systematic compensation incentive mechanism and a comprehensive career development path, we continuously strengthen our talent advantage, providing strong support for innovation and development. We always regard internal fairness and gender equality as the core principles of compensation management, continuously optimising the compensation incentive system. Through concrete actions, we promote the construction of a diverse and inclusive culture, ensuring that employees' compensation levels align with the market while also providing a more fair and sustainable career development platform for employees. This year, we have continued to focus on the core goal of attracting and retaining talent by implementing a broadband compensation management mechanism. We have set differentiated salary ranges for different levels and positions, and determined compensation standards based on a comprehensive evaluation of position, individual capability, and performance, ensuring the fairness and competitiveness of our compensation policies. We set annual performance review cycles based on business and position types. Performance evaluations begin with self-assessments by employees, followed by a comprehensive evaluation by their direct supervisors, considering key performance indicators (KPIs), values, and overall performance to determine performance ratings. In the annual assessment, the human resources department determines the distribution of evaluation ratios based on departmental performance. Performance results are communicated and employees can appeal the evaluation results. Performance outcomes are used for bonus distribution, salary adjustments, training and development, promotions and appointments, job transfers or termination of employment, and rehiring and transfers. Through our performance evaluation system, we ensure that employee compensation is closely tied to their contributions, meeting the dynamic needs of the organisation and talent.

Compensation and dismissal

We are committed to handling all departures in a fair, non discriminatory, and consistent manner, ensuring that the legitimate rights and interests of each employee are fully respected. During the departure process, we strictly adhere to local laws and regulations and uphold the principles of transparency and fairness. For high-performing employees, we engage in proactive communication and implement personalised retention measures to minimise talent loss. If an employee's behavior violates company policies or laws and regulations, we will take appropriate disciplinary actions based on the severity of the violation, including but not limited to reprimands, termination, or referral to law enforcement, to maintain company discipline and overall interests.

In 2025, the employee turnover rate of the Group was 10% (2024: 12%). We will continue to improve in order to fulfill our reporting requirements for future disclosure.

Benefits and welfare

We place a high priority on the physical and mental health of our employees, establishing a multi-level health protection mechanism. We provide comprehensive health and safety coverage for employees and their eligible family members, including medical insurance, commercial insurance and accident insurance. In terms of office environment, we have invested in air purification systems, fitness facilities, and spaces for maternal where necessary, creating a healthy and inclusive work environment. Furthermore, we continuously organise health education activities to disseminate health knowledge and enhance employees' health awareness.

SOCIAL ASPECTS

Equal Opportunity

The Group provides equal employment opportunities to all employees in all Company facilities and this applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training.

Anti-discrimination, Harassment and Bully

The Group is committed to a work environment in which all individuals are treated with respect and dignity and are free from all forms of discrimination, harassment and bully. Any form of discrimination, harassment and bully, even if not unlawful or directed at a protected category, is prohibited and will not be tolerated.

The Group has a policy and communication protocol for any alleged discrimination, harassment and bully and all reports of alleged discrimination, harassment or bully will be treated seriously and confidentially.

Any violation of applicable laws and regulations shall be reported to the management for investigation according to the Group's internal policies and the relevant department will be notified to perform remedial actions in case any non-compliance was identified during the investigation.

The Group is not aware of any material non-compliance with related laws or regulations during the Reporting Period.

HEALTH AND SAFETY

The Group strives to provide and maintain a safe, healthy and hygienic workplace for our employees and protect them from occupational hazards as we always prioritise the occupational health and safety of our employees, and have established practical occupational health and safety management policies to ensure a safe and healthy working environment. We are committed to providing a safe and healthy working environment for all employees, ensuring the physical and mental well-being and occupational safety of every employee. We strictly comply with the occupational health and safety laws and regulations of the regions where we operate, providing comprehensive health and safety protection for our employees. We update our occupational safety and health management measures as needed to ensure that every employee works in a safe and comfortable environment, thereby enhancing their happiness and sense of belonging. Besides, we also provided employees with workplace safety training on a regular basis to increase their awareness of work safety issues.

Our occupational safety and health measures are as below:

Air Purification: The office building is equipped with air purification system, with regular filter replacement and cleaning and disinfection of air conditioning equipment.

Water Safety: A domestic leading brand's nanofiltration direct drinking water system is used to ensure water safety and quality.

Security and Fire Safety: 7*24-hour security is provided, with regular maintenance of fire and emergency equipment and fire drills.

Recreational Fitness: The gym in the office building is open for free, equipped with rowing machines, spin bikes, and other facilities.

SOCIAL ASPECTS

Caring for Employees: A private space is set up for breastfeeding employees, providing special care where necessary.

Employee Activities: Ongoing sport activities and team building events.

During the Reporting Period, there were no non-compliance cases noted in relation to the laws or regulations for health and safety. Besides, there were no work-related fatalities and work injuries during the Reporting Period.

DEVELOPMENT AND TRAINING

The Group attached great importance to talent retaining and cultivation, and paid attention to mutual progress between employees and the Group, therefore, the Group provided employees with lots of opportunities to learn. Coordination and sustainability are two principles of vocational development of employees, therefore, we determined the career development intentions for employees coordinated with the Group. Our trainings are mainly on-the-job training by senior employees to junior employees. We also encourage and support our employees in personal and professional training through seminars and regular sharing sessions. Training expenses of employees are borne by the Group which are subject to approval by management under considerations such as vocation plan of employees and technical knowledge of position. We believe it is mutually beneficial to provide development and training opportunity to the employees and our Group.

In 2025, the percentage of employee trained is 92% (2024: 91%) and the average training hours per employee is 32 hours (2024: 33 hours). We will continue to improve in order to fulfill our reporting requirements for future disclosure.

LABOUR STANDARDS

The maxim of the Group's labor standards is to comply with the local labor laws. In order to uphold children's rights to safety and health, no child labor was employed during the Reporting Period. The human resources department strictly complies with relevant labour laws and regulations to implement recruitment. In the recruitment processes, the human resources department takes effective procedures to verify applicants' age and inspects their identification documents and valid proof of identity before hiring any of them. Employment contracts and other records documenting all relevant details of the employees (including age) are properly maintained for verification by relevant statutory body upon request. If it is discovered that an applicant does not meet the minimum working age, they will not be processed for employment. Upon identifying any violations, we will immediately initiate corrective procedures and continuously optimise and update our recruitment processes.

In order to help the employees get work life balance and relieve their working stress, the Group regularly provides benefits to employees and organises activities for recreational purpose. It has provided employees with the opportunities to socialise, have better understanding of and exchanges between departments, foster the spirit of teamwork and create a pleasant working atmosphere. During the Reporting Period, the Group has complied with the policies and relevant laws and regulations regarding the prevention of child labor or forced labor.

SUPPLY CHAIN MANAGEMENT

The Group adheres to the principles of “Win-Win Cooperation”, continuously improving the supplier management system and enhancing the resilience of the supply chain. We are committed to building a sustainable and responsible supply chain ecosystem. Through systematic supply chain management, we ensure the stability of our operations while setting a benchmark for responsibility in the industry, promoting the healthy development of the industrial chain. The Group primarily relies on third-party suppliers for the provision of office space, computing server, data storage, and network bandwidth for our business.

During the supplier entry stage, we have established a multi-dimensional supplier evaluation system, setting strict supplier entry standards. Through market research, industry recommendations, field testing, and on-site inspections when necessary, we evaluate the supplier’s management and operational capabilities to select qualified suppliers and identify strategic partners with long-term cooperation potential. Our assessment criteria including but not limited to the basic conditions for legal operation of suppliers, evaluate the supplier’s ability to respond to market fluctuations and emergencies, evaluation of the supplier’s performance in environmental protection and social responsibility and evaluation of the supplier’s business ethics and compliance with operational standards.

For new suppliers, we sign the Integrity and Compliance Agreement to implement integrity and compliance management. In the evaluation and dynamic management of suppliers, we not only focus on cost and service metrics but also comprehensively consider service capabilities, resource strength, professional skills, and other factors. We implement differentiated grading management of suppliers based on a multi-dimensional evaluation system. We regularly conduct supplier performance assessments, comprehensively evaluating key indicators such as service quality and environmental performance. Before collaboration, we ensure that suppliers fully understand the Company’s management requirements and business processes, providing detailed operation manuals to help suppliers quickly master business skills.

As at 31 December 2025, we have 830 approved service providers (mainly from local area) for our business globally (31 December 2024: 767 service providers). We will continue to improve in order to fulfill our reporting requirements for future disclosure.

Thus, we believe there are no significant environmental and social risks for our management decision on supply chain management.

PRODUCT RESPONSIBILITY

Communication with customers

The Group’s customers include movie studios, television networks, record labels, DTC service providers, subscription video on-demand content aggregators, sports leagues, toys and games companies. The Group considers its customers as a major stakeholder and enables the worldwide sales team to address its customer’s concerns and requests on a timely basis.

The Group’s marketing strategy focuses on increasing brand awareness and generating sales leads through events and digital marketing as well as referrals by its existing customers. At marketing events, marketing team can provide public presentations, set up display booths, and hold private meetings and product demonstrations to promote products and services. Regarding digital marketing, the Group’s corporate website serves as the primary channel to inform potential customers about product and services offered with corporate news. Email marketing can follow up with existing customer and new customers for sharing corporate news and white papers.

SOCIAL ASPECTS

Quality assurance

The Group's newly developed or updated products are subject to several quality tests performed by its quality assurance teams before they are deployed. These quality assurance tests typically include pre-deployment test, sanity test, regression test and performance and scalability test.

An agile software development process is implemented when we break down the complex software development into incremental releases where the development cycle for each incremental release lasts for a certain period of time such as two weeks. Before such release, the quality assurance team will perform regression tests by defining the scope of the tests and selecting the appropriate minimum sets of tests required to adequately cover the areas of the products with the proposed updates, new features and any other areas that are vulnerable to such proposed updates. The purpose of the regression test is to ensure that the overall quality of our products will not be affected when releasing updates and new features.

Besides, maintaining strong research and development capabilities is essential to success. The Group's research and development team consists of several experts who have at least 10 years of experience in the related fields. We currently conduct most of our research and development in-house, and are not reliant on any outsourced research and development.

Intellectual property

Intellectual property rights are an essential element of the Group's business operations. The Group makes use of copyright, trademark, protection of trade secrets, proprietary domain names and other intellectual property law such as non-competition, confidentiality and license agreements with our employees, suppliers, business partners and others to protect our intellectual property rights.

The Group primarily relies on trade secrets for keeping our source code and other know-how confidential. The Group implements comprehensive measures to protect our intellectual property in addition to making trademark and patent registration applications. The Group's employees are generally required to execute a standard employment contract, which includes a clause acknowledging that all inventions, trade secrets, works of authorship, developments and other processes generated by them on the Group's behalf are our properties, assigning to the Group any ownership rights they may have in those works, and requiring them not to disclose or use the Group's confidential information except for our benefit as the Group may authorise. Besides, we also sign confidentiality agreements with clients, prohibiting them from translating, decompiling, modifying, reverse compiling, reverse assembling, reverse engineering, or attempting to derive the source code of software products in any other way.

Data protection

In the digital economy era, data has become one of the most valuable assets for enterprises. We deeply recognise the importance of data security and privacy protection for the sustainable development of business, viewing it not only as a compliance requirement but also as a significant component of corporate responsibility and core competitiveness. We have established a comprehensive, systematic, and standardised data security and privacy protection system to ensure that the data security and privacy rights of customers, employees, and partners are effectively protected.

The Group has developed an extensive technology infrastructure that supports the operation of our business. A majority of our computational servers are hosted by cloud service providers and others are hosted by our two physical data centers located in California and Oregon. Our strategy to migrate computing servers to cloud service providers reduces our in-house operation complexity and personnel costs and leverages new technology to enhance our service quality, capability and flexibility.

SOCIAL ASPECTS

For computing servers hosted by cloud service providers, the Group has two main types of service contracts: (1) on-demand agreements with fees based on our actual server usage, data storage or bandwidth usage, which allows us to maintain flexibility in our business needs, and (2) periodic agreements for a fixed amount of servers and bandwidth, which can help us secure larger discounts.

For servers hosted in our physical data centers, the Group purchases and owns all the hardware equipment. The Group rents hosting space and associated power supplies and network bandwidth through third-party data center colocation service providers. The Group normally enters into a 3-year leasing agreement with the data center colocation service providers and with renewal after the expiration of the 3-year initial lease. The Group has exclusive access to the data and software on the servers in our server network.

The Group utilises high-availability clusters comprising groups of servers to provide sufficient redundancy and ensure continued services in the event of server failure. Our system utilises server architecture to ensure our system can automatically switch to backup servers when and if technical issues occur. In addition, our internally developed operation and maintenance system closely and constantly monitors the usage of resources and the health of resources for immediate response.

Moreover, all of our data are encrypted and protected by access control. We also implement a global server back up architecture for key operations and services for disaster recovery. During the reporting period, the Group has not experienced any material network disruptions or incidents of hacker attacks.

During the Reporting Period, there were no cases of non-compliance with the relevant laws or regulations regarding health and safety, advertising, labelling and privacy matters.

Information security measures

We transform security principles into daily executable standards and procedures, achieving institutionalisation, process standardisation, and routine practices, providing a solid organisational guarantee for technical protection measures. In terms of data access permissions, we strictly adhere to the principle of least privilege, ensuring that employees can only access the data required for their work, preventing unauthorised access to data. The identity authentication system and permission management system work together, using multi-factor authentication, single sign-on, and role-based access control to ensure the security of data access. In data security management, we encrypt all stored data, ensuring that both static and transmitted data comply with industry-standard encryption protocols to prevent data loss due to hardware failure, malicious attacks, or human error. A strict data backup and recovery mechanism is implemented, with regular offsite backups of core business data and immediate transmission to offsite data centers, forming a multi-layered protection that is geographically dispersed, effectively addressing risks from system failures to natural disasters. In network security protection, we adopt a multi-layered security strategy, combining technologies such as firewalls, intrusion detection systems, and intrusion prevention systems to monitor the internal network in real-time and prevent external attacks. All network traffic is transmitted over encrypted channels to prevent data from being intercepted or tampered with during transmission. In daily project management, we place great emphasis on the effectiveness of information and data security management, clearly defining and supervising the implementation of relevant management standards at each stage:

- Research phase: Clearly define security requirements, and include specific security requirements in the research report, and conduct feasibility analysis; when preparing the design specification, respond to security requirements based on the research report, make corresponding security designs, and obtain review confirmation;

SOCIAL ASPECTS

- Coding phase: Adhere to secure coding standards and undergo security reviews, perform regular backups, with all changes reviewed and confirmed by the client;
- Testing phase: In addition to necessary functional tests, conduct defect monitoring, risk vulnerability scanning, access control, and other security tests;
- Pilot operation phase: In addition to monitoring the system's operational status and performance, verify whether the client's security requirements are met by comparing with the research report;
- Maintenance phase: Focus on security inspections after the system goes live, perform regular patch upgrades, security hardening, and virus scans, and provide corresponding records.

To ensure terminal security, we regularly install security patches on office equipment and servers, conduct security scans and penetration tests, and continuously strengthen system security; implement strict device management, prohibiting personal employee devices from entering service areas; disable high-risk external channels on employee computers, such as email external interfaces and USB ports, to prevent data leakage at the source. At the same time, the data center implements strict access management, access control systems, and comprehensive video surveillance to ensure the physical security of core facilities.

Data security training

We view our employees and contractors as the first line of defence for information and data security. Through systematic training and strict management, we have fostered a culture of security participation among all staff. We have established a multi-level, comprehensive security training system, covering practical knowledge such as phishing attack prevention, password management standards, and data compliance requirements, continuously enhancing the security awareness and skills of all personnel. During the reporting period, we organised phishing email drills covering all employees and conducted multiple training activities, including Cybersecurity and Data Privacy Protection Training and Sales Security Training.

We integrate data security training into the onboarding process for new employees, supplemented by confidentiality clauses in employment contracts and specialised commitment letters for cybersecurity positions, to help employees understand their responsibilities and obligations in information security, forming a top-down, tiered information security responsibility system.

Data classification and control

Based on the value and sensitivity of data, we have established a scientific data classification and grading system, ensuring the rational allocation of security resources. In terms of data classification, we categorise data into personal identity data, contact information, financial data, health and biometric data, and business secrets, clarifying the characteristics and protection priorities of different types of data. In terms of data grading, we have established a four-level data confidentiality system: Top Secret, Confidential, Internal, and Public. Differentiated security controls are implemented for data at different levels. Top Secret data is accessible only by specific personnel, requires encrypted storage and physical isolation, and operations must be approved by two people, with logs retained for over 10 years; Confidential data is stored encrypted and requires department head approval for access, with related logs retained for 5 years; Internal data is subject to basic encryption measures and is accessible only by official company employees, with related logs retained for 1 year; Public data can be disclosed externally but still requires content accuracy review to ensure the accuracy and standardisation of information release.

Differential protection based on customer nature

Based on customer characteristics, we have established differentiated privacy and security protection policies that comply with domestic and international data protection regulations and demonstrate the Company's respect for user privacy rights, laying a solid foundation for sustainable business development. For corporate clients, we have implemented management strategies that balance security and compliance needs. According to customer requirements and potential legal dispute needs, corporate client data is stored in plain text, and signed paper versions are retained for 10 years as required by customers, to meet internal and external audit and legal needs. For individual consumers, each business platform automatically encrypts consumer privacy data during transmission, and the receiving system cannot decrypt it on its own; customer service personnel can only see virtual customer information. Starting from the completion of the business, consumer privacy data stored in the system is desensitised and cleared after 3 months.

In addition, we have established a detailed Data Security and Privacy Protection Statement, explaining in clear and understandable language how information is collected, processed, stored, used, shared, and protected. A dedicated service hotline is set up for user inquiries, and non-essential data access is restricted at all stages of customer service. Users can review or update their personal information at any time through customer service channels. For any potential illegal collection or use of personal information, users can contact the Company at any time to ensure they have full knowledge and control over their data. We have also established a Data Subject Rights Request Response Process, providing clear channels and standardised procedures for users to access, correct, and delete their personal data, ensuring that consumer data sovereignty is fully respected.

SOCIAL ASPECTS

Technical shield for privacy protection

We have formulated and implemented the Privacy Data Security Protection Regulations, which clearly define the requirements for the entire lifecycle management of privacy data, preventing data leakage, tampering, and misuse, and ensuring that privacy data management complies with legal and regulatory requirements. This regulation applies to all employees, contractors, subsidiaries, and third-party partners, covering the entire process from data collection, storage, transmission, use, sharing, to destruction, forming a comprehensive and multi-layered privacy protection framework. We have built a comprehensive technical protection system throughout the data lifecycle to safeguard customer privacy. During data collection, we strictly adhere to the principles of legality and minimisation, collecting data only when necessary and with explicit authorisation. In the storage phase, we use AES-256 or SM4 algorithms for static data encryption, implementing field-level encryption for sensitive data such as credit card numbers and phone numbers. During transmission, we mandate the use of corporate VPNs or encrypted channels, and large files are transferred via encrypted compressed packages with separate password transmission. For data sharing, we require third parties to have authoritative certifications such as ISO 27001 and to sign data protection agreements, allowing data transmission only through secure API interfaces and encrypted protocols. We implement strict role-based access control and have established a User Access Management Procedure. Special permission restrictions are set for queries and exports involving personal data, and detailed system logs are recorded to ensure full traceability. All permission changes are documented and reviewed regularly, and the system automatically detects and reports any abnormal access behavior. Additionally, we have set up an IP whitelist for database server access to effectively block unauthorised access, reinforcing the defence for privacy data access. In development and testing environments, we use data masking techniques to ensure that real sensitive information is not exposed even within internal environments.

Through a scientific network segmentation strategy, we have divided our office network, test network, and production environment into three isolated zones. Application servers for public network access are placed in the DMZ zone, while core business systems and data storage are located in the secure zone. Cross-zone access is strictly controlled by firewalls, building a robust network security barrier.

Preventing information leakage

We have established a scientifically complete emergency response mechanism for data breach incidents, formulating management methods and contingency plans such as the Information Security Incident Management, Phishing Email Emergency Response Plan, and Ransomware Emergency Response Plan. These ensure that when a security incident occurs, it can be handled quickly, orderly, and efficiently. According to the Customer Information Breach Handling Procedure, we have established a tiered response and resolution standard for information breach incidents: In terms of organisational structure, we have clearly defined the responsibilities of the Operations Director, DBA, operations personnel, product design and development personnel, and business department liaisons and managers in the event of a data breach. This has established a complete emergency response chain from identifying the problem to resolving it, ensuring seamless connections and efficient collaboration at each stage. For different types of data breaches, such as employee information leaks, system interface information leaks, and information leaks due to malware, detailed handling plans and procedures have been formulated, covering the entire process from problem identification, personnel mobilisation, cause analysis, solution formulation, execution of loss prevention to customer communication, ensuring precise and effective response measures.

By establishing a scientific emergency response mechanism, we minimise the impact of data breach incidents. Through continuous improvement of the security protection system based on experience, we enhance overall security levels. Regular security drills and training continuously improve the team's emergency response capabilities, forming a complete closed loop of pre-incident prevention, in-incident control, and post-incident summary.

ANTI-CORRUPTION

The Group always adheres to the core values of “Integrity and Fairness”, viewing business ethics as a significant intangible asset of the Company. It continuously strengthens compliance awareness and is committed to building a healthy and transparent business ecosystem. To enhance the supervision of business ethics, we have established an Audit Committee under the Board of Directors, chaired by an independent non-executive director. The Committee is responsible for overseeing the Group’s business ethics and anti-corruption efforts.

To ensure operation efficiency and the employees’ development in a fair and honest working environment, the Group has formulated policies with established guidelines defining the red lines for clean conduct and maintaining a “Zero-Tolerance” attitude towards fraudulent behavior so as to avoid suspected corruption and provide channel for employees to report suspected corruption. This policy applies to all employees (including part-time) and partners, establishing a comprehensive risk prevention network.

The Group has also set up a whistleblowing email. If there is any suspected case related to corruption, employees are encouraged to report the related cases to the senior management. When a report of suspected fraudulent behavior is received, our human resources department is assigned to independently conduct the relevant investigation. After the investigation is completed, if any employee is found to have received any form of kickback or engaged in bribery, they will be immediately dismissed, and in serious cases, we will pursue legal responsibility. If any supplier or other business partner is found to have engaged in fraudulent or other violations during cooperation, we will blacklist them and terminate the partnership, and in serious cases, we will pursue legal responsibility. At the same time, for business departments found to have issues, corrective actions will be taken with the assistance of the risk management and internal control departments to address the business risks or vulnerabilities identified during the investigation. In supplier management, we have signed the agreements with all non-original suppliers, integrating anti-commercial bribery requirements into the entire supplier management process. This promotes a spirit of integrity and honesty in cooperation, opposes commercial bribery, and builds mutual relationships based on trust, honesty, openness, and integrity. This standardised supplier integrity management system effectively prevents supply chain corruption risks and fosters a healthy business ecosystem. Besides, anti corruption training were provided to senior management of the Company through internal training during the Reporting Period.

The Group has been in strict compliance with the relevant laws and regulations relating to bribery, extortion, fraud and money laundering. During the Reporting Period, there was not any legal case regarding corrupt practices brought against the Group or its employees.

COMMUNITY INVESTMENT

As a socially responsible company, the Group is committed to understanding the needs of the communities in which we operate. The Group strives to develop long-term relationships with our stakeholders and seeks to make contributions to programs that have a positive impact on the community development. During the Reporting Period, the Group had donated HK\$1,112,000 to various charitable organisations in order to show our support and care to the community. (2024: HK\$1,389,000)

CLIMATE-RELATED DISCLOSURES

GOVERNANCE

The Group places great emphasis on climate change governance. We integrate climate change-related matters into our sustainability governance system, comprising “the Board — ESG Working Group — Functional Departments and Subordinate Companies”. The Board is responsible for identifying and determining material climate-related issues, proposing suggestions for climate-related goals, policies, and structures, and continuously enhancing the effectiveness of climate governance. The Board reviews progress on climate-related matters reported by management once a year. For more details, please refer to section “Sustainability Governance” of this ESG report. The Group prioritises the capacity building of the Board and management in the field of climate related expertise. When establishing the ESG Working Group, members with relevant professional knowledge backgrounds are included. Training materials are provided for the Board and senior management on climate change-related topics, thereby ensuring they possess the necessary expertise to manage and oversee climate-related issues.

STRATEGY AND RISK MANAGEMENT

The Board’s Audit Committee oversees climate-related risks that have been incorporated into the Group’s enterprise risk register. We identify and manage ESG risks alongside other business and operational risks through our integrated risk management process and report to the Board on a yearly basis. This is embedded in our daily operations, financial and investment activities, internal controls and strategy development and business planning.

A materiality assessment conducted as stated in section “Materiality Assessment” of this ESG report helped us to determine material issues for the Group and our stakeholders, including topic of climate change as highlighted in our materiality matrix.

During the Reporting Period, we have conducted a climate-related scenario analysis to assess the resilience of our strategy to climate-related physical and transition risk over different timeframe to our Group. To ensure strategic alignment, we have defined short-term (2030), medium-term (2040), and long-term (2050) horizons based on our business strategic processes, asset lifetimes, and internal policy milestones. Under our Enterprise Risk Management (“ERM”) framework, our risk register incorporates the risks associated with climate-related physical and transition risks and ensure climate change adaptation or mitigation policies are in place.

Our ERM framework also ensures periodic risk assessment and monitoring cycles are in place to understand the relevant risks and assess the needs to refresh our risk appetite.

Under our ERM framework, processes used to identify, evaluate and manage significant risks (including significant climate-related issues) by the Group are summarised as follows:

Risk Identification

- Identifies risks that may potentially affect the Group’s business and operations.

Risk Assessment

- Assesses the risks identified by using the assessment criteria developed by the management; and
- Considers the impact and consequence on the business and the likelihood of their occurrence.

CLIMATE-RELATED DISCLOSURES

Risk Response

- Prioritises the risks by comparing the results of the risk assessment; and
- Determines the risk management strategies and internal control processes to prevent, avoid or mitigate the risks.

Risk Monitoring and Reporting

- Performs ongoing and periodic monitoring of the risk and ensures that appropriate internal control processes are in place;
- Revises the risk management strategies and internal control processes in case of any significant change of situation; and
- Reports the results of risk monitoring to the management and the Board regularly.

As a result of above risk management process, the table below provides an overview of climate-related risks with the greatest potential impact on our Group's business under different time horizon.

Climate-related Risks	Description	Potential Financial Impact
Physical Risk		
Acute Risk (Short-term)	<ul style="list-style-type: none"> • Extreme weather events such as wildfires, flooding, heavy rainfall and typhoons present significant challenges to our business operations, including outages of data centre by disruption of power and cooling which lead to service downtime. • Wildfire, floods or storms may damage facilities of service providers and fixed assets of the Group. They also can pose health and safety risk to our employee. 	<ul style="list-style-type: none"> • Cause loss of assets and increased costs to operate and maintain the Company's business due to business interruption. • Negatively impact operations and increase pressure in operating costs. • Higher costs for human resource.
Chronic Risk (Medium to long-term)	<ul style="list-style-type: none"> • Rising sea levels can lead to coastal flooding, erosion and saltwater intrusion into freshwater systems, causing road and facility damage and resulting in unforeseen repair and maintenance. • The changing climate increases health risks, such as heat-related illnesses, poor air quality, and other health issues. 	<ul style="list-style-type: none"> • Facilities damage causes financial increase loss and increase infrastructure maintenance costs. • Higher insurance costs. • Higher cost for human resource.

CLIMATE-RELATED DISCLOSURES

Climate-related Risks	Description	Potential Financial Impact
Transition Risk		
Policy and Legal Risks (Medium to long-term)	<ul style="list-style-type: none"> Climate-related disclosure requirements will be stricter. Failure to meet stricter emissions compliance requirements and establish an effective internal response mechanism could expose to potential litigation risks. 	<ul style="list-style-type: none"> Compliance with the climate reporting obligations of the Hong Kong Stock Exchange will be gradually expanded, with higher quality emissions data required, resulting in increased compliance costs.
Pricing of GHG Emissions (Medium to long-term)	<ul style="list-style-type: none"> The government is highly likely to introduce a number of levies (e.g. carbon tax, carbon emission allowance, fuel tax, etc.) 	<ul style="list-style-type: none"> Additional costs arising from increased energy costs or offsetting through transactions. Operating costs are likely to rise.
Market Risk (Medium to long-term)	<ul style="list-style-type: none"> Stricter environmental policies could lead to a rise in the price in cost of service rendered resulting from increase in market pressure for the use of sustainable materials and fuels. Inadequate response to growing market expectations and requirements (such as net zero transition, climate-related disclosures and performance) could adversely affect our brand reputation and stakeholder confidence. Overlooking these risks can alienate ESG-conscious customers who prioritise sustainability. 	<ul style="list-style-type: none"> Potential increase in operating costs due to rising cost of service. Lower revenue due to shift of customers.

CLIMATE-RELATED DISCLOSURES

Mitigation measures of each type of risk that already adopted by the Group are listed below:

Risks	Mitigation measures
Physical risks	<ul style="list-style-type: none">• Create contingency plans and conduct emergency drills in advance to ensure operational stability during extreme weather.• Improve disaster preparedness of relevant personnel and provide them with necessary training.• Purchase insurance to cover the potential damage to our assets and employee.
Transition risks	<ul style="list-style-type: none">• Pay close attention to climate-related laws and regulations, and adjust the Company's strategic direction and development plan in a timely manner according to policy changes.• Improve energy efficiency and operation process optimisation in order to reduce carbon emissions in our operation.• Raise standards for supplier/service provider evaluation, gradually move toward green procurement and integrate suppliers' environmental performance into the selection process.• Consider to shift all vehicles to EVs.• Consider to install infrastructure for renewable energy such as solar panel.

Scenario Analysis

Recognising that climate-related risks play a significant role in our business success and continuity, the Group tested the resilience of our business operations under distinct and plausible climate change scenarios against key climate-related risks and opportunities according to the ESG Reporting Code.

In our scenario analysis, the Group focused on material physical and transition risks, and referenced scenarios with climate and transition pathway projections published by reputable external research bodies including Intergovernmental Panel on Climate Change ("IPCC") and Network of Central Banks and Supervisors for Greening the Financial System ("NGFS"). We have adopted two high contrast scenarios that provide robust coverage of potential climate outcomes. Based on these pathway projections, we evaluated the Group's potential impacts of these risks and opportunities against plausible future states under various time horizons until 2050. Our scenario analysis will be refreshed for every three years for our strategic planning purpose.

CLIMATE-RELATED DISCLOSURES

The table below summarises the parameters of our scenario analysis.

Parameter	Description
Scope	Our business in the United States and the PRC
Scenarios used:	<p>Physical Risk:</p> <ul style="list-style-type: none"> — IPCC Sixth Assessment Report IPCC Shared Socioeconomic Pathways (“SSP”) 5–8.5 (High Emissions Scenario), IPCC SSP 1–2.6 (Low Emissions Scenario) <p>Transition Risk:</p> <ul style="list-style-type: none"> — NGFS Current Policies Scenario (High Emissions Scenario), NGFS Net Zero 2050 Scenario (Low Emissions Scenario) <p>Rationale:</p> <ul style="list-style-type: none"> — The scenarios developed take reference from IPCC (physical risks) and NGFS (transition risks) — The sources selected provide time frames that align with our strategic planning time horizon and aligns with Paris Agreement — The scenarios chosen will help the company assess the level of exposure from physical and transition risks, and support our future strategic planning
Time horizon	Short-term (2030); Medium-term (2040); Long-term (2050)
Assumptions	<ul style="list-style-type: none"> — Analysis conducted in 2025, expect asset locations to remain materially the same over the time horizon — Mitigation measures will remain the same

CLIMATE-RELATED DISCLOSURES

Parameter	Description
Trend	<p>High Emissions Scenario:</p> <ul style="list-style-type: none"> — Emissions continue to increase in line with current business-as-usual pathway — Current regulatory framework remains in place, with government or state intervention on climate change maintaining its current levels — Likely increased severity and frequency of climate change related weather events — Demand for electricity and fuel remain relatively consistent with current levels <p>Low Emissions Scenario:</p> <ul style="list-style-type: none"> — Global decarbonisation trajectory in line with achieving the Paris Agreement which sets a target to limit globally warming to well below 2°C and ideally 1.5°C by 2100 — Current regulatory framework would effectively continue with additional emissions reduction measures implemented by government to achieve the global 1.5°C target — Reduced likelihood of severe climate change related weather events — Policy support for EVs and the substitution of gas is driving an increase in consumption, with this growth being partially offset by energy savings from improved energy efficiency and consumer investments in distributed photovoltaic systems — Fuel prices will rise more drastically, largely driven by aggressive carbon policy

Note: It is important to note that these scenarios are not definitive outcomes for the Group. This scenario analysis exercise is based on assumptions that may or may not materialise and on the information available at the time of preparation, and the scenarios may be influenced by additional factors beyond the assumptions made in the exercise and hence do not represent actual future outcomes.

Climate-Related Physical Risks

Physical risks are risks derived from chronic risks resulting from long-term climate pattern shifts or acute risks from extreme climate events. The frequency, severity and impacts of these risks vary over different time frames and geographical locations. Revenue and operating cost would be decreased and increased, respectively, by factors such as business disruption from extreme weather events, higher cost of human resources and direct asset damage to different extent under different scenarios. We consider the overall risk level by physical risks are low.

CLIMATE-RELATED DISCLOSURES

Climate-Related Transition Risks

Transition risks and opportunities are associated with the shift toward a low-carbon economy and the regulatory, market, and technological changes that accompany this transition. Transition risk is likely to be significant in the context of transitioning to a low-carbon economy, as such transition involves substantial changes in policies and market, as well as technological advancements that are likely to incur significant cost to businesses and societies. Operating cost would be increased by factors such as rising operation cost in energy usage, compliance and carbon tax exposure to different extend under different scenarios. We consider the overall risk level by transition risks are moderate especially from medium to long term under low emissions scenario as significant climate-related policies and regulations are likely to be introduced.

Although there is a lot of uncertainty associated with these scenarios, measures we currently have in place and are continuing to invest in as stated above form the basis for business resilience in both instances showing our business and sustainability strategies allow us to effectively manage the risks associated with a transition to a net zero economy.

METRICS AND TARGETS

In line with our ESG strategy and the Paris Agreement's goal in limiting warming to 1.5°C above pre-industrial levels, we have set ambitious decarbonisation targets to reduce various environmental KPIs by 5% in terms of intensity within our reporting scope by 2030 (compared to a 2025 baseline). To gauge the progress of our net-zero ambition, we closely monitor key metrics, including Scope 1, 2, and 3 GHG emissions, and regularly review our transition plan and targets. We have been tracking Scope 1 and 2 metrics in our operation and start to enhance our disclosure on Scope 3 metrics in 2025 to accelerate our decarbonisation efforts. We collaborate closely with all our business units to secure resources for implementing carbon reduction measures, including energy optimisation, sustainable resource utilisation, technology investments, and community collaboration for positive impacts. We acknowledge the dynamic nature of the external environment and the necessity of regularly reviewing our targets and baselines to effectively track our progress and capitalise on the opportunities for transition. We will adopt key performance indicators aligned with the 1.5°C pathway for different business units and introduce financial proxies internally to quantify impacts in financed emissions. Our ESG working group will also evaluate the Group's sustainability performance and progress made against sustainability targets on an annual basis and assesses whether any revision is required.

Regarding climate-related metrics, assets especially all items under category of "Property, plant and equipment" and "Investment properties" in the consolidated statements of financial position are materially exposed to extreme weather conditions (physical risks). Our Board expect that amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities are not significant in light of our measures taken to address climate-related risk. Please refer to the paragraphs headed "Strategy and risk management" for details.

To monitor performance across critical areas of our operation to achieve net zero goal, we track several environmental metrics to evaluate its impact. These metrics encompass operational aspects related to:

- Energy (measured in kWh)
- GHG emissions across Scope 1 and Scope 2 (measured in kg of equivalent CO₂ emissions)

CLIMATE-RELATED DISCLOSURES

The table below shows an overview of the Group's environmental targets:

	Baseline Year	2030 target
Energy consumption intensity	2025	-5%
GHG emission (Scope 1 & 2) intensity	2025	-5%

THE STOCK EXCHANGE OF HONG KONG LIMITED'S ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE

Subject areas, aspects, general disclosures and KPIs	Section
A. Environmental	
Aspect A1: Emissions General Disclosure	Emissions
KPI A1.1 The types of emissions and respective emissions data.	Emissions
KPI A1.3 Total hazardous waste produced and, where appropriate, intensity.	The Group does not generate any hazardous waste due to our business nature.
KPI A1.4 Total non-hazardous waste produced and, where appropriate, intensity.	The Group does not generate significant non-hazardous waste.
KPI A1.5 Description of emission targets set and steps taken to achieve them.	Use of Resources
KPI 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.	Use of Resources The Group does not generate any hazardous waste.
Aspect A2: Use of Resources General Disclosure	Use of Resources
KPI A2.1 Direct and indirect energy consumption by type in total.	Use of Resources
KPI A2.2 Water consumption in total and intensity.	The Group does not consume significant amount of water.
KPI A2.3 Description of energy use efficiency and a description of targets set and steps taken to achieve them.	Use of Resources
KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency and a description of targets set and steps taken to achieve them.	Use of Resources
KPI A2.5 Total packaging material used for finished products and, if applicable, with reference to per unit produced.	The Group does not generate any packaging material due to business nature.
Aspect A3: The Environmental and Natural Resources General Disclosure	The Environmental and Natural Resources
KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Emissions & Use of Resources

THE STOCK EXCHANGE OF HONG KONG LIMITED'S ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE

Subject areas, aspects, general disclosures and KPIs	Section
B. Social	
Employment and Labour Practices	
Aspect B1: Employment	
General Disclosure	Employment
KPI B1.1 Total workforce by gender, employment type, age group and geographical region.	Employment
KPI B1.2 Employee turnover rate by gender, age group and geographical region.	Employment
Aspect B2: Health and safety	
General Disclosure	Health and safety
KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and safety
KPI B2.2 Lost days due to work injury.	Health and safety
KPI B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and safety
Aspect B3: Development and Training	
General Disclosure	Development and Training
KPI B3.1 The percentage of employee trained by gender and employee category.	Development and Training
KPI B3.2 The average training hours completed per employee by gender and employee category.	Development and Training
Aspect B4: Labour Standards	
General Disclosure	Labour Standards
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Labour Standards
KPI B4.2 Description of steps taken to eliminate such practices when discovered.	Labour Standards
Operating Practices	
Aspect B5: Supply Chain Management	
General Disclosure	Supply Chain Management
KPI B5.1 Number of suppliers by region.	Supply Chain Management
KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply Chain Management
KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, how they are implemented and monitored.	Supply Chain Management

THE STOCK EXCHANGE OF HONG KONG LIMITED'S ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE

Subject areas, aspects, general disclosures and KPIs		Section
Aspect B6:	Product Responsibility General Disclosure	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Nil noted
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Nil noted
KPI B6.3	Description and practices relating to observing and protecting intellectual property rights.	Product Responsibility — Intellectual property
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility — Quality assurance
KPI B6.5	Description of customer data protection and privacy policies, how they are implemented and monitored.	Product Responsibility — Data protection
Aspect B7:	Anti-corruption General Disclosure	Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the case.	No concluded cases
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption
Aspect B8:	Community Investment General Disclosure	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment

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CLIMATE-RELATED DISCLOSURES

Reference paragraph	Description	Section
Governance		
19	<p>An issuer shall disclose information about:</p> <p>(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:</p> <p>(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;</p> <p>(ii) how and how often the body(s) or individual(s) is informed about climate related risks and opportunities;</p> <p>(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;</p> <p>(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</p> <p>(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:</p> <p>(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</p> <p>(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.</p>	<p>Sustainability Governance</p> <p>Climate-Related Disclosures — Governance</p>

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Reference paragraph	Description	Section
Strategy		
20	<p>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:</p> <p>(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;</p> <p>(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;</p> <p>(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</p> <p>(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.</p>	<p>Climate-Related Disclosures — Strategy and Risk Management</p> <p>We consider no material climate-related opportunities was noted for our operation.</p> <p>Climate-Related Disclosures — Strategy and Risk Management</p> <p>Climate-Related Disclosures — Strategy and Risk Management</p> <p>Climate-Related Disclosures — Strategy and Risk Management</p>
21	<p>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:</p> <p>(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</p> <p>(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).</p>	<p>Climate-Related Disclosures — Strategy and Risk Management</p> <p>We consider our business model and value chain climate-related risks and opportunities are not concentrated.</p>

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Reference paragraph	Description	Section
22	<p>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:</p> <p>(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:</p> <p>(i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;</p> <p>(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);</p> <p>(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</p> <p>(iv) how the issuer plans to achieve any climate related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and</p> <p>(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).</p>	<p>Climate-Related Disclosures — Strategy and Risk Management</p> <p>We are currently assessing the formation of transition plan for future disclosures.</p> <p>Climate-Related Disclosures — Strategy and Risk Management</p>

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Reference paragraph	Description	Section
23	An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	Climate-Related Disclosures — Metrics and Targets
24	An issuer shall disclose qualitative and quantitative information about: <ul style="list-style-type: none"> (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified in paragraph 24(a) 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. 	No material effect caused by climate-related risks and opportunities during 2025 was noted. None noted
25	The issuer shall provide qualitative and quantitative disclosures about: <ul style="list-style-type: none"> (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: <ul style="list-style-type: none"> (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities. 	Climate-Related Disclosures — Strategy and Risk Management Climate-Related Disclosures — Strategy and Risk Management

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Reference paragraph	Description	Section
26	<p>An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:</p>	
	<p>(a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:</p> <ul style="list-style-type: none"> (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-Related Disclosures — Strategy and Risk Management
	<p>(b) how and when the climate-related scenario analysis was carried out, including:</p> <ul style="list-style-type: none"> (i) information about the inputs used, including: <ul style="list-style-type: none"> (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate related scenario analysis was carried out. 	Climate-Related Disclosures — Strategy and Risk Management

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Reference paragraph	Description	Section
Risk management		
27	An issuer shall disclose information about:	
	(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate related risks, including information about:	Climate-Related Disclosures — Strategy and Risk Management
	(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	
	(ii) whether and how the issuer uses climate related scenario analysis to inform its identification of climate-related risks;	
	(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	
	(iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;	
	(v) how the issuer monitors climate-related risks; and	
	(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	
	(b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	Climate-Related Disclosures — Strategy and Risk Management
	(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 Disclosures — Strategy and Risk Management
Metrics and targets		
28	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO ₂ equivalent, classified as:	
	(a) Scope 1 greenhouse gas emissions;	Emissions
	(b) Scope 2 greenhouse gas emissions; and	
	(c) Scope 3 greenhouse gas emissions.	

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Reference paragraph	Description	Section
29	<p>An issuer shall:</p> <p>(a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;</p> <p>(b) disclose the approach it uses to measure its greenhouse gas emissions including:</p> <p>(i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;</p> <p>(ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and</p> <p>(iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;</p> <p>(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), 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</p> <p>(d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), 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).</p>	<p>Emissions</p> <p>Emissions</p> <p>Emissions</p> <p>Emissions</p>
30	<p>An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate related transition risks.</p>	<p>No material amount of assets or business activities are considered to be vulnerable to climate related transitions risks.</p>

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Reference paragraph	Description	Section
31	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate related physical risks.	Climate-Related Disclosures — Metrics and Targets
32	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate related opportunities.	We are currently assessing such impact for future disclosures.
33	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Climate-Related Disclosures — Metrics and Targets
34	An issuer shall disclose: <ul style="list-style-type: none"> (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision making. 	<p>We are currently exploring the potential of adoption in the coming years.</p> <p>We are currently exploring the potential of adoption in the coming years.</p>
35	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	We are currently not factoring climate-related considerations into executive remuneration and will explore the potential of adoption in the coming years.
36	An issuer is encouraged to disclose industry based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. 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.	We are currently assessing such impact for future disclosures.

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Reference paragraph	Description	Section
37	<p>An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:</p> <ul style="list-style-type: none"> (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target. 	Climate-Related Disclosures — Metrics and Targets
38	<p>An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:</p> <ul style="list-style-type: none"> (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions. 	<p>Our target and methodology are currently not validated by a third party and will explore the potential of adoption in the coming years.</p> <p>Climate-Related Disclosures — Metrics and Targets</p>
39	<p>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.</p>	Climate-Related Disclosures — Metrics and Targets

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Reference paragraph	Description	Section
40	For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:	
	(a) which greenhouse gases are covered by the target;	Climate-Related Disclosures — Metrics and Targets
	(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	Climate-Related Disclosures — Metrics and Targets
	(c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	We consider our target is a gross GHG target.
	(d) whether the target was derived using a sectoral decarbonisation approach; and	Our targets are not derived using a sectoral decarbonisation approach.
	(e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:	The Group is committed to optimising our energy efficiency and climate resilience. We will keep assessing the necessity of purchasing carbon credits in the future.
	(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	
	(ii) which third-party scheme(s) will verify or certify the carbon credits;	
	(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	
	(iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	
41	In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall (i) refer to and consider the applicability of cross industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	We are currently assessing such impact for future disclosures.