ESG REPORT
2025-2026

FSE Lifestyle Enriching Lifestyle



豐盛生活服務有限公司
FSE LIFESTYLE SERVICES LIMITED

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 331

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Share Your Thoughts with Us

We welcome stakeholder feedback on the ESG topics, initiatives and disclosures presented in this Report. Please share your comments and suggestions at esg@fse.com.hk.

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Message from the CEO

A Decade of Growth, Innovation and Creating Sustainable Value



A milestone of sustainable growth

2026 marks a significant milestone for FSE Lifestyle Services Limited (the "Company") and its subsidiaries (together, the "Group") as we celebrate the 10th anniversary of our listing on the Hong Kong Stock Exchange. This milestone provides an opportunity to reflect on our journey, recognise the contributions of our people and stakeholders, and look ahead to the opportunities of the next chapter.

Over the past decade, the Group has grown from strength to strength, supported by the dedication and resilience of our people and the trust of our customers, business partners and other stakeholders. I would like to express my sincere appreciation to everyone who has contributed to our journey.

Our experience has reinforced our belief that sustainable growth extends beyond financial performance. It requires responsible governance, strong leadership, capable and engaged people, continuous innovation and a commitment to the communities we serve. As we move forward, we will continue to place ESG and responsible business practices at the heart of our long-term development.

Message from the CEO

A Decade of Growth, Innovation and Creating Sustainable Value

Empowering talent and fostering growth

We remain committed to strengthening governance and ethical standards, investing in our people and promoting their well-being and development. Through initiatives such as our Executive Development Programme, Young Executive Training Programme and FSE Clubs, we seek to foster a culture of learning, collaboration and inclusion. We also maintain long-term partnerships with universities and vocational institutions, including the Vocational Training Council, the Technological and Higher Education Institute of Hong Kong and the Hong Kong Metropolitan University, to engage young people, provide industry exposure and develop a sustainable talent pipeline.

Driving innovation and technological advancement

Innovation will continue to support our future development. During the year, we established an AI Steering Committee to strengthen the governance and coordination of artificial intelligence ("AI") adoption across the Group. Together with our technology exchange tours and innovation study missions, the AI Steering Committee will support the responsible exploration and application of AI, robotics and smart technologies to enhance service quality, operational efficiency and our ability to respond to evolving customer needs.

Our commitment to the environment and community

We also continue to advance our environmental commitments through operational improvements and lower-carbon solutions. During the year, 100% of the carbon emissions from fuel consumption of our vehicle fleet were offset through a carbon offsetting programme offered by our fuel supplier, alongside the continued expansion of our electric and hybrid vehicle fleet. These initiatives demonstrate our continued efforts to reduce the environmental impact of our vehicle operations.

As a responsible corporate citizen, we will continue to contribute to the communities in which we operate. Through FSE Caring Day, employee volunteering and long-term partnerships with NGOs, our colleagues and their families support children and youth, elderly people, underprivileged groups and people with diverse abilities. These partnerships help us understand community needs and create meaningful opportunities for our people to contribute to society.

Looking to the next decade

The past ten years have provided a strong foundation for the future. As we embark on the next decade, we will continue to innovate, grow responsibly and create sustainable value for our stakeholders and the communities we serve.

Let us carry the spirit of the past decade into the next — growing together, innovating with purpose and creating sustainable value.

Yours sincerely
Patrick Lam
Executive Vice-Chairman and CEO



About this Report

This Environmental, Social and Governance Report (the "Report") provides a balanced and comprehensive account of the sustainability performance, initiatives and progress of FSE Lifestyle Services Limited ("FSE Lifestyle Services" or the "Company") and its subsidiaries (together, the "Group") for the financial year from 1 July 2025 to 30 June 2026 ("FY2026" or the "reporting period"). It presents an overview of the Group's Environmental, Social and Governance ("ESG") performance, including key developments, milestones and achievements during the reporting period.

The Report has been reviewed and approved by the Board of Directors (the "Board") and endorsed by the ESG Committee. The Report is published in both English and Chinese. In the event of any inconsistency between the two versions, the English version shall prevail.

To enable stakeholders to assess the Group's financial and sustainability performance in a holistic manner, the Group publishes its Annual Report and ESG Report annually. Electronic versions of both reports are available on the Hong Kong Exchanges and Clearing Limited ("HKEX") website and the Group's website.

REPORTING BOUNDARY

The reporting boundary of this Report was determined with reference to the Group's organisational structure, business activities, operational control and the availability and relevance of ESG information. During the reporting period, the Group conducted an internal review of the entities and operations included within the reporting boundary to ensure that the scope of disclosure remained appropriate and relevant.

The Report covers the Group's sustainability initiatives, performance and key statistics for the reporting period in respect of the Strategic Business Units ("SBUs") as stated in Page 5 of this Report. Unless otherwise stated, the disclosures presented in this Report relate to the SBUs within the reporting boundary below.

During the reporting period, the Group updated the names of certain business segments to better reflect their evolving business scope and strategic positioning. The changes form part of the Group's ongoing efforts to align its business structure with its strategic priorities and future development direction. The updated SBU names are reflected throughout this Report, where applicable. Further information about the Group's SBUs is available in the "Group Members" section of the Group's website.

The Group also reviews the relevance and materiality of the key topics disclosed in the Report on an ongoing basis. Any significant changes to the reporting boundary, where applicable, are explained in the relevant sections of the Report.

REPORTING STANDARDS AND PRINCIPLES

This Report has been prepared in accordance with the mandatory disclosure requirements, "comply or explain" provisions and applicable climate-related disclosure requirements under Parts A to D of Appendix C2 of the Environmental, Social and Governance Reporting Code (the "ESG Code") issued by HKEX. It follows the reporting principles of materiality, quantitative, consistency and balance.

About FSE Lifestyle Services Limited

FSE Lifestyle Services Limited is a publicly listed conglomerate on the HKEX (Stock code: 0331.HK). As of 30 June 2026, the Group employed a total of 21,101 individuals, including 1,448 casual workers and employees whose relevant costs are directly reimbursed by or charged to our customers or sub-contractors. In an era where sustainability is paramount for our stakeholders, we are dedicated to creating sustainable value and prioritising environmental and social issues. Guided by our vision of "Better Life, Better Home, Better Quality to You Every Day", our mission is to deliver superior services and foster an integrated, convenient, and safe living environment. Our diverse clientele includes the Government of the Hong Kong SAR, multinational corporations, property owners, investors, theme parks, universities, hotels, and hospitals, encompassing both private and public sectors. We provide tailored solutions to ensure cost efficiency and service excellence at every stage of their projects. For more information about our services, organisational structure, and financial performance, please refer to our Annual Report FY2026.

OUR VISION, MISSION, AND CORE VALUES

We offer superior service, we create an integrated, convenient and safe living environment. We are devoted to serve:

Mission

Customers
We provide customised service and maintain long term partnership.

Staff
We promote worklife balance and create a strong sense of belonging.

Community
We maintain sustainable development and contribute to community.

Vision

Better Life,

Better Home,

Better Quality to You Every Day

Core Values

Quality
We pursue Quality.

Integrity
We pursue Integrity.

Caring
We Care.

Innovation
We are Innovative.

Teamwork
We work as a Team.

Passion
We are Passionate.



About FSE Lifestyle Services Limited

OUR DIVERSIFIED BUSINESS MODEL

The Group operates a diversified business model comprising three core business segments: Property Asset Management, Supporting Services, and E&M Engineering across Hong Kong SAR, Chinese Mainland, and Macau.

Our comprehensive service offering generates strong synergies across our businesses, enabling us to build an extensive client network and deliver a broad range of integrated, one-stop professional services. This diversified business model strengthens our ability to meet the evolving needs of our clients and supports the Group's long-term growth.

For further information on the services offered by our SBUs, please visit the Group Members section of our corporate website.



About FSE Lifestyle Services Limited

HAPPENINGS

2025



Aug

MoU Signing with VTC

FSE Lifestyle Services signed a Memorandum of Understanding ("MoU") with the Vocational Training Council (VTC) to deepen collaboration on vocational and professional education. The partnership delivers internships and job openings for students to support their career growth.



Market Leadership Award 2024/2025

The Group received the "Market Leadership Award 2024/2025 in Lifestyle Services" from the Hong Kong Institute of Marketing, in recognition of its outstanding performance in marketing strategies, integrated branding, multi-channel communications, business integrity and social responsibility.



Sep

Happiness-at-work Promotional Scheme

FSE Lifestyle Services and all its subsidiaries have been named a Happy Company for 11 consecutive years under the Happiness-at-work Promotional Scheme, acknowledging our healthy workplace culture and high employee morale.

United Nations Sustainable Development Goals ("UNSDGs") Achievement Awards 2025

At the United Nations Sustainable Development Goals Achievement Awards 2025 hosted by the Green Council, FSE Lifestyle Services won both the Recognised Organisation Award and Recognised Project Award for its consistent delivery of projects aligned with UNSDGs.





Oct

The 39th ARC Awards International

FSE Lifestyle Services's 2023/2024 Annual Report claimed two prizes: Gold for Cover Photo & Design and Bronze for Photography (Service Provider Category). Judges praised its distinct theme, clear business and development strategies, and visually appealing layout.

About FSE Lifestyle Services Limited



Oct

FSE Grand Awards Presentation

Under the theme "Stars of the Year, Showcasing Talents", the FSE Grand Awards Presentation presented 130 awards to recognise outstanding colleagues and business units.

Chief Happiness Officer Appreciation Award 2025

FSE Lifestyle Services was honoured with the 2025 Chief Happiness Officer Appreciation Award, a testament to our commitment to building a supportive and joyful workplace.



2025 FSE Sustainable Seminar

Titled "Creating Resilience and Innovation", the 2025 FSE Sustainable Seminar gathered 300 guests, senior management and subsidiary staff. Keynote speeches by distinguished industry experts drew an enthusiastic audience response.





Oct

New Quality Productive Forces Enterprise Award 2025

FSE Lifestyle Services was recognised as "New Quality Productive Forces Enterprise", reflecting the Group's commitment to enhancing corporate competitiveness and driving social progress through innovative technologies and sustainable practices.



Nov

FSE Shenzhen Technology Exchange Tour

The FSE Shenzhen Technology Exchange Tour visited Jieshun Technology, LianTronics and Innovative BIM Solution Company. Delegates held in-depth exchanges with industry leaders to learn about cutting-edge technology and lay groundwork for future innovation applications.

About FSE Lifestyle Services Limited



Nov

Far East Engineering won Green Building Grand Awards

Our business unit, Far East Engineering, delivered premium engineering services for landmark Kai Tak Sports Park and claimed the top honour at the Green Building Grand Awards. The award recognises its leading expertise in engineering, sustainability, carbon neutrality and premium green building development.



Racial Diversity & Inclusion Employers Award Scheme

FSE Lifestyle Services took home the Bronze Award for Racial Equity in Hiring under the 2025 Racial Diversity & Inclusion Employers Award Scheme by the Equal Opportunities Commission, acknowledging our work to eliminate recruitment bias, broaden talent pools and deliver equal opportunities for all ethnic groups.



Nov

MPFA Good Employer Awards

FSE Lifestyle Services and its business units secured three awards from the Mandatory Provident Fund Schemes Authority ("MPFA") for 2024-2025: Good MPF Employer Award, e-Contribution Award and MPF Support Award, recognising our comprehensive retirement benefits for staff.



Directors of the Year Awards 2025

Mr. Alvin Lee, Executive Director of FSE Lifestyle Services, Mr. Raymond Chung, Managing Director of Waihong Services Group ("Waihong"), and the Waihong Board of Directors won Directors of the Year in three respective categories. Their outstanding performance in corporate governance, sustainability and professional management was widely recognised.

Dec

HKEJ Listed Company Awards of Excellence 2025

FSE Lifestyle Services won the "HKEJ Listed Company Awards of Excellence 2025" for four consecutive years, recognised for strong operational efficiency, business expansion and robust corporate governance.



About FSE Lifestyle Services Limited



IFAPC Outstanding Listed Company Awards 2025

FSE Lifestyle Services received the IFAPC "Outstanding Listed Company Awards" for ten consecutive years, in recognition of our year-round commitment to full transparency and sustainable business performance.



TVB ESG Awards 2025

FSE Lifestyle Services was granted the "ESG Special Recognition Award – Merits" at the TVB ESG Awards 2025 for our long-term contributions and proactive ESG initiatives.

2026



AM730 ListCo Excellence Awards

FSE Lifestyle Services claimed the AM730 "ListCo Excellence Awards" for three consecutive years, commended for solid business growth, innovative development and mature ESG performance.

Caring Company Scheme 2024/25

FSE Lifestyle Services has held the Caring Company logo for nine consecutive years under the 2024/25 Scheme run by HKCSS. We earned above-average ratings across four core pillars: Partnership, Social Sustainability, Economic Sustainability and Environmental Sustainability, demonstrating our long-term dedication to CSR and a caring corporate culture.



About FSE Lifestyle Services Limited

Feb



Hong Kong Volunteer Award 2025

Jointly presented by the Home and Youth Affairs Bureau and Agency for Volunteer Service, the Hong Kong Volunteer Award 2025 awarded FSE Lifestyle Services the "Corporate – Volunteer Hour Gold Award", recognising our consistent community outreach and CSR efforts.



Mar

MoU Signing with ASTRI

FSE Lifestyle Services signed an MoU with ASTRI (Hong Kong Applied Science and Technology Research Institute). The collaboration leverages technological innovation to lift operational efficiency and upgrade service standards across all our business units.



Mar

HR Excellence Awards 2025/2026

FSE Lifestyle Services and its business units won multiple honours at the HKIHRM HR Excellence Awards 2025/2026. We uphold the belief that people are our greatest asset, and will keep investing in talent development to foster a culture of continuous learning, inclusion and staff well-being.



Sing Tao Service Awards 2025

For four years running, FSE Lifestyle Services has received the Sing Tao Service Awards 2025 – Innovative Integrated Lifestyle Services from Sing Tao Daily, recognised for our innovation, customer-centric mindset and consistent service quality.

Po Leung Kuk Annual Charity Walk 2026 – Highest Participation Award

FSE Lifestyle Services mobilised over 160 staff and family members to join Po Leung Kuk's 4.5km charity walk in Sha Tin, and received the "Highest Participation Award" at the ceremony.



About FSE Lifestyle Services Limited



Mar

Urban Property Management 45th Anniversary Dinner

On 27 March 2026, Urban Property Management ("UPM") hosted its 45th Anniversary Dinner attended by 450 guests, partners and employees. UPM will carry forward its legacy of innovation and service excellence, pioneer smart urban living and reshape the future of property management.



May

FSE Caring Day 2026

Partnering with Po Leung Kuk for FSE Caring Day 2026, we distributed lucky bags and greeting cards to 540 seniors and children, ran game booths for 450 elderly participants and visited 160 singleton elderly. The series of events benefited nearly 1,000 community members of all ages.

Corporate Brand Awards of Excellence 2026

FSE Lifestyle Services was awarded the "Excellence in Conglomerate Lifestyle Services Award" by Hong Kong Economic Journal at the Corporate Brand Awards of Excellence 2026, recognised for consistent brand excellence, reliable high-quality services for Hong Kong residents and long-term public trust.



May

Hong Kong Green and Sustainability Contribution Awards 2026

Organised by HKQAA, the Hong Kong Green and Sustainability Contribution Awards 2026 honoured us as a "Notable Organisation in Promoting ESG Disclosure Enhancement". The award commends our efforts to refine ESG and climate risk frameworks against local and international climate disclosure standards and boost corporate transparency.





Jun

HKIRA 12th Investor Relations Awards 2026

FSE Lifestyle Services secured seven prestigious awards at the HKIRA 12th Investor Relations Awards 2026 hosted by HKIRA. We claimed our first-ever Overall Best IR Company Award (Small Cap) — the category's top honour — as proof of our outstanding investor relations and solid corporate governance.

FSE Lifestyle Services 10th Anniversary Listing Celebration Dinner

On 23 June 2026, FSE Lifestyle Services hosted its 10th Anniversary Listing Celebration Dinner, where all FSE colleagues reflected on a decade of key milestones. Fueled by unity, resilience and dedication, the Group has grown steadily to become an industry leader, delivering sustainable long-term value to shareholders.



Integrated Sustainability and Climate Governance

SUSTAINABILITY GOVERNANCE STRUCTURE

Strong and effective corporate governance forms the foundation of the Group's approach to sustainability. The Board has overall responsibility for overseeing the Group's ESG strategy, management approach and reporting, including material ESG and climate-related risks and opportunities. The Board is supported by the ESG Committee and ESG Task Force, which facilitate the implementation of the Group's sustainability strategy and the integration of ESG and climate considerations across the organisation.

The Group's ESG governance structure is designed to promote clear accountability, effective oversight and appropriate management of material ESG and climate matters. It enables ESG and climate-related risks and opportunities to be identified, evaluated, prioritised and managed in a manner aligned with the Group's business strategy, operational needs, risk management framework and long-term value creation.



Integrated Sustainability and Climate Governance

BOARD OF DIRECTORS

The Board has overall responsibility for the Group's ESG and climate strategy, management approach and reporting. It oversees material ESG and climate matters, related risks and opportunities, and their integration into business strategy, decision-making and risk management. The Board also oversees ESG and climate-related policies, objectives and targets, reviews the effectiveness of related governance, risk management, internal control and data management processes, and reviews and approves the ESG Report and material ESG disclosures. It provides strategic direction on material matters and areas requiring further action.

The Board receives regular updates from the ESG Committee on the implementation of the sustainability strategy, material ESG and climate-related matters, and progress against relevant goals and targets. Its oversight is supported by management information, ESG performance data and, where appropriate, external specialist advice. The Board also considers whether Directors have appropriate knowledge and competencies to oversee climate-related matters, with relevant training and continuous professional development disclosed in the Corporate Governance Report.

ESG COMMITTEE

Established in December 2020, the ESG Committee supports the Board in overseeing and advancing the Group's sustainability agenda. Chaired by Dr Cheng Chun Fai, the Committee comprises three Executive Directors, one Independent Non-Executive Director and representatives from key functions, including operations, human resources and finance.

The ESG Committee provides strategic direction on ESG and climate-related matters and oversees implementation through the ESG Task Force. It reviews ESG and climate-related matters, risks and opportunities, provides direction on ESG and climate-related work plans and initiatives, monitors progress against relevant goals and targets, and reviews ESG reporting and material disclosures for recommendation to the Board. The Committee also considers stakeholder concerns and evolving regulatory, market and sustainability developments, and escalates matters requiring Board direction or approval. The ESG Committee met two times during the reporting period and reports key discussions and recommendations to the Board.

ESG TASK FORCE

The ESG Task Force is the Group's key execution and coordination mechanism for ESG and climate-related matters. Comprising 22 representatives from various departments and SBUs, it translates the Group's ESG strategy and priorities into coordinated actions under the direction of the ESG Committee.

The Task Force develops and implements ESG and climate-related work plans and initiatives, coordinates ESG activities across departments and SBUs, collects and validates ESG data, supports the identification and assessment of material ESG and climate-related matters and risks, and monitors progress against relevant goals and targets. It also facilitates ESG training and awareness, promotes cross-functional collaboration and embeds ESG considerations within relevant business functions. Material matters, risks and implementation challenges are escalated to the ESG Committee for guidance and direction.

As sustainability advocates, Task Force members coordinate ESG activities within their respective functions and SBUs, promote ESG awareness and engagement, and support the implementation of the Group's sustainability priorities. During the reporting period, the Task Force held four meetings to coordinate Group-wide ESG initiatives and review implementation progress, with key updates and material matters reported to the ESG Committee.

STAKEHOLDER ENGAGEMENT

Stakeholder engagement supports the Group's identification and assessment of material ESG matters. The Group engages with internal and external stakeholders through appropriate channels to understand their views, concerns and expectations and, where relevant, incorporates these insights into its sustainability priorities, strategy and ESG reporting. The communication channels established with different stakeholder groups remain unchanged from the previous year.

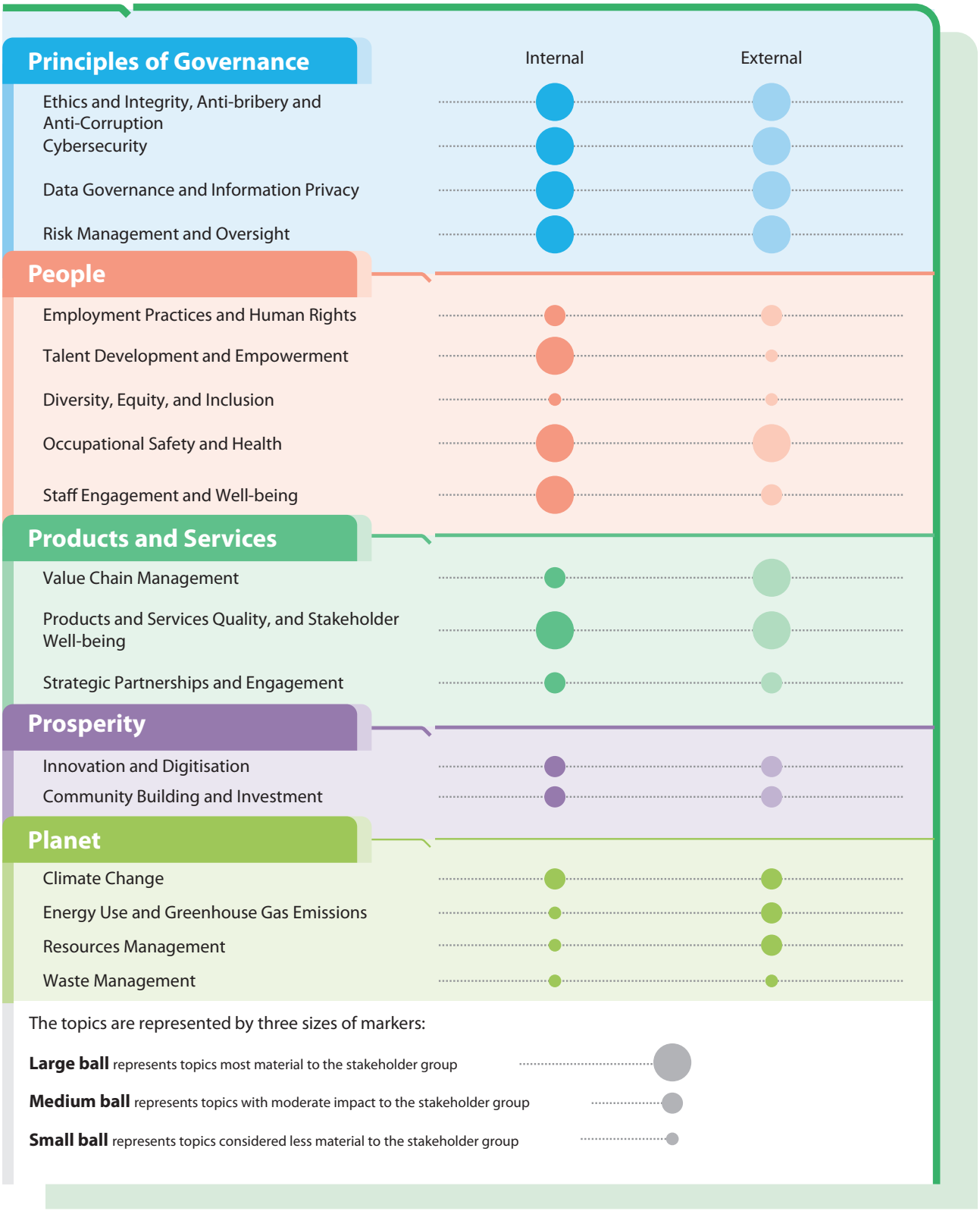
MATERIALITY ASSESSMENT

The Group conducts a materiality assessment to identify, assess and prioritise ESG topics relevant to its business and stakeholders. The assessment considers the Group's business and operations, stakeholder expectations, regulatory requirements, industry developments and emerging sustainability trends. The results inform the Group's sustainability strategy, management approach and ESG disclosures. Further details of the materiality assessment process are provided in the FY2024 ESG Report.

FY2026 Review

During FY2026, an independent external consultant conducted a review of the materiality assessment results for FY2024 and FY2025. Following the review, the ESG Committee considered that the material topics identified for FY2025 remained relevant for FY2026. The Group will continue to monitor changes in its business, stakeholder expectations, regulatory requirements and the external environment and refresh its materiality assessment as appropriate.

Integrated Sustainability and Climate Governance

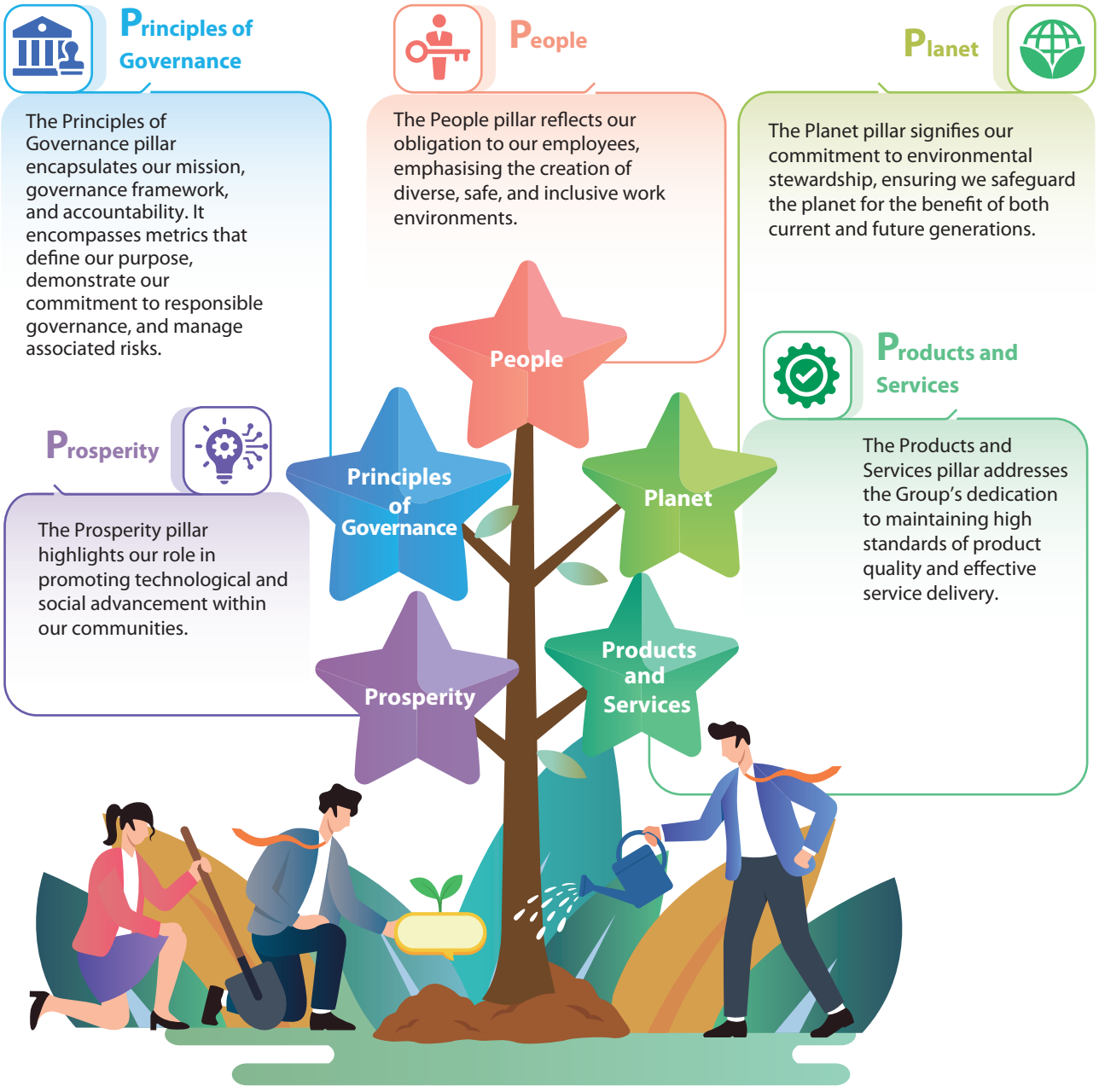


The 5P Sustainability Framework

At the heart of our operations are our corporate sustainability values, underpinned by our Principles of Governance, which guide our approach across the Group. We remain committed to delivering high-quality Products and Services while placing strong emphasis on the Planet, People, Prosperity and the communities we serve.

In 2024, we introduced the Group's 5P Sustainability Framework to strengthen sustainability governance and foster an ESG driven culture across the organisation. Inspired by the World Economic Forum's common metrics, the 5P Framework comprises five foundational pillars that are integral to the Group's sustainability and business continuity.

To ensure continued alignment with long-term value creation and evolving stakeholder expectations, we updated our material topics through a comprehensive stakeholder engagement and materiality assessment led by an independent external consultant. This process enables us to focus on the sustainability matters most relevant to our business and stakeholders, while supporting the Group's pursuit of sustainable growth and long-term resilience.



PRINCIPLES OF GOVERNANCE

The Principles of Governance pillar reflects the Group's commitment to robust corporate governance, ethical conduct, risk management and internal controls as the foundation for responsible and sustainable business development. Through clear policies, defined responsibilities and effective oversight, the Group seeks to promote transparency, accountability and responsible decision-making, while managing material ESG risks and opportunities.

Material Topics

1. **Ethics and Integrity, Anti-Bribery and Anti-Corruption**
2. **Cybersecurity**
3. **Data Governance and Information Privacy**
4. **Risk Management and Oversight**



Ethics and Integrity, Anti-Bribery and Anti-Corruption

The Group is committed to conducting business with integrity and accountability and maintains a zero-tolerance approach to bribery, corruption and other misconduct.

The Group complies with the Prevention of Bribery Ordinance (Cap. 201) and Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615), as well as applicable requirements in the Chinese Mainland and Macau. Its Code of Conduct and Staff Handbook set out requirements on ethical conduct, conflicts of interest, confidentiality, bribery, corruption, fraud, gifts and entertainment. Executives are required to declare actual, potential or perceived conflicts of interest in accordance with established procedures. Reporting channels are also available for employees and other stakeholders to raise concerns.

All new employees complete anti-corruption training during onboarding, integrating ethical principles into their induction. No violations were reported during the reporting period.

The Head of Internal Audit oversees the implementation of anti-corruption policies and preventive measures, with relevant matters monitored through internal audit and compliance reviews. During the reporting period, no concluded legal cases regarding corrupt practices were brought against the Group or its employees.

WHISTLEBLOWING

The Group maintains a whistleblowing mechanism for employees and other stakeholders to report suspected misconduct, malpractice, fraud, corruption or policy and legal violations. Reports may be made anonymously where appropriate and are handled confidentially by the Head of Internal Audit, who conducts or oversees assessment and investigation. Substantiated matters are subject to appropriate remedial action and, where criminal activity or material misconduct is identified, escalation to the Board and relevant authorities where appropriate.

Cybersecurity

The Group regards cybersecurity as a strategic priority and maintains appropriate measures to protect the confidentiality, integrity and availability of its information systems and data and support business continuity.

During the reporting period, an external consultant reviewed the Group's cybersecurity infrastructure and controls. The Group also provided 3,549.5 training hours to 3,447 employees to strengthen cybersecurity awareness and response capabilities. No significant cybersecurity incidents were recorded during the reporting period. Subsequent to the reporting period, the Group conducted a series of phishing simulation exercises, together with capacity-building initiatives, to further strengthen employees' awareness of and ability to respond to phishing attacks. Also, the Group recruited a cybersecurity specialist to further enhance its internal capabilities.

The Group regularly reviews cybersecurity risks in response to evolving threats, technological developments and regulatory requirements, with material risks and incidents escalated through its risk management and governance mechanisms where appropriate.

Data Governance and Information Privacy

The Group is committed to protecting personal and business information and complies with applicable data protection and privacy requirements, including the Personal Data (Privacy) Ordinance (Cap. 486) in Hong Kong and the Personal Information Protection Law of the People's Republic of China, as applicable.

Policies, procedures and controls govern the collection, use, retention, access, disclosure and protection of personal data. In Hong Kong, the Group observes the six data protection principles, with relevant guidance and training provided to employees. No material data privacy breaches or violations of applicable data protection and privacy laws and regulations were recorded during the reporting period.

The Group also respects intellectual property ("IP") rights by protecting its own IP through appropriate registrations and enforcement measures, while respecting the rights of business partners and other stakeholders and complying with applicable licensing requirements.

Risk Management and Oversight

The Group adopts the Three Lines Model to establish clear responsibilities for risk identification, management, oversight and assurance. The framework integrates Board-level oversight with risk management across business and functional units to support the identification, assessment, management and monitoring of risks in line with the Group's strategic objectives and operating environment.

Established in February 2016 and chaired by an Executive Director Mr. Lee Kwok Bong, the Risk Management Committee reports to the Audit Committee and comprises representatives from operations, human resources, finance and other support functions. It provides guidance and oversight on the effectiveness of the Group's risk management and internal control systems, including the identification, assessment and management of material risks.

Where relevant, the Group's risk management framework incorporates ESG-related risks, including cybersecurity, data privacy and climate-related risks, to support business continuity and long-term development.

Further information on the Group's risk management and internal control framework, including the responsibilities of the Board, Audit Committee and Risk Management Committee, is set out in the Corporate Governance Report of the FY2026 Annual Report.

PEOPLE

The People pillar recognises employees as fundamental to the Group's long-term success and sustainable development. Our approach covers fair employment practices, occupational health and safety, talent development and empowerment, diversity, equity and inclusion, employee engagement and well-being. We seek to provide a safe, inclusive and supportive workplace while building a resilient and capable workforce.

Material topics

1. **Employment Practices and Human Rights**
2. **Talent Development and Empowerment**
3. **Diversity, Equity, and Inclusion**
4. **Occupational Safety and Health**
5. **Staff Engagement and Well-being**



Employment Practices and Human Rights

The Group is committed to fair, responsible and inclusive employment practices and respecting internationally recognised human rights principles. Our employment practices cover recruitment, remuneration and benefits, working hours and rest periods, equal opportunity, diversity, equity and inclusion, anti-discrimination, employee development, grievance handling and workplace conduct. These are supported by the Group's staff handbook and relevant policies and procedures.

The Group complies with applicable employment and labour laws and regulations in Hong Kong, including the Employment Ordinance (Cap. 57 of the Laws of Hong Kong), Employees' Compensation Ordinance (Cap. 282 of the Laws of Hong Kong), Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong) and Minimum Wage Ordinance (Cap. 608 of the Laws of Hong Kong), as well as relevant requirements in the Chinese Mainland and Macau relating to employment, compensation, working hours, minimum wage and retirement benefits. The Group does not tolerate discrimination, harassment, child labour or forced labour. Employees may raise concerns through established grievance and reporting channels, which are handled confidentially and investigated appropriately.

HUMAN RIGHTS AND LABOUR STANDARDS

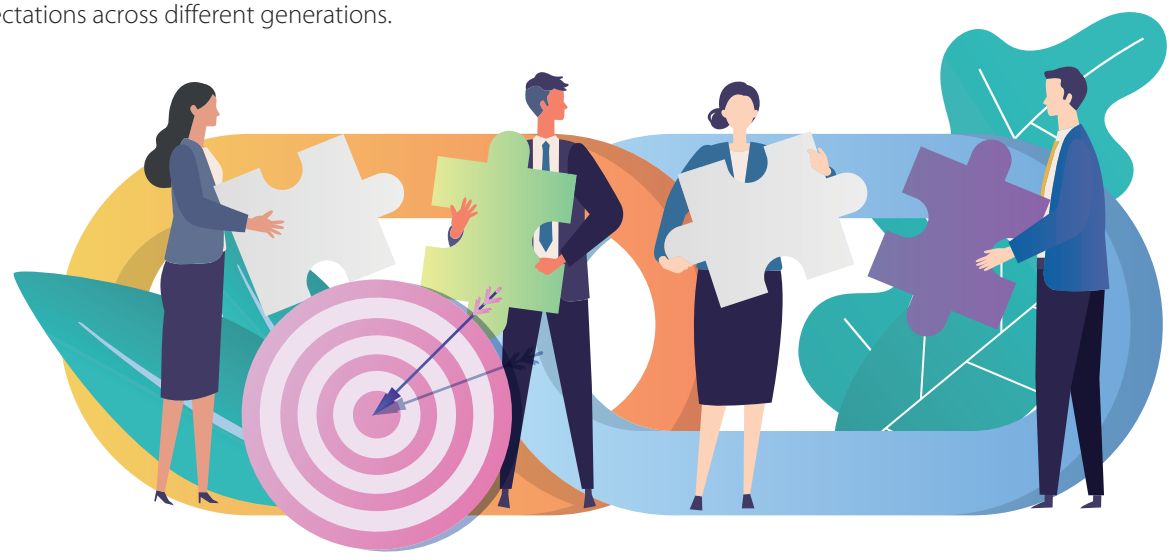
The Group prohibits child and forced labour and conducts appropriate employment eligibility and age verification during recruitment. Employment practices are reviewed to identify and address potential human rights and labour risks. During the reporting period, no cases of child or forced labour were identified.

TALENT ACQUISITION AND ATTRACTION

The Group seeks to attract talent based on qualifications, experience, competence and suitability for the role, without discrimination. To maintain a diverse talent pipeline, the Group uses multiple recruitment channels, including its recruitment centre in Tokwawan, campus engagement, career fairs, internships and partnerships with educational institutions.

During the reporting period, the Group participated in 28 career fairs and campus engagement activities with 5 local tertiary institutions and provided 152 internship opportunities to tertiary and secondary school students. The Group also supported Buddhist Chi Lin Secondary School's Secondary Six Work Experience Programme, providing a three-week workplace internship.

To strengthen recruitment practices, 30 HR colleagues from different SBUs participated in competency-based interviewing training during the reporting period, covering structured interviewing, candidate sourcing and managing expectations across different generations.



Case study

Inspiring Future Talent Through Industry Exposure



Kiu Lok Group ("Kiu Lok") partnered with the Vocational Training Council ("VTC") and Tang Shiu Kin Victoria Government Secondary School to introduce students to the property management industry. Sixteen students visited Convention Plaza Office Tower in Wan Chai, gaining firsthand exposure to key facilities including the sky garden, control room and chiller plant.

Under the theme "Dialogue Between the Old and New", the programme combined site visits and interactive sharing to connect classroom learning with real-world applications and enhance students' understanding of property management operations and technologies. The initiative supports youth development and the Group's efforts to nurture future talent through industry and community engagement.

Employment Practices and Human Rights

TALENT RETENTION AND EMPLOYEE WELL-BEING

The Group seeks to retain and develop employees through competitive remuneration and benefits, career development, training and learning opportunities, and performance management. In Hong Kong, employee benefits include flexible working arrangements, paid annual leave, study leave, birthday leave, marriage leave, bereavement leave, medical coverage, statutory maternity and paternity leave, retirement benefits (including the Occupational Retirement Schemes Ordinance and the Mandatory Provident Fund Scheme) and other leave and welfare arrangements in accordance with applicable legislation and Group policies.

The Group regularly reviews its remuneration and benefits practices with reference to applicable statutory requirements, market practices and workforce needs, and provides job-related training and development opportunities to support employees' professional growth.

Case study

豐盛生活服務
FSE LIFESTYLE SERVICES

Recognising Excellence and Inspiring Employee Engagement through the FSE Grand Awards



The FSE Grand Awards is an annual programme recognising employees and teams for outstanding contributions across business performance, professional development, occupational safety and health ("OSH"), training, ESG and corporate social responsibility ("CSR").

Under the theme "Stars of the Year, Showcasing Talents", the programme recognised 130 employees and teams across eight categories, including Outstanding Employee, Long Service, Academic, Professional, Training, ESG, Safety and CSR Awards. The programme celebrates excellence, encourages knowledge sharing and reinforces the Group's culture of service excellence, teamwork and continuous improvement.

Employment Practices and Human Rights

SUPPORTING AFFECTED EMPLOYEES AND THEIR FAMILIES IN DIFFICULT TIMES

Following the fire incident at Wang Fuk Court in Tai Po, the Group launched an internal fundraising campaign, providing colleagues with an opportunity to voluntarily support the affected employees and their families. The Group also arranged suitable donation channels to facilitate participation by both office-based and frontline colleagues. Within one week, more than HK$1.1 million was raised collectively and subsequently distributed to the affected employees and their families. In addition, the Group and residents of the properties where the affected employees served collectively received more than HK$1 million in relief funds and donations.

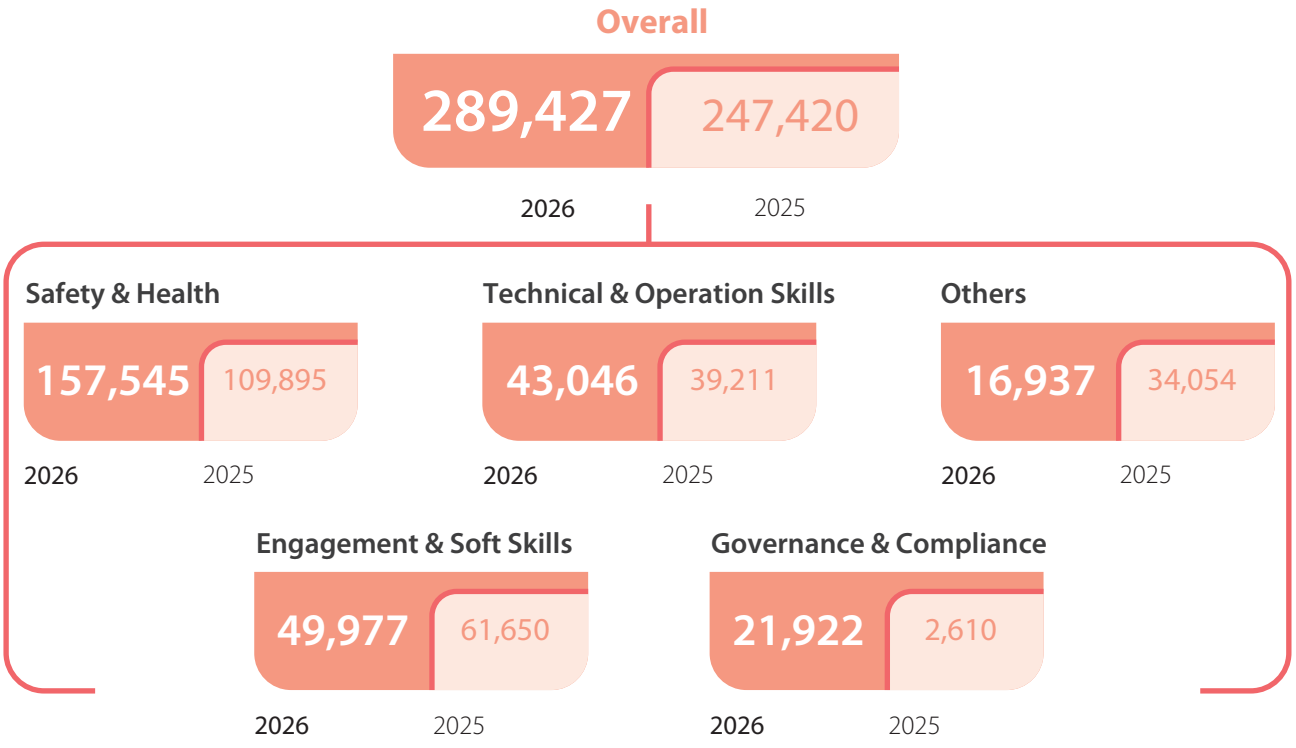
For colleagues and their families facing such difficult circumstances, every gesture of support is deeply meaningful. The initiative brought colleagues together to support one another during the challenging time, while providing practical assistance and care to the affected families.

Talent Development and Empowerment

The Group supports employee development through training and development programmes that strengthen technical, professional and leadership capabilities, while supporting career development and succession planning. The Group regularly reviews its training programmes in response to evolving business needs and future capability requirements.

During the reporting period, the Group provided 289,427 hours of training covering leadership and management, personal effectiveness, business acumen and role-specific competencies, tailored to the needs of employees at different levels and functions.

Training hours



Case study

FSEE 豐盛機電 Supporting Professional Development Through Chartership



FSE Engineering Group ("FSEE") launched a "Road to Chartership" program to guide engineers toward professional recognition. To support career advancement, the program features structured workshops for major engineering institutions, including CIBSE, IET, IMechE, and HKIE. These sessions offer direct insights from industry professionals, covering application requirements, experience sharing, and practical interview demonstrations.

FSEE has also enhanced educational subsidies and introduced "Professional Stars" financial rewards to encourage continuous learning. Furthermore, the initiative provides dedicated mentorship pairing, report review guidance, and networking opportunities. The program's robust support system has already proven highly effective, driving a 400% growth in in-progress chartership applications in five months.

Talent Development and Empowerment

STRATEGIC MEETINGS



The Group regularly reviews its strategic directions in response to evolving business needs and future capability requirements. Leadership development is also supported through strategic meetings that enable management teams of each SBUs to review performance, exchange insights and align priorities.

During the reporting period, approximately 75 Executive Directors, senior management and managers participated in the Urban Group ("Urban") Strategic Meeting, covering strategic and operational priorities including customer engagement, AI and automation, ESG, talent management, community care and brand development. These initiatives support knowledge sharing, cross-functional collaboration and the effective implementation of the Group's strategic priorities.

FSE CONNECT WORKSHOPS



The FSE Connect Workshop supports newly joined and appointed supervisors and managers in understanding the Group's culture, businesses and values, while facilitating their integration into FSE Lifestyle Services. The programme combines business introduction, leadership sharing, networking and team-building activities to promote knowledge exchange, cross-SBU connections and collaboration.

During the reporting period, four sessions were conducted for 62 participants, providing opportunities to engage with SBU leaders and build relationships with peers. Through FSE Connect, the Group seeks to foster a stronger sense of belonging and develop a connected and collaborative management community across its diverse businesses.

Talent Development and Empowerment

YOUNG EXECUTIVE TRAINING PROGRAMME ("YETP")



The YETP equips young executives with practical skills and collaborative capabilities to support their career development and the Group's evolving business needs. During the reporting period, 32 trainees completed 1,641 training hours and participated in workshops and experiential activities covering communication, teamwork, personal effectiveness, design thinking, creative problem-solving and adaptability.

Through classroom learning, facilitated exercises and practical team challenges, participants strengthened their communication, collaboration, leadership and problem-solving skills while developing greater confidence in responding to change. The programme also promotes cross-functional relationships and a growth mindset, supporting the development of a strong and adaptable talent pipeline.



Talent Development and Empowerment

EXECUTIVE DEVELOPMENT PROGRAMME ("EDP")



The Group's nine-month EDP develops high-potential middle-level executives for broader management responsibilities by combining structured learning, experiential activities, senior management engagement and cross-functional collaboration. During the reporting period, 27 participants completed 1,722 training hours, focusing on collaboration and influencing, leadership and strategic thinking.

The programme covered leadership, influencing, business acumen, crisis management, growth mindset and employee well-being. Practical exercises, including cross-functional and technology-enabled team challenges, strengthened collaboration and communication, while sessions on finance, internal audit and listed company compliance enhanced participants' business and governance awareness. Crisis management and psychological first aid training further supported organisational resilience and a psychologically supportive workplace.

Through the YETP and EDP, the Group develops talent at different career stages, strengthening the capabilities, adaptability and leadership readiness of its workforce and supporting a sustainable pipeline for future responsibilities.

Talent Development and Empowerment

INTEGRATING ESG INTO TALENT DEVELOPMENT



The Group seeks to incorporate sustainability considerations into employee development and leadership programmes. During the reporting period, participants of the YETP and EDP took part in an ESG workshop designed to enhance their understanding of ESG principles and their relevance to business and community development.

Through practical learning and engagement with local recyclers, participants gained insights into sustainability practices and their contribution to environmental and organisational resilience. The experience encouraged participants to consider how ESG considerations could be incorporated into their respective business and operational roles.

Case study

豐盛生活服務
FSE LIFESTYLE SERVICES

FSE Sustainable Seminar 2025 — Creating Resilience and Innovation



The 2025 FSE Sustainable Seminar, themed "Creating Resilience and Innovation", brought together approximately 300 guests, business partners and executives of FSE Lifestyle Services to exchange insights on emerging business trends, innovation and sustainable growth.

Industry experts shared perspectives on the macroeconomic outlook, innovation and stakeholder engagement, while SBU executives discussed practical approaches to customer engagement and experience. As an annual stakeholder engagement platform, the seminar facilitates knowledge exchange, strengthens relationships with clients and business partners, and supports the Group's pursuit of resilient and sustainable growth.

Diversity, Equity and Inclusion

The Group is committed to a diverse, equitable and inclusive workplace, with equal opportunities for employees to develop and realise their potential. We have zero tolerance for discrimination and harassment and do not discriminate based on characteristics unrelated to job requirements.



The Human Rights and Equal Employment Opportunity Policy and Workforce Diversity Policy provides the framework for promoting diversity and equal opportunity. Recruitment, remuneration, performance evaluation and career development decisions are based on objective criteria, including qualifications, competence, performance and experience.

As at the reporting date, women accounted for 54% and men 46% of the Group's workforce. In Hong Kong, 726 employees from diverse ethnic backgrounds were employed across the Group. The Group supports inclusion through flexible working arrangements, cultural sensitivity workshops, the Summer Work Experience Programme for students with Special Educational Needs ("SEN"), and collaboration with The Heep Hong Society to promote employment opportunities for ethnic minorities.

To promote an inclusive workplace, during the reporting period, FSE Lifestyle Services and its SBUs partnered with the Equal Opportunities Commission to organise an anti-discrimination training workshop, with more than 180 colleagues participated. The workshop covered Hong Kong's anti-discrimination legislation, potential legal liabilities, and practical measures to prevent and address workplace discrimination.

The Group complies with applicable anti-discrimination laws and regulations in Hong Kong, including the Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong), Disability Discrimination Ordinance (Cap. 487 of the Laws of Hong Kong), Family Status Discrimination Ordinance (Cap. 527 of the Laws of Hong Kong) and Race Discrimination Ordinance (Cap. 602 of the Laws of Hong Kong), as well as applicable requirements in the Chinese Mainland and Macau. During the reporting period, FSE Lifestyle Services received a Bronze Award in the Racial Equity in Hiring category under the Equal Opportunities Commission Racial Diversity & Inclusion Employers Award Scheme 2025.

Occupational Safety and Health ("OSH")



The Group is committed to safeguarding the health, safety and well-being of employees and others affected by its operations. Our OSH management system supports the identification, assessment and mitigation of workplace risks and continuous improvement in safety performance.

OSH GOVERNANCE AND MANAGEMENT SYSTEM

The Group's Safety Task Force, comprising representatives from different SBUs, supports the implementation of OSH policies and initiatives and monitors safety performance. Accident and safety indicators are reviewed monthly to identify trends and areas requiring action.

The Group's OSH management system is aligned with GB/T 45001-2020/ISO 45001:2018, where applicable, and complies with relevant occupational safety and health laws and regulations in the jurisdictions where we operate, including but not limited to the Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong), and the Work Safety Law of the People's Republic of China. Policies, procedures and risk controls are regularly reviewed, with Registered Safety Officers and frontline supervisors supporting hazard identification, risk management and emergency preparedness.

HAZARD IDENTIFICATION AND RISK CONTROL

The Group adopts a preventive approach to identify and assess workplace hazards and implement appropriate controls, particularly for higher-risk activities. Personal protective equipment ("PPE") is provided, maintained and monitored in accordance with applicable requirements, with employees receiving relevant guidance and training.

The Group also leverages technology to reduce safety risks. For example, the Sky Drill Marking Machine ("SDMM") integrates drilling, laser marking, sensors and rebar hit detection to improve precision and reduce exposure to work-at-height risks.

Occupational Safety and Health ("OSH")

Work-related incidents and near misses are investigated where applicable to identify root causes and implement corrective and preventive measures. Operational SBUs, including Urban and Kiu Lok, also implement measures such as site inspections, mobile risk assessments and external safety inspections according to their operating environments.

SAFETY CULTURE AND EMPLOYEE PARTICIPATION

Since 2023, the Group has implemented the Safety Pledge to strengthen safety awareness and shared responsibility. Urban conducts regular site inspections and safety reviews, supported by smart patrol and e-Risk Assessment systems. FSEE's "Walk the Talk" initiative enables senior management to conduct monthly safety walks at construction sites, engaging frontline employees and subcontractors to identify and address safety concerns.

The Group also promotes employee well-being through workplace wellness and engagement activities. In support of World No Tobacco Day 2026, the Group participated in Lok Sin Tong's "Smoking Cessation Program in Workplace", encouraging employees to learn about the benefits of a smoke-free lifestyle and healthier living. The Group also organised a Fruit Day during the reporting period, providing fresh fruit to employees and promoting healthier dietary choices. These initiatives complement the Group's broader employee well-being efforts and encourage positive lifestyle choices and a health-conscious workplace.

SAFETY AND HEALTH TRAINING

The Group provides role-specific OSH training to strengthen employees' ability to identify hazards, work safely and respond to emergencies. During the reporting period, 157,545 OSH training hours were delivered to both frontline and management staff.

During the reporting period, Kiu Lok organised an OSH Knowledge Quiz Competition to reinforce employees' understanding of workplace safety and practical measures for preventing common injuries. The competition covered key OSH requirements and workplace risks, including hand tool operations, manual handling, slips and falls. The interactive format encouraged employees to refresh their knowledge, recognise potential hazards and apply appropriate preventive measures in their daily work.

The initiative supports the Group's ongoing efforts to promote a strong safety culture through continuous learning and employee participation in OSH management.

Staff Engagement and Well-Being



The Group promotes employee engagement, well-being and a sense of belonging through open communication, social and recreational activities, and wellness initiatives. These programmes provide opportunities for employees to connect across SBUs, pursue shared interests and support their physical, mental and social well-being.

In appreciation of the hard work and dedication of our security officers, the Group marked Hong Kong Security Officers' Day by visiting service locations and distributing care and goodie bags to frontline security personnel. The initiative recognised their professionalism and contribution to maintaining safe and orderly environments. The Group also participated in industry-led public engagement activities to promote greater understanding and recognition of the security profession.

FSE CLUBS

The Group established the FSE Clubs to strengthen employee engagement and workplace connections. Launched in April 2025, the FSE Sports Club organised activities including badminton, table tennis, basketball and bowling, with regular training sessions promoting active lifestyles and teamwork. During FY2026, the FSE Sports Club recorded 1,598 participants, compared with 497 participants in 2025.



Staff Engagement and Well-Being

The FSE Wellness Club, launched in August 2024 during Wellness Month, engaged 855 participants during 2026, compared with 828 participants in 2025, through activities covering physical fitness, mindfulness, creativity and lifestyle well-being. These included kickboxing, indoor spinning, mindfulness and tea appreciation, Chinese herbal wellness, creative workshops and the FSE Wellness Market. The FSE Wellness Club also collaborated with external organisations and community partners to broaden employee participation and promote community connection.



The FSE Recreation Club, launched in September 2024, promotes social interaction and inclusivity through group activities and events. During FY2026, the FSE Recreation Club recorded 483 participants, compared with 935 participants in 2025. Its activities included the inaugural FSE Sing-Along with You singing competition, which attracted 30 colleagues, and the 3rd Mahjong and Card Games Competition, which brought together more than 150 colleagues from various SBUs.



Collectively, the FSE Clubs offered 7,041 hours of activities in 2026, compared with 6,249 hours in 2025. Together, the FSE Clubs provide opportunities for employees across the Group to connect, participate in shared interests and support a positive and inclusive workplace culture.

PRODUCTS AND SERVICES

The Products and Services pillar reflects the Group's commitment to delivering quality, reliable and customer-focused services. We integrate quality management, innovation and responsible value chain practices across our operations to maintain service standards and respond to evolving customer needs.

Material topics :

1. **Value Chain Management**
2. **Products and Services Quality, and Stakeholder Well-being**
3. **Strategic Partnerships and Engagement**



Value Chain Management

The Group seeks to maintain responsible and resilient value chains through established supplier and contractor qualification, assessment and performance review procedures. Depending on the nature and scale of the engagement, these may include background checks, site visits, relevant certifications and assessments of operational capabilities.

Suppliers and subcontractors are monitored against contractual requirements, applicable laws and regulations, and relevant quality and operational standards. Material non-compliance is addressed through appropriate corrective actions and, where necessary, enhanced monitoring, suspension or removal from the approved supplier list.

The Group recognises the importance of managing environmental and social risks across its value chain. While such considerations are not currently formalised as standalone supplier selection criteria, the Group continues to monitor relevant developments and explore opportunities to incorporate them into procurement and supplier management processes.

The Group is committed to delivering quality products and services while safeguarding the health, safety and well-being of customers, residents and other stakeholders. Quality assurance, customer feedback, operational monitoring and business continuity measures are incorporated into relevant operations to support reliable service delivery and continuous improvement.



Products and Services Quality, and Stakeholder Well-Being

STAKEHOLDER WELL-BEING AND ENGAGEMENT

Urban supports the Building Emergency Preparedness Charter introduced by the Fire Services Department of the HKSAR Government. Twenty-one properties or estates managed by Urban were among the first batch of signatories, strengthening emergency preparedness and fire safety awareness across managed properties.



Urban also promotes circularity and community participation through property management initiatives. At Mei Foo Sun Chuen, a community recycling programme resulted in 1,200 books being recycled and donated, 80 pieces of WEEE collected and 800 kg of used clothing donated to charitable organisations and people in need. At City One Sha Tin, green practices covering energy efficiency, waste reduction, recycling and community engagement contributed to its Gold Level recognition at the Hong Kong Outstanding Green Management Award 2025.



Nova Insurance ("Nova") promotes informed risk management through client knowledge-sharing activities. During the reporting period, seminars covered topics including medical malpractice and cyber insurance, providing practical insights into emerging risks, insurance solutions and claims considerations. Nova was also named "Best Broker of Hong Kong" at the InsuranceAsia News Country Awards for Excellence 2025 for the second consecutive year.

Products and Services Quality, and Stakeholder Well-Being

QUALITY ASSURANCE

The Group maintains quality assurance procedures to monitor internal teams and external service providers against applicable laws, recognised standards, contractual requirements and customer expectations. Inspections, performance reviews and service monitoring are conducted where appropriate, with corrective and preventive actions implemented as necessary.

The Group also leverages technology to strengthen service quality, operational efficiency and safety. For example, General Security Group ("General Security") has upgraded its Security Control Room with AI-enabled CCTV, teleprotection, GPS fleet management and a centralised Key Management System to support real-time monitoring and operational responsiveness.



As a demonstration of quality and professional service, Urban received 55 awards at the Kowloon West Best Security Services Awards 2025, recognising its managed properties and frontline security teams. Two frontline security personnel at Mei Foo Sun Chuen Stage 2 received individual recognition for their vigilance and professionalism, while 32 managed properties received the "Honourable Managed Property" title.

CUSTOMER FEEDBACK AND SATISFACTION

The Group provides customer service channels and complaint-handling mechanisms to receive feedback, enquiries and concerns. Where applicable, processes are established with reference to ISO 10002. Customer feedback, complaints and satisfaction survey results are monitored to identify service improvements and respond to evolving customer needs.

CRISIS MANAGEMENT AND BUSINESS CONTINUITY

The Group maintains crisis management and business continuity arrangements to support coordinated responses to operational disruptions and emergencies. Relevant SBUs have established response procedures, communication mechanisms and designated responsibilities, with preventive and contingency measures implemented where appropriate to protect stakeholders, maintain critical services and minimise disruption.

Strategic Partnerships and Engagement



The Group engages suppliers, contractors, customers, educational institutions, technology partners and other stakeholders to exchange knowledge, strengthen capabilities and identify opportunities for collaboration. These partnerships support innovation, service quality, operational efficiency and talent development.

TECHNOLOGY COLLABORATION

FSE Lifestyle Services entered into a MoU with the Hong Kong Applied Science and Technology Research Institute ("ASTRI") to explore applications of Optical Character Recognition, Speech Analytics, Document AI and Smart CAD Drawing Analytics and Automatic Compliance Checking across the Group.

FSE Environmental Solutions Group ("FES") also entered into an MoU with NTT Com Asia to explore smart facility solutions, including FioTec, combining environmental engineering, IoT and digital technologies to support smarter facility operations and resource efficiency.

Strategic Partnerships and Engagement

INDUSTRY-ACADEMIA COLLABORATION AND TALENT DEVELOPMENT

During the reporting period, FSE Lifestyle Services deepened its industry-academia collaboration to nurture future talent. The Group signed a MoU with the Vocational Training Council ("VTC") to promote Vocational and Professional Education and Training ("VPET") across multiple disciplines. Building on ties established in 2023, this partnership yields over 100 graduate hires and 100 internships annually, while VTC reciprocates with in-service training for FSE employees.

Furthermore, FSE Lifestyle Services continued its partnership with Hong Kong Metropolitan University ("HKMU") via the Project-based Industry Investigation Programme ("PIIP"), career fairs, and industry sharing to build students' practical customer service and problem-solving skills. Ultimately, these ongoing partnerships effectively bridge formal education with practical industry experience, supporting future talent development and strengthening the Group's ties with academic institutions and the wider community.



PROSPERITY

The Prosperity pillar reflects the Group's commitment to supporting technological and social progress and contributing to the sustainable development of the communities in which we operate. We seek to create positive social and economic value through technology, innovation and collaboration, while promoting inclusive access to opportunities and supporting community development.

Material topics

1. **Innovation and Digitisation**
2. **Community Building and Investment**



Innovation and Digitisation

ARTIFICIAL INTELLIGENCE ("AI")

As AI continues to evolve rapidly, the Group recognises its potential to enhance productivity, streamline processes and create new opportunities across its businesses. The Group takes a measured approach to exploring AI applications, considering their business applicability, data security and potential risks.

To support AI adoption, the Group established an AI Steering Committee in October 2025, chaired by an Executive Director Mr Lee Kwok Bong, and comprising representatives from different SBUs. The Committee facilitates knowledge sharing, identifies potential use cases and coordinates AI-related initiatives across the Group. Two AI specialists were also recruited in July 2026 to strengthen internal capabilities. During the reporting period, the Group conducted 27 AI training workshops, engaging 651 participants, to build employees' awareness and capabilities in using AI tools responsibly.

The Group assesses the functionality, business applicability and data security considerations of AI tools before commencing pilot applications. AI is being explored across marketing, operations, finance, procurement and other back-office functions, including data analysis, document preparation, management reporting and automation of routine tasks. The Group is also developing an AI Policy to establish appropriate principles and controls for the responsible use of AI, including data security and protection considerations.

To encourage responsible adoption and knowledge sharing, the Group introduced the 2026 AI Pioneer Award to recognise innovative internal AI applications and encourage employees to explore and integrate appropriate AI solutions into their work.

Innovation and Digitisation

SBUs develop technology-enabled and operational solutions tailored to business and customer needs, supported by the Group's IT, Technical & Training Committee and cross-functional collaboration platforms.

FES — Smart and Sustainable Solutions

FES develops technology-enabled solutions to improve resource efficiency and environmental performance. FioTec integrates building management, HVAC, security and IoT systems to support real-time monitoring and predictive maintenance. FSEnergy supports EV adoption, with more than 6,000 charging points installed as at the Reporting Date. FSEcoZone, a nanobubble ozonation solution developed with the Nano and Advanced Materials Institute ("NAMI"), supports water treatment and cooling system efficiency and has been deployed at Kai Tak Sports Park Dining Cove.

Urban — Sm@rtUrban PropTech Programme

Urban launched the Sm@rtUrban PropTech Programme, comprising 10 innovation projects covering smart operations, AI-enabled customer services, drone inspections and environmental management. At Mei Foo Sun Chuen, an Automatic Vehicle Identification ("AVI") System using License Plate Recognition technology was deployed to streamline vehicle access, reduce waiting and idling time and improve carpark management.

General Security — AI-enabled Safety Monitoring

General Security developed an AI-enabled high-altitude object detection and tracking system for high-rise residential environments. The system uses multi-angle cameras and AI-powered image analysis to detect falling objects, track trajectories and support incident investigation, enhancing community safety and response capabilities.

FSEE — Strengthening workplace safety, operational efficiency and environmental performance through innovation

Digital Safety and Smart Operations: FSEE enhanced its WorkSafe Digital Safety Management App to support digital safety inspections, risk assessments, site patrols and training records. Foremen can conduct risk-based inspections, while safety officers and project managers can monitor records and follow-up actions. FSEE also developed an IoT monitoring and control platform at its Shenzhen Technical Centre, enabling real-time data visualisation, analytics, automation and resource management.

Modular Integrated Construction ("MiC") and Multi-trade Integrated Mechanical, Electrical and Plumbing ("MiMEP") Operations: FSEE's local off-site MiMEP fabrication plant obtained ISO 9001, ISO 14001 and ISO 45001 certifications, supporting integrated quality, environmental and OSH management. FSEE also received three awards at the Construction Industry Council MiC/MiMEP Achievement Award 2025 for projects at Kai Tak Sports Park, West Kowloon Government Offices and Nina Tower.

Innovation and Digitisation

DRIVING INNOVATION: DIGITISATION, ADVANCED MANUFACTURING, AND ARTIFICIAL INTELLIGENCE INTEGRATION

1. Digital Transformation & Building Information Modelling ("BIM") Leadership

The Group established a dedicated task force for BIM, Multi-trade Integrated Mechanical, Electrical and Plumbing ("MiMEP"), and Artificial Intelligence. In 2023, FSEE became the first Mechanical, Electrical and Plumbing ("MEP") contractor to earn the International Organization for Standardization ("ISO") 19650 BIM certification. Our Construction Industry Council ("CIC")-certified BIM Managers ("CCBM") and Coordinators ("CCBC") utilize proprietary BIM libraries and Application Programming Interfaces ("APIs") to streamline workflows and minimize clash risks.

2. Advanced Manufacturing & Project Portfolio

Our state-of-the-art MiMEP factory in Fanling achieved ISO 9001, 14001, and 45001 certifications in February 2026. The facility prefabricates solutions including ceiling MEP modules, pump sets, Miniature Circuit Breaker boards, and electrical assemblies. These capabilities are deployed across 22 active Modular Integrated Construction ("MiC") and/or MiMEP projects, serving the Hong Kong Housing Authority, Hong Kong Housing Society, Architectural Services Department, Hong Kong-Shenzhen Innovation and Technology Park, and major private developments.

3. Strategic AI Adoption Roadmap

Our AI adoption roadmap drives efficiency, customer experience, and data-driven decisions. The secure rollout focuses on:

- Identifying high-impact use cases.
- Establishing secure data infrastructure and governance.
- Defining key performance indicators for return on investment.
- Upskilling staff for continuous innovation.

To support this, we launched the AI Academy to deliver skills training and execute Proof of Concept ("POC") pilots to eliminate repetitive tasks and enhance workflows.





Innovation and Digitisation

Management and employees participate in technology study tours, innovation missions and industry exchanges to gain exposure to developments in AI, robotics, big data and cloud computing and explore their potential applications across the Group.

The Group also promotes cross-functional collaboration and employee participation in innovation initiatives to facilitate knowledge sharing and strengthen capabilities. These efforts support continuous improvement, operational innovation and responsible adoption of emerging technologies.

HANGZHOU AI AND INNOVATION STUDY MISSION — ADVANCING SMART LIVING



To strengthen technology capabilities and support digital transformation, FSE Lifestyle Services participated in a three-day AI and Innovation Study Mission to Hangzhou. The delegation was led by the Group's Executive Vice-Chairman and CEO, alongside four other executives.

By engaging with leading technology entities, including Unitree Robotics, DEEP Robotics, Alibaba Group, NetEase, BrainCo and the Hangzhou City Brain Operations Command Center, the delegation gained insights into applications of AI, big data, cloud computing, blockchain and robotics.

The mission facilitated knowledge exchange and exploration of practical applications to support smarter, safer and more efficient operations across the Group's businesses.

Innovation and Digitisation

SHENZHEN TECHNOLOGY EXCHANGE TOUR — EXPLORING INNOVATION AND EMERGING TECHNOLOGIES



As part of its efforts to strengthen innovation capabilities, FSE Lifestyle Services organised a Shenzhen Technology Exchange Tour led by the Group's Executive Vice-Chairman and CEO. The tour brought together 40 Executive Directors, senior management representatives from SBUs and selected YETP and EDP graduates.

The delegation visited technology companies and engaged with industry leaders to gain insights into smart parking, building management, EV charging, energy storage, energy-saving solutions, LED displays and BIM applications. The exchange facilitated cross-functional knowledge sharing and exploration of potential technology applications across the Group's businesses.



Community Building and Investment

The Group is committed to supporting community well-being through charitable giving, volunteering and long-term partnerships with NGOs and community organisations. The FSE Charity Fund supports initiatives addressing the needs of the following groups of the community.

The Group develops sustained partnerships with community organisations to understand community needs and provide opportunities for employees and their families to participate in fundraising, community services, environmental activities, sports and youth programmes.

Focus areas	Selected community partners
 **Children and Youth**	Evangelical Lutheran Church Social Service Hong Kong Ronald McDonald House Charities Hong Kong St. James' Settlement Social Welfare Department of the HKSAR Government Youth Outreach Yan Chai Hospital
 **The Elderly**	St. James' Settlement Tung Wah Group of Hospitals Po Leung Kuk
 **Underprivileged Groups**	ACCA Hong Kong St. James' Settlement The Boys' & Girls' Clubs Association of Hong Kong Food Angel The Salvation Army Food Grace
 **People with Diverse Abilities**	Heep Hong Society Baptist Rainbow Social Service Centre The Zubin Foundation Chi Lin Buddhist Secondary School The Hong Kong Society for Rehabilitation

Community Building and Investment

During the reporting period, the Group initiated and participated in approximately 30 fundraising, charitable and community engagement activities, including fundraising campaigns, food preparation and distribution, environmental clean-ups, and sports and community events.

CSR Activities
Total hours

2026	2025
30,095	28,367

CSR Activities
Total activities

2026	2025
264	256

CSR Volunteers
Total participants

2026	2025
4,099	4,908

The Group received 20 Caring Company logos from the Hong Kong Council of Social Service, with more than half of the SBUs maintaining the recognition for over 15 years.

Through these initiatives, the Group seeks to mobilise its people and families, strengthen community partnerships and contribute to identified community needs.



Community Building and Investment

FSE CARING DAY 2026 — SHARING LOVE, WARMING HEARTS



FSE Caring Day is FSE Lifestyle Services' flagship community initiative, bringing together management, employees, their families and community partners to support people in need and promote care, respect and social responsibility.

In 2026, the Group collaborated with Po Leung Kuk for the 14th consecutive year and supported the Po Leung Kuk Charity Walk 2026 as a Gold Sponsor. More than 160 colleagues and family members participated in the 4.5 km charity walk, with funds raised supporting over 300 Po Leung Kuk service units serving underprivileged and vulnerable individuals and families in Hong Kong.

As part of FSE Caring Day, colleagues prepared 540 lucky bags with handwritten blessing cards for elderly people and children. Volunteers also engaged with approximately 450 elderly people through activities and game booths at Po Leung Kuk Lau Chan Siu Po Elderly Centre, and conducted home visits to 160 elderly people living alone in Lam Tin, providing companionship and care.

These initiatives demonstrate the Group's commitment to community investment through charitable giving, employee and family participation, direct engagement and long-term partnerships with community organisations, while fostering a culture of social responsibility and inclusion.





Community Building and Investment

PROMOTING ACCESSIBILITY AND INCLUSION THROUGH COMMUNITY ENGAGEMENT



The Group is committed to promoting an inclusive and accessible community where people of all abilities can participate fully with dignity. During the reporting period, FSE Lifestyle Services supported the Hong Kong Society for Rehabilitation ("HKSR") in its annual "Barrier Busters" community education and fundraising event.

More than 60 colleagues participated, including eight colleagues who joined the "Barrier-Free City Explorer" orienteering challenge to experience and better understand accessibility barriers faced by persons with disabilities and chronic illnesses. Other colleagues volunteered at the "Barrier Busters Carnival", supporting inclusive games, charity sales and challenge stations.

The initiative enhanced employees' awareness of accessibility and universal design, while demonstrating the Group's commitment to social inclusion through employee engagement and community partnerships.

FOSTERING COMMUNITY ENGAGEMENT THROUGH THE ACCA COMMUNITY DAY CHARITY RICKSHAW RACE



FSE Lifestyle Services participated in the ACCA Community Day cum Rickshaw Race for the fourth consecutive year, reinforcing its commitment to community engagement and employee volunteerism. In 2026, 27 employees from across the Group's SBUs volunteered in the event organised by the Association of Chartered Certified Accountants ("ACCA") Hong Kong, under the theme "Run Ahead for Inclusive Community and Sustainable Value".

The event provided colleagues with opportunities to support community causes, strengthen teamwork and promote social inclusion. The Group was also recognised with the Outstanding Costume Award, reflecting the creativity and team spirit of participating colleagues.

The initiative demonstrates the Group's approach to community investment through sustained employee participation and collaboration with community partners.

Community Building and Investment

EMPOWERING SEN YOUTHS THROUGH WORKPLACE INTERNSHIPS



As part of its commitment to inclusion, the Group partnered with Heep Hong Society to provide four young people with SEN with a one-month internship, offering practical workplace experience, skills development and confidence-building opportunities.

To strengthen staff capability in supporting SEN inclusion, 20 HR colleagues and SEN supervisors attended an SEN Inclusion Workshop covering SEN awareness, inclusive communication, coaching and workplace adjustments. During the internship, the Group's mentors and a Heep Hong Society job coach provided guidance and support to the interns, followed by a sharing session to exchange experiences and insights.

The programme demonstrates the Group's commitment to community investment through youth development, employee engagement and collaboration with community organisations, while promoting greater participation and inclusion of people with diverse abilities.

PLANET

The Planet pillar sets out the Group's approach to managing environmental impacts, focusing on climate change, GHG emissions, energy and resource use, and waste management. The Group integrates environmental considerations into its operations and customer solutions to support sustainable development. During the reporting period, the Group and its SBUs received "EcoPartner" recognition under the BOCHK Corporate Low-Carbon Environmental Leadership Awards 2025 for their active participation in promoting low-carbon and sustainable development.

Material topics

1. **Climate Change**
2. **Energy Use and Greenhouse Gas Emissions**
3. **Resources Management**
4. **Waste Management**



Climate Change

The Group recognises the potential impacts of climate change on its operations, value chain and long-term business development. While climate change was not identified as a top material issue through the Group's stakeholder engagement and materiality assessment, the Group continues to monitor climate-related risks and opportunities and strengthen its resilience and adaptive capacity.

In accordance with Part D of the HKEX ESG Code, the Group's climate-related disclosures are structured around four core pillars: Governance, Strategy, Risk Management, and Metrics and Targets. Further details are provided in the "HKEX ESG Code Content Index".

GOVERNANCE

The Group's ISO 14001-certified Environmental Management System, Sustainability Policy and Energy and Carbon Management Policy provides the framework for managing environmental impacts, reducing emissions, improving energy efficiency and promoting responsible resource management.

During FY2025, the Group signed the Business Environment Council Limited's BEC Net-Zero Carbon Charter, reaffirming its commitment to the transition towards a low-carbon economy. Dedicated ESG Committees oversee relevant environmental initiatives, policies and regulatory developments. Further details of the Group's sustainability governance are set out in the "Sustainability Governance Structure" section.

The Group also considers climate-related risks, including extreme weather events, in maintaining operational resilience and implementing appropriate mitigation and adaptation measures.

During the reporting period, the Group complied with applicable environmental laws and regulations in Hong Kong, including but not limited to, the Air Pollution Control Ordinance (Cap. 311), Dangerous Goods (Control) Regulation (Cap. 295G), Hazardous Chemicals Control Ordinance (Cap. 595), Motor Vehicle Idling (Fixed Penalty) Ordinance (Cap. 611), Noise Control Ordinance (Cap. 400), Pesticides Ordinance (Cap. 133), Product Eco-responsibility Ordinance (Cap. 603), Road Traffic Ordinance (Cap. 374), Waste Disposal Ordinance (Cap. 354) and Water Pollution Control Ordinance (Cap. 358) of the laws of Hong Kong.

Climate Change

STRATEGY AND CLIMATE-RELATED RISK ASSESSMENT

During FY2025, the Group engaged an external consultant to conduct a qualitative climate scenario analysis of potential physical and transition risks affecting its Hong Kong operations. The assessment referenced the TCFD recommendations and considered High Emissions and Low Emissions scenarios based on the IPCC and NGFS pathways. The assessment considered short-, medium- and long-term climate-related impacts on the Group's operations, assets, supply chain and operating environment. Its findings have informed the Group's climate-related risk management, mitigation and adaptation measures, as well as relevant environmental metrics and targets.

	High Emission (Business-as-usual scenario)	Low Emission (Net Zero scenario)
Scenario references	• IPCC SSP5-8.5 • NGFS Current Policies	• IPCC SSP1-2.6 • NGFS Net Zero 2050
General assumptions	• This scenario assumes emissions will continue to grow until 2080, leading to 3°C or more of warming by 2100 • Assume that only currently implemented policies are retained • Assume new technology development continues at the current pace	• This scenario assumes strong climate policies and innovation to limit global warming to below 1.5°C by 2100 • Assume ambitious climate policies are introduced immediately • Emphasis on decarbonizing electricity supply, improving energy efficiency and developing new technologies
Time horizons	Baseline year: 2024 Short term: 1-5 years Medium term: 5-10 years Long term: Over 10 years	
Limitations and caveats	• Scenario analysis is conducted based on the use of publicly available source. • Climate hazard level does not take into account any additional asset-level mitigation measures.	

The scenarios are not forecasts or predictions of future outcomes. They are intended to assess the Group's resilience under plausible climate-related conditions and are subject to uncertainties in climate science, policy, technology, market conditions and other factors. During the reporting period, the Group's ESG Committee reviewed the scenario analysis and confirmed that its findings and assumptions remained relevant. The Group will continue to monitor developments in climate science, regulation and its operating environment and update its assessment and response measures as appropriate.

Climate Change

RISK MANAGEMENT

The Group identifies and assesses climate-related physical and transition risks and considers their potential impacts on its operations and value chain. Relevant risks are prioritised and monitored through the Group's risk management processes, with mitigation and adaptation measures implemented as appropriate.

The key climate-related risks identified through the assessment, including their drivers, affected SBUs, potential impacts and mitigation measures.

Risk Driver	Time-frame	Major Affected SBUs	Potential Impacts	Mitigation Measures
Physical risk				
Acute risk — Extreme weather events	Short	Corporate level and all SBUs	Challenges to operations, legal disputes, financial burdens, injuries, and reputation damage.	Risk evaluation and emergency preparedness training.
Chronic risk — Changing climate and weather variability	Medium	Corporate level and all SBUs	Disruption of supply chains, health risks, operational adjustments, and increased costs.	Strengthen infrastructure and establish contingency plans.
Transition risk				
Evolving stakeholder expectations regarding sustainability and ESG priorities.	Short	Corporate level and all SBUs	Loss of market share, reduced competitiveness, credit risks.	Stakeholder engagement and sustainability training programmes
Neglecting climate-related risks in investment decision-making	Short	Corporate level	Negative impact on long-term returns and asset value.	Integrate climate risk assessments and regular review of investments
Evolving industry demands for sustainability, innovation, and material availability	Medium	FSEE, Urban, Kiu Lok, IPM	Risks to project timelines, increased costs, and revenue streams affected.	Strategic supplier partnerships and cost-benefit analysis for green technologies.
Increasing operating costs due to carbon taxation on traditional fuel vehicles	Medium	Waihong	Increased operational costs and financial challenges.	Cost management strategies, fleet diversification, and stakeholder engagement.
Failing to adapt to evolving regulatory frameworks and compliance requirements	Medium	Corporate level and all SBUs	Increased costs from penalties, legal liabilities, and operational inefficiencies.	Regulatory monitoring systems, employee training, and compliance strategy development.

Climate Change

RISK MANAGEMENT

The Group integrates climate-related considerations, where relevant, into its Enterprise Risk Management ("ERM") framework to identify, assess, monitor and manage climate-related risks and opportunities. While climate change was not identified as a principal enterprise risk during the reporting period, the Group recognises its potential impacts on operations, assets, supply chains and the broader business environment over the short, medium and long term.

Climate-related risks and opportunities are identified through climate scenario analysis, enterprise risk assessments, operational reviews and monitoring of regulatory, market, technological and physical climate developments. The assessment considers both physical risks and transition risks. Relevant opportunities, including energy efficiency, technology adoption and lower-carbon products and services, are also considered.

Identified risks are assessed based on likelihood, potential impact, time horizon, exposure and existing mitigation measures. Relevant SBUs and functions contribute to the assessment, with material matters escalated to management and the Board, where appropriate. Climate-related risk assessments are reviewed periodically and mitigation or adaptation measures are incorporated into operational planning and decision-making as appropriate.

METRICS AND TARGETS

The Group monitors climate-related metrics, including energy consumption, GHG emissions and resources use. Fuel consumption intensity and electricity consumption intensity are established operational KPIs, reviewed and set annually by the ESG Committee to monitor energy efficiency and key energy sources contributing to Scope 1, Scope 2 and Scope 3 GHG emissions.

The Group sets annual environmental targets based primarily on historical performance, taking into account operational circumstances, business priorities and strategic development. Progress is monitored regularly and relevant measures are reviewed to support continual improvement.



Climate Change

KPI/Metric	FY2026 target	FY2026 performance	Status/way forward
Fuel consumption intensity	1% reduction	6.4% increment	Not achieved; affected by drop of revenue; the Group participated carbon offset program to achieve net zero
Electricity consumption intensity	1.5% reduction	1.8% reduction	Achieved; maintained as a long-term operational KPI
Scope 3 GHG emissions	Progressively disclose Scope 3 GHG emissions	99,785 tCO_2e	Disclosure commenced; coverage to be progressively expanded
Lower-carbon vehicle transition	Replace a further 14 lower carbon vehicles by 2027	19 vehicles replaced, comprising 14 electric vehicles ("EVs") and 5 hybrids	In progress

Fuel and electricity consumption intensity KPIs are operational measures for monitoring energy efficiency and are not substitutes for GHG emission reduction targets. The Group will assess the feasibility of establishing specific Scope 1 and Scope 2 GHG emission-based KPIs and/or targets, taking into account its operational characteristics, data availability, business unit coverage and decarbonisation opportunities.

The Group commenced the disclosure of relevant Scope 3 GHG emissions during the reporting year based on materiality and data availability, and will progressively expand their coverage.

The Group's operations generate immaterial quantities of NOx, SOx and particulate matter. Accordingly, no specific air pollutant reduction targets were established during the reporting period. Performance will continue to be monitored and the approach reviewed as appropriate.

The Group's climate action supports Hong Kong's long-term carbon neutrality goal. The Group will continue to review its climate-related targets and, where appropriate, consider developing a Group-wide climate transition plan informed by its climate scenario analysis, regulatory developments and stakeholder expectations.



Energy Use and Greenhouse Gas Emissions

The Group monitors energy consumption and GHG emissions to support effective environmental management, emissions reduction and continual improvement. GHG emissions are reported as Scope 1, Scope 2 and relevant Scope 3 emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).

The Group adopts the operational control approach to define its organisational boundaries. Scope 1 and Scope 2 emissions are primarily calculated using activity data from fuel consumption records, utility invoices and operational records, multiplied by applicable emission factors. Emission and GWP factors are sourced from recognised references, including the IPCC Sixth Assessment Report. The Group continues to enhance its data collection and calculation methodologies to improve the completeness and reliability of its GHG inventory.

SCOPE 1 AND SCOPE 2 GHG EMISSIONS

The Group's principal Scope 1 and Scope 2 emission sources are fuel and electricity consumption. The Group continues to implement energy conservation and efficiency measures to manage energy use, operating costs and associated GHG emissions.

SCOPE 3 GHG EMISSIONS

The Group assesses relevant Scope 3 categories based on materiality and data availability. Category 1 — Purchased Goods and Services has been identified as a significant Scope 3 category based on peer and sector benchmarking.

Scope 3 category	Methodology	Emissions (tCO_2e)
Category 1 Purchased Goods and Services	Extraction, production, and transportation of major goods purchased or acquired by FSE Lifestyle Services during the reporting period . Emissions are calculated using a spend -based method that determines carbon emissions from procurement spend on goods and applying third-party provided emission factors.	99,785 (FY2025: 101,693)

The Group has collected and disclosed Scope 3 emissions for relevant material categories since FY2025 and will progressively expand the coverage and calculation methodologies of its value chain emissions inventory.

SUPPORTING CUSTOMERS IN THE TRANSITION TO A LOWER-CARBON ECONOMY

The Group supports customers in improving energy efficiency and environmental performance through solutions including chiller retrofits and optimisation, smart building management systems and energy-efficient LED lighting. These solutions help improve building energy performance and support customers' energy efficiency and carbon reduction efforts.

Energy Use and Greenhouse Gas Emissions

TRANSITION TO LOWER-CARBON ENERGY AND TRANSPORT

The Group continues to reduce its reliance on fossil fuels and explore lower-carbon energy and transport solutions. During the reporting period, 19 company vehicles were replaced with 14 EVs and five hybrid vehicles, with a further 5 vehicles planned for replacement by FY2027.

The Group is also investigating other feasible options to reduce emissions from its transport operations, including the wider adoption of lower-carbon fuels, energy-efficient technologies and other measures to improve fleet efficiency.

During the reporting period, the Group participated in the Caltex Offset-paired Program, offsetting carbon dioxide emissions associated with diesel consumption by its vehicle fleet through the retirement of Verified Carbon Units ("VCUs"). Based on a conversion factor of 2.7 kg CO_2 per litre, the Group contributed 1,540 VCUs for diesel consumption during the first six months of FY2026 and a further 1,489 VCUs for 550,699 litres consumed from January to June 2026, bringing the total contribution to 3,029 VCUs. These initiatives form part of the Group's ongoing efforts to reduce the carbon footprint of its transport operations and support its longer-term transition towards lower-carbon mobility.

Resources Management

The Group is committed to responsible resources management to reduce environmental impacts and improve operational efficiency. Measures include water conservation, waste reduction, resource recovery and the adoption of more efficient technologies across its operations.

WATER MANAGEMENT

Water is primarily used in the Group's property and facility management, engineering and environmental services operations. While water consumption is not currently identified as a material environmental or climate-related issue, the Group implements water-efficient practices where appropriate, including low-flow fixtures, rainwater harvesting and wastewater recycling.

Through its environmental services businesses, the Group also provides water management solutions to customers to improve water efficiency and reduce the environmental impacts of water treatment and cooling systems.

Case study

富城集團 Urban Group | 僑樂 Kiu Lok

Advancing Water Conservation Through Proactive Property Management



Urban and Kiu Lok promote responsible water use through proactive property management and timely handling of water seepage issues. Through the FEHD's Property Management Companies Water Seepage Handling Scheme, their teams work with residents and stakeholders to identify and address seepage and dripping issues, helping minimise unnecessary water loss and maintain residential environments.

Urban received an Outstanding Performance Award, while its managed properties received Active Participation Awards. Kiu Lok's Larvotto and Prince Apartments (Stage 3) also received Active Participation Awards, with Kiu Lok receiving an Active Performance Award and a Certificate of Recognition from the Property Management Services Authority.

Case study

豐盛環保 FSE Environment

Sharing Water Treatment Expertise to Support Energy-efficient Cooling Tower Operations



During the reporting period, FES was invited by the Electrical and Mechanical Services Department ("EMSD") of the HKSAR Government to share its expertise at a Technical Forum on Fresh Water Cooling Towers. Drawing on over 40 years of experience in water treatment for cooling tower systems, FES shared practical solutions to improve system efficiency and reduce energy consumption, supporting more sustainable HVAC operations and wider energy and carbon reduction.

Waste Management

The Group manages waste through procedures covering waste reduction, segregation, reuse, recycling and appropriate disposal across its SBUs, with the aim of reducing waste generation and reliance on landfill. Digitalisation, including electronic forms, approvals and payment processes, is also used to reduce paper consumption. The Group engages employees and communities through recycling and resource recovery initiatives.

During the reporting period, the ESG Task Force continued to collaborate with Green@Community to promote waste reduction and recycling. The Group also maintained appropriate arrangements for the handling and disposal of hazardous and non-hazardous waste in accordance with applicable requirements.

The Group actively promotes paperless and digitization practices to all business units. During the reporting period, paper procurement intensity significantly reduced by 15.9% in FY2026. The Group has set a FY2027 target to reduce paper procurement by 5%.

SUSTAINABLE FOOD WASTE MANAGEMENT

Waihong provides food waste collection and management services to clients, including a theme park in Lantau and Airport Authority Hong Kong. During the reporting period, it enhanced its food waste collection capabilities through a dedicated vehicle and service team, supported by a smart weighing system and cloud-based data platform for data capture and operational monitoring.

Collected food waste is delivered to O•PARK1 for anaerobic digestion to produce biogas and compost, supporting the diversion of food waste from landfill and the recovery of organic resources.



Case study

豐盛生活服務 FSE LIFESTYLE SERVICES

Promoting Environmental Stewardship & Coastal Cleanup

During the reporting period, FSE Lifestyle Services partnered with Green Hope Hong Kong to organise a wilderness and coastal cleanup at Lobster Bay. A total of 33 colleagues participated, collecting 58.12 kg of waste for proper disposal.



The initiative provided employees with first-hand experience of the environmental impacts of littering, while promoting environmental awareness, volunteerism and responsible behaviours. It also reinforced the Group's commitment to environmental stewardship and community participation.

Case study

富城集團 Urban Group

Contribution to Local Recycling and Circular Economy Innovation

During the reporting period, Urban supported EcoPark (Tuen Mun), one of its managed projects, in participating in Eco Expo Asia 2025, jointly organised by the Hong Kong Trade Development Council and Messe Frankfurt (HK) Ltd. Through facility management and project support, Urban facilitated EcoPark and its tenants in showcasing local recycling, upcycling and circular economy practices.



The initiative enabled Urban to engage with industry stakeholders, exchange knowledge and gain insights into emerging waste management and resource recovery practices, while promoting awareness and collaboration across the circular economy ecosystem.

Performance Data Summary

A. ENVIRONMENTAL DATA PERFORMANCE

Indicators	Unit	Financial Year	
		2026	2025
A1. Emission			
A1.1 The type of emissions and respective emission data [#1]			
NOx	Tonnes	13.60 [#2]	18.52
SOx		0.02 [#2]	0.02
PM		1.18 [#2]	1.38
A1.2 Greenhouse gas emissions in total and intensity			
Scope 1 emissions [#2]	Tonnes of CO_2e	2,974.39 [#2]	3,101.73
Scope 2 emissions (location-based method) [#3]		509.27	576.79
Scope 2 emissions (market-based method) [#3]		509.27	576.79
Total emissions (Scope 1 and 2) — location-based method		3,483.66 [#2]	3,678.52
Total emissions (Scope 1 and 2) — market-based method		3,483.66 [#2]	3,678.52
Total emission intensity (Scope 1 and 2) — location-based method	Tonnes of CO_2e/ FT Employee	0.21	0.19
Total emission intensity (Scope 1 and 2) — market-based method		0.21	0.19

1. Air emissions are generated from the consumption of gasoline and diesel fuel. The emission factors adopted are based on Appendix 2: Reporting Guidance on Environmental KPIs published by the HKEX.
2. Scope 1 GHG emissions include carbon dioxide, methane, nitrous oxide generated from the combustion of fuels in stationary combustion sources and vehicles and is calculated based on the emission factors in the "Appendix 2: Reporting Guidance on Environmental KPIs" published by the HKEX. The global warming potential is referred to in the Sixth Assessment Report of the Intergovernmental Panel on Climate Change ("IPCC"). The Group has adopted the "operational control" approach for defining its organisational boundary for the purpose of Scope 1, and 2 GHG accounting and reporting.
3. Scope 2 GHG emissions are indirect GHG emissions from the consumption of purchased electricity by the Group. The Group reports Scope 2 using both the market-based and location-based methods, in alignment with the Greenhouse Gas Protocol Scope 2 Guidance ("the Guidance"). Market-based method is defined by the Guidance as a method to quantify the Scope 2 GHG emissions of a reporter based on GHG emissions emitted by the generators from which the reporter contractually purchases electricity bundled with contractual instruments, or contractual instruments on their own, and location-based method is defined by the Guidance as a method to quantify Scope 2 GHG emissions based on average energy generation emission factors for defined geographic locations, including local, subnational, or national boundaries. Emission factors used for both methods are sourced as follows: Hong Kong-based operations — "2025 Sustainability Report" published by CLP Holdings Limited and "Sustainability Report 2025" published by HK Electric Investments Limited; Macau-based operations — "2025 CEM Sustainability Report" published by Companhia de Electricidade de Macau ("CEM"); operations based in Chinese Mainland — the "Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors" (《關於發佈2023年電力二氧化碳排放因子的公告》) issued by the Ministry of Ecology and Environment ("MEE") of the People's Republic of China ("PRC").

Performance Data Summary

Indicators	Unit	Financial Year	
		2026	2025
A1.3 Total hazardous waste produced and recycled [#4]			
Waste in Cartridge	kg	219.94 [#5]	337.20
Fluorescent tubes and bulbs		56.84	45.70
Rechargeable Battery		6,313.00	5,002.00
Total hazardous waste		6,589.78	5,384.90
Total hazardous waste intensity	kg/FT Employee	0.40	0.28
A1.4 Total non-hazardous waste produced [#6]			
Recycled office paper	kg	26,517.80 [#7]	44,968.92
Newspaper and carton boxes		1,222.70 [#8]	5,076.20
Container can and metal boxes		65.94	65.41
Glass bottle		88.39	82.50
Plastic bottle		149.39	199.53
Computer & accessories and electrical appliances		460.90 [#9]	793.90
Food waste		72.44 [#10]	48.13
Other Plastic		119.00	–
Total non-hazardous waste		28,577.56	51,234.59
Total non-hazardous waste intensity	kg/FT Employee	1.74	2.69

4. Hazardous waste in general has been collected and handled by professional cleaning service providers and contractors in compliance with local regulations.
5. The decrease in waste cartridges was mainly attributable to the implementation of electronic filing and workflow processes, which reduced paper printing and cartridge consumption.
6. Non-hazardous waste has been collected and handled by professional cleaning service providers and contractors in compliance with local regulations.
7. The decrease in recycled office paper was mainly attributable to reduced paper consumption after the adoption of electronic filing and workflow processes. In addition, the prior year recorded a higher recycling volume due to office renovation activities.
8. The decrease in newspaper and carton boxes was mainly attributable to the reuse of carton boxes and requests to suppliers to avoid unnecessary packaging materials.
9. The decrease in computer & accessories and electrical appliances was mainly attributable to the completion of a major IT replacement and upgrade exercise in the prior year, resulting in fewer computers and related equipment being disposed of in the current year.
10. The increase in food waste was mainly due to a change in reporting coverage. Urban began recording food waste from February to June 2025 (5 months) in the prior year, while FY2026 reflects a full-year reporting period of 12 months.

Performance Data Summary

Indicators	Unit	Financial Year	
		2026	2025
A2. Use of Resources			
A2.1 Energy consumption by type			
Total direct energy consumption [#11]	'000 kWh	12,495.51 [#2]	12,377.41
Direct energy intensity	'000 kWh/FT Employee	0.76	0.65
Diesel oil	'000 kWh	11,500.38 [#2]	11,416.86
Diesel oil intensity	'000 kWh/FT Employee	0.70	0.60
Petrol	'000 kWh	995.13	960.55
Petrol intensity	'000 kWh/FT Employee	0.06	0.05
Total indirect energy consumption	'000 kWh	1,292.47	1,273.36
Total indirect energy intensity	'000 kWh/FT Employee	0.08	0.07
Total energy consumption (direct and indirect)	'000 kWh	13,787.98 [#2]	13,650.77
Total energy consumption (direct and indirect) intensity	'000 kWh/FT Employee	0.84	0.72

11. Energy consumption from fossil fuels in the use of stationary combustion sources and vehicles is calculated with reference to "Appendix 2: Reporting Guidance on Environmental KPIs" published by the HKEX.

Performance Data Summary

B. SOCIAL DATA PERFORMANCE

Indicators	Unit	Financial Year	
		2026	2025
B1. Employment			
Total Workforce			
Total number of employees	Number of people	21,101	26,678
Employees By Gender			
Male	Number of people	9,782	11,901
Full time		8,010	8,934
Part time		1,772	2,967
Female		11,319	14,777
Full time		8,444	10,140
Part time		2,875	4,637
Employees By Age			
Under 30 years	Number of people	1,531	1,993
30–50 years		4,911	5,296
50 years and over		14,659	19,389
Employees By Employment Category and Gender			
Executive	Number of people	66	67
Male		61	58
Female		5	9
Manager		606	660
Male		439	500
Female		167	160
Engineering and office staff		2,583	2,508
Male		1,477	1,422
Female		1,106	1,086
Technical and operations staff		17,839	23,443
Male		7,783	9,890
Female		10,056	13,553

Performance Data Summary

Indicators	Unit	Financial Year	
		2026	2025
Employees By Geographical Region			
Hong Kong	Number of people	20,817	26,348
Macau		52	56
Chinese Mainland		232	274
Turnover of Employees			
Total turnover of employees #12	Number of people (Turnover rate)	4,988 (45%)	3,168 (16%)
Turnover of Employees By Gender			
Male	Number of people (Turnover rate)	2,582 (48%)	1,504 (16%)
Female		2,406 (43%)	1,664 (16%)
Turnover of Employees By Age			
Under 30 years	Number of people (Turnover rate)	479 (72%)	218 (23%)
30–50 years		1,254 (46%)	683 (17%)
50 years and over		3,255 (42%)	2,267 (15%)
Turnover of Employees By Geographic Region			
Hong Kong	Number of people (Turnover rate)	4,930 (45%)	3,151 (16%)
Macau		6 (22%)	5 (9%)
Chinese Mainland		52 (37%)	12 (4%)

12. FY2025 and FY2026 turnover rate is calculated based on full-time employee leavers (except Waihong, which includes both full-time and part-time employees) of the respective financial year, excluding those who left during the probation period, divided by the average total number of employees of that financial year

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Performance Data Summary

Indicators	Unit	Financial Year	
		2026	2025
B3. Development and Training			
Employees Trained			
Total Number of Employees Trained	Number of people (% of employee trained)	15,334 (73%)	19,485 (73%)
Employees Trained By Gender			
Male	Number of people (% of employee trained)	6,812 (70%)	8,745 (73%)
Female		8,522 (75%)	10,740 (73%)
Employees Trained By Employment Category			
Executive	Number of people (% of employee trained)	57 (86%)	61 (91%)
Manager		672 (111%)	623 (94%)
Engineering and office staff		1,764 (68%)	1,771 (71%)
Technical and operations staff		12,841 (72%)	17,030 (73%)
Training Hours			
Average Number of Training Hours			
Total average number of training hours	Number of hours	12.38	9.27
Average Number of Training Hours By Gender			
Male	Number of hours	16.95	12.93
Female		8.43	6.33
Average Number of Training Hours By Employment Category			
Executive	Number of hours	42.81	20.34
Manager		16.24	18.20
Engineering and office staff		15.47	14.81
Technical and operations staff		11.69	8.40

Performance Data Summary

Indicators	Unit	Financial Year	
		2026	2025
B5. Supply Chain Management			
Suppliers			
Total Suppliers	Number	1,688	4,544
Suppliers by Geographical Region			
Hong Kong	Number	1,545	3,216
Macau		16	158
Chinese Mainland		127	1,170
Others		8	0
Subcontractors			
Total Subcontractors	Number	1,153	2,386
Subcontractors by Geographical Region			
Hong Kong	Number	1,060	1,957
Macau		0	186
Chinese Mainland		93	243
B6. Product Responsibility			
Products Sold or Shipped Subject to Recall for Safety and Health Reasons			
Total number of recalls	Number (%)	0 (0%)	0 (0%)
Products and service-related complaints received			
Total complaints received	Number	70	82
KPI B7. Anti-corruption			
Concluded legal cases regarding corrupt practices brought against the company			
Number of cases	Number	0	0
Employees received anti-corruption training			
Total employees trained	Number of people (% of employee trained)	898 (4%)	1,102 (4%)
Total training hours	Number of hours	1,096	1,907

Performance Data Summary

Indicators	Unit	Financial Year	
		2026	2025
Employees received anti-corruption training by employee category			
Executive	Number of people (% of employee trained)	8 (12%)	13 (19%)
Manager		114 (19%)	177 (27%)
Engineering and office staff		442 (17%)	574 (23%)
Technical and operations staff		334 (2%)	338 (1%)
B8. Community Investment			
Community Services			
Total community man-hours contributed	Number of hours	30,095	28,367
Donation/Contribution			
Money donated/contributed	Hong Kong Dollars	476,135	799,450

Indicators	Unit	Financial Year		
		2026	2025	2024
B2. Health and Safety				
Work-related fatalities case and rate				
Number of work-related fatalities	Number of cases	0	0	0
Rate of work-related fatalities	% of total employee	0	0	0
Work Injury				
Number of lost days due to work injury	Number of staff days	27,203	24,307	22,999
Work injury cases	Number of cases	425	413	470

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PART B: MANDATORY DISCLOSURE REQUIREMENTS

Paragraph	Description	Corresponding section and remarks
13 Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG related goals and targets with an explanation of how they relate to the issuer's businesses.	Sustainability Governance Structure; Stakeholder Engagement and Materiality Assessment
14 Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: **Materiality:** The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. **Quantitative:** Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. **Consistency:** The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	About this Report; Stakeholder Engagement and Materiality Assessment; Performance Data Summary
15 Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About this Report

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PART C: "COMPLY OR EXPLAIN" PROVISIONS

Description		Reference and remarks
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Planet During the reporting period, there were no confirmed incidents of non-compliance with relevant laws and regulations that had a significant impact on the Group in relation to air and greenhouse gas emissions, discharges into water and land, or the generation of hazardous and non-hazardous waste.
KPI A1.1	The types of emissions and respective emissions data	Planet Performance Data Summary Given the nature of the Group's business operations, air pollutant emissions are not considered a material topic.
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity	Performance Data Summary
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity	Performance Data Summary
KPI A1.5	Description of emission target(s) set and steps taken to achieve them	Planet
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Waste Management

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Description		Reference and remarks
A. Environmental		
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	Planet
KPI A2.1	Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity	Performance Data Summary
KPI A2.2	Water consumption in total and intensity	Performance Data Summary
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Planet
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	The Group has not identified any issues in sourcing water that is fit for purpose.
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Not applicable. The Group's business activities do not involve the manufacturing of products.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources	Planet
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Planet

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Description		Reference and remarks
B. Social		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	People During the reporting year, there were no confirmed incidents of non-compliance with relevant laws and regulations that had a significant impact on the Group in relation to compensation and dismissal, recruitment and promotion, working hours and rest periods, equal opportunity, diversity and anti-discrimination, or other employee benefits and welfare.
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	People Performance Data Summary
KPI B1.2	Employee turnover rate by gender, age group and geographical region	People Performance Data Summary
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	Occupational Safety and Health During the reporting year, there were no confirmed incidents of non-compliance with relevant laws and regulations that had a significant impact on the Group in relation to providing a safe working environment and protecting employees from occupational health and safety hazards.
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Occupational Safety and Health There were no work-related fatalities during the past three years.

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Description		Reference and remarks
B. Social		
Aspect B2: Health and Safety		
KPI B2.2	Lost days due to work injury	Occupational Safety and Health Performance Data Summary
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Occupational Safety and Health
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Talent Development and Empowerment
KPI B3.1	The percentage of employees trained by gender and employee category	Talent Development and Empowerment Performance Data Summary
KPI B3.2	The average training hours completed per employee by gender and employee category	Talent Development and Empowerment Performance Data Summary
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Employment Practice and Human Rights During the reporting year, there were no confirmed incidents of non-compliance with relevant laws and regulations that had a significant impact on the Group in relation to the prevention of child and forced labour.
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	Employment Practice and Human Rights
KPI B4.2	Description of steps taken to eliminate such practices when discovered	Employment Practice and Human Rights

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Description		Reference and remarks
B. Social		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain	Value chain management
KPI B5.1	Number of suppliers by geographical region	Value chain management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	Value 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	Value chain management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Value chain management

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Description		Reference and remarks
B. Social		
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Products and Services During the reporting year, there were no incidents of non-compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not applicable. The Group's business activities do not involve product manufacturing.
KPI B6.2	Number of products and service related complaints received and how they are dealt with	Performance Data Summary
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Data Governance and Information Privacy
KPI B6.4	Description of quality assurance process and recall procedures	Products and Services Quality, Stakeholder Well-being
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Data Governance and Information Privacy Cybersecurity

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Description		Reference and remarks
B. Social		
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Ethics and Integrity, Anti-bribery and Corruption During the reporting year, there were no confirmed incidents of non-compliance with relevant laws and regulations that had a significant impact on the Group in relation to bribery, extortion, fraud or money laundering.
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees During the Year and the outcomes of the cases	Ethics and Integrity, Anti-bribery and Corruption There were no legal cases relating to corrupt practices concluded during the reporting year.
KPI B7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored	Ethics and Integrity, Anti-bribery and Corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff	Ethics and Integrity, Anti-bribery and Corruption
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	Community Building and Investment
KPI B8.1	Focus areas of contribution	Community Building and Investment
KPI B8.2	Resources contributed to the focus area	Community Building and Investment

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PART D: CLIMATE-RELATED DISCLOSURES

Reference Paragraph	Description	Reference and remarks
Governance		
19 IFRS S2 para. 6	An issuer shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about: (i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities; (iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; (iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	Sustainability Governance Structure; Climate Change

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Reference Paragraph	Description	Reference and remarks
Governance		
	(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Sustainability Governance Structure; Climate Change
Strategy		
20 IFRS S2 para. 10	An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall	
	(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	Climate Change
	(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	Climate Change

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Reference Paragraph	Description	Reference and remarks
Strategy		
	(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	Climate Change
	(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.	Climate Change
21 IFRS S2 para. 13	An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:	
	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	Climate Change
	(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).	Climate Change

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Reference Paragraph	Description	Reference and remarks
Strategy		
22 IFRS S2 para. 14	An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:	
	(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about: (i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities; (ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect); (iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	Climate Change
	(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	Climate Change

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Reference Paragraph	Description	Reference and remarks
Strategy		
23 IFRS S2 para. 14	An issuer shall disclose information about the progress of plans disclosed in previous reporting years in accordance with paragraph 22(a).	Climate Change
24 IFRS S2 para. 16	An issuer shall disclose qualitative and quantitative information about:	
	(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting year; and	Climate Change
	(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 year to the carrying amounts of assets and liabilities reported in the related financial statements.	There is minimal risk of a material adjustment being required in the forthcoming annual reporting period.
25 IFRS S2 para. 16	The issuer shall provide qualitative and quantitative disclosures about:	
	(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and	Climate Change The Group does not currently expect climate-related risks and opportunities to have a material impact on its financial position, financial performance or cash flows over the short, medium or long term. Looking ahead, the Group will assess the feasibility and usefulness of further quantifying the potential financial effects of climate-related factors, with a view to incorporating such analysis into future reporting, where appropriate.
	(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.	

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Reference Paragraph	Description	Reference and remarks
Strategy		
26 IFRS S2 para. 22	An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:	
	(a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	Climate Change

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Reference Paragraph	Description	Reference and remarks
Strategy		
	(b) how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting year in which the climate-related scenario analysis was carried out.	Climate Change

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Reference Paragraph	Description	Reference and remarks
Risk Management		
27 IFRS S2 para. 25	An issuer shall disclose information about:	
	(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about: (i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous reporting year;	Climate Change
	(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	Planet
	(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.	Planet

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Reference Paragraph	Description	Reference and remarks
Metrics and Targets		
28 IFRS S2 para. 29	An issuer shall disclose its absolute gross greenhouse gas emissions generated During the Year, expressed as metric tons of CO_2 equivalent, classified as:	
	(a) Scope 1 greenhouse gas emissions;	Climate Change; Performance Data Summary
	(b) Scope 2 greenhouse gas emissions; and	
	(c) Scope 3 greenhouse gas emissions.	
29 IFRS S2 para. 29	An issuer shall:	
	(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;	Climate Change; Performance Data Summary
	(b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions During the Year and the reasons for those changes;	Climate Change; Performance Data Summary

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Reference Paragraph	Description	Reference and remarks
Metrics and Targets		
	(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	Climate Change; Performance Data Summary
	(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).	Climate Change
30 IFRS S2 para. 29	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Given the nature of the Group's business operations, climate change has been assessed as a non-material issue in relation to the Group's direct operations.
31 IFRS S2 para. 29	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Given the nature of the Group's business operations, climate change has been assessed as a non-material issue in relation to the Group's direct operations.
32 IFRS S2 para. 29	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	Given the nature of the Group's business operations, climate change has been assessed as a non-material issue in relation to the Group's direct operations.

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Reference Paragraph	Description	Reference and remarks
Metrics and Targets		
33 IFRS S2 para. 29	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Given the nature of the Group's business operations, climate change has been assessed as a non-material issue in relation to the Group's direct operations.
34 IFRS S2 para. 29	An issuer shall disclose:	
	(a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and	The Group currently does not apply a carbon price in decision-making.
	(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.	
35 IFRS S2 para. 29	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).	The Group currently does not factor climate-related considerations into remuneration policy. The Group will explore the feasibility of incorporating these considerations into our remuneration policy in future.
36 IFRS S2 para. 32	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.	The Group currently does not apply industry-based metrics in disclosure. The Group will keep assessing the necessity of industry-based metrics application for future reporting years.

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Reference Paragraph	Description	Reference and remarks
Metrics and Targets		
37 IFRS S2 para. 33	An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:	–
	(a) the metric used to set the target;	Climate Change
	(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	Climate Change
	(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);	Climate Change
	(d) the period over which the target applies;	Climate Change
	(e) the base period from which progress is measured;	Climate Change
	(f) milestones or interim targets (if any);	Climate Change
	(g) if the target is quantitative, whether the target is an absolute target or an intensity target; and	Climate Change
	(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Climate Change

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Reference Paragraph	Description	Reference and remarks
Metrics and Targets		
38 IFRS S2 para. 34	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
	(a) whether the target and the methodology for setting the target has been validated by a third party;	The Group currently does not validate the target and the methodology for setting the target by a third party. We will evaluate the feasibility of third-party validation on targets and methodologies for future reporting years.
	(b) the issuer's processes for reviewing the target;	Climate Change
	(c) the metrics used to monitor progress towards reaching the target; and	Climate Change
	(d) any revisions to the target and an explanation for those revisions.	No major revisions have been made to climate-related targets during the reporting year.
39 IFRS S2 para. 35	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.	Climate Change

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Reference Paragraph	Description	Reference and remarks
Metrics and Targets		
40 IFRS S2 para. 36	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 Change
	(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	Climate Change
	(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;	The Group consider our target as a gross GHG emissions target.
	(d) whether the target was derived using a sectoral decarbonisation approach; and	Targets are not derived using a sectoral decarbonization 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: (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).	The Group does not currently use carbon credits to offset greenhouse gas emissions. We are committed to optimizing energy efficiency and climate resilience in our business operation and will keep assessing the necessity of purchasing carbon credits in the future.

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Reference Paragraph	Description	Reference and remarks
Metrics and Targets		
41 IFRS S2 para. 23, 37	In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	The Group currently does not apply cross-industry metrics and industry-based metrics in disclosure. We will keep assessing the necessity of cross-industry metrics and industry-based metrics application for future reporting years.