

CTF SERVICES LIMITED

(Incorporated in Bermuda with limited liability)

Stock code: 659

Environmental, Social and
Governance Report 2025



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ABOUT THIS REPORT

This annual Environmental, Social and Governance (“ESG”) report provides an overview of the ESG performance of CTF Services Limited (“CTFS”) and its subsidiaries’ (“the Group”) for the financial year covering the period from 1 July 2024 to 30 June 2025 (“FY2025”). It is published on the same day as the CTFS [Annual Report 2025](#).

This year’s report highlights the significant progress and key achievements we have made in the fields of ESG and sustainability throughout the year. It also outlines the advancement of our goals and targets in response to the challenges and opportunities presented by a rapidly evolving economic landscape. A key focus is the progress of our ESG strategy, Breakthrough 2050, which was introduced last year — further details can be found in the section titled “[Our Sustainability Vision](#)”. In addition, the report emphasizes events of importance to stakeholders, aligns with market expectations and regulatory requirements, and addresses areas identified by ESG rating agencies.

The reporting content, including the material ESG issues identified, has been reviewed and approved by our Board of Directors (the “Board”) and the Environmental, Social and Governance Committee (the “ESG Committee”).

REPORTING BOUNDARIES AND SCOPE

Referencing the GHG Protocol Corporate Standard, this report adopts the financial control approach, detailing the ESG performance and relevant data of CTFS’s corporate office and its principal subsidiaries that are fully owned¹, excluding financing, investment holding, and property investment companies without operation. Indirect GHG emissions that occur in our value chain are reported as Scope 3 emissions. The data cover key business segments — Roads, Financial Services, Logistics, Construction, and Facilities Management — as represented by the business units listed below.

Roads

CTFS is one of the major road operators in the Mainland. It wholly owns three expressways:

- Zhejiang NWS Expressway Co., Ltd. (“Zhejiang NWS Expressway”), is mainly responsible for the management of Hangzhou Ring Road (“HZRR”), a 103.4 km expressway in Zhejiang Province of China.
- Hunan CTFS Expressway Co., Ltd. (“Hunan CTFS Expressway”) is responsible for the management of Changliu Expressway, a 65 km expressway connecting Changsha and Liuyang in Hunan Province of China.
- Hunan NWS Sui-Yue Expressway Co., Ltd. (“Hunan Sui-Yue Expressway”) is responsible for the management of Sui-Yue Expressway, a 24.08 km expressway in Hunan Province of China.

Financial Services

Chow Tai Fook Life Insurance Company Limited (“CTF Life”) provides a comprehensive range of insurance products, offering lifelong protection, wealth management and succession, health and well-being, and quality of life to meet the evolving needs of the customers and their families.

¹ This ESG Report features the most material ESG impacts to the Group and its stakeholders.

Logistics

- CTFS operates a portfolio of premium logistics properties. Seven premium logistics real estate properties are located in the central and western logistics hubs of Chengdu and Wuhan and 1 logistics property in Suzhou, including:
 - Chengdu Dasheng Logistic Co. Ltd.
 - Jialong (Chengdu) Warehouse Co. Ltd.
 - Jiaxin (Chengdu) Warehouse Co. Ltd.
 - Chengdu Jiachao Warehouse Co. Ltd.
 - Wuhan Jiamai Warehouse Co. Ltd.
 - Jiayao (Chengdu) Warehouse Co. Ltd.
 - Suzhou Greenland Platinum Election e-commerce Co. Ltd.

Construction

- Hip Hing Construction Group (“Hip Hing or Hip Hing Group”) provides professional design, procurement, engineering and construction services across the public, commercial, and private sectors. For the purpose of this report, data from Vibro (H.K.) Limited, a fellow subsidiary specializing in civil engineering works, particularly in foundation and site investigation works, has been consolidated.
- Hsin Chong Aster Building Services Limited is a leading contractor providing comprehensive electrical and mechanical engineering (“E&M”) services in Hong Kong.

Facilities Management

- Hong Kong Convention and Exhibition Centre (Management) Limited (“HML”), is a professional private management and operating company, responsible for providing day-to-day management for the Hong Kong Convention and Exhibition Centre (“HKCEC”).
- Anway Limited and Sky Connection Limited (collectively referred to as “Free Duty”)² offer retail of a wide range of duty-free merchandise at Hong Kong’s cross-border railway terminals and the Hong Kong-Zhuhai-Macao Bridge.
- Urban Parking Limited provides a range of services, including car park management, car park consultation services, car park interior design, a 24-hour centralized control center, procurement of car park equipment.

CTFS has a long history of operating in Hong Kong and the Mainland. Our success is built upon our commitment and ability to create long-term value for our stakeholders and communities. We strive to foster sustainability stewardship among our joint ventures and associated companies and actively promote the adoption of our core value and sustainability vision as we leverage our role as a Board member and investor.

Compared to the previous reporting period, Hsin Chong Aster Building Services Limited and Suzhou Greenland Platinum Election e-commerce Co. Ltd. have been added to the scope of metrics used in our ESG performance measurement in FY2025. For detailed ESG performance, please refer to the [Appendix](#) for supporting data, breakdown and historical performance.

² The Group completed the disposal of its entire stake in Free Duty business during the Current Period, making a full exit from all investments in duty free-related business.

REPORTING STANDARDS AND PRINCIPLES

This report has been prepared in accordance with the Environmental, Social and Governance Reporting Code (“ESG Code”) outlined in Appendix C2 of the Listing Rules. It follows the core reporting principles of materiality, quantitative, balance and consistency as specified in the ESG Code.

Additionally, this report references the Global Reporting Initiative (“GRI”) Standards 2021 to enhance transparency and comparability. Building on this foundation, and in response to increasing stakeholder expectations around climate-related disclosures, we have incorporated key elements from the IFRS S2 Climate-related Disclosures issued by the International Sustainability Standards Board (“ISSB”).

Further reinforcing our commitment to comprehensive sustainability reporting, CTFS enhanced our reporting in FY2025 by aligning with the ISSB’s IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information. This alignment enables us to more effectively communicate the risks and opportunities associated with sustainability while aligning with emerging global standards.

ESG REPORTING ASSURANCE

With the approval of our Board of Directors (the “Board”), PwC was engaged to conduct a limited assurance engagement on certain identified sustainability information in accordance with International Standard on Assurance Engagements (“ISAE”) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board.

Separately, the Hong Kong Quality Assurance Agency (“HKQAA”) conducted an independent verification of the Scope 3 greenhouse gas emissions inventory. This verification provides limited assurance on the data consolidated based on financial influence over indirect emissions, in accordance with the Greenhouse Gas Protocol — Corporate Value Chain (Scope 3) Accounting and Reporting Standard and ISAE 3000 (Revised).

The report and opinion of independent practitioners’ limited assurance are available on page 107 of this report.

SHARE YOUR THOUGHTS

Thank you for reading CTFS’s ESG report 2025. We value your feedback on the material issues discussed and our ESG strategy, as this plays a vital role in helping us enhance our reporting and ESG practices. We welcome your suggestions and comments — please feel free to share them with us at esg@ctfs.com.hk.

In case of any discrepancies or inconsistencies between the English and Chinese versions of this report, the English version shall prevail.

OUR ESG STRATEGY AND PROGRESS

We have integrated ESG principles into our company's vision and mission, guided by the five core values of Breakthrough 2050, our ESG framework designed to set forth new goals and targets that address the challenges and opportunities presented by the rapidly evolving economic landscape. These values, "Act with Integrity", "Advance with Agility", "Evolve Sustainably", "Grow as One", and "Create Shared Value", serve as the foundation of our business strategy and guide our approach to sustainability, being fully embedded in our strategic planning, decision-making, and day-to-day operations. By aligning each initiative with our core values, in addition to setting well-defined targets, establishing structured initiatives, and maintaining continuous performance tracking, we proactively address key sustainability challenges and drive measurable progress.

Our Sustainability Vision

To serve as the building blocks to accelerate our portfolio companies, value chains, and communities for the sustainability transition in line with our corporate values. Building resilience against emerging ESG challenges is integral to our business development. Sustainability is at the heart of our daily operations and we strive to align with the expectations of our key stakeholders in a responsible manner.

Our ESG Framework — Breakthrough 2050

Five Core Values	Our Targets	FY2025 Status
 Act with Integrity Acting with integrity is our most important and inherent core value. It ensures fairness and a high level of ethical standards in our work. Integrity supports the growth of our business and helps nurture our long-term relationships.	Business Ethics and Anti-corruption Maintain 0 convicted cases of corruption	Zero convicted cases of corruption ✓ Progress on track
 Advance with Agility Being resilient and agile is ingrained in our culture. In this ever-changing world, we stay ready to turn challenges into opportunities to maintain our lead in the market.	Sustainable Finance and Investment 50% of bond and loan facilities from green financing by 2030	39% of bond and loan facilities from green financing (as of 30 June 2025) ✓ Progress on track
 Evolve Sustainably Building a more sustainable future for our next generation, communities, and businesses. We do this by incorporating new practices and innovations into the way we work every day.	Climate Change Reducing 50% GHG emissions by 2035 relative to 2023 levels and reaching global net-zero emissions or at a sector level in eligible 1.5°C-aligned pathways by 2050	19% reduction in GHG emissions of Scope 1 & 2 compared to FY2023 ³ ✓ Progress on track
 Grow as One Empowering every team member is to excel at CTFS. We grow and share success as one.	Talent Attraction and Retention Rethink upskilling, embrace flexibility and deliver on purpose-driven work to build trust	Please refer to the "Grow as One" section for FY2025 highlights ✓ Progress on track
 Create Shared Value Aspiring to tie our business success with social progress. Our goal is to create long-term value, not only for our shareholders but all stakeholders in the communities we serve.	Community Investment Support 40 scalable and self-sustaining community projects and solutions, both internally and externally between 2024–2030	Seven projects supported in FY2025 ⁴ ; 15 projects supported to date ✓ Progress on track

³ The GHG emissions reduction reported in "FY2025 ESG Report" excludes the emissions from Kai Tak Sports Park to align with the calculation methodology of the baseline year, FY2023, and allow for meaningful comparison of data.

⁴ The seven projects supported in FY2025 included three projects from the Imp[ACT] Fund and four community projects. For more details, please refer to the sections "Integrating ESG Practices into Every Aspect of Our Business Through Innovation" and "Supporting Our Communities".

FY2025 ESG PERFORMANCE HIGHLIGHTS



ACT WITH
INTEGRITY

Zero instances

of corruption or bribery, discrimination or harassment, customer data privacy breaches, conflict of interest, or money laundering were reported to the CTFS whistleblowing channels or via other channels in FY2025 — the same as FY2024.

Enacted a

new Workforce
Diversity Policy

to aid in fostering an inclusive culture at CTFS.

Achieved a

6:1 male:female

gender diversity ratio for our Board of Directors.

Conducted an independent assessment of our ERM system to successfully validate its robustness and adherence to

ISO 31000:2018

standards.



ADVANCE
WITH AGILITY

Secured

HK\$18.6 billion

in green and sustainability financing.

Procured 14 GWh of GECs in FY2025, expected to enable

↓>5,600 tCO₂e

of emission reductions to support our decarbonization goals.

Added High Conservation Value (“HCV”), High Carbon Stock (“HCS”)

forest areas
and peatlands for
palm oil production

to the investment exclusion list.

Successfully ran our

Imp[ACT] Fund

initiative for a second year, with Hip Hing’s “Distant Tower Crane Command System” winning top prize.



EVOLVE
SUSTAINABLY

Completed a **1.5°C pathway** feasibility assessment for our Phase II business units, Roads and Logistics, as well as for other sector emissions across our value chain. These findings have been used to develop the 2050 CTFS Net Zero Pathway.

Began disclosing externally verified material

Scope 3 emissions

for our corporate office and construction and insurance business units.

Hip Hing and CTF Life’s

near-term targets

have been validated by the SBTi.

Reduced our **Scope 1 and 2 GHG emissions** by

↓11% ✓ compared to FY2024.

Achieved an

↓18% and 11%

reduction in our

water use and
water intensity

compared to FY2024.

Reduced our

general waste
to landfill

(exclude Hip Hing Group) by

↓9% compared to FY2024.



GROW
AS ONE

Our 2025 Employee Engagement Survey received over

1,000 responses,

with a participation rate of 94% across the Group. We received an Overall Engagement

Score of 75%, which is 6% above

the market norm.

Our LTIR was 0.5 during the reporting period, greatly surpassing our target of 3.0. Additionally, our

↓Lost Day Rate has
been reduced

to 41.9 per 100 employees.



CREATE
SHARED VALUE

CTF Services Charity Foundation Limited contributed

HK\$1.29 million

to support our communities.

CTF Life sponsored the Asian Actuarial Conference 2024, which brought together over

1,000 actuaries

and industry leaders to explore the evolving actuarial landscape across Asia.

The HKCEC was accredited with the

Gold Certification

for MICE Venues by CrescentRating, becoming the first convention and exhibition venue in Hong Kong to receive the highest level of certification for Muslim-friendly facilities.

AWARDS AND RECOGNITIONS

Over the past year, our efforts to uphold environmental stewardship, social responsibility, and ethical governance have been acknowledged through a range of awards and recognitions. These accolades not only validate our progress but also inspire us to continue pushing boundaries and setting new standards in sustainable practices. For a full list of all awards and recognition received this year, please refer to the “Awards and Recognitions” section of this report.

Key Awards and Recognitions Received in FY2025

CTFS

Hong Kong Economic Journal
Listed Company Award of Excellence

Hong Kong Investor Relations Association
Best IR Company

Hong Kong Corporate Governance & ESG Excellence Award (Chamber of HK Listed Companies)
Honourable Mention for ESG Excellence — Category 2

Hong Kong Sustainability Award (HK Management Association)
Merit Award (Large Organisation Category)

Extel Award (formerly known as Institutional Investor Award)
Best ESG (Environmental, Social, and Governance)



HIP HING

HK Institution of Engineers 50th Anniversary Legacy Awards
Grand Award (Infrastructure Category, 2010s to present)

HK Construction Association Construction Environmental Awards
2024 Environmental Merit Award

Chartered Institution of Civil Engineering Surveyors Awards 2025
Project of the Year — Grand Award

Association of Consulting Engineers of HK Annual Awards 2024
Overall Best (Kai Tak Stadium)

Smart Site Safety System Labelling Scheme
Four plaques recognizing the successful adoption of 4S at our construction sites

Quality Building Awards 2024 (HK Institute of Housing)
Grand Award; Innovative Project Award; Merit

HK Quality Assurance Awards
Hong Kong Green and Sustainability Contribution Awards 2025

ESG Ratings

Our efforts in ESG integration have been recognized with several ESG-related awards in FY2025 and are reflected in our ESG rating performance. CTFS has achieved with an “AA+” in the Hang Seng Corporate Sustainability Index and has obtained an “A” ESG rating from MSCI⁵.



⁵ Disclaimer Statement: The use by CTFS of any MSCI ESG Research LLC or its affiliates (“MSCI”) data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of CTFS by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided ‘as-is’ and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

CTF LIFE

HR Asia
Best Companies to Work for in Asia (4th consecutive year)

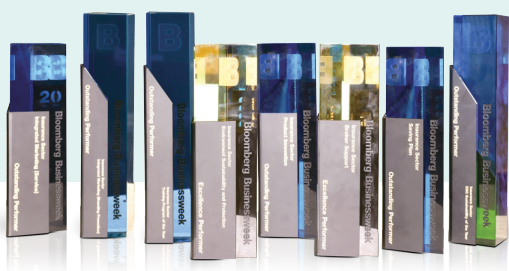
Hong Kong Insurance Awards (HK Federation of Insurers)
Most Innovative Product/Service Award (Health) — Top Three

Hong Kong Business Technology Excellence Awards 2024
Data — Insurance Award

GBA Insurance Awards 2025 (Metro Finance)
Seven awards including outstanding Environmental, Social and Governance Award

Bloomberg BusinessWeek Financial Institutions 2025
Eight awards including Excellence Performance — Environment Sustainability and Protection; and Outstanding Performance — ESG Sustainability of the Year

Institute of Financial Planners of Hong Kong
Best Corporate Financial Education and ESG Leadership of the Year (2nd consecutive year); Corporate Financial Education and ESG Leadership — Gold Award (7th consecutive year)



HML

ISO 20121:2024 Event Sustainability Management System 3-year recognition
Achieved recertification

Halal in Travel Awards 2025 (CrescentRating)
Muslim-friendly Convention & Exhibition Centre of The Year

CrescentRating Accreditation Scheme
Gold in Muslim friendly MICE Venue

5th Annual World MICE Awards
Hong Kong’s Best Convention Centre 2024

Universal Design Award Scheme 2024/25 (Equal Opportunities Commission)
Special Recognition Award and Gold Award

Hong Kong Green and Sustainability Contribution Awards 2025 (HKQAA)
Seven awards across various categories

Digital Accessibility Recognition Scheme 2024-2025 (HK Internet Registration Corporation Limited)
Triple Gold Award in the website stream and Gold Award in iOS and in Android in the mobile app stream



MESSAGE FROM THE CHAIRMAN OF THE ESG MANAGEMENT TASK FORCE

Dear Stakeholders,

We are pleased to present CTFS's FY2025 ESG Report, a forward-looking reflection of our sustainability journey, progress, and ambitions within a cohesive strategic framework. At CTFS, ESG is more than a compliance exercise: it is central to how we create long-term value, manage risk, and build resilience in a rapidly evolving world.

ACCELERATING OUR DECARBONIZATION JOURNEY

Since the launch of *Breakthrough 2050* last year, we have deepened ESG integration across our core operations and expanded our greenhouse gas inventory disclosures to sharpen our decarbonization focus. We have set clear decarbonization targets, with two business units receiving near-term target validation from the Science Based Targets initiative. All business units are formulating tailored decarbonization strategies aligned with their operational and strategic focuses, positioning us to accelerate impact in the years ahead.

FINANCING THE LOW-CARBON TRANSITION

Aligned with IFRS S1 and S2, the global sustainability disclosure standards, we are committed to enhancing the quality and relevance of our disclosures to better demonstrate how sustainability-related risks and opportunities translate into financial impacts across the short, medium, and long term. In FY2025, we mobilized HK\$18.6 billion in Sustainability-Linked Loans and Green Debt Financing, representing 39% of Total Debt financing.

To ensure capital is directed toward initiatives that enhance resilience and mitigate climate and social risks, we have embedded sustainability into our investment criteria. CTF Life has adopted MARS Climate, a transition risk model powered by BloombergNEF's Transition Risk Assessment Tool. This model projects revenue risks and opportunities by analyzing company activities, supply chain exposure, and regional footprint under various Network for Greening the Financial System climate scenarios, reinforcing our commitment to responsible investment.

DRIVING DIGITAL TRANSFORMATION FOR THE TRANSITION

We continue to enhance efficiency, customer experience, and resilience through digitalization and data-driven insights. Artificial Intelligence ("AI") is being leveraged to anticipate and address sustainability challenges, while health and safety are strengthened through advanced safety monitoring and standardized processes. Our cybersecurity resilience is scaling in tandem with our expanding digital ecosystem.

Across our businesses, technology adoption is transforming operations. For example, our road operations have been modernized with AI monitoring and electronic payment systems, reducing congestion and improving user experience. Mobile payment platforms, such as WeChat Pay and Alipay, are now available across all tolling sections, offering fast, safe, and convenient transactions.

In construction, we view digitalization as a key driver of industry advancement. Our strategy modernizes the entire project lifecycle through digital tools, data-driven decision-making, and lean practices. By embracing BIM, real-time analytics, mobile apps, and prefabrication, we are delivering safer, faster, and more predictable projects with reduced waste and improved collaboration. A standout innovation is the Hip Hing Distant Tower Crane Command System, which integrates MiC, AI, IoT, and remote-control technology to drive innovation in traditional crane operations.

BUILDING RESILIENCE FOR THE TRANSITION

Building resilience starts from within. Our newly introduced Group-wide Workforce Diversity Policy fosters an inclusive culture that attracts, retains, and nurtures diverse talent, strengthening both resilience and reputation. We define diversity as embracing a wide range of voices and perspectives, which leads to better decision-making.

Through ESG capacity-building and empowerment programs, our business units are equipped to lead the transition with measurable progress and sustained accountability. Our 45 Imp[ACT] Leaders across the Group bring diverse expertise to accelerate readiness for future shifts in markets, technology, and regulation.

LOOKING AHEAD

Breakthrough 2050 is more than an ESG framework — it is a value-creation engine. By accelerating decarbonization, strengthening governance, and empowering our people, we unlock durable value across the Group. Our disciplined approach to disclosure, performance tracking, and strategic investment ensures ESG considerations are embedded in every decision, from operations to strategy to capital allocation.

We invite all stakeholders to engage with us, challenge us, and collaborate in shaping a more sustainable, resilient future. As we look ahead to FY2026 and beyond, we remain committed to delivering measurable progress, maintaining accountability, and fostering open, transparent dialogue that underpins our shared success.

Mr. Jim Lam

Executive Director and Group Chief Operating and Financial Officer and
Chairman of the Environmental, Social and Governance Management Task Force

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Overview of the Materiality Assessment Process

CTFS conducts an annual materiality assessment to identify and prioritize ESG issues that are most relevant to our stakeholders and our business operations. This process enables us to better understand the external impacts and internal financial implications of these issues, including associated risks and opportunities. Through active engagement with internal and external stakeholders, we gather insights into their concerns and expectations, which inform our strategic ESG direction and help identify the material issues. By listening to stakeholder feedback and aligning it with our corporate priorities, we ensure that our actions are responsive and impactful.

The materiality assessment process is as follows:

IDENTIFICATION OF ESG ISSUES



A potential list of ESG issues relevant to CTFS and its stakeholders was identified through a comprehensive process that included conducting desktop research and peer benchmarking, in addition to revisiting previous materiality assessments. ESG reporting frameworks and materiality requirements from ESG rating agencies were also taken into account for alignment with industry standards, and insights from CTFS's annual enterprise risk management assessment exercise contributed to the identification of key issues. The outcome was a refined list of ESG issues with clear definitions, which was used to guide stakeholder engagement.

EVALUATION AND PRIORITIZATION



Key stakeholder groups were invited to participate in an online survey, focus groups, and interviews to gather comprehensive feedback on the identified material ESG issues. This year, under the double materiality approach, the engagement focused not only on the potential impact on the economy, environment, and society, but also on the overall enterprise value. We conducted in-depth engagement to understand how ESG-related issues arise and their financial impact on CTFS, as well as the company's broader role in influencing ESG-related risks and opportunities for stakeholders and the environment. Feedback was collected from various business units and departments to understand how different material issues shape CTFS as a whole.

VALIDATION

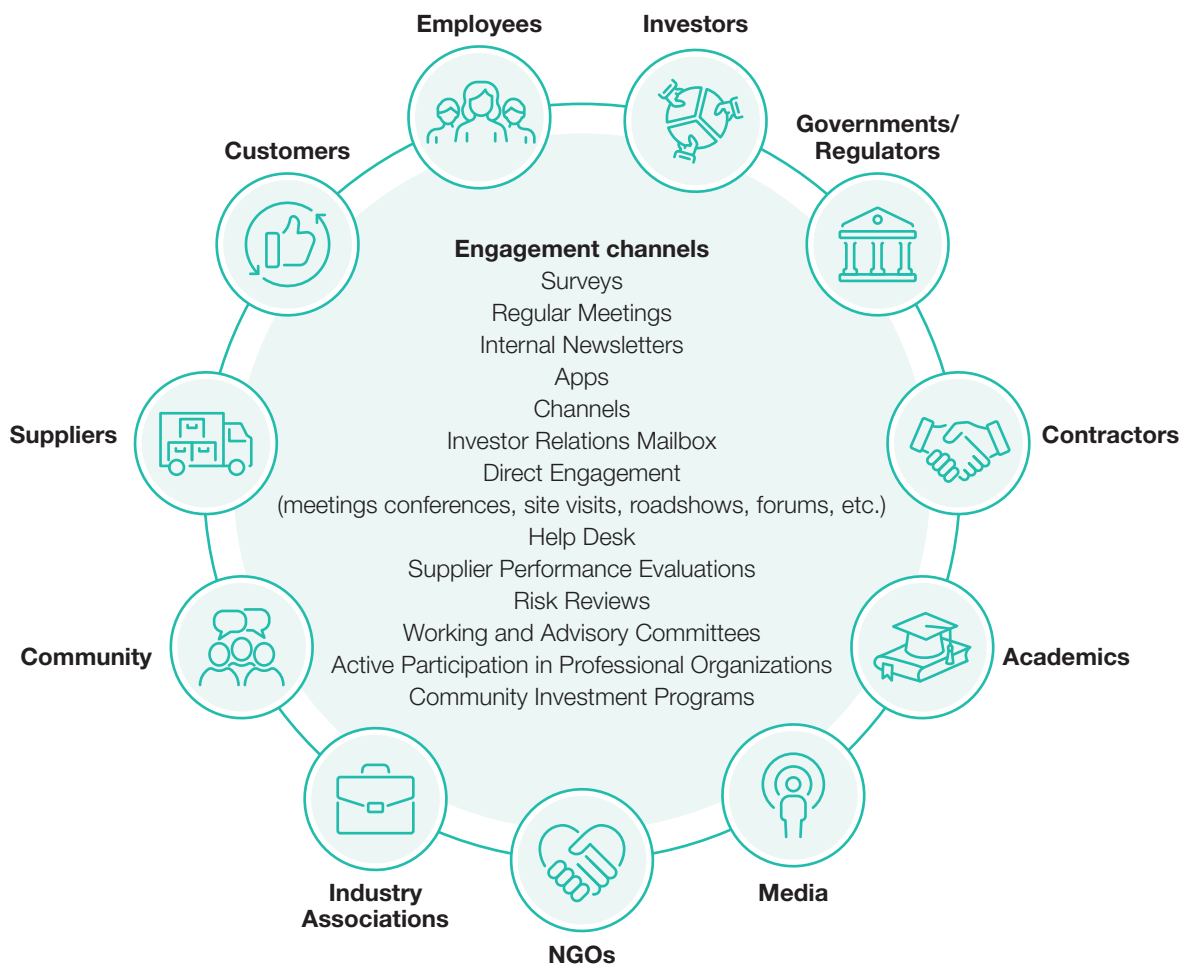


A validation meeting was held to review the oversight of materiality assessment process the identified material ESG issues, for formal approval and sign-off by the board-level ESG Committee. The Committee gained a clear understanding of the impact and financial implications of these issues, recognizing their relevance and materiality. This understanding will guide CTFS in shaping its strategic direction and areas of focus moving forward.

Building on the results of this materiality assessment applying double materiality principles, we have developed a refined list of material ESG issues. This process also evaluated how these trends may influence CTFS's operations, helping us better anticipate future challenges and opportunities.

Communicating with Our Stakeholders

Throughout the year, CTFS actively engages with both internal and external stakeholders, recognizing their vital role in shaping our sustainability strategies. We engage with a diverse range of stakeholder groups through various channels, including online surveys, interviews, meetings, and seminars. This engagement provides us with valuable insights into evolving market trends and the global ESG landscape. The feedback we receive from stakeholders helps guide the development of our sustainability-related initiatives and targets, ensuring they are aligned with stakeholder expectations and address key areas of concern.



Double Materiality Assessment

In 2025, CTFS conducted a comprehensive double materiality assessment to prioritize and deepen our understanding of both the external impacts and internal financial implications of key ESG issues. We assessed financial materiality and examined the group's activities that affect broader society and the environment. Additionally, we gathered feedback and insights from key sustainability trends and frameworks. The results of the materiality assessment are outlined in our materiality matrix.

This exercise enabled us to identify emerging risks and opportunities across our operations, while reaffirming our commitment to stakeholder engagement. Through meaningful dialogue with internal and external stakeholders, we observed a notable shift in material issues compared to the previous year.

Cybersecurity and information security have emerged as critical concerns driven by the rapid advancement of digitalization and product standardization. While these megatrends offer operational efficiencies, they also introduce new vulnerabilities that require proactive and adaptive risk management.

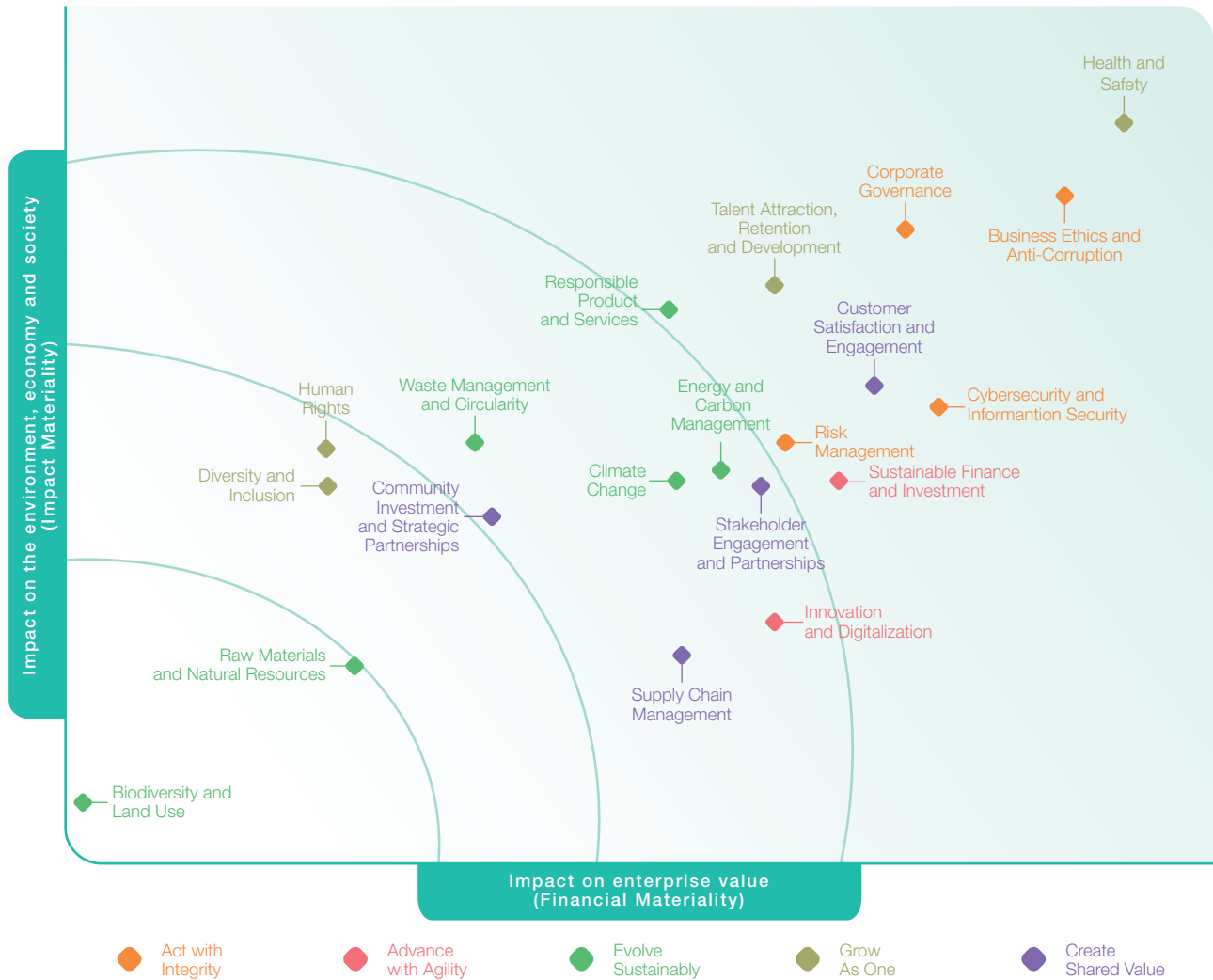
In contrast, ESG issues such as climate change, energy and carbon management, responsible product and services, and raw materials and natural resources were assessed as having relatively lower materiality. This reflects the progress we have made in implementing decarbonization and energy-efficiency strategies and innovations across our business units.

Our stakeholders recognized CTFS as a sustainability leader and commended our efforts in community engagement, ESG strategy development, and the exploration of low-carbon construction materials. Feedback emphasized the importance of enhancing communication channels, including hosting ESG seminars, increasing public awareness, and organizing site visits to deepen understanding of specific ESG risks and opportunities.

Across both internal and external stakeholder groups, business ethics and anti-corruption were consistently ranked as the highest priority in overall materiality in the double materiality assessment. These findings will continue to inform our strategic ESG direction and reinforce our commitment to responsible business practices.

Looking ahead, stakeholders expressed growing interest in emerging sustainability trends, including the quantification of social impact, governance enhancement, and the integration of ESG performance into financial reporting. The adoption of advanced technologies such as renewable energy and energy storage systems was also highlighted as a key area for future investment.

Materiality Matrix



Stakeholder Concerns

Question:

With AI emerging as a megatrend and playing an increasingly critical role in cybersecurity and information security, how does CTFS ensure a sustainable technological transformation?

Response:

The Group has leveraged AI to analyze and address sustainability challenges, while also launching multiple initiatives to enhance health and safety, such as digitalizing accident monitoring and payment systems to standardize delivery and operational processes. At the same time, the Group has proactively prepared to tackle cybersecurity challenges.

For more details, please refer to “[Advance with Agility](#)” section.



Question:

Given the growing spectrum of business risks, how will CTFS continue to adapt and enhance its business resilience and long-term strength?

Response:

CTFS recognizes the critical importance of formulating a strategic roadmap to ensure operational continuity and resilience amid evolving challenges. In response to the increasing complexity of business disruptions, we have implemented a comprehensive business impact analysis and disruption risk assessment across multiple business units this year. These initiatives aim to strengthen our operational resilience and enhance our ability to respond effectively to unforeseen events.

For more details, please refer to “[Act with Integrity](#)” section.



Question:

Aligning with the major global focus on decarbonization and climate change, how is CTFS keeping up with this continuously evolving sustainability journey?

Response:

Via CTFS's ESG strategy, Breakthrough 2050, we have set our own decarbonization targets to contribute towards this global shift. Two of our business units now have validated near-term targets by the SBTi, and we are progressing towards our next Phase encompassing our other operational arms. Each of our business units is undertaking their own decarbonization levers that are relevant and effective in terms of their respective operations and strategic directions.

For more details, please refer to “[Evolve Sustainably](#)” section.



Question:

Universally agreed to be a top priority, how is CTFS safeguarding Health & Safety within its operations, especially due to the business nature of its Construction arm?

Response:

Health and safety are foundational to the operations of any operations within CTFS. Ensuring the wellbeing of colleagues, stakeholders, and the surrounding community not only protects lives but also strengthens trust, productivity, and long-term resilience. We aim to embed rigorous safety standards, proactive mitigation measures, and efficient technologies into every phase of a project, reducing risk and fostering a culture of care and accountability.

For more details, please refer to [“Grow as One”](#) section.

**Question:**

With a conglomerate with as many business arms as CTFS, how does the company engage all of its different stakeholders to ensure a targeted strategic direction, keep abreast of evolving regulations, and provide transparency in its ESG journey?

Response:

For years, CTFS has been placing particular emphasis on conducting stakeholder engagement, via industry events, community involvement, customer feedback, or value chain communication. This work allows us to maintain strong, effective engagement with our many diverse stakeholders. Through ESG capacity-building and empowerment initiatives, our business units are taking the lead in the transition.

For more details, please refer to [“Grow as One”](#) and [“Create Shared Value”](#) sections.



Sustainability-related Impacts, Risks and Opportunities

As part of our materiality assessment, we identified ESG issues that could have a significant impact — either positive or negative — on the Group. To strengthen the alignment between traditional risk management and ESG considerations, these issues have been fully integrated into our Enterprise Risk Management (“ERM”) framework. This integration enhances our overall risk management approach, enabling us to better support the delivery of our ESG strategy, Breakthrough 2050, while increasing our resilience to both physical and transitional climate-related risks. For a detailed overview of our ERM framework, please refer to the “Risk Management Report” in the [Annual Report](#).

ESG is not a separate or isolated risk category — it intersects with strategic, operational, financial, and legal/compliance domains. As regulatory expectations around ESG and climate-related disclosures continue to grow, close collaboration between Group Risk Management (“GRM”) and Group ESG has become essential in shaping a more integrated ERM framework. This enhanced framework is designed to proactively address ESG-related risks while aligning with the Group’s broader sustainability objectives and targets.

By embedding ESG considerations into the risk identification and assessment phases of our ERM process, we are adopting a more holistic and forward-looking approach. This strengthens our ability to anticipate, manage, and respond to a complex and interconnected risk landscape, ultimately supporting the resilience and long-term success of our business strategy.

Guided by the ISSB standards, we are working to embed sustainability risks and opportunities into our materiality assessment process to enhance investor-focused disclosures. In particular, we are focusing on the interactions between our business activities and our stakeholders, society, the economy and the natural environment throughout our value chain. This approach helps us highlight the connections between financial and non-financial information, offering deeper insights into sustainability impacts that may not be reflected in conventional financial statements.

RISK IDENTIFICATION

Associated material ESG issues and factors, including physical and transitional climate change elements, are integrated into the CTFS Risk Bank to facilitate the identification of ESG Risks.

RISK ASSESSMENT

ESG-related impacts are integrated into our risk assessment process. Different time horizons are utilized in our assessment criteria to improve our evaluation methodology, as the effects of climate change are far-reaching and may not be adequately reflected in standard assessment criteria.

RISK AWARENESS BUILDING

Periodical training sessions are conducted to share our approach to managing ESG-related risks, as well as information and knowledge about emerging trends and popular ESG and climate-related topics, to our management, risk owners, and relevant individuals.

RISK TREATMENT & MONITORING

ESG risks are categorized based on their nature and priority. The GRM team shares the ESG risk profile with Group ESG to align the identified ESG risks with corresponding ESG initiatives.

To better align with the IFRS S1 and S2 requirements, this year’s ESG report further emphasizes the importance of identifying and managing sustainability-related risks and opportunities that emerge from our interactions with stakeholders, society, and the environment throughout our value chain. It also provides information on how those risks and opportunities could reasonably be expected to affect our business prospects, including cash flows, access to finance, or cost of capital over the short, medium or long term.

For a comprehensive discussion of identified impacts, risks, and opportunities, see [Appendix: Impacts, Risks and Opportunities Discussion](#).



UNDERSTANDING FEATURED CASE STUDIES



ESG MATERIAL ISSUE

Material issues associated with case study

For the full list of material issues, please refer to the “[Double Materiality Assessment](#)” section.



BUSINESS SEGMENT

Business segment involved with case study

For the full description of our business segments, please refer to the “[Reporting Boundaries and Scope](#)” section.



STAKEHOLDER

Stakeholders impacted by case study

For the full list of stakeholders, please refer to the “[Communicating with our Stakeholders](#)” section.



OPPORTUNITY LEVER

The lever(s) this initiative unlocks

- **Products/Services:** Focus on sustainable offerings and lifecycle thinking to meet customer demand while reducing environmental impact.
- **Energy Source:** Shift to low-carbon energy to cut emissions and stabilize energy costs.
- **Resources Efficiency:** Improve material efficiency, reduce waste, and embrace circularity across our value chain.
- **Market:** Enter or expand in green markets and develop offerings that meet evolving regulations and customer preferences; leverage partnerships and potential price premiums.
- **Resilience:** Strengthen resilience through risk awareness, supply chain diversification, and robust governance.



FINANCIAL IMPACT

Expected or realized financial effects

- Operating Cost
- Energy and Carbon Cost
- Investment
- Revenue
- Financing Cost



TIME HORIZON

Time period over which this initiative will have an effect

SHORT-TERM
<2 years

MEDIUM-TERM
2–5 years

LONG-TERM
Beyond 5 years

KEY ESG MATERIAL ISSUES FOR FY2025

Material Issues Relevant to this Core Value	Risks Associated With Material Issues
Business Ethics and Anti-Corruption	- Non-compliance with legal and ESG-related obligations may lead to legal, financial, and reputational consequences. - Regulatory failures can impact stakeholder trust, business continuity, and long-term goals. - Key risk areas include data privacy, bribery and corruption, environmental disclosures, and governance.
Corporate Governance	- CTFS is exposed to macroeconomic risks, such as inflation, interest rate changes, and currency volatility, which may impact costs, investment, and financial planning. - Economic downturns can reduce service demand, delay projects, and strain financing and partner reliability. - Labor market shifts, including wage inflation and talent shortages, may increase operational pressure. - Credit and default risks from clients and suppliers may disrupt cash flow and require stronger credit and liquidity controls.
Risk Management	- Geopolitical instability such as trade tensions, conflicts, and regulatory shifts can disrupt operations and supply chains. - Sanctions or export controls may increase compliance burdens and legal exposure. - Political uncertainty can affect labor laws, data protection, and environmental standards, raising operational complexity. - Heightened tensions may also elevate physical and cybersecurity risks, impacting employee safety and business continuity.
Cybersecurity and Information Security	- CTFS is increasingly relying on programs to monitor and manage its systems. However, this transformation also brings heightened cybersecurity and information security risks, alongside complex data privacy regulations. - Cyber incidents may lead to financial losses, regulatory penalties, reputational damage across business units, and disruptions to supply chains.

OVERVIEW

The evolving landscape of business ethics, anti-corruption measures, and corporate governance highlights their critical role not only in safeguarding our organization, but also in seizing strategic opportunities for sustainable growth. Over recent years, risk trends in these areas have shifted from being solely compliance-driven to strategic considerations that can significantly impact reputation, stakeholder trust, and long-term value creation. Heightened regulatory scrutiny, societal expectations, and the influence of social media have underscored the importance of maintaining strong ethical standards and transparent governance structures.

OUR APPROACH

At CTFS, we understand that lapses in ethics or governance can lead to severe financial and reputational damage, especially if legal and compliance risks are not effectively managed. Conversely, proactively strengthening our ethical and governance frameworks presents opportunities to enhance our credibility, foster trust, and differentiate ourselves in the marketplace. This proactive approach is particularly vital given our diverse portfolio of businesses, spanning sectors such as construction and financial services, which are subject to industry-specific, stringent requirements. In construction, standards related to anti-bribery, contractual integrity, and safety are rigorous, while in financial services, regulations focus heavily on anti-corruption, fair treatment of customers, and transparency. Embracing these mandates with a focus on continuous improvement enables us to mitigate risks effectively while unlocking opportunities for long-term success across all our business units.

KEY UPDATES FROM FY2025

Zero instances

of corruption or bribery, discrimination or harassment, customer data privacy breaches, conflict of interest, or money laundering were reported to the CTFS whistleblowing channels or via other channels in FY2025 — the same as FY2024.



Enacted a

new Workforce Diversity Policy

to aid in fostering an inclusive culture at CTFS.



Achieved a

6:1 male:female gender diversity

ratio for our Board of Directors



Conducted an independent assessment of our ERM system to successfully validate its robustness and adherence to

ISO 31000:2018

standards.



ESG GOVERNANCE STRUCTURE

At CTFS, we are deeply committed to embedding ESG and climate-related considerations into our corporate governance framework. This integration supports effective oversight and long-term sustainable growth, with leadership and accountability anchored at the highest levels of the organization.

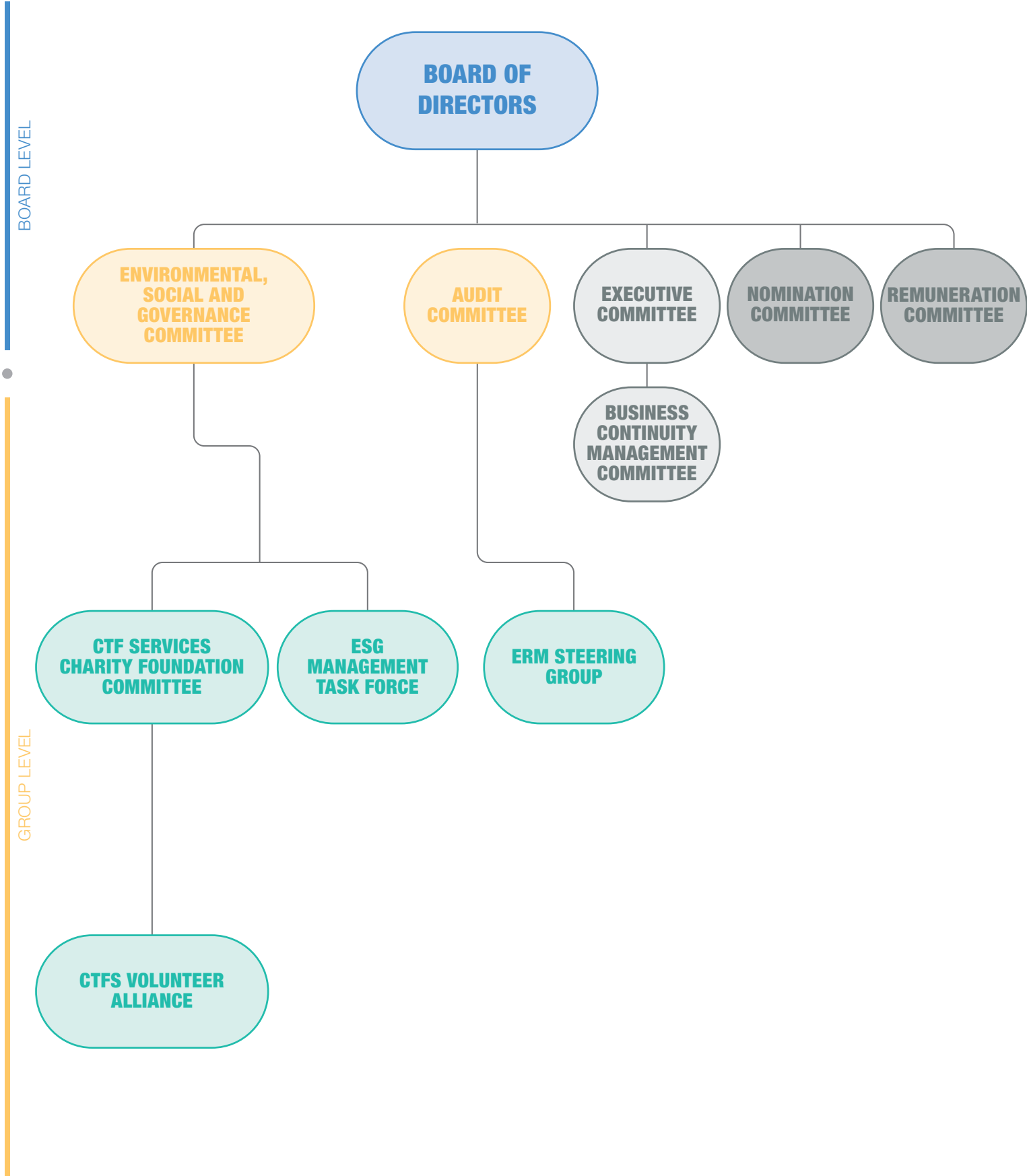
Our Board of Directors and senior management are directly responsible for developing and implementing our sustainability strategy, ensuring it aligns with our overall sustainability strategy and relevant ESG issues. Regular updates from both the Audit and ESG Committees help strengthen transparency and reinforce responsible governance. The ESG Committee, established by the Board and operating within its defined terms of reference, oversees the company's sustainability initiatives and ensures ESG principles are integrated into strategic decision-making. It evaluates the effectiveness of our ESG framework and supports the alignment of our long-term goals with responsible business practices. This includes managing important ESG issues and monitoring the progress of our ESG strategy, Breakthrough 2050.

We encourage cross-functional collaboration through dedicated task forces and sub-committees, fostering strong partnerships with both internal teams and external stakeholders to support our sustainability journey. These groups regularly provide insights and recommendations to the Board, informed by internal evaluations and external stakeholder input, to ensure effective execution of sustainability initiatives and continuous improvement. This aids us in ultimately delivering long-term value for all stakeholders.

The Audit Committee plays a key role in assisting the Board by overseeing the effectiveness of the Group's risk management and internal control systems. This includes identifying, evaluating, and managing ESG-related risks within the framework of our Enterprise Risk Management system. All risks are recorded in a centralized risk register and assessed using standardized criteria that consider their potential impact, likelihood, and mitigation strategies. The Audit Committee reviews this process twice a year to ensure its effectiveness. For more information, please refer to the "Risk Management Report" in our [Annual Report](#).

In close coordination with the Audit Committee, the ESG Committee incorporates key ESG risks and mitigation actions from the risk register into its reports to the Board. Together, these committees evaluate whether sufficient resources are allocated to address ESG priorities and work with other board-level committees to ensure the successful implementation of our sustainability strategy. This integrated governance approach reinforces our commitment to transparency, accountability, and long-term organizational resilience.

ACCOUNTABILITY: ENSURING EFFECTIVE ESG GOVERNANCE



Governance Level	Roles and Responsibilities	
Board level	Board of Directors	The Board of Directors oversees the Group ESG strategy and its progression.
	Environmental, Social and Governance Committee	The ESG Committee provides oversight of the sustainability initiatives and ensure integration of ESG principles into business strategies. The terms of reference of the ESG Committee can be found on the corporate website .
	Audit Committee	The Audit Committee provides oversight of the financial reporting process, the audit process, the company's system of risk management and internal controls and compliance with laws and regulations. The terms of reference of the Audit Committee can be found on the corporate website .
	Executive Committee	The Executive Committee provides oversight of the Group's performance and ensures effective management of its assets and liabilities in line with the policies and directives of the Board. The Committee also makes recommendations to the Board on the Group's overall strategy as part of its ongoing responsibilities.
Group level	Business Continuity Management Committee	The Business Continuity Management Committee ("BCMC"), led by the Group Co-Chief Executive Officer and comprising senior management from the corporate office and all business units, provides guidance and resources for business continuity planning, reviews activities, and reports to the Executive Committee to ensure alignment and effective implementation across the CTFS Group.
	CTF Services Charity Foundation Committee	The Charity Foundation Committee oversees and guides the foundation's philanthropic initiatives, ensuring strategic allocation of resources, adherence to the charitable giving policy, and fostering impactful partnerships with non-profit organizations dedicated to social welfare and humanitarian causes. Chaired by the Group Co-Chief Executive Officer, the Committee comprises at least three members, including one INED. The Group ESG Department serves as the secretariat of the Committee.
	ESG Management Task Force	The ESG Management Task Force is chaired by the Group Chief Operating and Financial Officer and comprises representative members from the corporate office and subsidiaries. Appointed by the ESG Committee, its role is to support the committee in fulfilling its oversight responsibilities concerning the formulation and execution of the Group's ESG strategies, policies, and practices.
	ERM Steering Group	The ERM Steering Group, chaired by the Group Chief Operating and Financial Officer and comprising representatives from the corporate office as well as our diverse business units, assumes the responsibility of reviewing principal and emerging risks in considering the ESG factors and monitoring the implementation of ERM procedures.
	CTFS Volunteer Alliance	The CTFS Volunteer Alliance ("VA") is a staff-led group coordinated by the Group ESG Department. Serving as a platform for CTFS volunteers, the group arranges CTFS-wide volunteering activities. The VA provides valuable feedback to the Charity Foundation Committee, ensuring that philanthropic efforts are aligned with community needs and have a meaningful impact.

Committee and Task Forces	List of Members	No. of Meetings in FY2025
Business Continuity Management Committee	- Mr. Gilbert Ho (Chairman/Group Co-Chief Executive Officer) - Mr. Jim Lam (Vice Chairman/Group Chief Operating and Financial Officer) 32 members from business units and corporate office	1
CTF Services Charity Foundation Committee	- Mr. Gilbert Ho (Chairman/Group Co-Chief Executive Officer) - Mr. Jim Lam (Members/Group Chief Operating and Financial Officer) - Mr. Peter Tang (Members/Group General Counsel and Company Secretary) - Mr. Huen Wong (Members/Chairman of ESG Committee)	1
ESG Management Task Force	- Mr. Jim Lam (Chairman/Group Chief Operating and Financial Officer) - Mr. Peter Tang (Vice Chairman/Group General Counsel and Company Secretary) 14 members from business units and corporate office	4
ERM Steering Group	- Mr. Jim Lam (Chairman/Group Chief Operating and Financial Officer) 21 members from business units and corporate office	2
CTFS Volunteer Alliance	11 representatives from business units and corporate office	2

Mrs. Oei Wai Chi Grace Fung, an independent non-executive director of the Company ("INED"), has been appointed as a member of the nomination committee of the Company with effect from 11 June 2025. CTFS's male:female gender diversity ratio for our Board of Directors is 6:1.

The ESG Committee, chaired by Independent Non-Executive Director Mr. Wong Kwai Huen, Albert, comprises executive directors and independent non-executive directors, ensuring diverse perspectives and robust decision-making. This governance structure reflects our dedication to ethical leadership, strategic accountability, and meaningful stakeholder engagement.

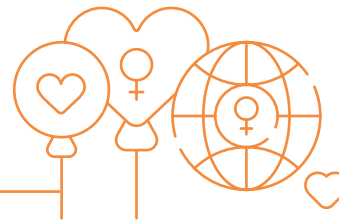


Engaging Our Employees for Effective Governance

CTF Life's quarterly Town Hall meetings continue to be a cornerstone of employee engagement and effective corporate governance, offering a platform to celebrate achievements, share strategic updates, and foster open dialogue between employees of all seniority levels.

Town Hall meetings were used as a platform for our leadership to announce business successes, share insights into our corporate vision and direction, and thank our employees for their hard work and dedication.

Additionally, our March 2025 Town Hall featured a heartfelt celebration of International Women's Day, spotlighting inspiring stories from female colleagues who shared their journeys of balancing careers, family, sports, and community service. These moments reflect our ongoing commitment to building an inclusive workplace where every voice is heard and valued.



CORPORATE GOVERNANCE AND RISK MANAGEMENT

CTFS is deeply committed to protecting its reputation, financial stability, assets, and data by proactively addressing risks related to fraud, corruption, and unethical conduct, whether originating internally or externally. We maintain strict compliance with our Corporate Governance Code and all relevant local and industry-specific regulations. Our internal policies are designed to uphold these standards while fostering a culture rooted in ethics and integrity.

All individuals within our value chain, including employees and business partners, are expected to adhere to our Supplier Code of Conduct. Compliance is monitored through well-established governance mechanisms, and we offer multiple reporting channels to encourage the timely reporting of suspected misconduct. Importantly, no legal cases related to corruption were concluded during the reporting period.

To support compliance and informed decision-making, we rely on our Enterprise Risk Management framework as a key source of insight. This system helps us stay vigilant regarding regulatory changes, emerging global risks, and market developments, enabling proactive responses.

Our leadership is kept well-informed through structured reporting and escalation protocols. Our commitment to sustainability is reflected in our comprehensive policies and standardized procedures, which are regularly reviewed and updated to meet evolving stakeholder expectations, industry standards, and regulatory demands.

Strengthening and Digitizing ERM Process

CASE STUDY



ESG MATERIAL ISSUE

Risk Management



BUSINESS SEGMENT

Group



STAKEHOLDER

Employee



OPPORTUNITY LEVER

Resilience



FINANCIAL IMPACT

Operating Cost



TIME HORIZON

Long Term

We have streamlined our risk assessment approach to enable more efficient identification, evaluation, and monitoring of organizational risks. The new assessment approach features a two-phased methodology whereby comprehensive risk analysis is conducted for key risks identified during preliminary assessments. Corresponding assessment parameters have also been refined to facilitate more effective evaluation and prioritization of risks across the Group. This refined approach enables us to focus our efforts on the most material risks that could impact the achievement of our business objectives, thereby strengthening our overall risk management capabilities in navigating the evolving business environment.

Other features of the streamlined risk assessment include:

- **New Enterprise Risk Management Applications (“ERMApps”)** — a customized tool designed to support the new risk assessment process. It delivers enhanced accessibility for risk owners, enabling them to efficiently search for and access relevant risk procedures, guidelines, and reference materials through a centralized knowledge database.
- **Streamlined Risk Register** — incorporates a preliminary qualitative risk assessment with risk prioritization function, ensuring that only key or pre-assigned risks require comprehensive analysis.
- **Top-down engagement with PESTLE Analysis** — in-depth discussions on emerging political, economic, social, technological, legal, and environmental issues relevant to our business context, involving both group and business unit leadership.
- **Integration of Updated Material ESG Issues in CTFS Risk Bank** — ensuring ESG issues are incorporated into our risk universe and reinforce the consideration of ESG factors during risk identification.

Implementation and Development of the GRC System at CTF Life

CTF Life’s Governance, Risk & Compliance (“GRC”) system was launched in August 2024 as a centralized digital platform to streamline risk management processes, significantly improving synergy, efficiency, and risk reporting capabilities. Building on this foundation, an Internal Controls (“InCA”) module was further integrated into the GRC and launched in 2025. During 2025, Compliance also adopted the GRC platform to support several key compliance processes.

Continued enhancements are planned to further enhance user experience and maximize the system’s capabilities, with the aim to promote a robust risk culture across CTF Life, ensuring effective risk and control assessment in adherence to relevant regulations and internal standards, and to support ongoing developments and implementation of new controls to meet evolving risk and compliance requirements.

List of Policies and Guidelines

Annual Policy Housekeeping

At Group level, annual policy updates ensure compliance with regulations, address emerging risks, reflect organizational changes, improve clarity, promote awareness, and maintain consistency across our organization.

Key Updates in FY2025:

- Developed a comprehensive policy tracker to monitor the current status and updates of all policies and procedures.
- Standardized the policy template and streamlined approval workflows to ensure consistency and efficiency.
- Implemented a centralized digital folder with quick access buttons, enabling colleagues to easily find and retrieve policies and procedures.
- Strengthened communication and transparency by clearly disseminating policy updates and changes across the organization.



Policies	● Anti-Fraud and Counter-Corruption Policy updated
	● Board Nomination and Diversity Policy updated
	● Charitable Giving Policy updated
	● Climate Change and Biodiversity Policy updated
	● Conflict of Interest Policy updated
	● Disclosure Policy for Inside Information updated
	● Dividend Policy updated
	● Enterprise Risk Management Policy updated
	● Environmental, Social and Governance Policy updated
	● Governance Policy on Risk Management and Internal Control Systems updated
	● Group Business Continuity Management Policy updated
	● Health and Safety Policy updated
	● Human Rights Policy updated
	● Internal Audit Policy updated
	● IT & Cyber Security Governance Policy new
	● Shareholders' Communication Policy updated
	● Supplier Code of Conduct updated
	● Whistleblowing Policy updated
	● Workforce Diversity Policy new
Guidelines	● Accounting Policies and Procedures Manual updated
	● Enterprise Risk Management Procedure updated
	● ESG Board Oversight Statement updated
	● ESG Due Diligence Guideline for Investment updated
	● Sustainable Office Guide (consolidated the previous Sustainable Procurement Guide and Supply Chain Management Guide) updated

Business Ethics and Anti-Corruption

Unethical or dishonest conduct can seriously harm the trust we have built with our stakeholders. At CTFS, our Anti-Fraud and Counter-Corruption Policy extends beyond basic legal compliance, incorporating comprehensive measures to prevent fraud, bribery, corruption, and money laundering. This policy applies to all directors, senior management and employees of CTFS and its subsidiaries as well as related third parties. Associated companies and joint ventures are encouraged to either maintain their own set of policies or adopt CTFS's Anti-Fraud and Counter-Corruption Policy.

Our employees are committed to maintaining high ethical standards and following all relevant laws and regulations. We also place strong emphasis on avoiding both real and perceived conflicts of interest, with clear procedures outlined in our Employee Handbook and Employee Code of Conduct. When a conflict cannot be avoided, employees are required to report any relevant interests to their respective Human Resources Department. These disclosures are reviewed to determine the appropriate response, and all records are carefully maintained to ensure transparency and accountability.

Our employee handbook outlines our policy on non-discrimination and anti-harassment at the Group level. The Company strictly prohibits unlawful discrimination or harassment of any kind, including discrimination or harassment on the basis of race, color, religion, gender, sex, age, disability, family status or any other characteristics protected by law. The Company also prohibits sexual harassment of employees or applicants, whether verbal, physical, or visual by employees or by outsiders who may have business with the Company.

If employee believes he/she has been harassed by anyone with whom he/she come into contact in the Company, he/she must immediately report the incident to a respective Department Head or Management or Human Resources who will promptly and thoroughly investigate any complaints and take appropriate corrective action when it is warranted. Employees who are found to have violated this Code of Conduct are subject to disciplinary action up to and including summary dismissal.

Insurance

The insurance market is highly regulated by the Insurance Authority ("IA") in Hong Kong. The IA demands that insurance intermediaries and insurers carry on business ethically and with integrity by treating clients fairly and acting in the client's best interest. We employ an ethical underwriting process to ensure we provide a fair, transparent and unbiased underwriting process for our clients.

Professional Anti-Corruption Training for Management in Insurance Sector

CTF Life continues to actively promote integrity within the insurance industry by advancing anti-corruption initiatives, strengthening corporate governance, and reinforcing the integrity of the insurance ecosystem. This year, we participated in an Anti-Corruption Training for Management in the Insurance Sector event organized by the Independent Commission Against Corruption ("ICAC") and the Hong Kong International Academy Against Corruption ("HKIAAC"). The event brought together approximately 30 professionals from 23 leading insurance companies.

Through our participation in this event, alongside our other industry engagement efforts, we strive to create shared value beyond insurance, serving our community with transparency, accountability, and purpose.



Mr. Ellick Tsui as the Deputy Chairman of the Hong Kong Federation of Insurers to support the event

Ethical Underwriting in Insurance

CASE STUDY



ESG MATERIAL ISSUE

Business Ethics
and Anti-Corruption



BUSINESS SEGMENT

Financial Services



STAKEHOLDERS

Customers/
Governments/Regulators



OPPORTUNITY LEVER

Resilience



FINANCIAL IMPACT

Revenue



TIME HORIZON

Long Term

STEP 1

Fair risk assessment

Our product pricing, covering life, medical, and critical illness protection, is based on best estimate assumptions from sources like the Actuary Society of Hong Kong, our internal experience study, and reinsurers. These assumptions are reviewed, discussed, and challenged to ensure they are well justified.

STEP 2

Transparent and structured pricing procedure

Once the product data is available, the Pricing Team prepares models and papers following our pricing guideline, which covers considerations like financial soundness, marketability, and compliance. The process involves reviews by our Actuarial, Investment, and Risk Departments, ensuring thorough discussion and approval. Our product pricing is based on validated assumptions and a structured, rigorous approval process.

STEP 3

Application and Underwriting

Approved premium rates are reflected in the illustrative proposal and backend system to ensure accurate premiums. Frontline staff input customer details into application forms and the proposal, then submit the application to the New Business Department for underwriting. The department reviews, requests additional information or premium adjustments if needed, and approves, revises, or rejects the policy based on the underwriting outcome.



Market Conduct Committee (“MCC”)

CASE STUDY



ESG MATERIAL ISSUE

Business Ethics
and Anti-Corruption



BUSINESS SEGMENT

Financial Services



STAKEHOLDERS

Intermediaries,
Governments/Regulators



OPPORTUNITY LEVER

Market



FINANCIAL IMPACT

Revenue



TIME HORIZON

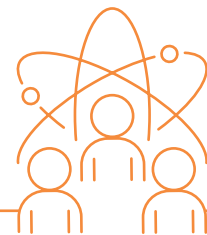
Long Term

Since its establishment in September 2023, CTF Life’s MCC has effectively overseen distribution conduct, managed misconduct cases involving intermediaries, and strengthened controls while promoting best practices. Regular updates are presented to the Operational Risk Management Committee to ensure alignment with risk oversight and governance. Any intermediary’s misconduct identified and validated as dishonest acts will be escalated to the MCC for necessary disciplinary action.

Key activities include reviewing customer complaints, enforcing disciplinary measures, conducting root cause analyses, and providing targeted education. These efforts have resulted in full alignment with the Insurance Authority, positive feedback on governance processes, and a reduction in recurring misconduct issues. Overall, the MCC fosters a culture of accountability, encourages cross-departmental collaboration, and reinforces responsible sales practices, supporting sustainable growth and trust across the organization.

IMPACT:

- Cultivates a culture of accountability and transparency throughout the organization.
- Promotes cross-departmental collaboration to strengthen distribution conduct and risk management.
- Reinforces responsible sales practices and governance, supporting sustainable business growth.



Commitment to Anti Money Laundering (“AML”) Compliance

Our company ensures active senior management involvement in AML risk governance through the annual approval of our AML Policy and Risk Assessment. Clear AML responsibilities are assigned at the senior level, including designated Compliance Officer and Money Laundering Reporting Officers. Regular reviews of AML metrics and incident reports by senior management committees supports timely oversight and informed decision-making. We have invested in advanced AML systems to accurately identify high-risk customers, including politically exposed persons, enhancing our risk detection capabilities. Additionally, ongoing AML training is provided to staff at all levels to foster a strong culture of ethical conduct in our operations and services.

Construction

Ethical business practices are crucial to achieving success and encouraging sustainability in the Hong Kong construction industry. We aim to extend our efforts beyond compliance, setting a benchmark for others in our sector.

Integrity is one of Hip Hing's six core values and a critical performance factor in annual staff appraisals. Our commitment to integrity begins on day one, with every new employee completing a comprehensive e-Onboarding module that includes a mandatory checklist to acknowledge key policies, such as our Code of Conduct, Conflict of Interest Policy, Whistleblowing Policy, and Cybersecurity guidelines. All new hires are also required to complete a "Corruption Prevention & Integrity Management Training" e-learning course and submit a Declaration of Conflict of Interest form. To ensure ongoing awareness and vigilance, Hip Hing provides periodic anti-corruption training in various formats, including seminars for management and supervisory staff registered under government departments.

In 2025, Hip Hing reaffirmed its commitment to ethical conduct by joining the ICAC Construction Industry Integrity Charter 2.0, a voluntary initiative aimed at promoting professionalism and integrity. To enhance our resilience to fraud and corruption, regular memos are issued to relevant staff on specific topics, such as our policy of refusing festive gifts.

No instances

of corruption or bribery were reported to the CTFS whistleblowing channels in FY2025.



Raising Awareness

To strengthen awareness and understanding of ethical conduct, employees regularly participate in e-learning courses covering our Whistleblowing Policy and Anti-Fraud and Counter-Corruption Policy. These programs are designed to reinforce the importance of integrity and responsible behavior. Additionally, our ERM induction e-learning course provides elementary risk and enterprise risk management knowledge, helps employees recognize their day-to-day risk responsibilities and emphasizes the value of timely risk identification and reporting, consideration of ESG risk factors and whistleblowing.

We also engage external experts to deliver training sessions on industry best practices and emerging market trends, ensuring our teams stay informed and prepared. In FY2025, a workplace ethics training session was conducted for our Board of Directors and staff by external legal professional, focusing on resisting corruption in daily operations and making ethical decisions, particularly in situations involving conflicts of interest.



Cybersecurity

As CTFS continues to advance its digital capabilities, cybersecurity remains a top priority. We are committed to complying with all relevant data protection laws, including the Personal Data (Privacy) Ordinance (Cap. 486) and China's Personal Information Protection Law. Notably, no significant IT-related incidents or data breaches were reported during FY2025.

We follow a structured approach following the National Institute of Standards and Technology ("NIST") Special Publication (SO) 800-61 Rev.2 — including preparation, detection and analysis, containment, eradication and recovery, and post-incident activities — to managing and mitigating cybersecurity risk in our organization. To uphold strong cybersecurity standards and ensure regulatory compliance, we conduct regular IT audits and internal assessments led by independent cybersecurity experts. These evaluations cover CTFS and all affiliated business units.

Cybersecurity Incident Response Process

Preparation	● An appropriate governance structure has been established to oversee cybersecurity efforts, including one personnel from each business unit and oversight by the board-level Executive Committee, ensuring all systems and applications are configured in accordance with Group Standards as outlined in the IT & Cyber Security Governance Policy. ● The IT department, in collaboration with business units, monitors all network connection points within the environment. Internal audit trails are maintained to record activities of all internet users on company premises. Additionally, firewalls and proxy servers are installed to safeguard servers and workstations from direct internet exposure. ● Regular audits and assessments are conducted, led by independent external cybersecurity experts, to evaluate security controls. Threat intelligence is leveraged to develop rules and signatures that identify suspicious activities, aiding in early detection and investigation.
Detection and Analysis	● Potential vulnerabilities are identified through continuous monitoring of logs and intrusion detection systems at the network and device levels. When suspicious activity is detected, a security investigation is initiated with proper management approval. Incidents are categorized based on impact areas — application, hardware, network, or security — and an incident report is prepared, including relevant background information. ● The investigation team defines the scope, collects pertinent data, and seeks to determine the incident timeline, root cause, attack vector, and extent of the compromise. This comprehensive analysis informs subsequent response actions.
Containment	● Following the investigation, containment measures are implemented to isolate affected systems and prevent further spread. Evidence related to the incident is preserved to support forensic analysis. If no additional signs of compromise are detected, containment is deemed successful.
Eradication & Recovery	● After recovery, a thorough review is conducted to identify gaps and improve defenses. System configurations, logs, and alert mechanisms are adjusted to address any blind spots.
Post-Incident Activities	● An incident report is prepared to document lessons learned, root causes, and recommendations for future prevention. Additionally, policies and procedures are reviewed and updated to strengthen cybersecurity resilience. We will also regularly update our information security-related business continuity plan to protect IT systems from threats such as malicious attacks, data loss, service disruptions, and damage to hardware, software, or stored data. This helps mitigate information risk by ensuring the confidentiality, integrity and availability of information.

CTFS has implemented a comprehensive set of Data Confidentiality and Protection policies, which enhance data lifecycle governance and safeguard the confidentiality and integrity of personal information. Our Privacy Policy Statement outlines our practices in compliance with the requirements of the local jurisdictions in which we operate. Hip Hing has implemented the ISO/IEC 27001 Information Security Management System (“ISMS”) to ensure its IT systems meet international standards since 2020.

Protecting intellectual property (“IP”) is also a critical aspect of our operations. Any compromise of confidential information could result in serious financial and reputational consequences. Our IT Policy and Procedures are designed to prevent such risks and protect our IP rights. All IP is formally registered, and any suspected infringement is promptly addressed through legal consultation and appropriate remedial actions.

Application of Blockchain Technology in the “Hip Hing Partner” Mobile App

CASE STUDY



ESG MATERIAL ISSUE

Cybersecurity and Information Security



BUSINESS SEGMENT

Construction



STAKEHOLDERS

Employee, Suppliers and Contractors



OPPORTUNITY LEVER

Market and Resilience



FINANCIAL IMPACT

Operating Cost and Revenue



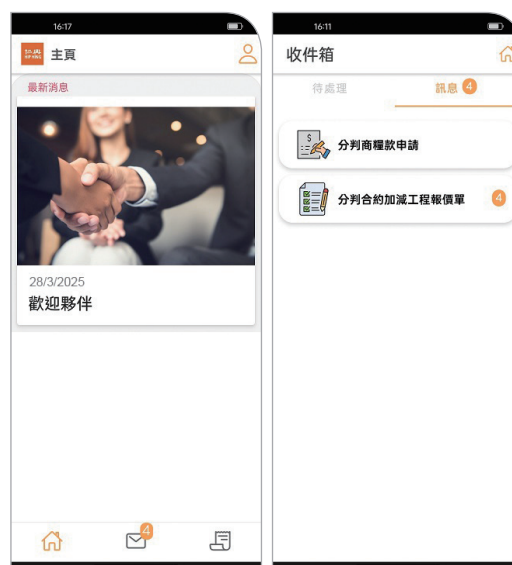
TIME HORIZON

Medium Term

This financial year, Hip Hing rolled out an e-tender portal via its “Hip Hing Partner” mobile app for subcontractors and vendors in the formwork, rebar, setting-out, and concreting trades. The e-portal not only optimizes communication with suppliers and contractors, but also improves data privacy and information security for submitting confidential documents through the integration of QR code identity verification and blockchain technology into the app.

OUTCOME

- Optimized communication with suppliers and contractors;
- Paperless tendering; and
- Improved information security through the use of blockchain technology.



Enhancing Business Resilience

As climate change leads to a rise in extreme weather events, such as tropical cyclones, floods, and heatwaves, the likelihood of disruptions to our operations significantly increases. These events can cause severe interruptions, impacting our ability to deliver services, incurring financial losses, and damaging our reputation. To minimize such impacts, it is crucial that we enhance our business resilience, enabling us to adapt quickly and maintain continuity with minimal disruption.

We remain committed to regularly testing and validating the effectiveness of our business continuity plans. These strategies, including our crisis management approach, are shared with relevant stakeholders to ensure a clear and collective understanding across the organization. In addition, we actively promote corporate resilience through proactive data collection and comprehensive risk analysis. This collaborative and forward-looking approach enhances our ability to adapt to evolving challenges — particularly in light of increasing climate-related risks — and strengthens our preparedness for future disruptions.

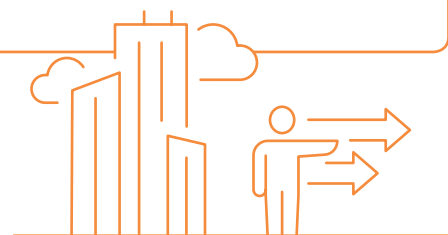
Business Resilience Updates

FY2024

- Established the Business Continuity Management (“BCM”) Committee, chaired by the Group Co-Chief Executive Officer and Group Chief Operating and Financial Officer. The committee includes representatives from various business units and corporate functions across the Group, ensuring effective coordination, execution, and alignment of business continuity efforts.

FY2025

- Introduced the Group BCM Policy to provide a cohesive, structured and consistent framework covering BCM governance, overall framework, crisis communication plan, BCM approach and methodology, enhancing the Group’s resilience.
- Implemented a comprehensive business impact analysis and disruption risk assessment across the corporate office and selected business units to identify critical business activities and evaluate major disruption scenarios. This process assessed the BCM readiness of our business units and uncovered opportunities for improvements to further strengthen operational resilience.



KEY ESG MATERIAL ISSUES FOR FY2025

Material Issues Relevant to this Core Value	Risks Associated With Material Issues
Sustainable Finance and Investment	- CTFS may face challenges accessing capital if it does not align with investor and market expectations around ESG performance. - This may constrain the company's ability to invest in long-term growth and infrastructure upgrades, and affect the valuation or performance of assets.
Innovation and Digitalization	- The rapid pace of technological change presents challenges in selecting, integrating, and scaling digital solutions effectively. Poorly implemented systems or outdated infrastructure can lead to inefficiencies and operational disruptions. - If CTFS fails to keep pace with digital innovation, we risk falling behind competitors and missing opportunities to enhance service delivery and sustainability performance.

OVERVIEW

In an era of rapid global transformation driven by technological innovation, climate change, and shifting economic landscapes, change is essential for sustainable growth and long-term resilience. Global trends such as the transition to a low-carbon economy, digitalization, and the rising emphasis on ESG principles are reshaping financial markets and redefining investment strategies worldwide. These developments present significant opportunities for innovation and value creation, particularly through green and sustainable finance initiatives that support climate adaptation, digital transformation, and supply chain resilience. By aligning investments with these global priorities, we can better navigate uncertainties, seize emerging opportunities, and contribute to a more sustainable and resilient future for the world.

OUR APPROACH

Our approach is centered on embedding agility and resilience into every aspect of our operations. In an economic landscape characterized by rapid transformation, we view change as a catalyst for innovation and growth. To effectively seize emerging opportunities, we foster a strong risk management culture at the group level and integrate ESG considerations into our investment decisions and capital allocation strategies. A significant focus is placed on leveraging innovation and digitalization to enhance operational efficiency, improve customer experiences, and drive sustainable solutions. This includes adopting advanced technologies, such as data analytics, automation, and digital platforms to foster continuous improvement and stay ahead of industry trends. Additionally, we are leveraging green and sustainable finance to support climate adaptation, digital transformation, and supply chain resilience. By adopting this comprehensive approach, we position ourselves to capitalize on new opportunities while confidently navigating uncertainties, ensuring long-term value creation and responsible growth.

KEY UPDATES FROM FY2025

Secured

HK\$18.6 billion

in green and sustainability financing



Procured 14 GWh of GECs in FY2025, expected to enable more than

↑ 5,600 tCO₂e

of emission reductions to support our decarbonization goals



Added High Conservation Value (HCV), High Carbon Stock (HCS)

forest areas and peatlands for palm oil production

to the investment exclusion list



Successfully ran our

Imp[ACT] Fund

initiative for a second year, with Hip Hing's "Distant Tower Crane Command System" winning top prize



SHAPING A SUSTAINABLE FUTURE

Sustainable Finance

The transition to a net-zero economy requires a concerted effort to support companies and projects through the provision of capital and funds. To demonstrate our commitment to sustainable finance and investment, we have set an ambitious target of financing 50% of our debt through sustainability-linked or green finance by 2030.

We strategically allocate our green proceeds to directly align with and support our ESG strategy in accordance with the targets of Breakthrough 2050. In particular, the proceeds from the Green Panda Bonds are used for capital expenditures (including asset improvements or additions), repayment of the principal and interest on interest-bearing liabilities, and replenishment of working capital for green logistics warehousing projects.

As of 30 June 2025 our total
Sustainability Linked Loans and
Green Debt Financing is amounted to

HK\$18.6 billion

representing
39%
of our total
debt portfolio

These green financing instruments are tied to key sustainability targets, including reductions in Scope 1 & 2 greenhouse gas emissions and non-hazardous waste intensity, enhanced disclosure of externally verified Scope 3 emissions, and the maintenance and improvement of our external sustainability ratings, such as the Hang Seng Corporate Sustainability Index.



Accelerate the low-carbon transition in the Region

CASE STUDY

**ESG MATERIAL ISSUE**

Sustainable Finance and Investment

**BUSINESS SEGMENT**

Group

**STAKEHOLDER**

Investors and Customers

**OPPORTUNITY LEVER**

Energy Source; Market

**FINANCIAL IMPACT**

Energy and Carbon Cost; Financing Cost

**TIME HORIZON**

Medium Term

Under the ESG framework of Breakthrough 2050, CTFS has committed to achieving a 50% reduction in Scope 1 and 2 greenhouse gas emissions by 2035. In the near term, CTFS will focus on strategic investments in renewable energy projects in China to accelerate the low-carbon transition in the region and progress toward our emission reduction targets.

To navigate the complexities of Green Electricity Certificates (“GEC”) procurement and to ensure alignment with international standards such as RE100, CTFS Group engaged an Asia-focused Carbon Management Consultancy to develop a comprehensive and tailored strategy. Following a rigorous evaluation of available

GEC options, CTFS procured 14 GWh of GECs in FY2025. This procurement is expected to enable more than 5,600 tCO₂e of emission reductions, supporting the decarbonization of CTFS’s Scope 2 operations.

OUTCOMES:

- Credible GEC Procurement
- Scope 2 Emissions Reduction
- RE100 and Assurance Alignment
- Cost Effective Solution





Sustainable Investment

We believe that investing in companies and projects that are leading the way to a more sustainable future and supporting global ambitions on the net-zero transition both delivers more sustainable financial returns and also de-risks our investment portfolio.

According to our GHG inventory, Scope 3 emissions account for over 97% of CTFS Group's total emissions. Notably, Category 15 (Investments) from both the Corporate Office and CTF Life represent the largest share of these Scope 3 emissions.

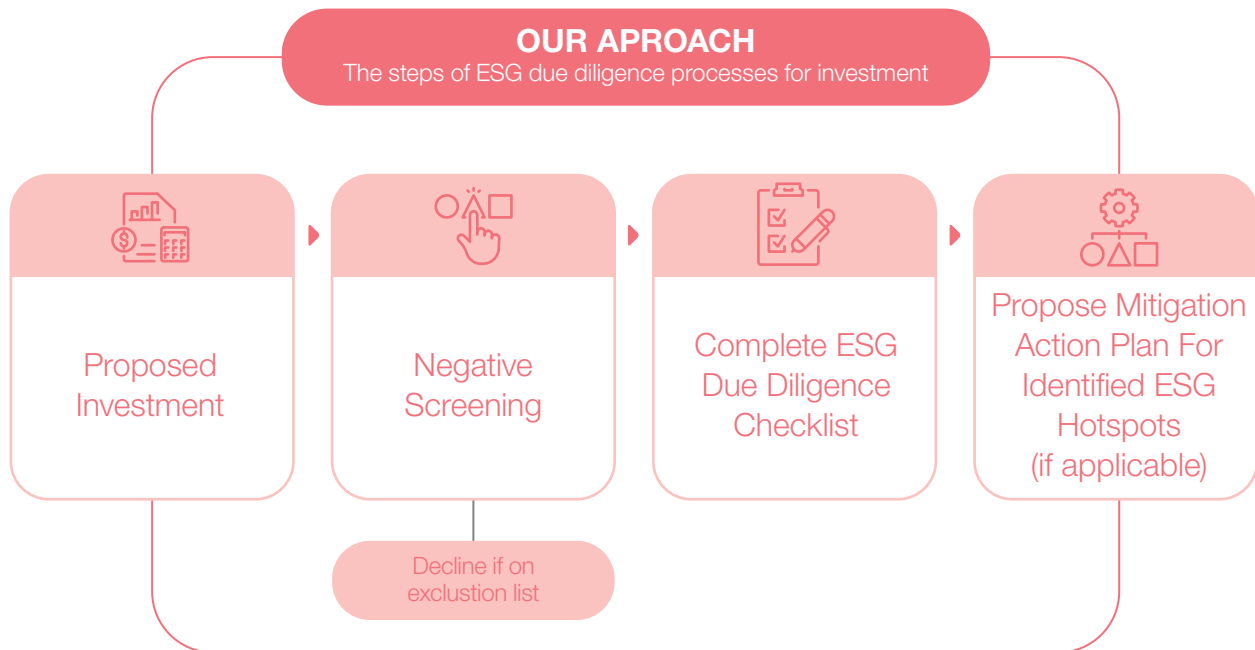
To strengthen ESG integration within our investment analysis and decision-making processes, CTFS Group and CTF Life have adopted the ESG Due Diligence Guideline for Investment and Responsible Investment Standards, in alignment with globally recognized responsible investment principles.

Investment Planning

Our commitment to responsible investing is embedded in our investment processes, ensuring that both long-term financial performance and environmental and social considerations are systematically integrated. At the outset for all direct investment over 50% of equity control, we conduct comprehensive ESG due diligence in accordance with the ESG Due Diligence Guideline for Investment. This review is completed before any proposal is submitted to the Executive Committee.

All investment opportunities are assessed against the Exclusion List and evaluated with the ESG Due Diligence Checklist to identify material, long-term environmental, social, and governance factors. Where potential ESG risks are identified, tailored mitigation plans are developed to address and reduce adverse impacts. This structured approach enables us to align our investment decisions with our ongoing commitment to responsible and sustainable investing.

ESG Due Diligence Process for Investments



EXCLUSION LIST (Investments that CTFS does not support)

GAMBLING

Direct equity investment in/and/or operation of facilities for the purposes of gambling.



MODERN SLAVERY/ HUMAN TRAFFICKING

Potential for such risks associated with the activity of operation.



MILITARY

Direct involvement in a military weapons or equipment sale, manufacture, or distribution.



ANIMAL TESTING

Operate or invest in medical facilities that involve animal testing.



COAL, PETROLEUM, NUCLEAR

Own, operate, or invest in any power plant facilities.



DETENTION FACILITIES

Own, operate, or invest in any detention facilities.



HIGH CONSERVATION VALUE (HCV), HIGH CARBON STOCK (HCS) FOREST AREAS AND PEATLANDS FOR PALM OIL PRODUCTION

NEW

- HCV forest areas refer to forests with significant biological, ecological, social, or cultural values.
- HCS forest areas refer to forests of significant biodiversity value that contain a substantial amount of carbon that would be released if converted to alternative uses.
- Peatlands are terrestrial wetland ecosystems in which waterlogged conditions prevent peat material from fully decomposing. These areas are critical for preventing and mitigating the effects of climate change, preserving biodiversity, minimizing flood risks, and ensuring the provision of safe drinking water.

Mergers & Acquisitions and Divestments

Mergers & Acquisitions

Hsin Chong Aster Building Services Limited —

Hsin Chong Aster is a leading contractor providing comprehensive electrical and mechanical engineering (“E&M”) services in Hong Kong. It offers a full spectrum of solutions, including for heating, ventilation and air conditioning (“HVAC”) systems, fire services, electrical installations, and other E&M solutions.

The acquisition of Hsin Chong Aster is strategic for the development of CTFS Group’s construction business. The E&M services provided by Hsin Chong Aster are highly complementary to our existing construction business led by Hip Hing group, Vibro group and Quon Hing group (together, the “CTFS Construction Group”). This acquisition represents an important step for the CTFS Construction Group in becoming a more comprehensive construction group, which comprises general contracting, construction management, civil engineering, E&M, and foundation works. It enables us to provide clients with a seamless one-stop solution.

Divestment

Hyva Group —

The Group is undertaking the disposal of its entire interest in Hyva III B.V. and its subsidiaries (the “Hyva Group”), together with related indebtedness owed by the Hyva Group, as part of our ongoing efforts to optimize our business portfolio.

Originally invested in 2011 in partnership with Unitas Capital, the Hyva Group is a specialist manufacturer and supplier of hydraulic system components. Consistent with our strategic development objectives, this disposal will further strengthen our financial position while allowing us to focus on core business areas.

We maintain an ongoing dialogue with our portfolio companies throughout the investment holding period, actively tracking their progress towards sustainability goals. To ensure alignment with the Group’s sustainability strategy and vision, the ESG Management Task Force, composed of representatives from functions and subsidiaries, serves as a platform to execute and monitor the ESG targets, performance and implementation status of action plans, meeting quarterly. The Task Force aims to promote a collaborative environment for driving sustainable practices and creating synergies across business units.

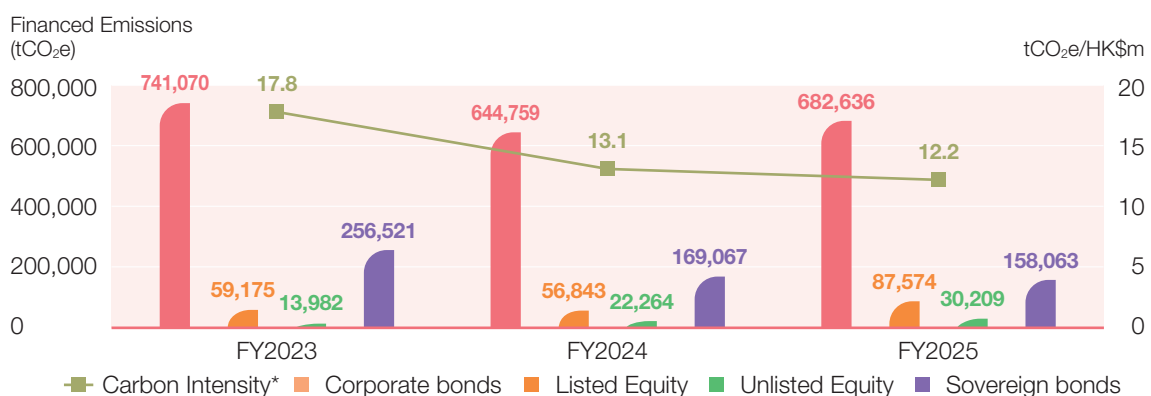
Portfolio Monitoring and Management

CTF Life recognizes its pivotal role as a sizable asset owner, and has embarked on a journey to decarbonize its investment portfolio by following an integrated approach towards responsible investment. CTF Life's Responsible Investment Standards is guided by the United Nations Principles for Responsible Investment ("UNPRI"), organized across six implementation pillars:

Implementation Pillars	FY2025 Highlights
1. Exclusion	● 0% exposure to non-ESG-aligned sectors (e.g., coal and tobacco)
2. Inclusion	● HK\$3.0 billion ESG-labelled bonds (5% of bonds* invested are ESG-labelled bonds. These include the first sustainable infrastructure-loan-backed security issued in Hong Kong and other bonds issued by the government, banks and corporate) ● HK\$4.5 billion in ESG funds (34% of mutual funds and Exchange Traded Funds ("ETF") invested by the general account as of June 2025)
3. Fundamental Research	● 100% of our credit and equity research reports in FY2024 included an ESG assessment.
4. Portfolio Analytics	● 19 SFC-authorized ESG Fund Choices in the Unit Linked Platform ● 31% reduction in the investment portfolio's carbon intensity in FY2025 versus baseline year FY2023
5. Active Stewardship and Partnership	● Directly via proxy voting, and indirectly via fund managers ● Indirect engagement by assessing asset manager's ESG capacity and engagement effort ● Champion ESG integration within industry networks
6. Reporting and Disclosure	● A Responsible Investment report will be issued regularly to the Investment Management Committee

* The universe of bonds for this purpose excludes the US Treasury bonds and T-bills which are for the purpose of duration and liquidity management.

Financed emissions of CTF Life's investments per asset class (tCO₂e) (as at 30 June 2025)



* Carbon intensity is calculated by dividing total financed emissions by total exposure, which represents the amount of capital at risk across the various assets in a portfolio.

CTF Life has committed to near-term 1.5°C-aligned decarbonization targets aligning with the approach defined by the Science Based Targets Initiative (“SBTi”). As CTF Life’s investment portfolio continues to grow, an increase in absolute Scope 3 carbon emissions is expected due to the larger asset base. Nevertheless, CTF Life maintains a strategic focus on sustainable investing by actively selecting securities with lower carbon footprints. This disciplined approach has resulted in a steady reduction in portfolio carbon intensity, reflecting the company’s commitment to managing climate-related risks and supporting the transition to a low-carbon economy. In line with this commitment, CTF Life will continue to implement responsible investment principles while fulfilling its fiduciary duties to shareholders and policyholders, facilitating a just and inclusive transition.

Integrating Climate Risks into Investment Strategy

CTF Life continues to evolve its investment strategy to meet the growing demands of sustainable finance. The company approaches sustainable finance under an impact and financial double materiality framework by factoring in climate risk considerations, which helps improve the long-term risk adjusted return of our policyholders. In 2025, the company became the first to adopt MARS Climate, which utilizes a transition risk model powered by BloombergNEF’s Transition Risk Assessment Company Tool (“TRACT”) to project company revenue risks and opportunities by combining company activities, supply chain exposure and regional footprint under different NGFS climate scenarios.

MARS Climate enables scenario-based analysis aligned with the Network for Greening the Financial System (“NGFS”) framework, evaluating transition risks under each scenario by projecting company-level revenue impacts based on supply chain exposure, business activities, and geographic footprint. The utilization of MARS Climate by CTF Life reinforces our commitment to responsible investment, regulatory readiness, and climate resilience, demonstrating how technology and sustainability can work hand in hand to create value beyond insurance.



Integrating ESG Practices into Every Aspect of Our Business Through Innovation

In FY2024, we introduced an internal project fund for sustainability, the Imp[ACT] Fund. This specially designed financial mechanism and capacity building program fosters and supports ESG practices within the Group, annually allocating a total of HK\$1 million to support three initiatives dedicated to creating positive impacts on our operations and value chains.

This fund aligns with the four themes, incentivizing and empowering our employees, departments, and business units to propose and implement innovative solutions to address sustainability challenges associated with our operations by providing financial support and resources.

Key Focuses		
Carbon		Reducing greenhouse gas emissions, enhancing energy efficiency, and promoting the use of renewable energy sources
Water		Improving water management systems and ensuring sustainable water usage across all operations
Waste		Supporting waste reduction programs, promoting recycling and circular economy practices and minimizing landfill use
People		Enhancing the well-being and development of our employees, communities and partners

Summary of the winning projects in FY2025

Winner

Distant Tower Crane Command System

Project Owner
/ **Hip Hing**

Theme:
People

Project Overview:

Overcome the challenges of conventional tower crane operations, such as long hours in high-altitude cabins and harsh working conditions that deter young talent, by deploying advanced construction technologies. The remote crane operation system uses low-latency network solutions, AI-driven safety features, and IoT sensors to enhance efficiency and safety on construction sites.

1

1st runner up

AI-based Planning Optimization Program for Piling Works

Project Owner
/ **Hip Hing and Vibro**

Theme:
Carbon

Project Overview:

Digitizing piling planning replaces traditional, calculation-heavy methods that impede rapid responses to environmental changes and yield rigid, resource-intensive schedules. Vibro's in-house Engineering and IT/BIM teams developed an AI-based program that slashes planning time from 3–4 days to 30 seconds, reducing machine downtime and idle time, shortening construction durations, and lowering fuel consumption.

2

2nd runner up

Acoustic Metamaterial Noise Barrier for Air Blower Shelters in Sewage Treatment Plant

Project Owner
/ **Hsin Chong Aster**

Theme:
People

Project Overview:

Traditional barriers suffer from overheating, degradation, high cost, and recycling challenges that increase landfill waste. The use of innovative acoustic metamaterials made from recycled plastics that absorb a wide range of frequencies, offer greater durability and reusability, and can be customized by adjusting internal layer arrangements. This solution reduces noise-induced health concerns and supports sustainable, circular construction.

3



Final pitch at the Imp[ACT] Fund 2025 Judging Panel



KEY ESG MATERIAL ISSUES FOR FY2025

Material Issues Relevant to this Core Value	Risks Associated With Material Issues
Climate Change	● The shift toward a low-carbon economy presents a range of financial, operational, legal, and reputational risks. ● CTFS's business units are also exposed to the physical risks of climate change, for which effects may disrupt operations, impair assets, and affect supply chain reliability.
Responsible Product and Services	● Our reputation and operational integrity are closely tied to the quality, safety, and reliability of our products and services. ● Such incidents may result in legal liabilities or fines, operational restrictions, reputational damage, and loss of client trust.
Energy and Carbon Management	● Increasing pressure to reduce energy consumption and GHG emissions in line with the transition to a net-zero economy, which requires capital investment in technologies and infrastructure upgrades. ● Delays or inefficiencies in implementing these changes could hinder meeting decarbonization targets and expose the company to stranded asset risks.
Waste Management and Circularity	● Failure to comply with waste management regulations or meet stakeholder expectations for circularity could result in fines, reputational damage, and the loss of business opportunities. ● Driving towards a circular economy requires access to recycled or sustainably sourced materials, and partnerships with like-minded organizations.
Raw Materials and Natural Resources	● CTFS business units rely on the availability and sustainability of raw materials and natural resources used in our operations and supply chain. ● Key risk areas include disruptions to supply chains and the failure to manage our use of natural resources.
Biodiversity and Land Use	● Operations and procurement practices may have indirect impacts on local ecosystems through land use, emissions, and waste generation. Without careful management, these activities could contribute to habitat degradation, pollution, or biodiversity loss.

OVERVIEW

As environmental challenges and the effects of climate change intensify globally, stakeholders increasingly expect greater accountability and sustainability action from businesses. In 2025, this shift is reinforced by the growing adoption of unified sustainability disclosure standards and a heightened focus on climate-related financial risks, nature loss, and supply chain resilience. By embedding sustainability into our core strategy, we aim to reduce our environmental impact, run our operations more efficiently, and contribute to a low-carbon future.

OUR APPROACH

At CTFS, we are embracing this shift as an opportunity to lead by example, integrating sustainable practices and innovation into our processes, and product and service offerings to create added value for our customers while advancing our ESG goals. We strive to actively addressing climate change through risk assessments, adaptation strategies, and emissions reduction initiatives aligned with science-based targets. In line with this, energy and carbon management is central to our transition toward a low-carbon future, with a focus on improving efficiency and leveraging renewable energy use. In parallel, we are advancing waste management and circularity by minimizing waste generation, enhancing recycling systems, and embedding circular design principles into our relevant operations. Responsible sourcing and efficient use of raw materials and natural resources are key to reducing environmental impact and promoting transparency throughout our supply chain. We also prioritize biodiversity and land use management, and are staying cognizant of evolving related disclosure frameworks. Through this integrated and forward-looking approach, we aim to evolve our sustainability practices to meet emerging challenges, unlock new opportunities, and contribute meaningfully to a more sustainable future.

Key Updates from FY2025

Completed a

1.5°C pathway

feasibility assessment for our Phase II business units, Roads and Logistics, as well as for other sector emissions across our value chain. These findings have been used to develop the 2050 CTFS Net Zero Pathway.



Began disclosing externally verified material

Scope 3 emissions

for our corporate office and construction and insurance business units.



Hip Hing and CTF Life's

near-term targets

have been validated by the SBTi.



Reduced our GHG emissions by **↓19%** compared to FY2023.



Achieved an

↓18% and 11% reduction in our water use and water intensity

compared to FY2024.



Reduced our general waste to landfill (exclude Hip Hing Group) by **↓9%** compared to FY2024.



CLIMATE-RELATED FINANCIAL DISCLOSURES⁶

To help our stakeholders better understand our approach to climate-related business risks and opportunities, we have prepared climate-related disclosures with reference to the ISSB's IFRS S2 Climate-related Disclosures Standard and the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD").

Climate Governance



Both committees regularly report to the Board, delivering updates and insights to evaluate climate-related risks and opportunities. This integrated approach enables proactive, cohesive action aligned with our sustainability vision. Refer to the [“ESG Governance Structure”](#) section for details on ESG governance roles and responsibilities.

⁶ Data from Free Duty is excluded from the calculation scope of FY2023 & FY2024 GHG emissions inventory.

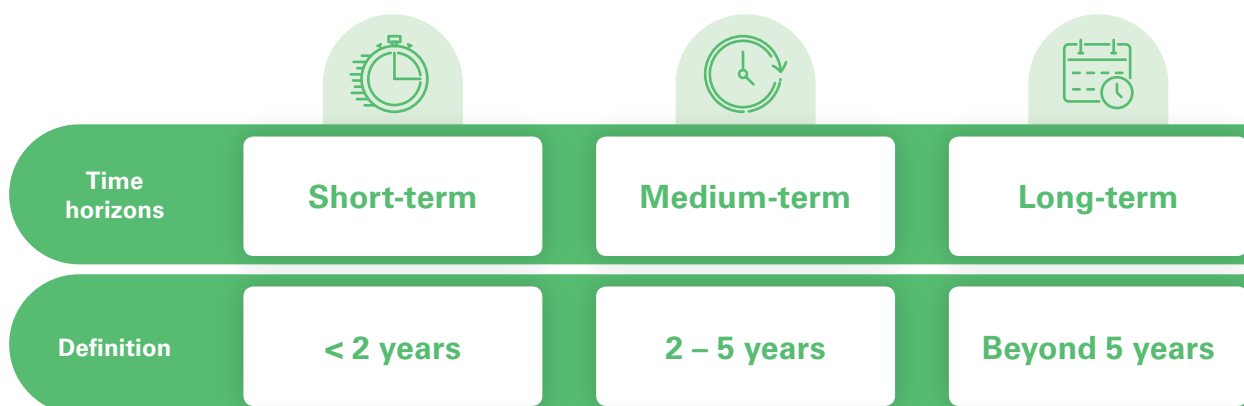
Climate and Biodiversity Strategy

CTFS integrates climate and nature considerations into strategy, risk management, and capital allocation. Through our Breakthrough 2050 initiative, we target net-zero emissions by 2050, following a phased approach aligned with Science-Based Targets initiative (“SBTi”) standards. We are also committed to no deforestation and land conservation through responsible investing and supply chain practices.

We address both physical climate risks, such as extreme weather, changing precipitation patterns, and sea-level rise, and transition risks from the global shift to a low-carbon economy, which may impact our people, operations, and financial performance.

Our approach embeds climate and biodiversity into enterprise risk management, investments, and operations, supported by long-term, measurable targets to reduce GHG emissions and enhance biodiversity. This enables business units to track ESG trends, identify opportunities, and manage related risks effectively.

We pursue innovation, digitalization, and partnerships to accelerate the transition to a low-carbon future, leveraging resources and stakeholder collaboration to drive sustainable impact.



Scenario Analysis

Building upon our previous climate risk scenario analysis conducted in 2023, we are revisiting our climate-related financial risk assessment to strengthen our understanding of climate vulnerabilities across our diverse business portfolio. Our latest scenario analysis represents a significant enhancement to our previous work, adopting a phased approach that deepens our analytical rigor while maintaining continuity with our established risk assessment framework.

The current phase focuses specifically on our construction segment, which demonstrates significant exposure to both physical and transition climate risks. This targeted approach allows us to develop more granular insights into climate-related impacts while establishing a robust methodology that will be extended to our facilities management, logistics, roads, and financial services segments in 2026.

Our enhanced approach builds upon the foundation established in our previous analysis, which identified key physical risks using Shared Socio-economic Pathways (“SSP”) 2-4.5 and SSP5-8.5 climate projections. The current analysis refines our scenario selection to better align with international climate commitments. Specifically, we have adopted SSP1-2.6 in place of SSP2-4.5, representing a progression toward scenarios more consistent with Paris Agreement target. Also, we expand the analysis by incorporating transition risk scenarios and introducing quantitative impact assessment methodologies.

Group-Wide Climate Risk Profile

Our 2023 climate risk assessment established an understanding of climate vulnerabilities across our diversified business portfolio. The analysis identified material physical and transition risks affecting our operations, with varying degrees of exposure across our business units over short, medium and long term based on their operational characteristics and geographic footprints.

The following summarizes the climate-related risks identified as a priority for our business, as well as their financial implications.

	Risk	Key BUs Affected	Potential Impacts	Time Horizon	Financial Implications
Physical	Acute				
	Extreme weather events e.g. flooding, heavy rainfall and typhoons	Corporate and all BUs	Extreme weather events present significant challenges to our business operations, including an increased risk of injuries and loss of life, as well as suspension of business activities for extended periods. Products failing to perform under extreme weather events as contracted may result in legal disputes and reputational damage.	Short term	● Operation Cost ● Replacement and repairment ● Cost Devaluation of PPE ● Revenue loss due to business disruption
	Chronic				
	Change in precipitation patterns and extreme variability in weather patterns	Corporate and all BUs	The alteration in precipitation patterns and variability in weather conditions poses significant risks to our operations. Extreme variability in weather patterns can disrupt supply chains by damaging infrastructure, delaying transportation, and affecting the availability of raw materials. The changing climate increases health risks, such as heat-related illnesses, poor air quality, and other health issues. Sectors sensitive to chronic climate hazards, such as insurance and construction, may face long-term operational changes.	Medium term	● Operation Cost ● Replacement and repairment ● Cost Devaluation of PPE ● Revenue loss due to business disruption ● Insurance Cost ● Financing Cost
	Sea-level rise	Corporate and all BUs	Rising sea levels can lead to coastal flooding, erosion and saltwater intrusion into freshwater systems, causing road and facility damage and resulting in unforeseen repair and maintenance.	Long-term	● Operation Cost ● Replacement and repairment ● Cost Devaluation of PPE ● Revenue loss due to business disruption ● Insurance Cost ● Financing Cost
Transition	Market				
	Growing market expectations and requirements on the net zero transition, climate-related disclosures, and performance	Corporate and all BUs	Inadequate response to these rising expectations could adversely affect our brand reputation and stakeholder confidence. Overlooking these risks can alienate ESG-conscious customers who prioritize sustainability.	Long-term	● Financing Cost ● Revenue ● Operating Cost
	Consider climate-related risks in investment decision-making	Corporate and Insurance	Neglecting climate-related risks while making investment decisions can lead to reduced long-term returns, as business asset investment may be hindered by transition and physical risks	Medium term	● Investment and depreciation ● Financing Cost
	Increase market pressure for the use of sustainable materials	Roads, Construction and Facilities Management	Potential disruption to construction progress due to limited availability or choice of materials. Elevated construction costs to adopt new, greener construction technology and equipment. Slow or inadequate innovation may diminish our market competitiveness.	Long-term	● Operating Cost ● Carbon Cost ● Revenue
	Policies and Legal				
	Introduction of new policies and/or regulations on environmental protection and carbon emissions, such as carbon taxes	Corporate and all BUs	Potentially substantial financial impact from carbon taxes related to traditional fuel vehicles. Failure to adapt to these new regulations could result in heightened costs and potential non-compliance.	Medium term	● Operating Cost ● Energy Cost ● Carbon Cost ● Revenue
	Potential regulatory requirements and guidelines concerning green building management and building operational efficiency	Logistics, Facilities Management and Construction	Non-compliance with these regulatory mandates may lead to adverse repercussions for the Group's overall reputation.	Medium term	● Operating Cost ● Energy Cost ● Carbon Cost ● Revenue
	Technology				
	Substitute of existing products and services with lower emissions options	All BUs	Higher upfront costs, supply-chain constraints for green inputs, and new infrastructure like charging networks or retrofits	Medium term	● Operating Cost ● Energy Cost ● Investment and Depreciation ● Carbon Cost ● Revenue
	Transition to lower emissions technology e.g. energy saving or carbon capture equipment	All BUs	Substantial upfront capital for equipment, installation, and retrofits, plus ongoing operating and maintenance expenses	Long term	● Operating Cost ● Energy Cost ● Investment and Depreciation ● Carbon Cost ● Revenue

The above risks and the associated financial implications continue to inform our strategic planning and risk management approach, providing context for the enhanced analysis of our construction segment and establishing the baseline risk profiles for subsequent assessment of other business units.

We have adopted two high contrast scenarios that provide robust coverage of potential climate outcomes while maintaining some continuity with our previous analysis. The scenarios are designed to assess both physical and transition risks across a range of warming trajectories and policy responses.

Scenario	Warming scenario (3°C to 5+°C warming by 2100)	Decarbonization scenario (1.5°C to 2°C warming by 2100)
Reference scenarios	● IPCC SSP5-8.5 ● NGFS Current Policies	● IPCC SSP1-2.6 ● NGFS Net Zero 2050
Overall trend	● Minimal climate cooperation; continued fossil fuel reliance ● Continuation of existing policies without enhancement	● Rapid decarbonization and strong international cooperation ● Immediate stringent climate policies; rapid clean technology deployment
GHG emission rise	● Emissions continue rising at current rate	● Emissions are aggressively mitigated, reaching net zero by 2050

PHYSICAL RISKS

Climate Hazards	Risks	Risk Transmission Channels		Financial Impacts	
Acute: ● Heavy precipitation ● Tropical cyclones ● Heat stress Chronic: ● Rising mean temperature ● Rising sea levels	→	Business disruption from extreme weather events	Extreme weather conditions in Hong Kong, including heavy precipitation, typhoons, and heat stress, necessitate the suspension of construction activities to ensure worker safety. The construction industry is particularly vulnerable due to the outdoor nature of operations, leading to substantial impacts on business performance through project delays. Our analysis assesses the increasing frequency of weather-related work stoppages and translates these disruptions into revenue impacts through contractual liquidated damage provisions.	→	Revenue ▼
		Labor productivity loss due to heat stress	Heat stress significantly affects outdoor construction worker productivity, necessitating increased break frequencies and reduced work intensity during extreme weather periods. Our assessment incorporates projected temperature increases under climate scenarios and mandated rest arrangements during heat stress warnings to estimate impacts on operational efficiency and revenue recognition patterns.	→	
		Direct asset damage	Physical damage from extreme weather events poses direct financial risks to construction assets, equipment, and work-in-progress. We employ a risk-tiered approach categorizing assets based on geographical vulnerability and apply climate-adjusted damage projections to assess potential financial exposure after insurance coverage.	→	Operating cost △
		Rising electricity cost	Increasing temperatures drive elevated cooling demand, increasing electricity consumption and operational costs. Our analysis projects temperature-driven electricity demand growth and assesses the financial implications of enhanced cooling needs under different warming scenarios.	→	

Transition Risks

Our transition risk analysis evaluates climate-related financial impacts under two distinct policy pathways, with varying assumptions regarding decarbonization actions and investment strategies.

Aspect	NGFS Current Policies	NGFS Net Zero 2050
Decarbonization Strategy	Continuation of existing practices with limited additional climate action	Comprehensive decarbonization including cleaner energy sources, low-carbon materials, and equipment electrification
Energy Transition	Natural reduction in diesel usage through efficiency improvements only	Active energy portfolio transition with planned equipment electrification
Material Procurement	No active shift to low-carbon alternatives	Strategic adoption of electric arc furnace steel and GGBS cement
Direct Emissions Management	No additional decarbonization actions implemented	Systematic emissions reduction through planned mitigation measures
Capital Investment	No transition-related additional capital deployment	Substantial investments in electrification, renewable energy, and low-carbon technologies

Transition Drivers		Risks	Risk Transmission Channels		Financial Impacts
● Introduction of carbon pricing ● Decarbonization / transition plan and action	→	Rising energy cost	Carbon pricing implementation fundamentally alters energy cost structures, increasing fossil fuel costs while potentially reducing electricity costs through clean energy adoption. We model energy portfolio transitions and assess cost implications under evolving carbon pricing regimes, with outcomes varying based on the extent of proactive decarbonisation measures undertaken.	→	Operating cost △
		Rising raw material cost	Upstream carbon pricing on steel and cement production creates cost pressures transmitted to construction companies through supply chains, assuming full pass-through of carbon costs from building materials suppliers. Our analysis quantifies material cost increases based on scenarios on carbon price projections.	→	
		Direct carbon cost exposure	Implementation of carbon pricing mechanisms creates direct cost obligations for our scope 1 and 2 emissions. We assess carbon tax liabilities by applying NGFS carbon price trajectories to projected emissions, with financial exposure varying based on the effectiveness of decarbonization actions in reducing the emission base subject to carbon pricing.	→	
		Low-carbon transition investment cost	The transition to low-carbon operations may require substantial capital investments in equipment electrification, renewable energy systems, and low-carbon technologies. Our analysis quantifies investment needs across key decarbonization strategies, considering both capital expenditure and operational lease options for implementation flexibility.	→	

Management of Climate Risks

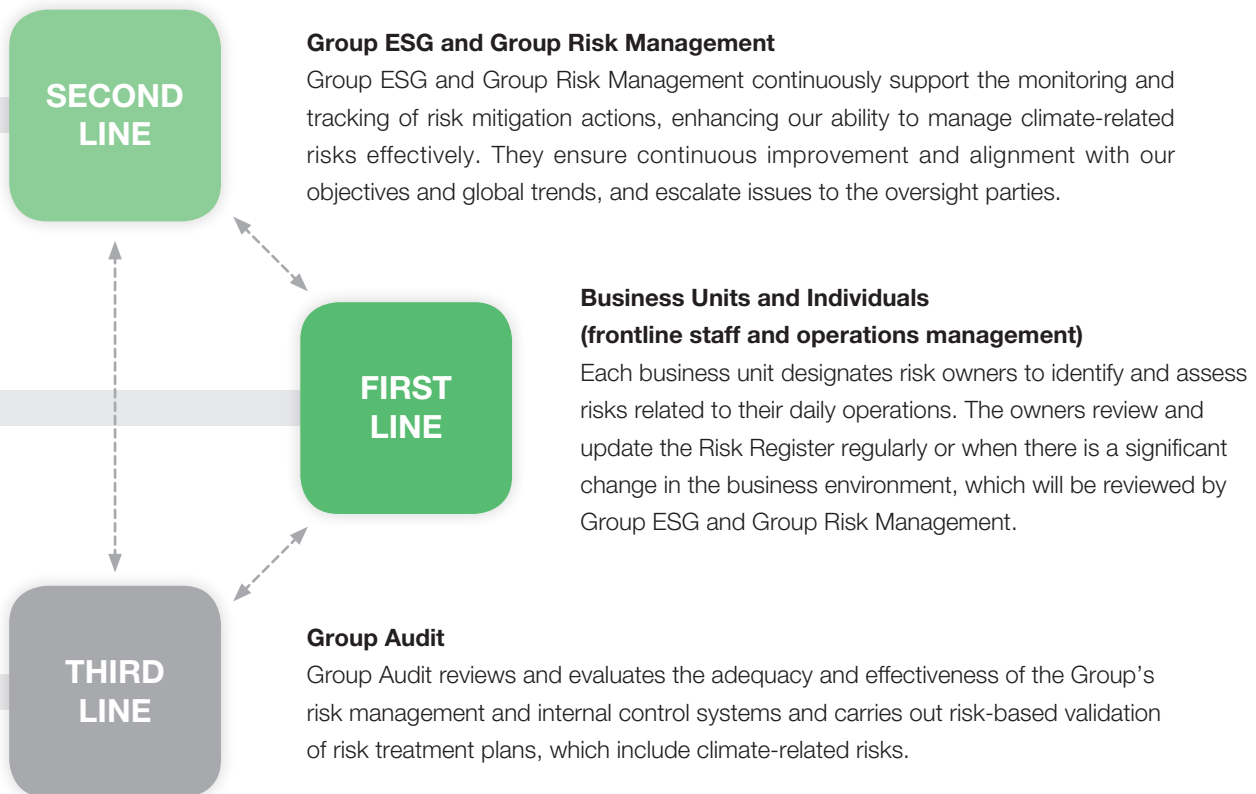
Our objective is to bolster resilience across business units by advancing our assessment of climate-related risks, reflecting current trends and the organization's risk management capabilities, to support robust decision-making. Leveraging the processes and results from our Risk Register review and Scenario Analysis, we aim to quantify the financial impacts of climate-related risks and opportunities faced by our business over the short, medium, and long-term in order to help us develop effective strategies for managing and mitigating these risks. This company-wide process is used to evaluate both physical and transition risks, considering their inherent and residual impacts, likelihood, and time horizons. We prioritize actions on risks with high impact and likelihood, with this process covering all business units.

To enhance our resilience in the face of increasing climate-induced emergencies, we have established a group-wide Business Continuity Management ("BCM") system. This system provides a cohesive and structured framework for the Group and its subsidiaries to build and maintain their tailored BCM systems while aligning with the Group's BCM strategy. The BCM framework encompasses crisis management and communication plans, emergency responses, business continuity strategies, and disaster recovery protocols for swift resumption of operations after critical disruption scenarios including extreme weather events.

Given the geographic diversity of our operations, specific sites within CTFS Group face elevated risks from heat waves, heavy rainfall, typhoons, and floods. Collaborating with external consultants, we work to assess potential impacts and extend insurance coverage to address these risks. Additionally, pre-weather checks have now been integrated into our regular inspections, helping to enhance resilience.

Since FY2021, climate risks have been included alongside general risks in our overall ERM framework and processes. In FY2024, we enhanced our ERM process to better integrate ESG and climate factors into our risk identification and assessment procedures. In FY2025, we expanded the scope of our Climate Change and Biodiversity Policy to manage climate and biodiversity-based risks across the business strategy and operations.

The Three Lines Model for Managing Climate Risks



Our Key Progress on Climate Management

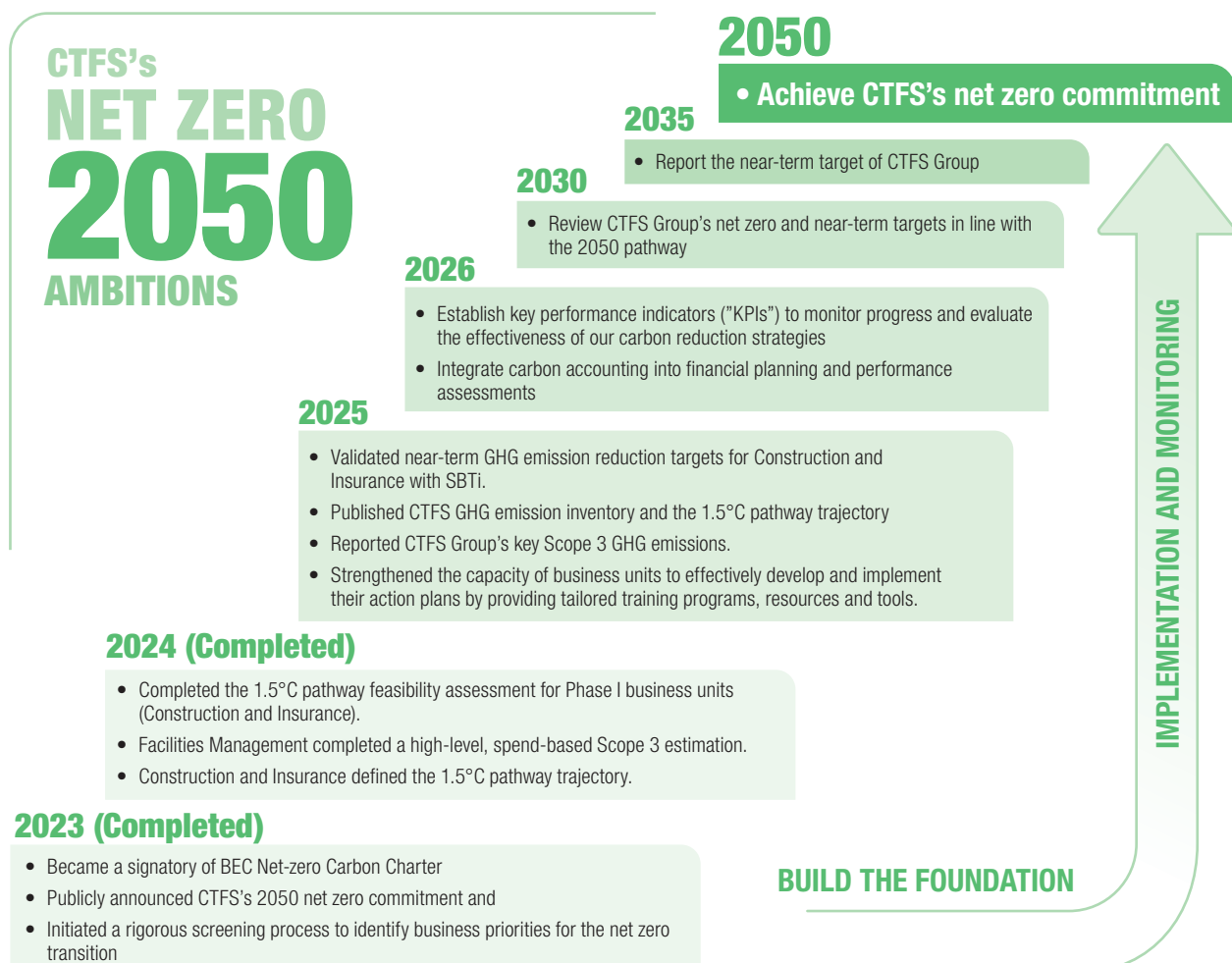
FY2020–FY2023	FY2024	FY2025	FY2026
- Climate scenario study to assess the physical risks faced by the HKCEC - Climate-related transition risks assessment - Climate scenario study to assess the physical risks facing Zhejiang NWS Expressway and Hunan CTFS Expressway	Roll out the BCM System across the Group and integrate ESG into to ERM process	Translate physical and transition risks into the Group's specific impacts and evaluate potential financial impact based on the selected scenarios.	Incorporating climate risk identification into the Company's existing ERM processes and future strategic decision making, e.g. internal carbon pricing
Risk Identification	Enhance Risk Management Capacity		Activation and Integration of Climate Response

From Transition to Growth: Capturing Climate Opportunities (Metrics and Targets)

In line with our new ESG strategy, Breakthrough 2050, we have set ambitious decarbonization targets to reduce GHG emissions by 50% by 2035 and achieve global net-zero emissions, or sector-level net-zero in eligible 1.5°C-aligned pathways, by 2050. To gauge the progress of our net-zero ambition, we closely monitor key metrics, including Scope 1, 2, and 3 GHG emissions, and regularly review our transition plan and targets. We have been tracking Scope 1 and 2 metrics across all our business units and will further enhance our disclosure on Scope 3 metrics to accelerate our decarbonization efforts.

We collaborate closely with all our business units to secure resources for implementing carbon reduction measures, including energy optimization, sustainable resource utilization, technology investments, and community collaboration for positive impacts. We acknowledge the dynamic nature of the external environment and the necessity of regularly reviewing our targets and baselines to effectively track our progress and capitalize on the opportunities for transition. We will adopt key performance indicators aligned with the 1.5°C pathway for different business units and introduce financial proxies internally to quantify impacts in financed emissions.

CTFS's businesses span various sectors with different operational requirements and exposure to climate impacts. To ensure we carefully consider and strike a balance between business expansion and GHG emissions reduction, we have committed to adopting a phased approach following SBTi standards. Our ESG strategy, Breakthrough 2050, outlines key actions and a clear roadmap to address prioritized climate risks as we progress towards our net zero by 2050 goal.



CTFS Group's GHG Emissions Profile

This financial year, CTFS Group developed a GHG emissions inventory to better understand our Scope 1, 2, and 3 emissions. This targeted, detailed inventory will allow us to better understand which areas of our business are producing the most emissions, aiding us in reducing these key sources to meet our sustainability targets. Please find the results of the emissions inventory below.

Breakdown of CTFS's FY2024 GHG emissions inventory: Scope 1, 2 and 3 by entities

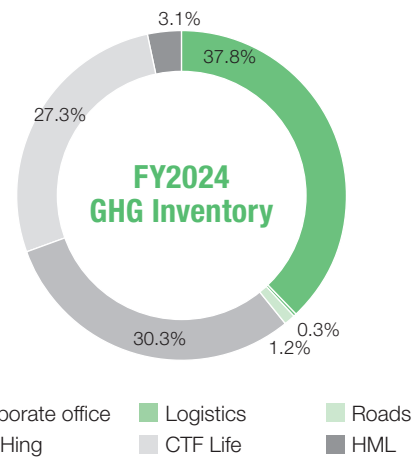
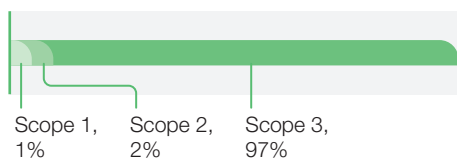
(tCO ₂ e)	Corporate Office	Logistics	Roads	Hip Hing	CTF Life	HML	Total
Scope 1	73	9	433	26,834	25	853	28,226
Scope 2	87	1,403	9,507	15,487	412	30,999	57,895
Scope 3	1,268,169	7,698	30,240	973,248	915,960	72,242	3,267,557
	1,268,329	9,110	40,180	1,015,569	916,396	104,094	3,353,678

FY2024 GHG inventory

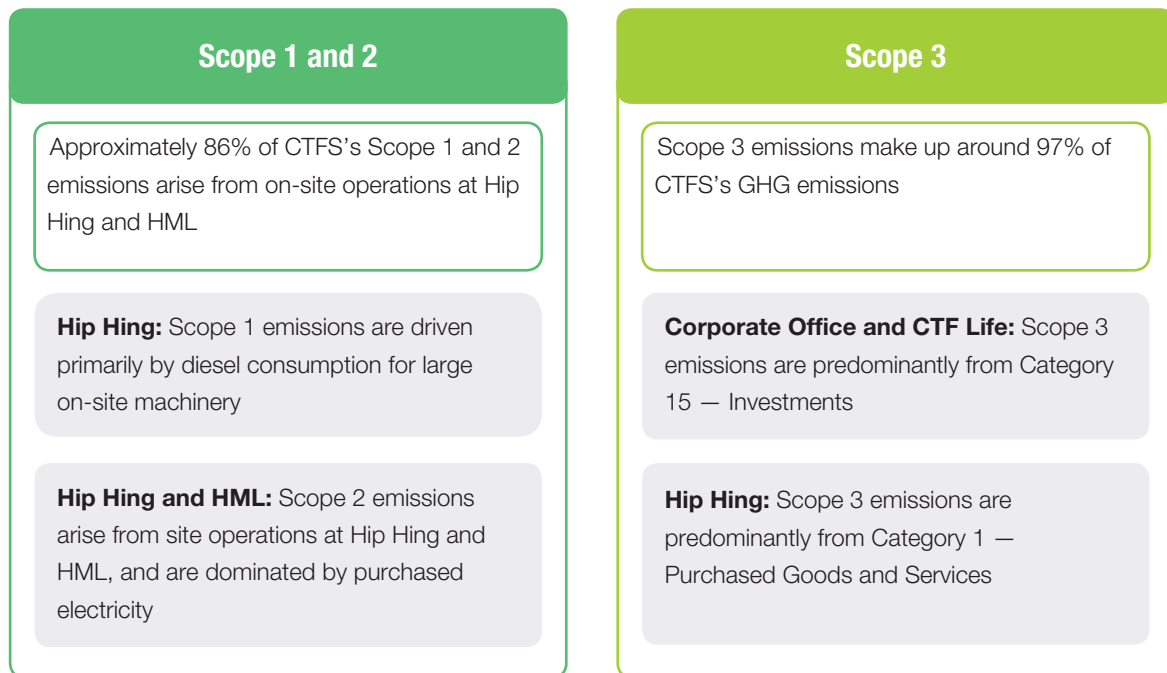
Total emissions:

3,353,678 tCO₂e

Scope 3 emissions accounts for
~97% of CTFS' GHG inventory



Scope Distribution and Hot Spot Analysis



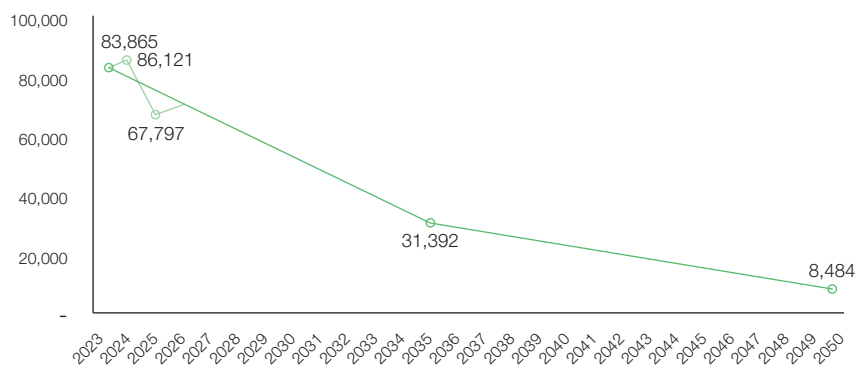
CTFS's FY2024 GHG emissions inventory shows a total footprint of 3,353,678 tCO₂e, with Scope 3 accounting for 3,267,557 tCO₂e (97%) and Scope 1 and 2 together making up 86,121 tCO₂e (3%). Within Scope 3, the largest contributors are our Corporate Office (1,268,169 tCO₂e), Hip Hing (973,248 tCO₂e), and CTF Life (915,960 tCO₂e). Other significant sources include HML (72,242 tCO₂e), Roads (30,240 tCO₂e), and Logistics (7,698 tCO₂e).

Approximately 86% of CTFS's Scope 1 and 2 emissions arise from on-site operations at Hip Hing and HML, with purchased electricity representing the dominant share. Scope 3 emissions for our Corporate Office and CTF Life are driven predominantly by Category 15 — Investments, with 1,262,496 tCO₂e and 892,933 tCO₂e respectively, Hip Hing's Scope 3 emissions are concentrated in Category 1 — Purchased Goods and Services with 842,601 tCO₂e.

Our Net Zero Trajectory

The preliminary emissions-reduction pathway for Group-level Scope 1, 2, and 3 emissions was developed using estimated FY2023 and FY2024 GHG emissions inventories and the SBTi target-setting tool for near-term and long-term targets. Based on CTFS's FY2023 baseline year and the near-term FY2035 target, to align with our net-zero trajectory the Group should aim to achieve an average annual reduction in Scope 1 and 2 emissions of 5% from 2023 to 2035, followed by a 2% annual reduction thereafter once the near-term target is achieved.

CTFS emission projections — Scope 1 & 2 (long term)



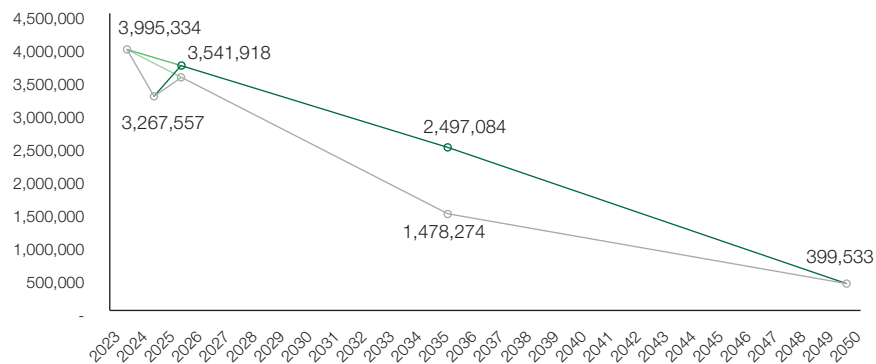
— Scope 1+2 emissions (tCO₂e), SBTi projections

- - Scope 1+2 emissions (tCO₂e), SBTi projections with FY2023-2025 actual emissions

Insights on CTFS's Scope 1 & 2 reduction trajectory for 1.5°C aligned pathway

Type of Reduction	Absolute
Baseline Year	FY2023
Near Term Target	67% Reduction by 2035
Long Term Target	90% Reduction by 2050

CTFS emission projections — Scope 3, 1.5°C and Well-below 2°C, Long term



- Scope 3 emissions (tCO₂e), Well-below 2°C , SBTi projections
- Scope 3 emissions (tCO₂e), 1.5°C, SBTi projections
- Scope 3 emissions (tCO₂e), Well-below 2°C, SBTi projections with FY2023-FY2025 actual emissions
- Scope 3 emissions (tCO₂e), 1.5°C, SBTi projections with FY2023-FY2025 actual emissions

Insights on CTFS's Scope 3 reduction trajectory

Type of Reduction	Absolute	
Baseline Year	FY2023	
	1.5°C scenario	Well below 2°C scenario
Near Term Target	67% Reduction by 2035	63% Reduction by 2035
Long Term Target	90% Reduction by 2050	90% Reduction by 2050

Decarbonization Levers for Achieving Net Zero

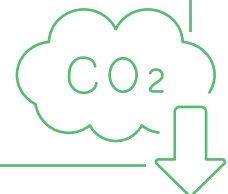
Decarbonization Levers	Details	Scope	Key Entities
 Electrification	Deploy energy-efficient electric machinery (bulldozers, excavators, loaders). Key focus areas include battery-electric/hybrid options, regenerative braking, fleet management, charging infrastructure, and the replacement of legacy diesel.	1	Hip Hing, Roads
 Low Carbon Fuels	Replace conventional fuels like diesel and petrol with low carbon alternatives such as biodiesel, hydrogen, and LNG.	1	All
 Energy Efficiency	Implement energy efficiency measures such as optimizing fuel efficiency and electricity usage as well as the installation of LED lights, HVAC systems and other efficiency measures.	1&2	All
 Renewable Energy	Maximize on-site renewable energy generation and storage.	1&2	Hip Hing, Roads
 Low Carbon Construction	Adopt offsite construction practices (e.g., Modular Integrated Construction) to reduce on-site emissions and waste; standardize components, optimize logistics, and collaborate with suppliers for low-carbon materials.	1&2	Hip Hing, Roads
 Energy Attribute Certificate	Purchase and retire Renewable Energy Certificates and Green Electricity Certificates (“RECs”/“GECs”) or equivalent to lower gross market-based Scope 2 emissions; ensure third-party verification and credible tracking; communicate renewable electricity claims.	2	All
 Invest Responsibly	Align investment decisions with ESG and climate risk criteria; integrate exclusions/tilts toward low-carbon solutions.	3	Corporate Office and CTF Life
 Sustainable Procurement	Drive supply-chain emissions reductions via the procurement of low-carbon goods/services; set supplier standards, vetting, and engagement; monitor Scope 3 emission impact and supplier improvement plans.	3	Hip Hing and HML
 Enhance Data Quality	Enhance Scope 3 data accuracy and completeness by collecting primary data from investees and vendors or via third-party data providers.	3	All

Our Progress

HIP HING	CTF LIFE	CTFS
Progress towards Scope 1 and 2 target (location-based) - Reduced absolute Scope 1 and 2 GHG emissions 17% from a FY2023 baseline year. Progress towards Scope 3 target - Reduced absolute Scope 3 GHG emissions from purchased goods and services 22% from a FY2023 baseline year.	Progress towards Scope 1 and 2 target (location-based) - Reduced absolute Scope 1 and 2 GHG emissions 5% from a FY2023 baseline year. Progress towards Scope 3 targets 31% of its listed equity and corporate bond portfolio by invested value setting SBTi-validated targets from a FY2023 baseline year.	Progress towards Scope 1 and 2 target (location-based) - Reduced absolute Scope 1 and 2 GHG emissions 13% from a FY2023 baseline year. Progress towards Scope 3 target - Began formal reporting of financed emissions linked to CTFS's corporate operations.

CTF Life and Hip Hing Successfully Validated SBTi Near-Term GHG Emissions Reduction Targets

CTF Life and Hip Hing have received official validation from the Science Based Targets initiative ("SBTi") for their near-term greenhouse gas emissions reduction targets. These commitments from CTF Life and Hip Hing demonstrate the Group's efforts to support the transition towards climate goals across the diverse sectors we participate in. In particular, CTF Life is the first company from the Banks, Diverse Financials and Insurance sector that primarily operates in the Greater Bay Area to receive this validation.



During the reporting year,

14,917 MWh

was purchased and fully retired by 30 June 2025.

To reinforce our commitment to sustainable energy solutions, CTFS purchased green electricity certificates ("GECs") in the Mainland market in accordance with the regulations set out by the National Energy Administration ("NEA"). During the reporting year, 14,917 MWh was purchased and fully retired by 30 June 2025.



SOLUTIONS IN ACTION

CTFS is committed to ensuring that our services and products reflect our commitment to environmental and social responsibility. Guided by our Environmental, Social and Governance Policy, we actively pursue innovative solutions to reduce our environmental footprint and negative impact on local communities while ensuring service and product quality. Our unwavering commitment to delivering high-quality offerings is rooted in the belief that ensuring their safety and reliability is essential for enhancing customer satisfaction, building trust, attracting new customers, and expanding market share.

Construction

Given the extensive infrastructure and development required to reach net zero, the main contractor's leadership is essential in steering the transition. Hip Hing is an industry leader in integrating innovative methods and digital technologies to reduce carbon emissions of the operation process. Hip Hing's approach aligns design, procurement, and construction with ongoing lifecycle carbon performance, partnering with clients and suppliers to achieve measurable decarbonization outcomes. Hip Hing's key strategies include decarbonizing construction equipment, optimizing engineering and construction processes, and using low-carbon construction materials.

Hip Hing recognizes the potential adverse environmental impacts its business operations may exert on natural habitats and biodiversity. To address this, all of our construction sites are certified with internationally recognized standards such as ISO 9001 for Quality Management System, ISO 14001 for Environmental Management System, ISO 50001 for Energy Management System, ISO 45001 for Occupational Health and Safety Management System, and ISO 27001 for Information Security Management System.

Transforming Construction Operations

Hip Hing envisions construction informatics and digitalization as the key drivers for industry prosperity. Our strategy is focused on modernizing the entire project lifecycle — from design and planning to execution — through digital tools, data-driven decision making, and lean practices. By embracing BIM, real-time analytics, mobile apps, and prefabrication, projects become safer, faster, and more predictable, with reduced waste and better collaboration among owners, designers, and builders.

The Centralized Management Platform has entered a new phase, with the successful integration of systems with other innovative technologies. The introduction of the Hip Hing Distant Tower Crane Command System combines Modular Integrated Construction ("MiC"), Artificial Intelligence ("AI"), the Internet of Things ("IoT"), and high-precision remote-control technology.

Optimizing engineering and construction process: Distant Tower Crane Command System

CASE STUDY

ESG MATERIAL ISSUE

Responsible Product and Services;
Innovation and Digitalization

BUSINESS SEGMENT

Construction

STAKEHOLDERS

Employees, Customers, Governments/
Regulators, Contractor, Industry
Association

OPPORTUNITY LEVER

Products/Services; Resilience

FINANCIAL IMPACT

Operating Cost, Investment,
and Revenue

TIME HORIZON

Medium to Long Term

Hip Hing continues to drive innovation in smart construction through the deployment of a remote-controlled tower crane system that enhances safety and operational efficiency. The system enables operators to control cranes from ground-level cabins while accessing real-time data, such as wind speed and load weight, significantly reducing the risks associated with working at heights. Equipped with multi-angle HD cameras, AI-assisted vision, and collision detection, the system replicates the crane's operational environment to support precise lifting and real-time safety evaluations.

KEY TECHNOLOGIES:

- Artificial Intelligence ("AI")
- Ultra Low Latency Network
- Internet of Things ("IoT")

OBJECTIVES

- Improve the working environment for crane operators
- Reshape the construction industry's image to better attract young people
- Improve safety and accessibility
- Promote digitalization in the construction industry
- Scale the possibility for future technology integration



Optimizing the engineering and construction process: Launch of Hong Kong's first mobile and rechargeable BIM CAVE



ESG MATERIAL ISSUE

Responsible Product and Services;
Innovation and Digitalization



BUSINESS SEGMENT

Construction



STAKEHOLDER

Employees and Suppliers



OPPORTUNITY LEVER

Resilience



FINANCIAL IMPACT

Operating Cost and Energy
and Carbon Cost



TIME HORIZON

Medium Term

Leveraging Motive Force's mobile XR technology, this financial year we launched Hong Kong's first mobile and rechargeable Building Information Modelling ("BIM") solution. The system simulates construction projects in a virtual environment, enabling high-fidelity virtual workflows to drive improvements in safety, quality, and productivity.

At each site, teams can quickly access a consistent virtual environment to review designs, run value-engineering scenarios, and simulate constructability tasks before fabrication and fieldwork. The BIM CAVE system is housed inside a custom MiC module optimized for robustness during road transportation and lifting operations, enabling the system to be moved according to project requirements.

Achievements:

- The first mobile BIM CAVE system
- The system uses a compact and mobile Battery Energy Storage System ("BESS") that replaces the use of conventional diesel generators
- Collaboration with CIMC Modular Building Systems, CLPe, and Motive Force
- Solar panels are installed on the BIM CAVE's roof to reduce heat absorption and facilitate BESS recharging



Achieve an **80%**
BIM adoption rate for projects in FY2025.

Extensive use of MiC for LegCo expansion

Hip Hing has embraced Modular Integrated Construction (“MiC”) as a core innovation strategy, revolutionizing traditional building methods to minimize resource use and achieve greater efficiency and safety across its major projects.

The company’s LegCo Complex Expansion project, which involved extending the existing ten-story LegCo office building to 14 stories and adding new office space, marks a milestone achievement in the use of MiC techniques. By leveraging MiC, the project reduced its environmental impact, and minimized disruption to ongoing operations. The expanded facility now accommodates all Legislative Council members and Secretariat staff within a single building, enhancing connectivity and collaboration.



Facilities Management

Facilities management plays a pivotal role in shaping a sustainable future by ensuring that buildings operate efficiently, responsibly, and safely. As one of the founding signatories of the “Net Zero Carbon Events” initiative, HML maintains strong determination to progress to net-zero by 2050. To aid in this effort, HML collaborates with business partners, organizers and participants of exhibitions and events to implement eco-friendly practices and technologies, along with large-scale renovations and facility retrofits across its HKCEC properties.

HML’s dedication to sustainability is reflected in its numerous accolades, including:

ISO 12121:2024 Event

Sustainability Management System recertification in 2024

“Good Class” under

Environmental Protection Department’s Indoor Air Quality (IAQ) Certification Scheme for both the Administration Office and Executive Office of HML’s operations.

“Excellent Level” in Wastewi\$e

Certificate, granted under the Hong Kong Green Organisation Certification (“HKGOC”) scheme, administered by the Environmental Campaign Committee.

HACCP (GHP) —

The General Principles of Food Hygiene: the Hazard Analysis and Critical Control Point (CXC 1-1969, Latest Revised 2022)

Hong Kong Green and Sustainability Contribution Awards 2025

- Gold Seal for Contribution to Sustainable Facility
 - Promote Health and Hygiene
 - Promote Environmental Protection
 - Promote Barrier-free Facilities
 - Promote Barrier-free Services
 - Promote Community Caring
- Pioneer Gold Seal for Contribution to Livable City Living (Promote Halal-friendly Community) — Promote Halal-friendly Venue
- Management Award for Net-Zero Contribution (Conference And Exhibition Venue) — Visionary Blueprint towards Net-Zero

Universal Design Award Scheme —

Gold Award and Special Recognition for Buildings and Sites with Recreational, Sports or Cultural Purposes

Muslim friendly MICE Venue by CrescentRating in 2024, the first MICE venue in Hong Kong being classified Gold, the highest ranking of CrescentRating accreditation scheme.

Muslim-friendly Convention & Exhibition Centre of The Year in the Halal in Travel Awards 2025.

These certifications and awards reflect HML’s proactive efforts to maintain sustainable environments for its staff and visitors.

Utilizing Smart Technology in the HKCEC

CASE STUDY



ESG MATERIAL ISSUE

Energy and Carbon Management;
Innovation and Digitalization



BUSINESS SEGMENT

Facilities Management



STAKEHOLDERS

Employees, Customers, Suppliers,
Community, and Contractors



OPPORTUNITY LEVER

Products/Services; Energy Source;
Resources Efficiency



FINANCIAL IMPACT

Operating Cost; Energy
and Carbon Cost



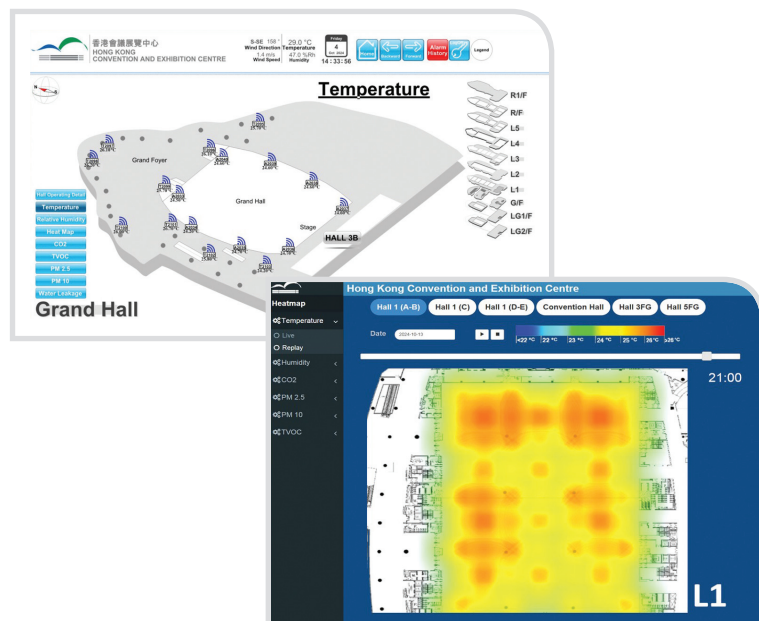
TIME HORIZON

Medium Term

HML has implemented a comprehensive Building Management System (“BMS”) to optimize the operations and sustainability performance of the HKCEC. This advanced control system integrates HVAC, lighting, plumbing, electrical, lift & escalator, and fire alarm systems into a centralized platform, enabling intelligent automation and real-time monitoring.

Complementing the BMS, HML has deployed Internet of Things (“IoT”) sensors to monitor indoor air quality and detect water leakages, setting a benchmark in the industry for smart building integration. Additionally, a Heat Map System has been introduced to visualize temperature distribution, allowing for data-driven adjustments to improve energy efficiency and visitor comfort.

These innovations reflect HML’s commitment to embracing the latest technology to enhance operational efficiency.



In FY2025, we have implemented 23 Energy Management Opportunities (“EMO”) projects across our facilities, achieving a **↓5% reduction** in site energy use and around 2,440 MWh in energy savings as compared with FY2025 budget.

Roads

Transport plays a vital role in driving economic development, creating employment, and ensuring access to essential services; however, it also contributes significantly to global greenhouse gas emissions due to the sector's reliance on fossil fuels. As a toll road operator, CTFS is committed to reducing our impact on the environment by harnessing technology to enhance operational efficiency, maintain road safety, and reduce congestion. At the same time, we are investing in infrastructure that supports the adoption of electric and low-emission vehicles, laying the groundwork for a cleaner, more connected transport ecosystem.

Smart Systems Implemented Across Our Road Operations

CASE STUDY



ESG MATERIAL ISSUE

Innovation and Digitalization



BUSINESS SEGMENT

Roads



STAKEHOLDERS

Customers, Governments/
Regulators, and Community



OPPORTUNITY LEVER

Product/Services



FINANCIAL IMPACT

Operating Cost; Energy and Carbon
Cost; and Revenue



TIME HORIZON

Long Term

CTFS has continued to make strides in enhancing the safety, intelligence, and sustainability of our expressway operations. In September 2024, Hunan CTFS Expressway completed the installation of high-definition video surveillance across the entire 65-kilometer route. This infrastructure upgrade enables real-time incident detection and rapid response coordination, contributing to safer and more resilient roadways. Other expressways have also adopted the smart surveillance system to better monitor their routes.

Complementing this achievement, Hunan CTFS Expressway also finalized comprehensive slope management for a road section in April 2025, deploying an integrated Monitoring and Early Warning System alongside a Roadside Active Safety Warning and Control System. This multi-layered approach demonstrates CTFS's commitment to proactive risk mitigation and infrastructure safety.

To aid the transition to low-carbon forms of transport, we have replaced 10 electric vehicles ("EV") in daily operations of our expressways. Moreover, 56 new electric vehicle charges are installed in Xiasha Service Area under Hangzhou Ring Road this year, totaling 179 electric vehicle chargers have been installed in key locations across our road operations. These developments both support clean energy adoption and also enhance the service experience for EV users.

We are also working to modernize our road tolling systems to improve operational efficiency and user experience. All toll stations are now equipped with Electronic Toll Collection ("ETC") lanes, facilitating seamless vehicle passage and reducing congestion. Mobile payment platforms such as WeChat Pay and Alipay are now implemented across all smart tolling stations, offering users a fast, safe, and convenient payment experience.

Other expressways have since adopted the smart surveillance system to improve monitoring efficiency.



A Warm, Tech-driven Rest Stop for Long-haul Drivers at Xiasha Service Area under Hangzhou Ring Road



ESG MATERIAL ISSUE

Innovation and Digitalization;
Responsible Product and Services



BUSINESS SEGMENT

Roads



STAKEHOLDERS

Customers, and Community



OPPORTUNITY LEVER

Product/Services



FINANCIAL IMPACT

Operating Cost and Revenue



TIME HORIZON

Long Term

Long-haul drivers require a comfortable and hygienic rest space that supports quick turnarounds and sustainable operations. To meet this need, we have established a rest stop facility with the capacity to serve over 100 drivers daily, establishing the site as a reliable, “warm-hearted” rest stop for long-haul journeys.

KEY FEATURES

Sleep facilities:

Twelve modular, private sleep pods with independent beds, nightstands, and charging interfaces, and a smart wardrobe system to keep personal belongings clean and secure.

Shower facilities:

Six standalone showers are equipped with an air-source heat pump water system and water-saving sensor heads, reducing water consumption by 35% per shower versus traditional systems.

Laundry facilities:

Four IoT-enabled washing/drying machines offer smartphone app scheduling and status monitoring, completing the full wash-dry cycle in 90 minutes.



Financial Services

CTF Life, our insurance arm, is dedicated to creating additional value by helping our customers and their families navigate through life with comfort and safety via the introduction of personalized planning solutions for diverse lifestyles. To this end, CTF Life also continues to offer innovative digital solutions to improve efficiency, enhance the customer experience, and reduce our resource use — in FY2025, 62.7% of our customers utilized these digital services.

Inclusive, Accessible, and Innovative Protection

At CTF Life, we are committed to making insurance accessible and inclusive for all segments of society. Our product strategy is designed to meet the diverse needs of customers across different income levels and life stages, ensuring that everyone has the opportunity to access essential protection.

Diverse Product Offerings

We offer a wide range of insurance plans across all major product categories. Within each category, customers can choose from multiple options tailored to varying needs and budgets.

Ongoing Market Review

We regularly benchmark our products against market offerings to ensure competitiveness in both pricing and benefits. This practice helps us maintain affordability and relevance in a dynamic insurance landscape.

Flexible Plan Options

Many of our products, such as the “TopCare” Medical Insurance Plan (“TopCare”), offer multiple plan tiers. This allows customers to select the level of coverage that best aligns with their protection needs and financial capacity. “TopCare”, for instance, includes four plan options, enabling customers to balance premium affordability with desired coverage.

Our offerings extend beyond insurance to include a range of financial protection and value-added services.

Innovation

We are committed to optimizing customer experience and elevating customer-centric service. Our innovative mobile sales solution, Clienteling is one of our initiatives to strengthen connections between our customers and distribution teams. It helps harness the power of data, analytics, and AI, providing customer insights and footprints for our distribution team to better provide recommendations on product offerings and services, creating value beyond insurance.

Affordable Entry Points

Our whole life, critical illness, and savings plans are designed with accessible minimum premiums and sum insured levels. This ensures that customers with modest budgets can still obtain meaningful protection, while those with greater needs or resources can opt for higher coverage.

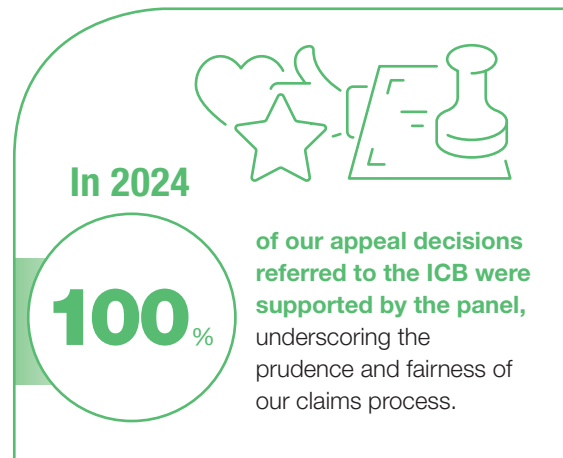
Socially Inclusive Features

We embed socially responsive benefits into our products to address emerging health concerns. For example, “HealthCare 168+” Critical Illness Protector + includes additional coverage for respiratory diseases, introduced in response to heightened public health risks such as air pollution and COVID-19, while “FamCare 198” Critical Illness Protector and “ChampCare” Medical Insurance Plan include protection for mental health conditions and Special Educational Needs (“SEN”), reflecting our commitment to supporting holistic well-being.

Fair and Transparent Claims Practices

We uphold a strong governance framework to ensure that all claims are handled with fairness, transparency, and integrity. Every claim is assessed with a focus on contractual clarity and fairness, anchored in transparency and ethical decision-making. If a customer appeals a claim decision, we proactively recommend independent mediation through the Insurance Complaints Bureau (“ICB”) to facilitate timely and impartial resolution.

We conduct claims review meetings involving senior leadership — including the Head of Claims, COO, and Customer Advocacy representatives — twice a week to ensure balanced and fair outcomes for disputed cases.



Values Beyond Insurance

CTF Life continues to introduce innovative, specially-crafted insurance products designed to support individuals and families through every stage of life. With a focus on affordability, flexibility, and extensive coverage, our MediCare Medical Insurance Plan empowers our customers to access quality healthcare while maintaining financial stability.

Launched to meet the growing demand for sustainable and inclusive health protection, MediCare offers a wide range of benefits that adapt to evolving healthcare needs. This includes comprehensive reimbursement of medical expenses and a guaranteed lifetime renewal option until 128 years of age. The plan's Major Medical Benefit protects against excess expenses that exceed benefit limits, with the limit of reimbursement doubling if a customer is diagnosed with a listed severe urban chronic disease, thereby removing a troublesome financial burden at an already worrying time.

Four First-in-Market features plus Three enhanced benefits

Four First-in-Market features



Double the limit of Major Medical Benefit when diagnosed with severe urban chronic disease



No-claim discount upfront for successful application



Hospitalization Home Care Benefit



Loss of Income Medical Booster — reimbursement percentage of Major Medical Benefit increased to 100%



Three enhanced benefits



No lifetime limit



Covers both western and Chinese medical consultancy (including treatment during hospitalization and outpatient treatment after hospitalization/outpatient surgery)



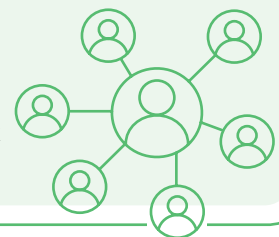
Additional cash allowances such as Outpatient Surgery Cash Allowance



To address our clients' medical needs besides protection, CTF Life partners with third party service providers to provide one-stop medical services include:

- Claimable Amount Estimation Service
- Pre-authorization and direct billing service
- Cancer Support Service with care manager
- China Hospital Support with hospital accompany with VIP service
- Medical Support Service with 24 hours hotline support
- Worldwide Emergency Assistant Service

CTF Life's "GBA MediAccess Outpatient Insurance Plan" was launched in March 2025, tailored for individuals who frequently travel across Hong Kong, Macau, and designated Greater Bay Area ("GBA") cities. This innovative plan leverages the extensive medical network of The GBA Healthcare Group ("GBAH"), a member of Chow Tai Fook Enterprises ("CTFE"), to deliver accessible and high-quality healthcare services.



Logistics

As we continue to expand our portfolio, we will persist in our efforts to innovate and implement green practices, ensuring that our logistics properties not only meet but exceed industry standards for environmental stewardship. Six of our logistics properties have achieved Grade 1 (3-star), the highest grading in the esteemed “Green Warehousing Certification” awarded by the China Association of Warehousing and Distribution (“CAWD”). This accolade underscores our dedication to environmental sustainability and operational efficiency.

Warehouse Lighting Upgrade

CASE STUDY



ESG MATERIAL ISSUE

Energy and
Carbon Management



BUSINESS SEGMENT

Logistics



STAKEHOLDERS

Employees, Suppliers,
and Contractors



OPPORTUNITY LEVER

Energy Source



FINANCIAL IMPACT

Operating Cost; Energy
and Carbon Cost



TIME HORIZON

Short Term

To enhance operational efficiency and align with CTFS’s sustainability goals, our Suzhou Logistics Center undertook a lighting system upgrade project in FY2025. Originally built in 2021 with traditional lamps, the warehouse faced challenges including high energy consumption and frequent maintenance. These inefficiencies not only increased operational burdens but also conflicted with CTFS’s sustainability commitments.

By replacing outdated lighting with energy-efficient LED fixtures and adopting the use of smart meters and lighting control systems, we have been able to reduce electricity usage, improve lighting quality for warehouse staff, and lower maintenance demands, contributing to our carbon reduction efforts.



MANAGING RESOURCES SUSTAINABLY

CTFS is deeply committed to reducing our ecological footprint and protecting biodiversity as part of our broader environmental responsibility. This commitment is embedded in our corporate policies and guidelines, which integrate biodiversity considerations and circular economy principles.

In FY2025, we developed a Climate Change and Biodiversity Policy aligned with TCFD and Taskforce on Nature-related Financial Disclosures (“TNFD”) recommendations. By embedding these values into our decision-making and risk assessment processes, we not only comply with evolving sustainability standards but also contribute to the long-term resilience of the natural environments in which we operate. Our efforts are further strengthened through collaboration with stakeholders and communities, ensuring that our actions support nature and the environment.

Minimizing Environmental Impacts

We have established internal policies to minimize habitat disruption and degradation and ensure compliance with relevant laws and regulations that have a significant impact on CTFS. HML, a pioneer in the field of sustainability, became the first organization in Hong Kong to achieve the ISO 20121 Event Sustainability Management System certificate. Hip Hing’s construction sites adhere to stringent global standards, including the ISO 14001 Environmental Management System, to reduce the impacts of our projects on air, water, and land while minimizing noise. Environmental Impact (or Life Cycle) Assessments are conducted by our site project teams to ensure responsible practices.

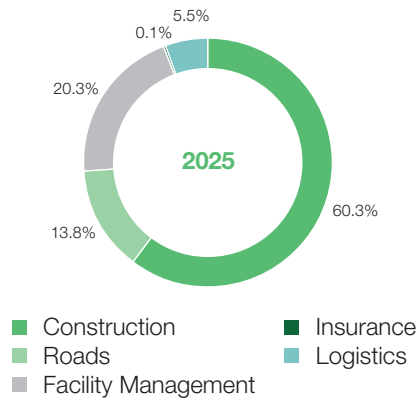
Our commitment to sustainability extends beyond our direct operations, with our ESG Due Diligence Guideline for Investment and Responsible Investment Standards prohibiting business units from investing in ventures tied to animal testing and power plants. This promise underscores our dedication to environmentally responsible decision-making.

Reducing Our Water Footprint

Climate change is intensifying global water scarcity, turning this issue into a critical challenge across the globe. In the Greater Bay Area (“GBA”), a powerhouse of economic activity in China, demand for water continues to outpace supply due to rapid urbanization and industrial growth. At CTFS, we recognize the urgency of building water resilience and are committed to adopting a holistic, inclusive approach to managing this finite resource.

Over the past year, we have made meaningful progress in water conservation, achieving a significant reduction of 18% in water consumption and 11% in water intensity across the Group. Across our operations, Hip Hing remains the largest consumer of water, followed by our roads business and HML. Tracking this data guides our ongoing efforts to optimize water use and strengthen our long-term sustainability across all business units.

FY2025 Water Consumption by Business Segments



Water Intensity

FY2025

42.8m³/HK\$ million

FY2024

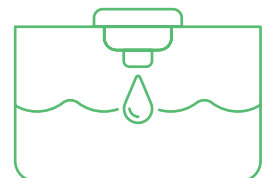
48.3m³/HK\$ million
 Reduce **11%**

We consistently work to enhance our water use efficiency, exploring potential areas to reduce water consumption throughout our operations. For example, Hip Hing implements on-site water replenishment and wastewater treatment systems at all project sites, enabling the reuse of treated water for various purposes, such as washing vehicles and cleaning floors.

“Water-Saving Station” Demonstration Point at West Lake Service Area under Hangzhou Ring Road

West Lake Service Area features a greywater reuse and wastewater treatment system with a daily capacity of 800 tonnes for road surface cleaning and toilet flushing. In the green area, a rainwater collection pond captures an additional >400 tonnes of rainwater for on-site irrigation.

The annual water savings total about 48,000 m³ — roughly the water use of 400 typical households annually. It has been designated as one of the Ministry of Transportation’s first highway service-area “Water-Saving Station” demonstration points.





HML continued to enhance the water efficiency of the HKCEC's facilities. Key highlights include installing more efficient water fixtures in renovated guest restrooms, as well as optimizing the building's flushing system for high usage periods with flushing valves featuring a lower water flow rate. In addition, the HKCEC's urinal flushing valves have been recognized as Water Efficiency Grade 1 by the Water Supplies Department's Water Labelling Scheme ("WELS"). HML also employs the use of smart scrubbing robots, enabling an 80% reduction in water required for floor cleaning.

Moving forward, CTFS will collaborate with suppliers to introduce water-saving technologies in accordance with our procurement standards. We are well-positioned to collaborate with business partners on community watershed protection initiatives, which will further refine our water management practices and ensure compliance with water quality standards across our operations.

Mitigating Biodiversity Impacts

We are continuing to enhance our environmental management practices through a range of initiatives focused on conservation, reuse, and sustainable landscaping. In our roads business, we conduct annual soil and water conservation efforts along road slopes and central medians, including vegetation restoration, replanting, and pruning. This helps to maintain slope stability by preventing erosion, in addition to enhancing the aesthetics of the expressways. For both our roads and logistics businesses, native plants are sourced to reduce maintenance costs and prevent the import of invasive species. In alignment with national regulations, CTFS is also constructing 8,300 meters of noise barriers to mitigate traffic noise and improve the living environments of nearby communities.

This year, the Hunan NWS Sui-Yue Expressway established an ecological fish pond in the staff residence area, transforming underutilized park space into a sustainable source of fresh fish for the employee canteen. The operation uses park vegetation as feed, supports local biodiversity, and reduces both waste and procurement costs.

By April 2025, five harvests have produced more than

99
kg of fish



Integrating biodiversity-minded practices into our projects

VIBRO 惠保

周大福創建集團成員
Member of CTFS Group

For more than 90 years, Vibro (HK) Ltd. has designed and constructed foundation systems that adapt to challenging ground conditions while supporting Hong Kong's buildings and infrastructure. With extensive ground-investigation experience, we integrate biodiversity-minded practices into project delivery: in protected zones such as country parks, we implement a comprehensive set of protective measures to safeguard nearby trees and native flora, including habitat assessments, avoidance of sensitive areas, and planting of native species to restore and enhance local biodiversity.

Our approach emphasizes minimizing ecological disturbance, monitoring ecological impacts, and contributing to the long-term resilience of urban green spaces alongside our engineering responsibilities.

ENCOURAGING CIRCULARITY AND WASTE MANAGEMENT

Proper management of waste is imperative for maintaining a healthy, sustainable society. Incorrect handling of waste can contribute to the pollution of air, water, and land, threatening ecosystems and public health. At CTFS, we recognize the importance and urgency of responsible waste management and are committed to applying the waste management hierarchy across our operations and value chain, reducing, reusing, recycling, and recovering responsibly. We also embed circular economy principles into our planning and decision-making, aiming to minimize waste generation at source. Due to our waste management efforts, this financial year our general waste to landfill (exclude Hip Hing Group) decreased by 9% compared to last year.

HML waste management efforts have been recognized through the Wastewi\$e certification under the Hong Kong Green Organisation Certification ("HKGOC"). This achievement reflects HML's broader ambition to drive sustainable practices that protect the environment and create long-term value.

Green & Sustainable Events @HKCEC

CASE STUDY



ESG MATERIAL ISSUE

Waste Management and Circularity



BUSINESS SEGMENT

Facilities Management



STAKEHOLDERS

Employees, Customers, Suppliers, Community, and Contractors



OPPORTUNITY LEVER

Products/Services; Resources Efficiency



FINANCIAL IMPACT

Operating Cost; Energy and Carbon Cost



TIME HORIZON

Short Term

HML supports event organizers and participants to reduce their environmental footprint when arranging and participating in events.

This guidance includes:

- (1) Food** — Offer a Green Menu and assist organizers in participating in a rescue program for unconsumed food
- (2) Plastic** — Provide green dining options at the Green Dining Zone to reduce the use of disposable utensils and supply reusable meal boxes for crew meals
- (3) Energy** — All technical staff are required to implement electricity-saving best practices for HVAC and lighting control
- (4) Waste** — Offer GREEN@HKCEC support via:
 - A waste separation station with six collection bins to collect different types of recyclables
 - Placement of the event logo on the top banner position to showcase your commitment
 - A dedicated Green Ambassador for three days, ensuring effective waste separation and providing guidance to exhibition and visitors
 - Professional handling of recyclable items
 - Provision of a report illustrating the quantity of collected recyclables





65 Carpet Free Aisle

exhibition events in FY2025



Reuse and Recycle Asphalt Milling Waste

CTFS has implemented a series of targeted measures to minimize waste and promote sustainable operations across our expressway projects. During road maintenance, asphalt milling waste is recycled and reused for shoulder base layer construction, reducing environmental pollution and landfill pressure. Our Engineering Department and maintenance unit has also piloted a SMC warm-mix ultra-thin overlay technology on a 2.3-kilometer section of the Hunan CTFS Expressway, using recycled tires to lower carbon and harmful gas emissions during asphalt production.

Hip Hing's Material Management App

CASE STUDY



ESG MATERIAL ISSUE

Waste Management and Circularity



BUSINESS SEGMENT

Construction



STAKEHOLDERS

Employees and Contractors



OPPORTUNITY LEVER

Products/Services; Resilience



FINANCIAL IMPACT

Operating Cost



TIME HORIZON

Medium to Long Term

As part of its commitment to supporting Hong Kong's transition to a greener future, Hip Hing has developed a Material Management App ("MMA"), a cloud-based digital platform designed to facilitate the exchange of surplus construction and demolition ("C&D") materials.

Construction activities often generate reusable resources, such as rebar and water-filled barriers; through the MMA's digital matching system, projects with surplus materials can be efficiently connected with those in need, maximizing resource utility and minimizing waste. This initiative helps reduce carbon emissions, lower traffic volume, and alleviate pressure on fill banks while promoting circularity and collaboration across the construction sector.

In FY25,

264
tonnes

of C&D materials were
reused via our MMA.

Reuse rate of construction & demolition materials



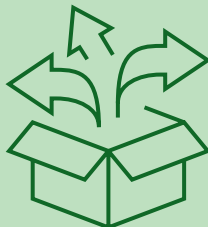
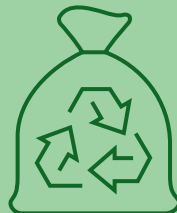
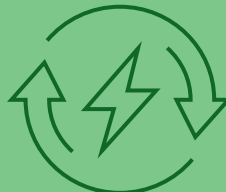
FY2025

95%

FY2024

90%

Application of the Waste Hierarchy in FY2025

ACTIONS		PERFORMANCE HIGHLIGHTS	
MOST PREFERRED	 PREVENTION Reduce or eliminate waste generation at its source through efficient production processes	HML HML launched the “Think Before Plastic” campaign in 2018, replacing plastic straws and all plastic disposable cutlery with non-plastic alternatives. In April 2024, HML discontinued the use of disposable plastic takeaway food containers.	
	 REUSE Reuse items or products to extend their lifespan	HML HML replaced disposable plastic containers with stainless-steel alternatives since August 2023. A total of 1,000 reusable stainless steel meal box containers have been purchased and more than 28,650 orders have been served with the reusable tableware as of June 2025.	Hip Hing The Hip Hing Material Management App diverts surplus construction materials to projects where they are needed, preventing the generation of 264 tonnes of waste in FY2025.
	 RECYCLING & UPCYCLING Recycling involves the collection, sorting, and processing of waste materials to produce new products or raw materials	HML ● HML established an ambitious target in FY2023 to recycle 3,000 kg of wrapping plastic within three years. A total of 40,646 kg of plastic wrap has been collected and recycled as of FY2025. This initiative aims to further curtail waste generation and minimize the environmental impact of organizing events. ● Starting from July 2024, HML has also been collecting wooden pallets for upcycling	Roads ● All of our expressways have introduced smart canteen dining management system that allows on demand meal preparation, reducing unnecessary procurement of food ingredients. This has halved food waste generated from the site. Food waste is also used as feed for poultry and livestock. ● During road maintenance, asphalt milling waste is recycled and reused for shoulder base layer construction.
LEAST PREFERRED	 RECOVERY Recovery of energy or other useful resources from waste	HML HML has been sending food waste to the Organic Resource Recovery Centre Phase 1 (“O•PARK1”) at which food waste will be converted into biogas for electricity generation.	
	 DISPOSAL Disposal of waste to landfill	All Business Segments We are committed to only disposing what waste remains after prevention, reuse, recycling and recovery.	

KEY ESG MATERIAL ISSUES FOR FY2025

Material Issues Relevant to this Core Value	Key Risks Associated With Material Issues
Talent Attraction, Retention and Development	● Difficulties in attracting and retaining skilled talent can hinder ability to scale operations and maintain service excellence. ● As CTFS's operations evolve in response to sustainability, digitalization, and client expectations, employees must be equipped with the right skills to adapt, placing importance on structured training. ● High employee turnover can disrupt team cohesion and negatively affect productivity, and therefore our ability to maintain a consistent service standard.
Health and Safety	● Health and safety regulations are becoming increasingly stringent, and failure to comply with local or international standards may expose CTFS to fines, sanctions, or contract termination. ● Corporate culture lacking a H&S and wellbeing focus can contribute to stress and burnout, resulting in reduced productivity and job satisfaction.
Diversity and Inclusion	● A lack of diversity in the workforce can limit CTFS's ability to attract and retain top talent. ● Inadequate policies or practices could expose CTFS to legal risks related to discrimination, harassment, or non-compliance with equal opportunity regulations.
Human Rights	● CTFS operates in sectors where ethical conduct, fair treatment, and safe working conditions are under increasing scrutiny. Failure to uphold human rights, whether internally or through third-party contractors, can result in reputational damage and legal liability. ● Evolving legislation and global frameworks demand transparency and due diligence across operations and supply chains. Inadequate policies or lack of awareness among staff may lead to non-compliance and ethical breaches.

OVERVIEW

Our people are the driving force behind everything we achieve at CTFS. As workforce expectations evolve and the global talent landscape becomes more competitive, we are strengthening our commitment to building an inclusive, resilient, and future-ready organization. We believe that talent development, health and safety, diversity, and human rights are the path towards long-term success.

OUR APPROACH

We aim to cultivate a workplace culture that is inclusive, diverse, and empowering, providing every individual with equal opportunity to thrive regardless of background. Our people-first approach extends beyond the workplace to support the families of our valued employees, and we work to prioritize well-being, health, and safety while investing in continuous learning to ensure our workforce grows alongside our organization. To build a strong and resilient talent pipeline, we actively engage with emerging talent both internally and externally, offering meaningful development pathways that inspire the next generation of leaders. Health and safety remain foundational to our operations, with proactive measures, robust systems, and a culture of care ensuring the well-being of our workforce. We champion diversity and inclusion by cultivating a workplace that values different perspectives, promotes equity, and reflects the communities we serve. Upholding human rights is integral to our values, and we work diligently to ensure fair treatment, ethical labor practices, and respect for individual dignity across our operations and supply chain. By growing together with shared purpose and mutual respect, we strengthen our collective resilience and unlock the full potential of our people to drive sustainable progress.

Key Updates from FY2025

Our 2025 Employee Engagement Survey received over

1,000 responses,

with a participation rate of 94% across the Group. We received an Overall Engagement Score of 75%, which is 6% above the market norm.



Our LTIR was 0.5 during the reporting period, greatly surpassing our target of 3.0. Additionally, our

Lost Day Rate

↓ has been reduced to 41.9 per 100 employees.



INVESTING IN OUR PEOPLE

Building a talented and resilient workforce is fundamental to our long-term growth and success. As such, we take a strategic approach to talent management, focusing on attracting high-caliber individuals, nurturing their growth, and fostering long-term retainment and engagement. This dual emphasis on development and retention ensures our teams remain agile, skilled, and aligned with the evolving needs of our business. Additionally, CTFS conducts annual multi-dimensional staff appraisals to ensure the effectiveness of our employee investment programs and initiatives. By investing in people at every stage of their career journey, we not only strengthen our current capabilities but also lay the foundation for continued innovation, operational excellence, and sustainable growth.

Finding the Right Talent

People are the foundation to the success of CTFS. The top priority for our talent acquisition objectives is to find the right talent with appropriate skillsets, drive and motivation, as well as fresh ideas to succeed within the CTFS family.

Connecting Talent with Purpose

This financial year, CTF Life visited five universities — Hang Seng University of Hong Kong, City University of Hong Kong, The University of Hong Kong, The Chinese University of Hong Kong, and The Hong Kong University of Science and Technology — to engage with students and explore how our work can meaningfully intersect with their ambitions via career fairs. These in-person events allow us to create opportunities to assess a potential employee's capabilities and experience beyond resumes, helping us identify talent that contributes to meaningful, long-term impacts for our Group.



Hip Hing's Graduate Program

CASE STUDY



ESG MATERIAL ISSUE

Talent Attraction, Retention and Development; Diversity and Inclusion



BUSINESS SEGMENT

Construction



STAKEHOLDERS

Employee and Industry Association



OPPORTUNITY LEVER

Resilience



FINANCIAL IMPACT

Operating Cost



TIME HORIZON

Long Term

To build a robust talent pipeline, Hip Hing recruits around 100 graduates annually into its graduate program, nurturing them to become technical managers through corporate training partnerships with leading professional institutions. This includes the Hong Kong Institution of Engineers ("HKIE"), the Royal Institution of Chartered Surveyors ("RICS"), the Chartered Institute of Building ("CIOB"), and the Institution of Mechanical Engineers ("IMechE"). These collaborations support graduates in obtaining relevant professional qualifications while developing a cadre of skilled, future-ready leaders. Hip Hing recruited 60 graduates under the FY2025 graduate program.

KEY Aspects of the Program:

Rotations or varied projects: Expose graduates to multiple functions or business units to help them discover their strengths.

Structured onboarding: Provide a formal orientation covering tools, processes, compliance, and the company's mission and culture.

Mentorship and sponsorship: Senior mentors offer guidance, feedback, and networking opportunities; sponsors help graduates access challenging projects.

Formal development plan: Individual learning paths include technical training, soft skills, and leadership basics, with measurable milestones.

Performance and feedback loops: Regular check-ins, 360-degree feedback, and clear success criteria (e.g., project outcomes, skill acquisition).

Career path clarity: Transparent progression criteria and potential roles so graduates see a future beyond the program.

Diversity and inclusion: Deliberate recruitment and development practices to broaden perspectives and reduce bias.



Valuing Our Workforce

We remain committed to investing in our workforce, with aims to allow growth professionally and personally. CTFS provides benefits to our employees through various means, including health packages, leave benefits, training and capacity building opportunities, overtime and stress management, and regular performance and salary reviews which are regularly benchmarked against the market. These are further described in this section.

In addition to prioritizing our employees' well-being, CTFS also extends this support to their families. We believe this holistic approach is the key to driving sustainable business success.

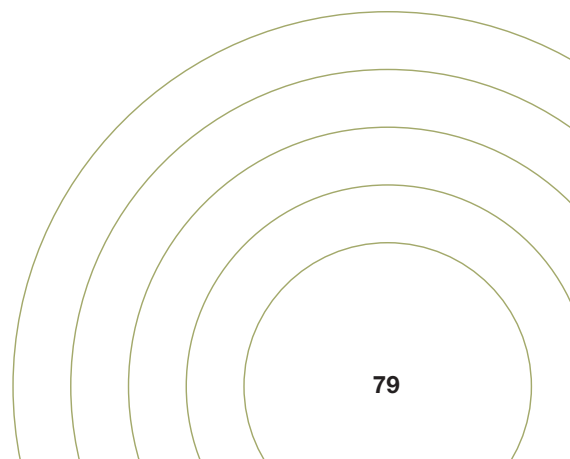
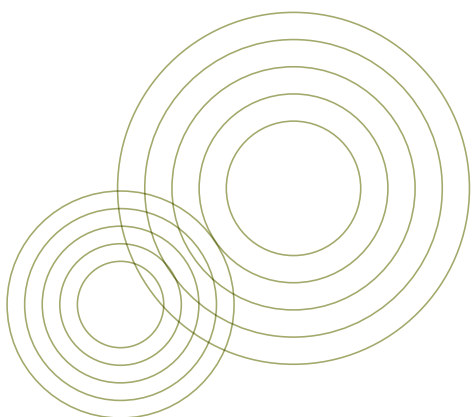
Enhanced Family-Friendly Policies

We offer competitive family-friendly policies for our corporate office employees, showcasing our commitment to fostering a supportive workplace. Our Extended Health Package includes comprehensive medical coverage for dependents, spouses, and children, inclusive of legal same-sex marriages. We have introduced a "Wellness Program" program that allows employees to use funds for wellness expenses such as wellness devices, apparel and sports equipment, health supplements, and recreation and fitness classes.

We understand that our employees come from diverse backgrounds and living situations, and have established benefits and arrangements to cater for the needs of all workers at CTFS. For employees with family commitments, we provide Family Care Leave for planned or unexpected situations without documentation proof. Non-working parents of employees are offered medical benefits, and we allow the conversion of unused non-statutory annual leave into other wellness or medical benefits. Alongside these benefits, we are committed to providing comprehensive leave benefits — including annual leave, sick leave, maternity leave, and paternity leave — that exceed the statutory requirements under the Employment Ordinance (Cap. 57 of the Laws of Hong Kong). In addition, we offer other types of leave such as marriage leave and family care leave. This comprehensive approach reflects our dedication to supporting employee well-being and promoting a healthy work-life balance.

For full-time employees under General Grade (Assistant Manager and below) who are required by the Company to work on a non-working day, the Company provides overtime compensation when the overtime work is necessary and prior approval of the People Manager has been sought.

Our Flexible Working Hours Schedule lets employees start their day between 8:30 am and 9:30 am and finish between 5:30 pm and 6:30 pm, accommodating various family needs. Our Employee Handbook outlines other flexible work arrangements, such as working-from-home, subject to the nature of the employee's job and other operational requirements. These initiatives highlight our dedication to the well-being of our employees and their families.



Activities for Stronger Relationships and Collaboration

CTFS strives to offer family-friendly activities, foster collaboration, and leverage technology to enhance staff engagement. Each business unit provides a wide range of social events, including perfume-making workshops, office massages, cocktail parties, and more. Families are also invited to participate in selected activities such as movie screenings and cake-making classes, reflecting our commitment to an inclusive, community-oriented workplace.

Summer Adventure 2024

Every year, our corporate office hosts a series of summer engagement initiatives from July to September to strengthen connections among employees and their families. In 2024, the company organized six events, including a Movie Day, Wellness Day, and cuttlefish fishing. To foster greater team bonding in FY2025, colleagues were granted half a day off every other Friday to organize cross-department activities, supported by an activity allowance. During this Summer Adventure, more than 200 employees and over 100 family members and friends participated in the company-organized activities.



To facilitate communication between the company and staff, CTFS Corporate Office and CTF Life launched a mobile app called “8alance,” while Hip Hing introduced the “My Hip Hing” mobile app. Both apps greatly transformed staff communications and engagement.

8alance

- **Company information delivery:** provides corporate news and health-related content
- **Employee recognition:** channel to express appreciation for colleagues
- **Feedback collection:** gathers employee input on satisfaction, policies, and benefits
- **Social Activities:** Registration and Participation



My Hip Hing

- **Site-focused communications:** designed for site-based colleagues who are on the front line
- **News and information hub:** accessible source of company news and updates
- **Weather reminders:** site-specific environmental updates for frontline staff
- **Social activities:** registration and participation for company events
- **Employee recognition:** avenue to express gratitude to colleagues
- **HR and operations workflows:** integrated e-leave application and approval system
- **Purchase order workflow:** supports approvals for purchase orders

Supporting Our People to Learn and Grow

In our modern world of rapid societal shifts and evolving workplace expectations, adaptability has become a critical skill for our people. At CTFS, we are committed to equipping our workforce with the tools, knowledge, and competencies they need to thrive, both in their current roles and in the face of future challenges. Through regular assessments of the training requirements of our talent pool, we tailor our learning and development programs to ensure their practicality, relevance, and impact. This proactive approach empowers our employees to continuously grow their capabilities, enhance performance, and build fulfilling, future-ready careers.

Investing in Talent Development and Customer Care



CTF Life continues to invest in both talent development and customer care through innovative programs that reflect its commitment to excellence in our sector. Our Financial Talent Centre organizes seminars and study tours in collaboration with local and mainland universities, including Hang Seng University, CUHK, Xiamen University, and Huazhong University of Science and Technology, where industry leaders share insights on financial planning and investment markets with students and agents.

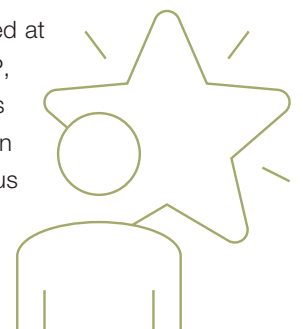
Additionally, each summer our Internship Program offers undergraduates hands-on experience in the insurance industry, fostering early career development and industry exposure.

Nurturing Talent

CTFS is committed to nurturing talent through a comprehensive and structured approach to employee development. A variety of training, support, and development programs are provided to employees, including mentorship, employee networks (such as through our 8balance app), leadership development programs. New staff are welcomed through a Half-Day Orientation that introduces the company's Mission, Vision, and Values, while fresh graduates participate in an Orientation Week to support their transition into the workplace.

Hip Hing has also developed in-house structured programs to accelerate career progression. These include the Project Management Development Program for professional staff, the Construction Officer Development Program for graduates, and a series of talent programs for frontline staff such as the Construction Supervisor Foundation Program, Accelerated Development Program, and Construction Manager Development Program. To ensure training remains relevant and aligned with business needs, an annual Training Needs Survey is conducted to identify development priorities. These initiatives reflect CTFS's strategic investment in building a skilled, future-ready workforce.

We actively support professional growth by offering a wide range of development programs aimed at achieving qualifications such as HKIE, CIOB, HKICM, HKIS, CIArb, BEAM Pro, LEED & WELL AP, and BIM. Trainees are guided by assigned mentors and benefit from job rotations and attachments to meet chartered requirements. Financial assistance is provided through the Higher Education Support Scheme, covering up to 50% of tuition fees for degree programs, and the Continuous Professional Development Training Course Subsidy Policy, which supports seminars, workshops, and short-term studies. At CTFS Corporate Office, there is a \$10,000 annual training subsidy for professional development.



LEAP Program

CASE STUDY



ESG MATERIAL ISSUE

Talent Attraction, Retention and Development; Diversity and Inclusion



BUSINESS SEGMENT

Financial Services



STAKEHOLDERS

Employee, Customers, and Community



OPPORTUNITY LEVER

Resilience and Market



FINANCIAL IMPACT

Investment



TIME HORIZON

Long Term

CTF Life has launched the LEAP Entrepreneur Development Program, designed to attract high-potential financial planning professionals and cultivate future entrepreneurial leaders in the insurance and financial services industry.

Grounded in our entrepreneurial spirit, LEAP targets individuals with tertiary education or relevant professional backgrounds who aspire to build distinguished careers. The program focuses on 3 main pillars for the pursuit of continued professionalism and comprehensiveness, namely entry to the Greater Bay Area, establishment of Group network resources mapping, and building of collective culture of talent sharing.

Through LEAP, CTF Life empowers emerging professionals to break out of their comfort zones and lead high-performing teams, reinforcing our commitment to nurturing entrepreneurial talent and driving innovation in the insurance sector.

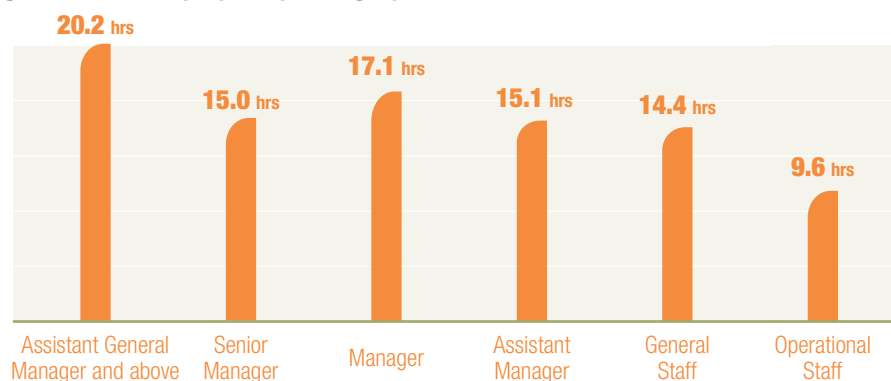
Since the LEAP rebranding in July 2024, 86 LEAPers have joined and demonstrated strong performance positively impacting our business.



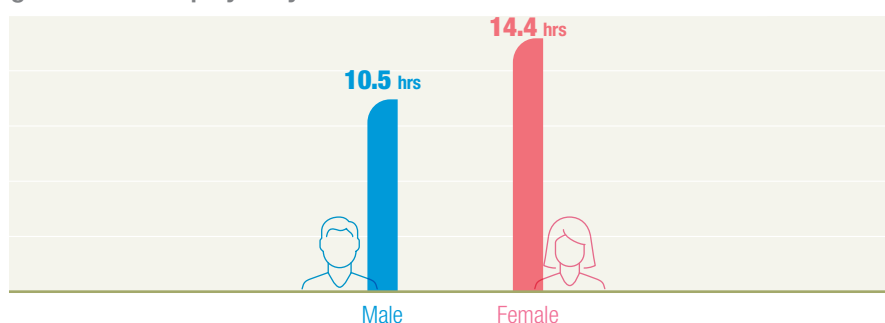
Our Training and Development Focuses

	Description	Types of Training
 Capacity Building	Identify and prioritize development areas for employees to enhance general skillsets for their roles.	Offer a wide range of training on topics including sustainability, IT, business strategies, corporate culture (including topics covered in the Employee Handbook), and legal regulations.
 Career Development	Equip potential leaders with the necessary skills to tackle increasingly complex challenges that may arise as they transition into leadership roles.	Adopt a nomination-based leadership development program and utilize findings from regular performance review sessions. Through these initiatives, we identify and nurture high-potential employees and assist their transition to leadership roles within the Group.
 Leadership Training	Help leaders enhance self-awareness and clarify career goals, enabling them to leverage their strengths and reach their full potential.	Deliver a comprehensive Transformational Leadership Training Program that aims to develop a common language, common goals, and common behaviors among our leadership team. The program equips our leaders with the skills and mindset to drive positive change, foster employee engagement, and create a work environment that retains top talent, in alignment with our strategic goals.

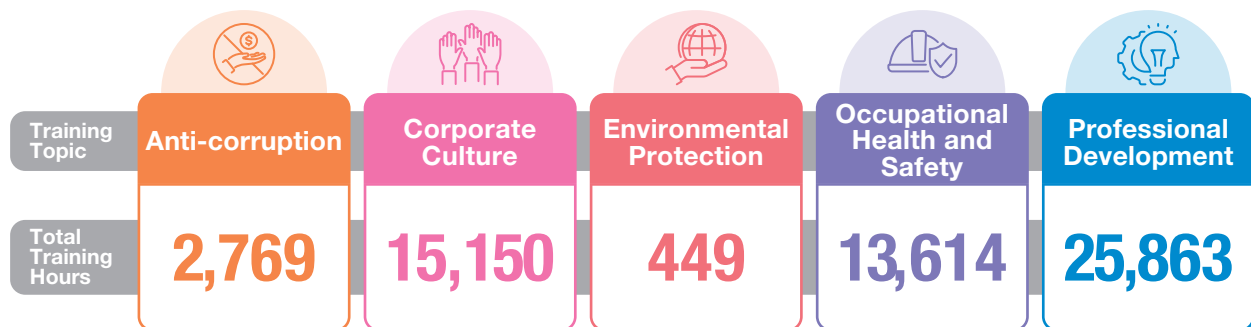
Average Training Hours Per Employee by Category



Average Training Hours Per Employee by Gender



Training Hours by Training Topics



Leadership Training

22 recently promoted Assistant General Managers across the group were nominated to participate in the Ivey Asia Leadership Certificate Course. In addition, CTF Life has entered into a strategic partnership with the Institute of Knowledge Exchange of The Hang Seng University of Hong Kong to co-develop tailor-made executive training programs in finance and insurance. These programs are designed to equip CTF Life's life planners with advanced professional knowledge and practical skills, enhancing service quality and customer experience. This signaling our commitment to building a robust leadership pipeline aligned with our long-term strategic priorities.



ESG Capacity Building

Over the years, we have intentionally built ESG capacity through a multi-faceted program. Aside from enhancing general ESG awareness, CTFS aims to provide their employees with knowledge on business operations on the environment and society. Monthly 30-minute ESG mini-fireside chats bring together representatives from across business units to discuss projects and practices through an ESG lens. Our annual Evolve Conference provides a platform for broad knowledge exchange and collaboration, while the Imp[ACT] Fund drives capacity-building and training events, including visits to Nina Park, Lok Sin Village, the NENT Landfill and the TKO Desalination Plant, to observe best practices in carbon reduction and energy efficiency, water stewardship and efficiency, waste reduction and management, and community engagement. These visits, combined with funding, accelerate the translation of sustainable ideas into actionable solutions, strengthen cross-functional ESG competencies, and advance our strategic priorities for a more resilient and responsible business.

This capacity-building work is essential because it aligns strategy with risk management, meets stakeholder expectations, enhances decision-making, innovation, and builds trust, effectively positioning us for sustainable growth and enduring impact.

To further enhance ESG capacity across the group, we have recruited 45 Imp[ACT] Leaders from across our business units, empowering them to drive ESG initiatives within their respective units. With the support of a consultant, we have conducted thorough peer benchmarking for each business unit, forming the basis for each Impact Leader team to develop an ESG strategic plan.



Various ESG Capacity Building activities



Evolve Conference 2024

In August 2024, CTFS successfully hosted the “Evolve Conference 2024”, our flagship ESG event, at the HKCEC. With the theme “Roads to 2050 – From Vision to Action,” the conference brought together over 300 employees and distinguished guests both in-person and online, reinforcing the Group’s commitment to sustainability leadership.

During the event, Group Co-Chief Executive Officer Gilbert Ho announced the successful achievement of all targets set under our 2018 sustainable development vision and introduced Breakthrough 2050, a new ESG framework with refreshed goals aligned to CTFS’s evolving business profile and core values.



PRIORITIZING HEALTH AND SAFETY

Given our focus and commitment to employees and their families, health and safety are paramount at CTFS, and our actions extend beyond regulatory requirements. Our Occupational Safety and Health (“OSH”) management system spans diverse business units, proactively addressing potential workplace disruptions and crises, and we integrate health and safety risks into our ERM. We are also working to leverage emerging technologies such as automation and robotics to mitigate work-related accidents and illnesses.

To ensure continuous improvement, we adhere to international standards, including International Labor Organization (“ILO”) Guidelines on Occupational Safety and Health Management System (“OSHMS”), Occupational Safety and Health Ordinance (Cap. 509) and the Companies Ordinance (Cap. 622), updating our system as needed.



Our OSH Approach

Our business units have established a robust hierarchy of control under our Health and Safety Policy to effectively address workplace hazard identification, assessment, and incident investigation, with an overarching objective of proactively eliminating hazards across our operations. Understanding that our influence reaches beyond our own operations, we also take Health and Safety into consideration within our procurement process, extending to our subcontractors and suppliers as well. Hip Hing’s OSH system has achieved ISO 45001 certification, underscoring our adherence to international standards and our compliance with the Code of Practice of Factories & Industrial Undertakings (Safety Management Systems) Regulations.

Hip Hing is committed to advancing intelligent and safe construction practices. In recent years, the company has aggressively adopted cutting-edge technologies to enhance site safety and standardize production processes. Its technology portfolio includes a self-developed, remote-controlled tower crane system; a construction-site Collaboration Center built on Modular Integrated Construction (“MiC”) technology; a “Fatal Zone” safety system that uses 360-degree AI cameras to monitor mobile machinery; and a health-index monitoring system that tracks worker well-being through smart watches and smart helmets. Additionally, Hip Hing now monitors lifting areas with smart AI cameras to prevent unauthorized entry. A newly developed smart AI electrical cabinet lock ensures that only registered, authorized electrical technicians can access electrical cabinets. These innovations enable real-time risk detection, improved compliance, and safer, more efficient operations across the project lifecycle.

Hip Hing Excels under the Smart Site Safety Scheme

Hip Hing is proud to have had four of its construction projects recognized under the Smart Site Safety System Labelling Scheme ("4SLS") jointly established by the Development Bureau and the Construction Industry Council. This recognition highlights the successful adoption of smart safety technologies and practices across our sites. The awarded plaques, prominently displayed at the four site entrances, showcase Hip Hing's commitment to safety innovation and operational excellence.

23 projects in total have been recognized by the 4SLS scheme as of June 2025. These include:

- Hip Hing Builders' Composite Development at 350 & 352 Nathan Road;
- Hip Hing Engineering's Expansion of the Legislative Council Complex;
- Subsidized Sale Flats Development at Anderson Road Quarry (Site R2-4); and
- Vibro (HK) Ltd's Ground Investigation in New Territories West.



Hazard Identification and Risk Assessment

Each of our business units has established independent OSH management systems, incorporating tailored reporting mechanisms and risk assessment procedures to address their specific requirements. For instance, Hip Hing invites an independent Registered Safety Auditor to review root causes and prevention strategies in case of incidents. This panel conducts thorough analysis and documentation to learn from the case and improve safety practices.



Hazard Prevention and Control

In response to identified H&S risks, we take a range of follow-up actions. We have established safety forums that serve as platforms for open discussions and knowledge sharing among stakeholders. To communicate revised safety measures effectively, we circulate work procedures to ensure that all relevant parties are informed of necessary changes. Project Special Safety Surveillance Teams are formed to conduct regular assessments at construction sites, promoting safety compliance and identifying potential risks.



Education and Training

We place a strong emphasis on our safety-first culture by providing OSH training. This training ensure clear communication of our health and safety expectations to both employees and sub-contractors, and we actively seek feedback from both parties to enhance awareness and improve performance in matters of OSH. Hip Hing employees are required to attend the OSH training programs.



Performance Monitoring and Continuous Improvement

When we identify insufficiencies in preventive and protective measures against safety hazards, we implement corrective measures for continual enhancement. One key initiative within Hip Hing to address this is the active involvement of top management in morning exercise sessions and lunchtime gatherings at our sites. This enables staff and workers at all levels to share their feedback on site safety and health with our key decision-makers.

Building a culture of safety in our workplace

CASE STUDY



ESG MATERIAL ISSUE

Health and Safety



BUSINESS SEGMENT

Construction



STAKEHOLDERS

Employee, Contractors,
and Community



OPPORTUNITY LEVER

Resilience



FINANCIAL IMPACT

Operating Cost



TIME HORIZON

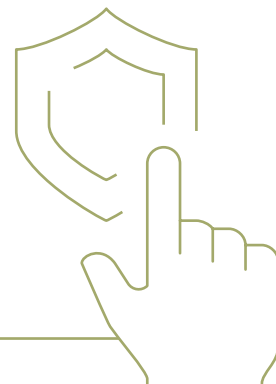
Long Term



Hip Hing and Vibro jointly organized the company's Safety Forum on 19 October 2024, with the theme "Improving Site Safety Supervision and Advocating Safety Culture Together." The forum drew more than a thousand participants, including Hip Hing and frontline staff, as well as representatives from subcontractors and business partners across various projects. Attendees engaged in constructive discussions aimed at equipping site staff and workers with the knowledge and skills needed to identify, react to, and mitigate site safety risks.

Following the forum, Hip Hing rolled out a series of activities to promote a safer working environment for project teams and frontline subcontractors. Initiatives included safety working cycles, lunch-time meetings, tea-break discussions, safety inspections, and Risk Assessment Team meetings to further raise awareness of safety management.

To deepen the safety culture, Hip Hing launched the "Make Safety a Habit" campaign in 2025, reinforcing safety as everyone's responsibility. Beginning in 2025, the "Safety Culture and Safety Behavior" workshops were organized for subcontractor managers. Attendance is mandatory for all subcontractor managers who must complete and pass an assessment at the end of each workshop in order to be eligible to undertake the role of subcontractor manager at Hip Hing or Vibro construction sites.



Hong Kong's First Multimodal Robotic Dog Safety Initiative

To support construction safety, Hip Hing and selected business partners have unveiled the first multimodal AI-powered robotic dog for the Hong Kong market. The robot processes visual, spatial, and contextual data to detect hazards while cross-referencing its findings with global safety protocols. Detected risks are further classified using DeepSeek's AI framework, which evaluates hazards against six major fatal construction risks, ensuring critical threats are prioritized. This agile "safety copilot" works alongside site supervisors, autonomously patrolling sites and capturing 360-degree immersive scans of high-risk areas. If a risk is identified, instant, geotagged alerts are delivered to a supervisor for rapid, targeted interventions.

This groundbreaking innovation provides a glimpse into the future of worksite safety: a fusion of human expertise and AI precision driving smarter, safer, and more resilient operations.



FOSTERING AN INCLUSIVE CULTURE FOR OUR PEOPLE

We believe that cultivating an environment that supports diversity, equity, and inclusion is fundamental to our success, and are committed to upholding the rights of our workforce and fostering a respectful and inclusive workplace for all. We aim to foster equal opportunities and to ensure that all of our employees are treated with dignity, fairness, and respect, regardless of age, gender, ethnicity, or any other aspect of diversity. Our Human Rights Policy and practices align with the United Nations Global Compact ("UNGC") principles, with the policy available on [our corporate website](#). Hip Hing's Sub-Contractor/Supplier Code of Conduct outlines our expectations for ethical conduct, anti-discrimination, upholding of human and labor rights, and environmental conservation. We strictly comply with laws against illegal labor and human trafficking in all of our jurisdictions of operation, with no instances of non-compliance during the reporting period. Employment-related personal data is managed in accordance with the provisions of the Personal Data (Privacy) Ordinance (Cap. 486, Laws of Hong Kong), ensuring confidentiality, integrity, and availability.

Our Employee Handbook includes a structured, anonymous grievance process, and we respect each staff member's interest and right to form or join associations of their choosing. We communicate our expectations to stakeholders through educational campaigns, training initiatives, and engagement events. Relevant policies are reviewed periodically and endorsed by respective Committees.

Cultivating a Diverse Workforce

As a signatory of the Racial Diversity and Inclusion Charter for Employers, we operate our business by ensuring meritocratic employee recruitment, training, compensation and promotion processes. We provide training on the identification and countering of unconscious bias during the recruitment process to our hiring managers, helping to ensure that evaluations of candidates are kept impartial and equitable. Candidates are assessed solely on their academic qualifications, technical knowledge, and competency level, and remuneration for qualified candidates is aligned with the current market level.

Our Commitment to Workforce Diversity

Our Group-wide Workforce Diversity Policy has played a pivotal role in strengthening CTFS's organizational resilience and reputation by fostering an inclusive culture that attracts, retains, and nurtures diverse talent. By integrating a wide range of perspectives, the policy reinforces our dedication to regulatory compliance while promoting equitable leadership representation and sustainable workforce planning. These efforts drive long-term value creation and cultivate a more dynamic, adaptable organization.

The Group commits to work towards a

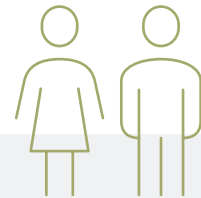
50:50 gender balance

and aims at ensuring no gender is overrepresented by more than 20% (excluding construction)

To maintain at least

one representative

of each gender in senior management, with annual reviews and transparent reporting.



FY2025 Employee Engagement Survey

CASE STUDY



ESG MATERIAL ISSUE

Talent Attraction, Retention and Development; Diversity and Inclusion



BUSINESS SEGMENT

Group, Financial Services, Construction, and Logistics



STAKEHOLDERS

Employees



OPPORTUNITY LEVER

Resilience



FINANCIAL IMPACT

Operating Cost and Revenue



TIME HORIZON

Long Term

The CTFS Group Employee Engagement Survey serves as one of the channels through which we enable our staff to make their voices heard.

KEY OBJECTIVES

- Measure overall employee engagement and satisfaction to assess how connected, motivated, and valued CTFS employees feel across the Group.
- Identify strengths and pinpoint areas for improvement by understanding what is working well and where challenges exist.
- Benchmark CTFS survey results against market standards to gauge relative performance across key dimensions and guide targeted improvement efforts.
- Reinforce CTFS's commitment to an open, fair, and continuously improving workplace culture.

In FY2025, the survey received

A strong participation rate of **94%**

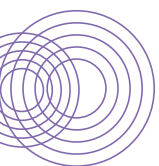


Over **1,000** responses across our business units

Overall Engagement Score of **75%**
favorable—6% above the market norm — indicating a healthy level of employee involvement and satisfaction.

Next Step

Insights from the survey will be used to guide targeted, business unit-specific actions to enhance workplace culture and well-being. This tailored approach promotes transparency and continuous improvement, reinforcing our dedication to our valued employees.



Create Shared Value

KEY ESG MATERIAL ISSUES FOR FY2025

Material Issues Relevant to this Core Value	Risks Associated With Material Issues
Supply Chain Management	● Supply chain disruptions can impact service delivery, increase costs, and delay project timelines, hindering ability to respond to client needs or scale operations effectively. ● Suppliers that fail to meet ESG-related standards can expose CTFS to reputational damage and regulatory scrutiny.
Stakeholder Engagement and Partnerships	● Failure to engage meaningfully with stakeholders can lead to misalignment between CTFS's operations and stakeholder expectations. ● Ineffective collaboration with key external parties may hinder CTFS's ability to deliver high-quality, fit-for-market services.
Community Investment and Strategic Partnerships	● Insufficient or poorly targeted community investment may weaken CTFS's social license to operate, particularly in areas where our services intersect with public interests. ● Quality of disclosures may affect stakeholder confidence and limit access to sustainability-linked partnerships or funding.
Customer Satisfaction and Engagement	● CTFS's reputation and business performance are closely linked to customer satisfaction. Inconsistent service delivery or poor client experiences can lead to reputational damage and reduced future opportunities. ● Without effective channels for customer engagement and feedback, CTFS risks missing opportunities to improve services and adapt to evolving client needs.

OVERVIEW

As our business grows, we are facing emerging risks such as natural resource scarcity, climate-related social risks, and widening inequality, while evolving expectations mean that businesses face increasing pressure from investors, regulators, and society. In these times, the active involvement of our community and business partners has never been more vital. Strategic engagement with stakeholders and communities not only strengthens our social license to operate but also unlocks opportunities for shared growth, impact, and sustainability.

OUR APPROACH

Our goal is to drive economic development and social progress while maintaining our competitive edge in the market. Achieving this requires close collaboration across our value chain and a sustained focus on building strong, equitable partnerships that foster long-term impact and shared prosperity. Strategic partnerships play a vital role in amplifying our impact, enabling us to address complex challenges and unlock shared opportunities. Across our supply chain, we promote ethical sourcing, resilience, and sustainability by working closely with partners to uphold high standards and drive continuous improvement. Our commitment to community investment is reflected in targeted initiatives that support education, health, economic inclusion, and climate resilience, ensuring our contributions are both locally relevant and globally aligned.

Key Updates from FY2025

CTF Services Charity Foundation Limited contributed
HK\$1.29 million
to support our communities.



The CTFS Volunteer Alliance collaborated with over 80 partners to organize more than 250 volunteer activities, with over 2,500 volunteers contributing over 14,400 hours of service to positively impact more than
43,000 beneficiaries.



CTF Life sponsored the Asian Actuarial Conference 2024, which brought together over
1,000 actuaries
and industry leaders to explore the evolving actuarial landscape across Asia.



The HKCEC was accredited with the
Gold Certification
for MICE Venues by CrescentRating, becoming the first convention and exhibition venue in Hong Kong to receive the highest level of certification for Muslim-friendly facilities.



COLLABORATING WITH PARTNERS ALONG OUR VALUE CHAIN

At CTFS, our stakeholders and customers are at the heart of everything we do. As a trusted partner in infrastructure, insurance, and community development, we recognize that our long-term success depends on delivering value, safety, and quality to those we serve. We are committed to understanding and anticipating stakeholder needs, ensuring that our solutions are not only efficient and innovative but also inclusive and responsive. Through continuous engagement, and a strong focus on customer well-being, we are working to build lasting relationships and foster trust in a manner that reflects our broader commitment to sustainability, social responsibility, and shared prosperity.

Suppliers

We collaborate closely with stakeholders throughout our value chain, sharing expectations and commitments on responsible business practices with our suppliers. This includes aligning our supply chain network with environmental stewardship and social objectives, placed under the oversight of our Board to ensure accountability.

We are committed to sourcing and delivering products and services that uphold both environmental and social sustainability. We recognize that global environmental risks — such as extreme weather events, pandemic-related disruptions, geopolitical tensions, and cyberattacks — can significantly impact supply chains, leading to price volatility, raw material shortages, and delivery delays.

To ensure supply chain resilience, we maintain close collaboration with our value chain partners through ongoing communication and vigilant monitoring. We are equally committed to upholding high environmental and social standards across our operations and those of our partners.

Our Supplier Code of Conduct clearly defines our expectations for responsible and sustainable supplier practices. Through regular audits and screenings, we evaluate and assess supplier performance to monitor compliance and drive continuous improvement. We continuously look for ways to leverage our influence to promote and support the adoption of sustainable practices throughout our value chain. In response to growing customer demand for sustainable products and services, CTFS integrates ESG and business relevance considerations into all aspects of our supplier screening, procurement and decision-making processes. Our Supplier Code of Conducts outlines our commitment to reducing environmental impact while promoting responsible, ethical, and local sourcing practices.

To support this, our procurement teams actively reduce the purchase of single-use or excessively packaged products. Instead, we prioritize products and materials with sustainable certifications. We also seek to engage diverse suppliers that contribute to local economies and support vulnerable communities. Where feasible, we encourage our supply chain partners to align their practices with the principles set out in our Sustainable Office Guide.

Procurement Risk Management

Our Sustainable Office Guide now incorporates the former Supply Chain Management and Sustainable Procurement Guides. It mandates the integration of ESG requirements throughout the supplier engagement process. This includes identifying sustainability risks linked to the products and services we procure.

To support this, our Risk Register plays a vital role in tracking potential procurement risks and outlining corresponding mitigation strategies. The register is regularly reviewed and updated to reflect the latest sustainability trends and relevant risk response data — such as cost, quality, and alternative availability. This proactive approach enables timely and effective responses from relevant departments, enhancing our ability to manage procurement risks efficiently. It also strengthens informed decision-making and promotes optimal resource allocation.

Each Business Unit operates under its own procurement policy and workflow, tailored to meet the unique demands of its specific sector. In general, vendor selection and assessment process is an essential measure for us to ensure that our suppliers meet the required standards of quality, reliability, and compliance. Examples of key components in this comprehensive process include reference checking, compliance checking, capability and sustainability assessment and sample inspection prior to engagement, as well as regular monitoring, performance metrics evaluation, feedback mechanisms, and warning and suspension protocols after engagement. Together, these components not only help us mitigate risks associated with third-party relationships but also enhance our overall operational efficiency and resilience.

CASE STUDY

Supply Chain Management for Multi-trade Integrated Mechanical, Electrical and Plumbing (“MiMEP”) project

**ESG MATERIAL ISSUE**

Supply Chain Management

**BUSINESS SEGMENT**

Construction

**STAKEHOLDERS**

Customers, Suppliers and Contractors

**OPPORTUNITY LEVER**

Products/Services; Resilience

**FINANCIAL IMPACT**

Operating Cost; Energy and Carbon Cost

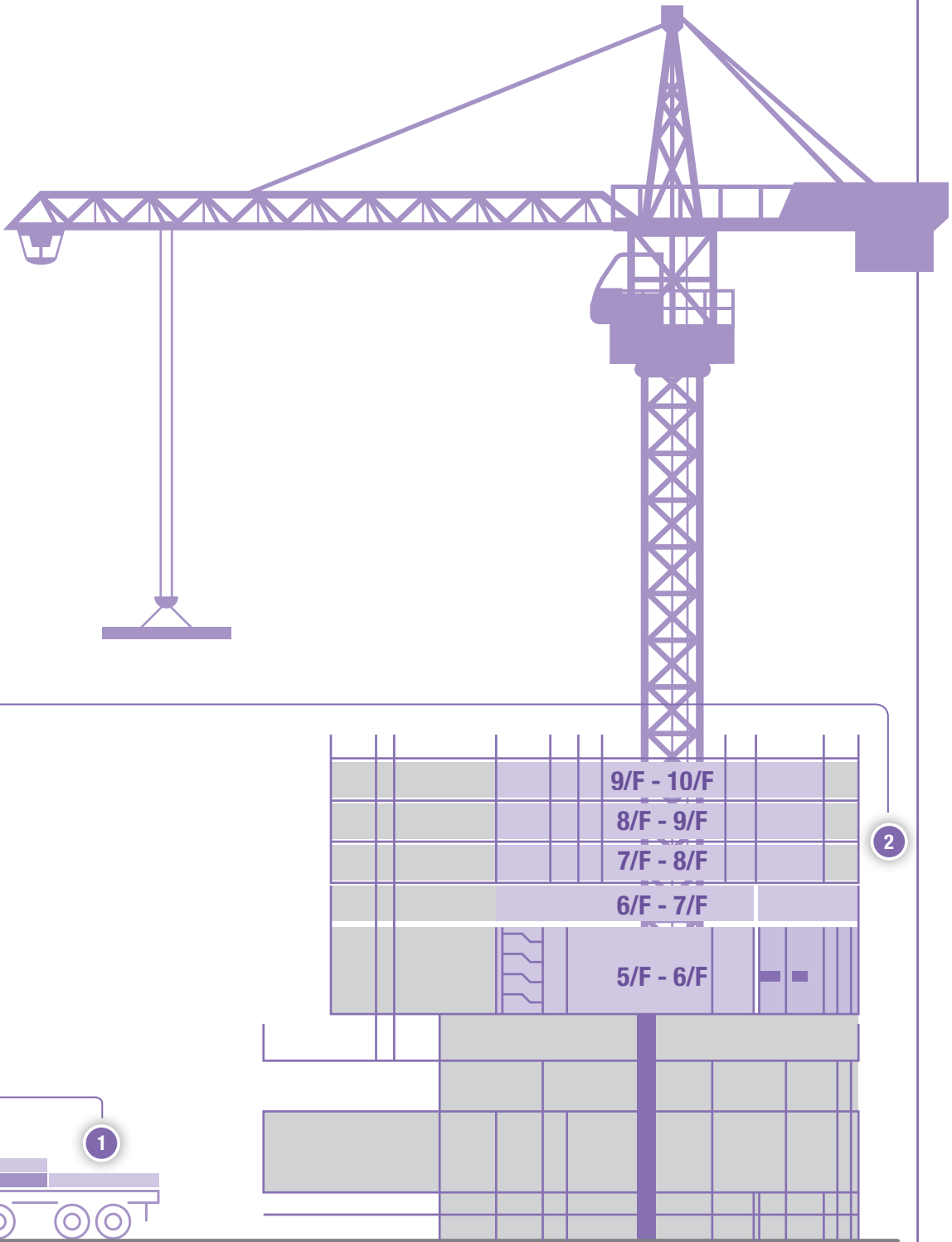
**TIME HORIZON**

Short Term

MiMEP procurement in construction faces challenges related to logistics, supplier relationships, and integration with other project aspects, including managing the large size and weight of MiMEP modules, ensuring reliable and cost-effective supplier networks, and coordinating MiMEP work with other trades. Addressing these issues requires careful planning and a strategic approach to supplier selection and contract management.

Hip Hing’s Lee Garden Eight project aims to achieve more than 80% MiMEP utilization, planning to include over 7,400 modules across five dedicated production lines, all under a robust quality-control system that uses QR codes to ensure precise tracking of materials and equipment.

To better manage our suppliers for the project, Hip Hing conducted a thorough supplier assessment to verify vendor qualifications. To ensure effective MiMEP production, Hip Hing collaborates closely with factories to clearly define every process. QR codes are adopted to trace materials and equipment, and fabrication drawings for each module are maintained. For efficient on-site logistics, the team has developed comprehensive logistics planning to coordinate the arrival, handling, and installation of MiMEP modules.



Customers

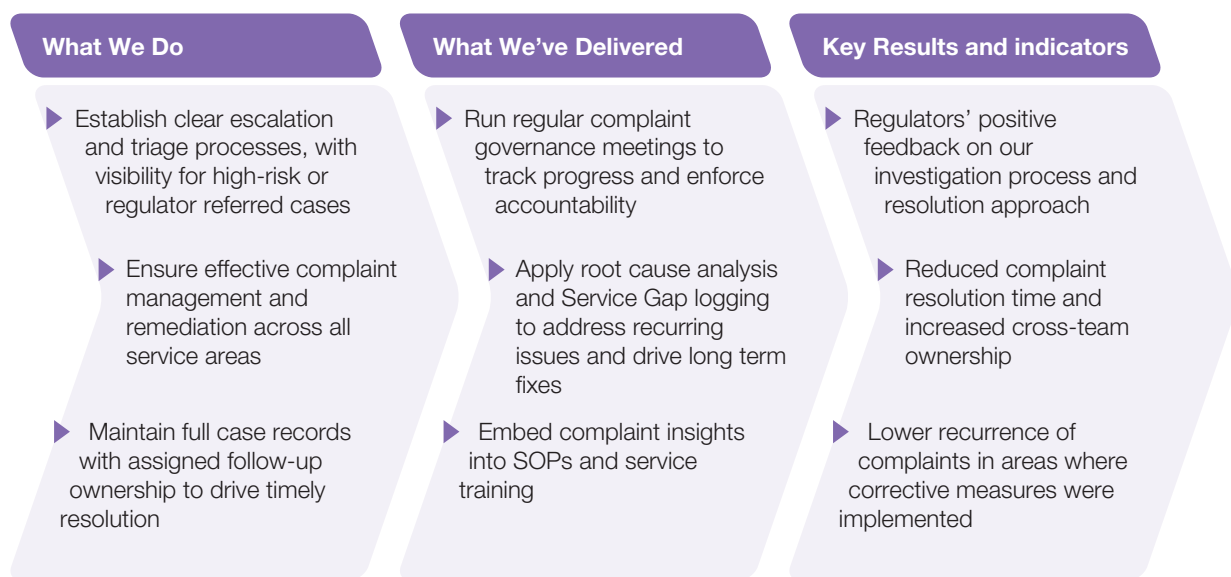
CTF Life places a strong emphasis on building and maintaining long-term customer relationships with a family-first philosophy. Its comprehensive product portfolio is designed to support individuals at every stage of life, from childhood through adulthood, family life, and retirement.

To co-create meaningful value with its customers, CTF Life has partnered with New World CLUB to introduce four complimentary programs: **GROWealth**, **PowerUp**, **EDUtainment**, and **FAMmunity**. These initiatives are crafted to help members and their families thrive across key areas including financial planning, health and wellness, education, and overall quality of life, empowering them to live fully and joyfully with their loved ones.

CTF Life has a structured stakeholder-focused feedback process in place, which allows the efficient handling of sales-related conduct or customer feedback on products or services.

Customer Complaint Resolution & Remediation

At CTF Life, we uphold the principle of “Treating Customers Fairly” by ensuring all complaints are handled with speed, transparency, and accountability. We aim to turn every complaint into an opportunity for improvement.



Aligned with our core value “Act with Integrity” and the governance pillar of ESG, we drive a fix-fast, no repeat approach where complaints lead to real service and process improvements. Our governance discipline, especially on regulator-sensitive cases, reinforces trust with customers, distributors, and external stakeholders.

Business Partners

At CTFS, our senior management demonstrates strong thought leadership in advancing sustainability across key sectors through collaboration with our business partners. They actively engage with industry associations, sharing insights and best practices that help drive our ESG agenda forward. By forging strategic partnerships with influential sector players, these foster collaboration and innovation that extend well beyond our organization. Through these efforts, our leadership not only champions internal sustainability initiatives but also plays a vital role in shaping the broader industry's transition toward a more sustainable future.

For further information of our trade association memberships, please refer to the “[Memberships and Affiliations](#)” section.

Pioneering ESG Strategies at the Asian Actuarial Conference 2024



CTF Life was proud to sponsor the Asian Actuarial Conference 2024, which brought together over 1,000 actuaries and industry leaders to explore the evolving actuarial landscape across Asia. Actuaries from across CTF Life actively participated, gaining insights into emerging trends and best practices.

In addition to our sponsorship, Jim Lam, Executive Director and Group Chief Operating and Financial Officer of CTFS, joined a high-impact panel on the role of insurers in the net-zero transition. He shared how CTFS balances group-wide ESG strategy with business-specific targets, highlighting how CTF Life focuses on responsible investment, while Hip Hing advances emissions reduction through construction innovation.



Local Communities

CTFS remains committed to deepening community engagement and supporting local social enterprises. We actively collaborate with industry associations and educational institutions to create meaningful learning experiences that nurture the potential of young talents within our surrounding community.

Hip Hing has maintained close connections with industry associations as well as educational institutions in Hong Kong, including Hong Kong Institution of Engineers, Construction Industry Council ("CIC") Youth Affairs Committee, the Hong Kong Construction Association Young Members Society. For example, the company has offered internship opportunities to university students and provided insightful sessions for potential recruits. The management teams of Hip Hing are also active members of these industry associations.

Hip Hing has also partnered with Vocational Training Council and CIC collaborative programs to recruit fresh talent into the construction industry as frontline foreman apprentice and workers. Job opportunities are also extended to overseas and the Mainland students who completed VTC Higher Diploma course.

By leveraging these industry and academic partnerships, Hip Hing position itself as an employer of choice, attracting young professionals to consider careers in the construction industry. Existing staff can also benefit from a supportive atmosphere towards acquiring professional qualifications.

Enhancing Muslim-friendly Facilities at the HKCEC

Reflecting our dedication to catering to our diverse employee and customer base, in December 2024 the HKCEC was accredited with the Gold Certification for MICE Venues by CrescentRating, an internationally recognized halal travel promotion company. This makes HKCEC the first convention and exhibition venue in Hong Kong to receive the highest level of certification for Muslim-friendly facilities, reflecting HML's commitment to inclusivity and cultural sensitivity.

To support Muslim exhibitors and visitors, HKCEC has introduced a range of dedicated amenities. These include separate prayer spaces for male and female users, upgraded restrooms with ablution facilities and hand showers, and the provision of Halal-certified food at concession stands during events. These efforts align with Hong Kong's broader initiative to promote Muslim-friendly tourism and business activities, and position HKCEC as a welcoming destination for international visitors from Muslim-majority regions.



From Benefits to Beneficiaries: Building Community Impact

Every year, our company shares festive goodies with our colleagues as a token of appreciation. For the Dragon Boat Festival, we traditionally distribute rice dumplings, and in FY2025 we developed a new way for our team to celebrate.

Colleagues had the option to donate their rice dumplings to families living in transitional housing operated by the Christian Family Service Centre, located near our office. This is a meaningful opportunity to spread kindness and support within our community.

The initiative was reinforced by a matching contribution from the CTF Services Charity Foundation, which funded 132 care packs for those in need. In the lead-up to the festival, colleagues and Independent Non-Executive Directors prepared and delivered both the care packs and the dumplings, underscoring our commitment to community welfare and establishing a scalable model for future engagements.



SUPPORTING OUR COMMUNITIES

CTFS is committed to fostering a sustainable and inclusive community by working closely with our business units and strengthening connections with local communities. We are excited to announce that our company's charity foundation has undergone a name change and will now operate under the name "CTF Services Charity Foundation" ("the Foundation"). In addition to this new identity, we have unveiled a new uniform for the Foundation team to reflect our refreshed brand and commitment to professional, consistent community engagement. The name change does not affect our ongoing partnerships or programs; it simply reinforces our shared mission and values as we continue to support local communities together.



Through the Foundation, which is governed by the Charity Foundation Committee, we lead impactful community investments focused on three pillars: Empower for Change, Build for Support, and Drive for the Future.

By leveraging our resources and network, we collaborate with charitable partners to drive meaningful, lasting change. Our Charitable Giving Policy guides all Group and business-unit contributions, including a mandatory Due Diligence Checklist to ensure donations align with The Foundation's values, comply with the Anti-Fraud and Counter-Corruption Policy, and meet all laws and regulations. It provides a transparent framework for philanthropic donations and non-commercial sponsorships, supporting locally registered charities with rigorous due diligence to promote genuine social progress. We engage with key government and industry stakeholders to drive positive change, while not making direct political donations; all activities comply with applicable laws. For details on affiliations, see the ["Memberships and Affiliations"](#) section.

We do not make charitable contributions to the following:



Individuals, Religious Organizations, Overseas Organizations or Political Organizations

Sponsorship Events, Commercial Shows and Compliment Advertising

such as sponsorship of professional sports events, trade fairs, magazine advertisements

Harmful Activities

Organizations directly involved in gambling, armaments, tobacco, recreational or illegal drugs are excluded from receiving charitable contributions, except those explicitly focused on addressing addiction or drug abuse.

Violate Human Rights

Organizations that do not fully respect human rights in accordance with the UN Guiding Principles on Business and Human Rights.

Activities cause **environmental damage** and cause harm to animals

Promote discrimination

Organizations that discriminate on the basis of race, color, sexual orientation, gender, religion, or disability.

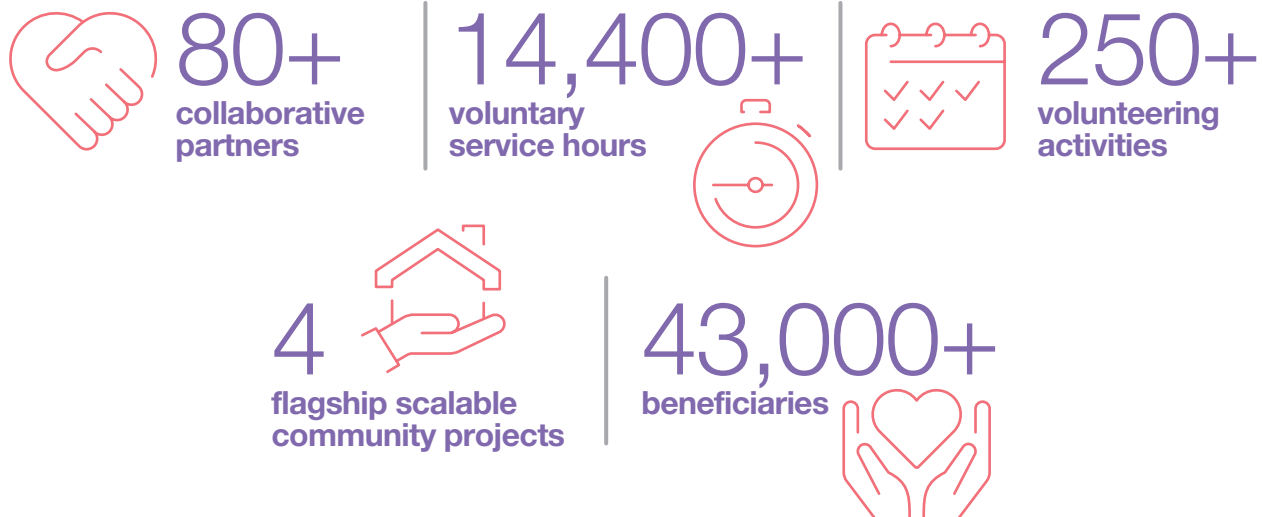
Inadequate Due Diligence

Organizations that fail to complete the due diligence requirements

Members List of the Charity Foundation Committee

Mr. Gilbert Ho, Executive Director and Group Co-CEO, CTFS	Chairman
Mr. Jim Lam, Executive Director and Group COFO, CTFS	Member
Mr. Peter Tang, Group General Counsel and Company Secretary, CTFS	Member
Mr. Huen Wong, INED, CTFS	Member

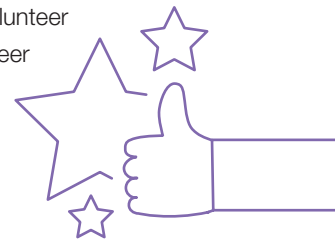
Charity Foundation Key Updates in FY2025



Charity Recognition

Our unwavering commitment to giving back to society through social innovation projects and volunteering has led to CTFS being recognized as a “Caring Company” by the Hong Kong Council of Social Service for 22 consecutive years. Our members’ companies, including CTF Life, Hip Hing, Vibro, HML, and Urban Parking have also been awarded for 15 or 20 years plus caring company logo.

Additionally, the CTFS and Hip Hing-Vibro Volunteer Team received the Gold Award for Corporate (Hours of Service Award) and the Bronze Award for Corporate (Hours of Service Award), respectively, at the Hong Kong Volunteer Award 2024. The award, co-organized by the Home and Youth Affairs Bureau and the Agency for Volunteer Service, recognizes their dedication to volunteer services during the year.



Our Key Focuses

CTFS continues to place focus on three aspects as the foundation for creating shared value.

	EMPOWER FOR CHANGE	BUILD FOR SUPPORT	DRIVE FOR THE FUTURE
			
Objectives	Enabling for positive and sustainable transformations	Removing barrier and creating supportive environments	Addressing challenges that affect the long-term well-being of communities
Key Focuses	● Building capacities for disadvantages groups to access jobs ● Developing future skills that are relevant and valuable in the evolving workforce to enhance their employability	● Removing robust support networks to mobilize collaborative efforts in the community	● Supporting innovative solutions for community wellbeing, e.g. energy efficiency, and circular economy

Overview of Key Programme Impacts in FY2025

EMPOWER FOR CHANGE

CTFS “EXP” Journey by St. James’ Settlement Upcycling Centre



To elevate students’ problem-solving skills by partnering with PolyU Design School, conducting empowerment and capacity-building activities, and delivering user-centered, upcycled solutions that address the needs of people with dementia, children with Attention Deficit Hyperactive Disorder (“ADHD”), and persons with disabilities (“PwDs”).

- Ten Site Visits to understand the needs of people with dementia and their care takers, children with ADHD and PwDs.
- Ten expert sharing sessions on upcycling, ESG, social impact and financial planning
- 14 prototypes developed (70+ students engaged) with five finalists presented to the judging panels
- Two CTFS “EXP” Journey Award winners, each receiving HK\$200,000 startup funding to turn their prototypes into reality
- 100 portable sensory toys for PwDs with autism and 60 Music Box toolkits for elderly with dementia were produced and donated to NGOs across Hong Kong

The Salvation Army Recycling Programme — Outreach Workshops and Volunteer Services by The Salvation Army



Collaborating with housing estates, shopping malls, and schools to organize collection campaigns through education talks to promote a culture of reuse.

- 22 outreach activities and workshops arranged
- 6,310 participants and volunteers engaged
- 16 new permanent items collection points
- Upgraded 1,323 pieces of warehouse equipment and items to increase sorting productivity

“Read to Learn Chinese” Phrase III by Christian Action



Enhance Chinese language skills (speaking and writing) for Ethnic Minority (“EM”) children and strengthen their families’ social integration.

- 32 Chinese enhancement classes for EM students
- 20 EM students engaged
- One financial talk and three health talks for EM women

BUILD FOR SUPPORT

Connect-to-care by Ronald McDonald House Charities Hong Kong

To create a “one-stop shop” platform for RMHC house guests, community members, partners, and staff, streamlining communications, maximizing resource utilization, and providing comprehensive support to those in need.

- Mobile app launched on 29 April 2025
- 270 download users
- 216 new registers (including house families and public)



Care for Self-Care by Hong Kong Young Women's Christian Association

Empower caregivers to continue learning haircutting skills, develop personal talents, and enhance their self-efficacy. Transform caregivers into volunteer leaders by partnering with CTFS Volunteer Alliance haircut teams to provide volunteer haircut services in communities

- 12 caregivers joined five haircutting training sessions
- 13 volunteer activities in centers and elderly homes
- 317 beneficiaries



Walking Along with You (“WAY”) by United Christian Nethersole Community Health Service



Increase chronic patients' engagement in exercise to promote sustained physical and mental health, and provide care while expanding social interactions for patients and their caregivers through visits and group trips.

- 20 Exercise Workshops and Cooking Classes
- Three Elderly Home Visits
- 368 beneficiaries

DRIVE FOR THE FUTURE

“Kai Fong” Masters on Energy Saving and Waste Reduction Pilot Scheme by Tung Wah Group of Hospitals



To build up social capital by training “Kai Fong” masters to promote and facilitate waste reduction practice and energy saving living for deprived families

- Enhanced the repair skills of 80 Kai Fong masters and volunteers from CTFS and schools
- Four repairing days
- 286 LED lights changed
- 130 electric fans installed
- 70 air conditioners cleaned
- Improved energy efficiency for 306 deprived families

Summary of the Flagship Community Projects Approved in FY2025

\$	≤HK\$200,000	\$\$	>HK\$200,000 – ≤HK\$600,000	\$\$\$	>HK\$600,000
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Pillars: Empower for Change and Build for Support

Project Partner	Christian Action
Project Name	Diversity Hub
Project Period	May 2025–April 2026
Funding Amount	\$\$\$
Project Overview	This program aims to provide structured training for ethnic minority (“EM”) youths aged 16–24, helping them achieve upward mobility. In addition to youth training, the program offers long-term support through an alumni initiative, extending beyond the typical 6-month market practices. Various engagement activities with local communities and employers are conducted to foster a more inclusive society in Hong Kong.

Inputs	- Engaged 132 EM youth and 60 EM families in the project 10 weeks soft skills workshops for Tertiary EM Youths - Career experiential learning program for 100 EM Youths (S4–S5) - Workshop for 5 Employers to promote diversity working space 16 Employers offering internships and placements 1,000 public members participating in EM culture tours and seminars
Outputs	Support the Development of Underprivileged EM Youths: Provide a comprehensive training platform with workshops on interpersonal communication, public speaking, future skills training, and career exploration. Unleash the Potential of EM Youths: Empower trained EM youths to engage in volunteer activities and internships, encouraging them to explore diverse career opportunities. Long-Term Support for EM Youths and Their Families: Introduce wellbeing and mentorship programs for personal development. Promote Diversity and Inclusion in the Community: Organize events and seminars for the local community and employers to foster diversity and inclusion.
Outcome	Community Impacts Upward Mobility: Empower EM youths to achieve upward mobility. Workplace Inclusion: Promote EM inclusion in the workplace. Knowledge Sharing: CTFS colleagues will inspire EM youths with industry knowledge and career planning advice. Strengthen Collaborations: Success of the pilot program could enhance CA’s partnerships, ensuring sustainability of EM youth training. Support Network: Establish a long-term supportive network for EM youths and families.
Alignment with SDGs	 

Pillars: Empower for Change and Build for Support

Project Partner	Sheen Hok Charitable Foundation
Project Name	SENe ration
Project Period	May 2025–July 2026
Funding Amount	\$\$
Project Overview	The program supports Special Educational Needs (“SEN”) students aged 15–18 in mainstream secondary schools by creating a SEN-friendly school culture, offering customized training in career planning, interpersonal skills, and skill-based training, and collaborating with various sector partners to provide diverse opportunities for students to explore their future.

Inputs	- Engage 50–80 SEN students through a tailor-made career planning and training program. 15 training sessions and seminars for corporate, teachers and SEN parents - Recruit 100 Mental Health First Aiders, including 20 students from The Education University of Hong Kong, to organize workshops and promotional activities that foster a SEN-friendly school environment and support network
Outputs	Customized Training Program: Develop a tailored program for SEN students to support their career planning and training needs. Collaboration with NGOs and Corporates: Offer a series of visits, experimental workshops, and seminars to provide SEN students with real-world exposure. Trained Mentorship Program: Assign mentors to guide SEN students through the training program. Promoting Inclusion in Schools and the Community: Recruit secondary school students as ambassadors to be trained as mental health first aiders. Following this, they collaborate with students from the Education University of Hong Kong and corporate mentors to foster an SEN-friendly culture in schools.
Outcome	Community Impacts - Offer appropriate support for SEN students in career planning and training, helping them find their future path. - Create training courses under a qualification framework as part of a long-term vision. - Foster a school and community culture that values diversity and inclusion. - Develop an SEN-friendly employment culture.
Alignment with SDGs	 

Pillars: Build for Support	
Project Partner	Hong Kong Christian Service
Project Name	Support for Elders with Emigrant Children: Community Helper
Project Period	July 2025–June 2026
Funding Amount	\$\$\$
Project Overview	The program provides emotional support to parents aged 60 or above who reside in Kwun Tong District and Sham Shui Po District and experiencing emotional distress due to their children emigrating overseas. The program aims to encourage these elderly residents to connect with the community through emotional support groups, community connections, and role transformation activities, thereby reducing feelings of loneliness and increasing self-identity
Inputs	- Recruit 100 left-behind senior citizens to join the program - Empower 40 stay-behind elders as volunteers to provide service to ten NGOs/Units - Provide four emotional supporting groups (6 sessions per group) for left-behind senior citizens
Outputs	Left-behind senior residents networks: Support groups help participants connect with other elders who have similar backgrounds. This enables them to build a support network and learn to adapt to their new lives Role transformation of elders: Connect participants to Community by training and encouraging elders to support their community. This helps the elders to rebuild roles and identities
Outcome	Community Impacts - A survey on the service needs of left-behind elders will be conducted to evaluate the project's impact. The findings may help NGOs review existing services for the elderly and enhance their support for this specific group. - We will build a support network for left-behind elders. Trained participants will join the activities arranged by HKCS and continuous their voluntary works to support their community
Alignment with SDGs	

Pillars: Build for Support	
Project Partner	YWCA
Project Name	NEW initiative of Sports — Experimental Workshop for Caregivers
Project Period	July 2025–August 2026
Funding Amount	\$\$
Project Overview	This project organizes newly emerging sports activities to recruit new caregivers for preliminary assessments while encouraging them to connect with other caregivers during these events. The age range for participation is broad, with no specific restrictions. Male caregivers often show lower motivation to actively seek community support. Therefore, we aim to attract more male caregivers by offering dynamic and engaging activities.
Inputs	- Arrange 40 newly emerged sports workshops for caregivers. - Workshop arranged in three Jockey Club Carer Space and three YWCA elderly centers in Tsing Yi, Sheung Shui and Sai Wan Ho - All new joiners need to fill in the questionnaire prepared by HKU to assess their risk level. Based on their situations, YWCA will offer suitable support and services to assist the caregiver.
Outputs	Help caregivers and elderly individuals relieve stress through exercise Attract new participants to engage in activities: Help them become familiarize with the center's services, and strengthen their connection to the center. Assist caregivers in building a support network: Participants will interact and share experiences with other caregivers during team-based activity which reducing the sense of isolation that often accompanies caregiving.
Outcome	Community Impacts - Promote physical and mental health while fostering continuous skill development to enhance individuals' sense of self-efficacy - Advocate for “Sports for All” within the community, connecting diverse groups through low-impact sports activities that encourage participation and inclusivity.
Alignment with SDGs	



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INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON CTF SERVICES LIMITED'S IDENTIFIED SUSTAINABILITY INFORMATION TO THE BOARD OF DIRECTORS OF CTF SERVICES LIMITED

Limited Assurance Conclusion

We have conducted a limited assurance engagement on the Identified Sustainability Information of CTF Services Limited (the "Company"), and its subsidiaries (collectively "the Group") included in sections "Environmental Performance Data Summary" and "Social Data Summary" of the Environmental, Social and Governance ("ESG") Report for the year ended 30 June 2025 ("the 2025 ESG Report") identified with a ✓ and listed below under the "Identified Sustainability Information" (the "Identified Sustainability Information").

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Sustainability Information is not prepared, in all material respects, in accordance with the criteria applied as explained in the 2025 ESG Report under the sections "Reporting Boundaries and Scope", "Reporting Standards and Principles", "Environmental Performance Data Summary" and "Social Data Summary".

Identified Sustainability Information

The Identified Sustainability Information for the year ended 30 June 2025 is summarised below:

Environmental

Air Emission¹

- Sulphur oxide (SO_x) (Tonne)

Energy Consumption¹

- Diesel (GJ)
- Biodiesel (GJ)
- Unleaded petrol (GJ)
- Liquefied petroleum gas (GJ)
- Electricity (GJ)
- Towngas (GJ)
- Total energy consumption (GJ)
- Total energy consumption (MWh)
- Total energy consumption intensity (GJ/HK\$ million)
- On-site generated renewable energy for feed-in-tariff (GJ)
- Green Electricity Certificates (GECs) (GJ)

¹ PwC performed limited assurance on the environmental data of the Group, excluding the data from Kai Tak Sports Park.



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Greenhouse Gas (GHG) Emissions

- Scope 1 GHG Emissions (TonneCO₂e)
- Scope 2 GHG Emissions (location-based) (TonneCO₂e)
- Scope 2 GHG Emissions (market-based) (TonneCO₂e)
- Total GHG emissions (Scope 1 & 2) (location-based) (TonneCO₂e)
- Total GHG emissions (Scope 1 & 2) (location-based) intensity (TonneCO₂e/HK\$ million)
- Year-on-year change between FY2024 and FY2025 on total GHG emissions (Scope 1 & 2) (market-based) (%)
- Procured carbon offset (TonneCO₂e)

Water Consumption¹

- Municipal water used (m³)
- Water intensity (m³/HK\$ million)

Waste — Hazardous Waste Disposed¹

- Chemical waste (liquid) (Tonne)

Waste — Non-Hazardous Waste Disposed¹

- General waste to landfills (Exclude Hip Hing Group) (Tonne)²
- C&D waste to landfills (Only Hip Hing Group) (Tonne)
- C&D waste to sorting facility (Tonne)
- Total non-hazardous waste to landfills (Tonne)²
- Total non-hazardous waste intensity (Tonne/HK\$ million)²

Materials Recycled¹

- Inert C&D materials (to public fill facility) (Tonne)
- Food waste (Tonne)
- Cooking oil (Tonne)
- Paper (Tonne)
- Plastics bottles (Tonne)
- Aluminium cans (Tonne)
- Glass bottles (Tonne)
- Reuse of C&D material (% of construction waste reuse)

² PwC performed limited assurance on the General waste to landfills (exclude Hip Hing Group), Total non-hazardous waste to landfills and Total non-hazardous waste intensity of the Group, excluding the waste from Wuhan Jiamai Warehouse Co. Ltd, Chengdu Dasheng Logistics Co. Ltd, Jialong (Chengdu) Warehouse Co., Ltd, Jiaxin (Chengdu) Warehouse Co., Ltd, Chengdu JiaChao Warehouse Co., Ltd., Jiayao (Chengdu) Warehouse Co. Ltd. and Suzhou Greenland Platinum Election e-commerce Co. Ltd..



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Social

Workforce

- Total number of employees (Number)
- Total workforce by gender (Number)
- Total workforce by employment type and a breakdown by gender (Number)
- Total workforce by contract type and a breakdown by gender (Number)
- Total workforce by seniority and a breakdown by gender (Number)
- Total workforce by age group (Number)
- Total number of leavers (Number)
- Total number of leavers by gender (Number)
- Turnover rate (%)
- Turnover rate by gender (%)
- Turnover rate by geographical region (%)
- Turnover rate by age group (%)
- Total new hires (Number)
- Total new hires by gender (Number)
- New hires rate (%)
- New hires rate by gender (%)
- New hires rate by geographical region (%)

Health and Safety

- Total hours worked (Number)
- Work-related lost-time injuries (sick leave >0 days) (Number)
- Work day lost due to work-related injuries (Number)
- Lost-day rate (Per 100 employees)
- Lost-time injury rate (LTIR) (Per 100 employees)
- Work-related fatalities for employees (Number)
- Work-related fatality rate (%)

Training

- Average training hours per employee (Number)
- Average training hours per employee (by gender) (Number)
- Training hours by type of training (Number)
- Average training hours completed per employee by seniority (Number)

Parental leave

- Employees who took parental leave (by gender) (Number)
- Employees returned to work after parental leave ended (by gender) (Number)
- Return-to-work rate by gender (%)

Community

- Number of volunteer service hours (Number)
- Dollar value of monetary contribution of CTF Services Charity Foundation (HK\$)



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Basis for Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)"), and, in respect of the greenhouse gas statement, International Standard on Assurance Engagements 3410, *Assurance engagements on greenhouse gas statements* ("ISAE 3410"), issued by the International Auditing and Assurance Standards Board (the "IAASB").

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under these standards are further described in the Practitioner's responsibilities section of our report.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 issued by the IAASB, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities for the Identified Sustainability Information

Management of the Company is responsible for:

- The preparation of the Identified Sustainability Information in accordance with the criteria applied as explained in the 2025 ESG Report under the sections "Reporting Boundaries and Scope", "Reporting Standards and Principles", "Environmental Performance Data Summary" and "Social Data Summary";
- Designing, implementing and maintaining such internal control as management determines is necessary to enable the preparation of the Identified Sustainability Information, in accordance with the criteria applied as explained in the 2025 ESG Report under the sections "Reporting Boundaries and Scope", "Reporting Standards and Principles", "Environmental Performance Data Summary" and "Social Data Summary", that is free from material misstatement, whether due to fraud or error; and
- The selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

The management is responsible for overseeing the Company's sustainability reporting process.



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Inherent Limitations in Preparing the Identified Sustainability Information

Greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Practitioner's Responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. We report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Identified Sustainability Information.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) and ISAE 3410, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Determine the suitability in the circumstances of the Company's use of the Criteria applied as explained in the 2025 ESG Report under the sections "Reporting Boundaries and Scope", "Reporting Standards and Principles", "Environmental Performance Data Summary" and "Social Data Summary" as the basis for the preparation of the Identified Sustainability Information.
- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control.
- Design and perform procedures responsive to where material misstatements are likely to arise in the Identified Sustainability Information. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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Summary of the Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Identified Sustainability Information. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of where material misstatements are likely to arise in the Identified Sustainability Information, whether due to fraud or error. In conducting our limited assurance engagement, we:

- Obtained an understanding of the Company's reporting processes relevant to the preparation of its Identified Sustainability Information by:
 - Making inquiries of the persons responsible for the Identified Sustainability Information on the process for collecting and reporting the Identified Sustainability Information. Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities;
- Evaluated whether all information identified by the process to identify the information reported in the Identified Sustainability Information is included in the Identified Sustainability Information;
- Evaluated the appropriateness of quantification methods and reporting policies;
- Evaluated the methods for developing estimates;
- Performed analytical procedures on the Identified Sustainability Information;
- Performed limited substantive testing on a selective basis of the Identified Sustainability Information, which is aggregated from information submitted by the Company's office in Hong Kong. Testing included: agreeing arithmetical accuracy, agreeing data points to or from source information and checking that the Identified Sustainability Information had been appropriately evaluated or measured, recorded, collated and reported; and
- Considered the disclosure and presentation of the Identified Sustainability Information in the Company's 2025 ESG Report.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 24 September 2025



VERIFICATION OPINION

Scope and Objectives

Hong Kong Quality Assurance Agency (“HKQAA”) has been commissioned by CTF Services Limited (“CTFS”) to conduct an independent verification of the Greenhouse Gases (“GHG”) Scope 3 emissions inventory (“Emissions Inventory”) for the period of 1 July 2024 to 30 June 2025. The aim of this verification is to provide a limited assurance on the data consolidated in the Emissions Inventory compiled by CTFS based on the financial influence over its indirect emissions against the requirements of “The Greenhouse Gas Protocol — Corporate Value Chain (Scope 3) Accounting and Reporting Standard”.

Based on the preparation of the “Scope 3 Inventory and Emission Calculations” by CTFS in accordance with the criteria of GHG Protocol, an opinion was concluded by the verification team from the verification activities, including:

- Offsite verification with the aid of Information Communication Technology (ICT) of the scope 3 GHG emission data associated to various categories defined in GHG Protocol; and
- Desktop review for documentation and supporting evidence.

Methodology

The process applied in this verification was based on the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. The process included the assessment of:

- reporting boundaries selected;
- quantification methodology and emission factors used;
- integrity of the historical activity data used;
- accuracy and completeness of the GHG calculations; and
- conformance with the requirements of the GHG Protocol.

Integrity and accuracy of the aggregated data was tested by tracing the sampled data to its sources. The underlying processes for data collection, aggregation, estimation, calculation and internal checking were reviewed and undergone reliability test. Materiality threshold of 10% was adopted for this verification. HKQAA verification team did not partake in the GHG data preparation process.

Conclusion

The total Scope 3 GHG emissions of CTF Services Limited for the period of 1 July 2024 to 30 June 2025 was as follows:

GHG Emissions — GHG Protocol		Tonnes CO ₂ e
Scope 3 Indirect GHG emissions including categories:		
1. Purchased goods and services		664,654
Hip Hing		664,654
15. Emissions from Investments		2,142,128
CTFS (Corporate Office)		1,183,647
CTF Life		958,481
Total (Scope 3 – Cat. 1 & 15)		2,806,782

Signed on behalf of Hong Kong Quality Assurance Agency:

Verifier:



Verifier: Tommy Lo

Date of Issuance: 16 September 2025

Head of Audit:



Head of Audit: Connie Sham

Hong Kong Quality Assurance Agency
19/F., K. Wah Centre, 191 Java Road, North Point, Hong Kong
Contact detail www.hkqaa.org

Introduction:

HKQAA has been commissioned by CTF Services Limited (“CTFS”, address: 21/F NCB Innovation Centre, 888 Lai Chi Kok Road, Cheung Sha Wan, Kowloon, Hong Kong) for the verification of selected categories of its indirect Scope 3 Greenhouse Gas emissions in accordance with GHG Inventory in the form of “Scope 3 Inventory and Emission Calculations” covering scope 3 GHG emissions of the reporting period 1 July 2024 to 30 June 2025.

Roles and responsibilities:

CTFS is responsible for the organization’s GHG information system including the calculation and determination of GHG emissions information and the reported GHG emissions. The HKQAA verification team is responsible for providing an independent GHG verification opinion on the GHG Inventory provided by CTFS for the reporting period.

HKQAA has conducted a third-party independent verification of the provided GHG Inventory against the requirements of GHG Protocol in August 2025. The verification was based on the verification scope, objectives and criteria as agreed between CTFS and HKQAA. There was no relationship between HKQAA and CTFS that would affect the impartiality of HKQAA for the verification service.

The process applied in this verification was based on the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. Our evidence gathering process was designed to obtain a limited level of assurance as set out in the standard for the purpose of devising the verification conclusion. The extent of this verification process covered the criteria set in the GHG Protocol.

Detail of the Scope:

- The reporting boundaries were established including the identification of scope 3 emissions associated with the CTFS’s financial influence over its indirect GHG emissions.
- Title or description activities: Verification of Scope 3 GHG Emissions Inventory (1 July 2024 to 30 June 2025) for CTFS
- Tangible and intangible infrastructure assets, activities, technologies, financial investments and indirect processes of the organization for the following categories:
 1. Purchased goods and services (for Hip Hing)
 15. Emissions from Investments for CTFS Group (Corporate Office) and CTF Life
- GHG sources, sinks and/or reservoirs included: GHG sources as presented in the “Scope 3 Inventory and Emission Calculations” of CTFS

- Types of Scope 3 GHGs included: CO₂e, where CH₄, N₂O, NF₃, SF₆, HFCs and PFCs are not in significant amount or without sufficient estimation information.
- The data and information supporting the GHG Inventory were hypothetical, projected and/or historical in nature.

Conclusion:

CTFS provided the GHG Statement in the form of “Scope 3 Inventory and Emission Calculations” based on the requirements of the GHG Protocol. The GHG information for the reporting period indicating the total Scope 3 indirect greenhouse gas emissions of 2,806,782 Tonnes of CO₂ equivalent for selected categories 1 and 15 were verified by HKQAA to a limited level of assurance (within 10%), consistent with the agreed verification scope, objectives and criteria.

HKQAA adopted a risk-based approach for the verification. Our examination includes assessment of evidence relevant to the amounts and disclosures in relation to CTFS’s reported GHG emissions.

Based on the verification processes and procedures conducted, there is no evidence that the GHG Statement in the form of “Scope 3 Inventory and Emission Calculations” prepared by CTFS; i) is not materially correct and is not a fair representation of GHG data and information for the reporting period, and ii) has not been prepared in accordance with GHG Protocol on GHG quantification, monitoring and reporting.

Based on the verification results, the verification team concluded that it is materially correct and is a fair representation of the GHG data and information for the reporting period at limited level assurance.

In the event of any discrepancy between the English and Chinese versions of this verification statement, the English version shall prevail.

IMPACTS, RISKS, AND OPPORTUNITIES DISCUSSION

Time horizon definitions: Short-term — <2 years; Medium-term — 2–5 years; Long-term — Beyond 5 years

Material Issue	Identified Sustainability-related Risks	Identified Sustainability-related Opportunities and Impacts	Time Horizon	Relevant Report Section	Stakeholder Groups Impacted by Material Issue
Act With Integrity					
Business Ethics and Anti-Corruption	CTFS recognizes that non-compliance with legal and regulatory requirements, including ESG-related obligations, can lead to significant consequences such as legal action, financial penalties, and reputational damage. These risks can affect not only our financial performance but also stakeholder confidence, operational continuity, and long-term strategic goals.	To mitigate this legal/regulatory compliance risk, we proactively monitor changes in relevant laws and regulations. We have established comprehensive policies and procedures to guide our compliance efforts, conduct regular monitoring to identify and address gaps, and provide ongoing training to our employees so they remain informed and aligned with the latest requirements.	Short-term	• Corporate Governance and Risk Management	Employee Investors Governments/Regulators Suppliers
	In an increasingly complex and dynamic regulatory environment, failure to meet evolving standards, whether related to data privacy, anti-corruption, environmental disclosures, or corporate governance, can result in heightened scrutiny from regulators, loss of business opportunities, and erosion of public trust. Maintaining robust compliance frameworks and proactively adapting to regulatory changes are essential to safeguarding our reputation, ensuring operational resilience, and supporting sustainable growth.	CTFS is dedicated to maintaining a strong culture of integrity through well-established governance policies and procedures. Key frameworks, including staff responsibility, anti-corruption, conflict of interest, and whistleblowing policies, are regularly updated to meet evolving regulatory standards. Ongoing training and confidential reporting channels reinforce ethical conduct and transparency. These efforts strengthen compliance and build stakeholder trust.			
Corporate Governance	CTFS is exposed to macroeconomic risks such as inflation, interest rate fluctuations, and currency instability, which can impact operating costs, capital expenditure, and financial planning. Economic downturns may reduce demand for services, delay investment decisions, and constrain access to financing. These conditions can also affect the financial health of business partners, increasing the risk of contract renegotiation or defaults. Macroeconomic shifts can also influence labor market dynamics, including wage inflation and talent availability. Rising costs may pressure margins, while economic uncertainty could affect employee retention and recruitment, compounding operational challenges. The company faces credit and default risks associated with clients, suppliers, and other counterparties. In periods of economic stress, delayed payments or defaults may disrupt cash flow and require stronger credit and liquidity controls. A lack of robust credit risk management could expose CTFS to financial losses and impair its ability to meet operational obligations.	By maintaining a diversified client base and robust risk assessment processes, CTFS can mitigate exposure to credit defaults and ensure financial stability. These practices support long-term resilience and investor confidence. Economic shifts may create opportunities for CTFS to strengthen our market position through strategic partnerships and service innovation. Investments in automation, energy efficiency, and sustainable procurement help CTFS manage cost pressures. These initiatives not only improve operational efficiency but also support the company’s ability to adapt to changing economic conditions while maintaining service quality.	Long-term	• Corporate Governance and Risk Management	Employee Investors Governments/Regulators

Material Issue	Identified Sustainability-related Risks	Identified Sustainability-related Opportunities and Impacts	Time Horizon	Relevant Report Section	Stakeholder Groups Impacted by Material Issue
Risk Management	Geopolitical instability such as trade tensions, regional conflicts, and shifts in international relations can disrupt CTFS's operations and supply chains. These disruptions may affect the availability and cost of critical goods and services, delay project timelines, and increase compliance burdens due to sanctions or export controls. Political uncertainty in key markets may also impact investment decisions and long-term planning. Changes in geopolitical dynamics often lead to evolving regulatory environments, including new labor laws, data protection requirements, or environmental standards. CTFS may face increased compliance costs and legal exposure if it is unable to adapt quickly to these changes. Inconsistent or conflicting regulations across jurisdictions can further complicate operations and increase the risk of non-compliance.	CTFS's ability to navigate geopolitical uncertainty through proactive risk management enhances our resilience and strategic agility. By monitoring global trends, we can respond swiftly to emerging risks and minimize disruption. This capability strengthens stakeholder confidence and supports long-term value creation. By demonstrating strong governance, ethical conduct, and compliance with international standards, CTFS can reinforce its reputation as a responsible and reliable partner. This is particularly valuable in times of geopolitical uncertainty, where trust and transparency become critical differentiators in maintaining stakeholder relationships and securing new business opportunities.	Long-term	Corporate Governance and Risk Management	Employees Investors Customers Suppliers Contractors
	Geopolitical tensions can also heighten physical and cybersecurity risks, potentially affecting employee safety, data integrity, and business continuity. In extreme cases, geopolitical instability may lead to workforce displacement or restricted access to key operational sites.				
Cybersecurity and Information Security	With the global shift toward advanced technology and digitalization, CTFS is increasingly relying on programs to monitor and manage its systems. However, this transformation also brings heightened cybersecurity and information security risks. Cyber incidents may lead to financial losses, regulatory penalties, reputational damage across business units, and disruptions to supply chains. As artificial intelligence accelerates digital transformation, it also introduces new vulnerabilities. Threat actors are now leveraging AI to carry out more precise, adaptive, and difficult-to-detect attacks.	CTFS has implemented a comprehensive cybersecurity framework that includes regular IT audits and internal compliance assessments conducted by external cybersecurity professionals. A robust suite of data privacy and information security policies and procedures is enforced across the organization. These efforts combined with ongoing reviews, system enhancements, and employee training help build trust, strengthen our reputation, and improve operational safeguards.	Short-term	Cybersecurity Solutions in Action	Employees Investors Customers Suppliers Contractors
		By investing in advanced threat detection technologies and fostering a culture of cyber awareness and accountability, CTFS not only increases resilience against evolving threats but also unlocks new business opportunities through enhanced stakeholder confidence and regulatory alignment.			

Material Issue	Identified Sustainability-related Risks	Identified Sustainability-related Opportunities and Impacts	Time Horizon	Relevant Report Section	Stakeholder Groups Impacted by Material Issue
Advance With Agility					
Sustainable Finance and Investment	As financial markets increasingly integrate sustainability criteria, CTFS may face challenges accessing capital if it does not align with investor expectations around ESG performance, including mandatory climate-related disclosures, taxonomy alignment, and ESG reporting standards. A lack of transparency or progress in sustainability initiatives could result in higher financing costs, reduced investor confidence, or exclusion from sustainability-linked funding opportunities. This may constrain the company's ability to invest in long-term growth and infrastructure upgrades.	By aligning with recognized ESG reporting frameworks and improving disclosure practices, CTFS can strengthen our reputation and build trust with investors, lenders, and other stakeholders. Transparent reporting on sustainability performance and financial impacts enables better risk management and positions the company as a responsible and forward-looking enterprise.	Medium-term	Sustainable Finance	Employees Investors Customers Governments/Regulators Community Industry Associations Academics
	Sustainability-related risks, such as climate change or social governance issues, may affect the valuation of assets and long-term investment returns. If CTFS does not adequately integrate ESG considerations into our investment planning and capital allocation, we may face underperforming investments or misalignment with future regulatory and market expectations.	We aim to embrace the opportunity to tap into emerging sustainable finance instruments, such as green bonds and sustainability-linked loans. These financing mechanisms can support our environmental initiatives while potentially offering favorable terms and enhancing investor appeal. Additionally, integrating ESG factors into investment decisions can future-proof our operations and help us capitalize on long-term value creation.			
Innovation and Digitalization	The rapid pace of technological change presents challenges in selecting, integrating, and scaling digital solutions effectively. Poorly implemented systems or outdated infrastructure can lead to inefficiencies and operational disruptions. If CTFS fails to keep pace with digital innovation, we risk falling behind competitors and missing opportunities to enhance service delivery and sustainability performance.	CTFS is leveraging digital technologies to improve operational efficiency and service quality. These innovations help to enhance consistency, reduce manual workload, and lower our environmental impact while contributing to cost savings and improved sustainability outcomes. Digitalization enables CTFS to collect, analyze, and act on operational data in real time. This supports more informed decision-making and performance optimization. Enhanced data visibility also improves transparency and reporting on ESG metrics, aligning with stakeholder expectations and regulatory requirements. Digital capabilities allow CTFS to offer more responsive, customized, and sustainable services, strengthening client relationships and market competitiveness. Innovation in service delivery can differentiate CTFS in a competitive landscape and open new revenue opportunities.	Short-term	Integrating ESG Practices into Every Aspect of Our Business Through Innovation; Solutions in Action	Employees Investors Customers Governments/Regulators Community Industry Associations Academics
	As we adopt more digital tools and platforms, the risk of cyber threats and data breaches increases. Inadequate cybersecurity measures may expose us to operational downtime, legal liabilities, and reputational damage. Compliance with evolving data protection regulations also requires continuous monitoring and investment in secure systems and employee awareness. The digital transformation requires a workforce that is equipped with the necessary skills and knowledge. If employees are not adequately trained or supported during the transition to new technology, it may lead to reduced productivity or underutilization of digital investments. This can hinder the realization of expected efficiency and sustainability gains.	By investing in digital training and upskilling, CTFS empowers our workforce to embrace innovation and contribute to continuous improvement. A digitally enabled workforce is more agile, engaged, and capable of driving transformation across the business, enhancing employee satisfaction and supporting talent retention.			

Material Issue	Identified Sustainability-related Risks	Identified Sustainability-related Opportunities and Impacts	Time Horizon	Relevant Report Section	Stakeholder Groups Impacted by Material Issue
Evolve Sustainably					
Climate Change	The shift toward a low-carbon economy presents a range of financial, operational, legal, and reputational risks. Compliance with evolving climate-related regulations and stakeholder expectations may require significant investment across our business units. These changes could lead to increased capital and operating expenditures, and failure to act decisively may result in reputational damage, regulatory penalties, or reduced competitiveness. CTFS’s business units are also exposed to the physical risks of climate change, including extreme heat, more frequent severe weather events, and flooding. These events may disrupt operations, impair assets, and affect supply chain reliability. To maintain business continuity and safeguard infrastructure, we may need to invest in climate adaptation measures, which could increase long-term costs. Inadequate resilience planning could lead to service interruptions, asset degradation, and financial loss.	The adoption of low-carbon technologies and practices to counteract the impacts of climate change can enhance our operational efficiency and reduce emissions, presenting a range of opportunities for our business. Initiatives such as upgrading lighting systems, replacing chillers, and switching to electric vehicles can contribute to reduced energy consumption and lower carbon intensity. These measures help mitigate rising energy costs and potential carbon pricing impacts, while delivering long-term operational savings. These practices also aid in reducing our environmental impact, enhancing our brand’s reputation. The threats posed by climate change have led to the strengthening of our Environmental Management System (“EMS”) in alignment with recognized standards, helping to enhance our resilience. We have also embraced the opportunity to collaborate with industry peers through participation in seminars and the sharing of best practices, helping to foster innovation and continuous improvement for our industry to deal with the impacts of a changing climate.	Long-term	Climate-related Financial Disclosures	Employees Investors Customers Governments/Regulators Community Industry Associations Academics Media NGOs
Energy and Carbon Management	CTFS faces increasing pressure to reduce our energy consumption and GHG emissions in line with the transition to a net-zero economy. Failure to comply with emerging regulations or meet stakeholder expectations could result in financial penalties, reputational damage, and restricted access to sustainability-linked financing. Rising energy prices also pose a risk to operational cost stability. Transitioning to low-carbon operations may require significant capital investment in new technology and infrastructure upgrades. Delays or inefficiencies in implementing these changes could hinder CTFS’s ability to meet decarbonization goals and expose the company to stranded asset risks. Additionally, reliance on legacy systems may limit the effectiveness of energy-saving initiatives and reduce the company’s agility in responding to future regulatory or market shifts.	CTFS is actively pursuing energy efficiency measures across our operations. These initiatives reduce energy consumption, lower GHG emissions, and contribute to cost savings, supporting both environmental and financial performance. Investments in low-carbon technologies prepares CTFS for a carbon-constrained future. These forward-looking initiatives reduce exposure to carbon pricing and regulatory risk while enabling the company to meet evolving client and market expectations for sustainable service delivery. By strengthening our EMS and aligning with recognized sustainability standards, we support long-term value creation, improve access to green finance, and enhance our reputation among clients, investors, and regulators.	Medium-term	Climate-related Financial Disclosures	Employees Investors Customers Governments/Regulators

Material Issue	Identified Sustainability-related Risks	Identified Sustainability-related Opportunities and Impacts	Time Horizon	Relevant Report Section	Stakeholder Groups Impacted by Material Issue
Responsible Product and Services	Our reputation and operational integrity are closely tied to the quality, safety, and reliability of our products and services. Inadequate quality assurance or lapses in health and safety protocols can lead to service failures, accidents, or harm to employees, clients, or the public. Such incidents may result in legal liabilities, reputational damage, and loss of client trust.	CTFS’s commitment to delivering high-quality, safe, and reliable services strengthens client relationships and reinforces our market position. By embedding quality assurance and safety protocols into daily operations, we ensure consistent service standards that help to build long-term trust with our stakeholders. Demonstrating leadership in responsible service delivery positions CTFS as a preferred partner for clients who prioritize ESG performance. Transparent reporting on quality, health, and safety metrics can also enhance stakeholder confidence and support access to sustainability-linked business opportunities.	Short-term	- Corporate Governance and Risk Management; - Solutions in Action	Employees Investors Customers Governments/Regulators Community Industry Associations Academics
	Failure to comply with occupational health and safety regulations, industry standards, or client-specific requirements can expose CTFS to fines, contract termination, or operational restrictions. As expectations around responsible service delivery evolve, we must continuously monitor and adapt to new compliance obligations to avoid legal and reputational consequences. Insufficient training or lack of awareness among frontline staff can compromise service quality and increase the risk of safety incidents. Employees who are not adequately prepared may struggle to meet performance standards, especially in high-pressure or sensitive environments, leading to inconsistent service delivery and elevated operational risk.	Investing in robust health and safety systems, including regular risk assessments, incident reporting mechanisms, and continuous training, helps us to protect our workforce and reduce operational disruptions. A strong safety culture not only improves employee well-being but also enhances productivity and morale. We also see an opportunity in further embracing technology and innovation, which aids in enhancing our service quality and safety outcomes.			
Waste Management and Circularity	CTFS faces increasing regulatory scrutiny around waste disposal, recycling, and resource recovery. Failure to comply with waste management regulations or meet stakeholder expectations for circularity could result in fines, reputational damage, and the loss of business opportunities. Inadequate tracking or reporting of waste streams may also hinder transparency and ESG performance disclosures.	CTFS has implemented a range of waste reduction and recycling initiatives. These efforts reduce landfill contributions, lower disposal costs, and improve resource efficiency. Through partnerships such as food donations to Food Angel, CTFS contributes to community well-being while reducing food waste. These initiatives enhance our social impact, strengthen stakeholder relationships, and reinforce our commitment to responsible resource management.	Short-term	Encouraging Circularity and Waste Management	Employees Investors Customers Community Industry Associations Academics NGOs
	Poor waste segregation, inefficient disposal practices, or lack of infrastructure for recycling and reuse can lead to increased operational costs and environmental harm. These inefficiencies may contribute to landfill dependency, GHG emissions, and resource depletion, undermining CTFS’s sustainability goals and stakeholder trust. Limited access to recycled or sustainably sourced materials, or disruptions in waste processing partnerships, may affect CTFS’s ability to maintain circular practices. This can impact procurement strategies, increase costs, and reduce the effectiveness of sustainability initiatives.	By adopting circular practices and sustainable procurement policies, CTFS positions itself as a leader in resource stewardship. These actions align with global circular economy principles and enhance CTFS’s reputation among clients and regulators. Sharing best practices and participating in sector-wide dialogs fosters innovation and helps scale circular solutions across the business.			

Material Issue	Identified Sustainability-related Risks	Identified Sustainability-related Opportunities and Impacts	Time Horizon	Relevant Report Section	Stakeholder Groups Impacted by Material Issue
Raw Materials and Natural Resources	We are exposed to risks associated with the availability and sustainability of raw materials and natural resources used in our operations and supply chain. Scarcity of key inputs such as water, energy, and consumables can lead to increased costs, procurement delays, and operational inefficiencies. Disruptions in the supply of sustainably sourced materials may also compromise our ability to meet environmental targets and stakeholder expectations.	CTFS has adopted a sustainable procurement policy that prioritizes responsible, ethical, and local sourcing practices. By selecting suppliers that align with sustainability standards and favoring products with energy or environmental certifications, we reduce our environmental impact and support responsible supply chains. This approach also enhances resilience to resource-related disruptions.	Long-term	• Solutions in Action	Employees Investors Customers Governments/Regulators Suppliers Contractors Community
	Overreliance on non-renewable or unsustainably sourced materials can contribute to environmental degradation and undermine our sustainability commitments. Stakeholders are increasingly scrutinizing the environmental footprint of service providers. Failure to manage natural resource use responsibly may result in reputational damage, reduced competitiveness, and the loss of business opportunities.	CTFS implements practical measures to reduce natural resource consumption. These initiatives lower operational costs, reduce environmental impact, and contribute to the our broader climate and sustainability goals. Our efforts to reuse and repurpose materials demonstrates a commitment to circular economy principles which reduce waste, extend the lifecycle of materials, and support more sustainable operations.			
	Evolving environmental regulations related to resource extraction, usage, and reporting may increase compliance obligations and operational costs. Inadequate monitoring or reporting of resource consumption could expose CTFS to legal risks and hinder our ability to access sustainability-linked financing or contracts.	By managing natural resources responsibly and transparently, CTFS strengthens our reputation as a sustainability-focused service provider. This enhances stakeholder trust, supports compliance with ESG requirements, and positions us to benefit from emerging green procurement and investment trends.			
Biodiversity and Land Use	CTFS’s operations, particularly those involving facility management and logistics, may have indirect impacts on local ecosystems through land use, emissions, and waste generation. Without careful management, these activities could contribute to habitat degradation, pollution, or biodiversity loss. Increasing regulatory scrutiny around land use and biodiversity protection may also introduce new compliance obligations and operational constraints.	CTFS has the opportunity to minimize our ecological footprint by integrating biodiversity considerations into our operational planning and EMS. This includes reducing pollution, managing waste responsibly, and ensuring that facility operations do not negatively impact surrounding ecosystems. These actions support environmental resilience and align with stakeholder expectations for responsible land use.	Long-term	• Managing Resources Sustainably	Employees
	Stakeholders, including clients, regulators, and the public, are placing growing emphasis on biodiversity conservation and responsible land stewardship. A perceived lack of action or transparency in this area could damage CTFS’s reputation and reduce stakeholder trust.	Through our Supplier Code of Conduct, CTFS can influence suppliers to adopt biodiversity-friendly practices, such as avoiding products linked to deforestation or habitat destruction. Prioritizing certified or sustainably sourced materials helps reduce indirect impacts on ecosystems and strengthens the company’s environmental credentials.			
	CTFS’s procurement practices may indirectly affect biodiversity through the sourcing of materials and products. If suppliers engage in unsustainable land use or resource extraction, we could be exposed to reputational and operational risks, particularly if due diligence and traceability mechanisms are insufficient.	CTFS can enhance our impact by collaborating with environmental organizations, industry peers, and local communities to promote biodiversity awareness and share best practices. Employee training and engagement initiatives can also foster a culture of environmental responsibility and support the company’s broader sustainability goals.			

Material Issue	Identified Sustainability-related Risks	Identified Sustainability-related Opportunities and Impacts	Time Horizon	Relevant Report Section	Stakeholder Groups Impacted by Material Issue
Grow As One					
Talent Attraction, Retention and Development	High employee turnover can disrupt team cohesion and place undue pressure on remaining staff. This can negatively affect morale, productivity, and our ability to maintain a consistent service standard. A weakened corporate culture may also emerge, undermining long-term organizational resilience.	Investing in talent attraction and retention presents a strategic opportunity to build a resilient, high-performing workforce. By offering competitive employment conditions and fostering a supportive work environment, CTFS can improve employee satisfaction, reduce turnover, and enhance productivity. A stable workforce also supports business continuity and strengthens the company’s ability to adapt to changing market conditions.	Medium-term	- Investing in Our People; - Prioritizing Health and Safety; - Fostering an Inclusive Culture for Our People	Employees Media
	Difficulties in attracting and retaining skilled talent — especially in a competitive labor market — can hinder CTFS’s ability to scale operations and maintain service excellence. As demand for specialized skills increases across industries, talent shortages may drive up recruitment and training costs, delay project delivery, and limit the company’s ability to respond to emerging business opportunities.	CTFS is committed to developing internal talent through structured training programs and career development pathways. These initiatives support succession planning and ensure the company has the leadership and technical expertise needed for long-term success. Empowering employees with growth opportunities also reinforces engagement and loyalty.			
	As CTFS’s operations evolve in response to sustainability, digitalization, and client expectations, employees must be equipped with the right skills to adapt. A lack of structured training or upskilling opportunities can result in a workforce that is unprepared for emerging challenges. Inadequate training on regulatory, ethical, or operational standards can increase the risk of non-compliance or misconduct. This may expose CTFS to legal liabilities, reputational damage, and client dissatisfaction.	By equipping employees with the skills required for evolving operational needs, we enhance our capacity to deliver high-quality services while supporting broader sustainability goals. Effective talent management reduces recruitment costs, improves service delivery, and positions the company as an employer of choice in the industry.			
Health and Safety	Health and safety regulations are becoming increasingly stringent, and failure to comply with local or international standards may expose CTFS to fines, sanctions, or contract termination. Inconsistent implementation of safety procedures across sites or functions can also increase the risk of non-compliance and undermine stakeholder confidence. Inadequate health and safety protocols, insufficient training, or failure to enforce safety standards can lead to workplace injuries, illnesses, or even fatalities. These incidents can result in legal liabilities, reputational damage, and operational disruptions.	CTFS is committed to fostering a proactive safety culture through comprehensive training and continuous improvement. Regular safety drills, risk assessments, and incident reporting mechanisms help prevent accidents and ensure a safe working environment. A strong safety culture enhances employee morale and supports long-term workforce stability. By embedding health and safety into our EMS and daily operations, CTFS reduces the likelihood of incidents and improves service reliability.	Short-term	Prioritizing Health and Safety	Employees Customers Contractors
	A lack of focus on occupational health and well-being can contribute to stress, burnout, and high turnover. Poor working conditions or inadequate support for mental and physical health may reduce employee engagement, productivity, and job satisfaction.	CTFS promotes employee well-being through awareness programs and access to health resources. These initiatives support mental and physical health, improve retention, and position the company as an employer of choice. Empowering employees to take ownership of safety also fosters a more engaged and accountable workforce.			
		Demonstrating leadership in health and safety management enhances CTFS’s reputation with clients, regulators, and the public. Transparent reporting on safety performance and continuous improvement efforts reinforces stakeholder trust and supports the company’s ESG credentials.			

Material Issue	Identified Sustainability-related Risks	Identified Sustainability-related Opportunities and Impacts	Time Horizon	Relevant Report Section	Stakeholder Groups Impacted by Material Issue
Diversity and Inclusion	A lack of diversity in the workforce can limit CTFS’s ability to attract and retain top talent, particularly as job seekers increasingly prioritize inclusive and equitable workplaces. Homogeneous teams may also lack the varied perspectives needed to drive innovation, solve complex problems, and serve a diverse client base effectively. Inadequate policies or practices could also expose CTFS to legal risks related to discrimination, harassment, or non-compliance with equal opportunity regulations.	CTFS recognizes that a diverse and inclusive workplace fosters innovation, enhances collaboration, and improves employee satisfaction. By promoting equal opportunity, inclusive leadership, and respectful workplace practices, we strengthen our culture and support employee well-being and retention. A strong D&I strategy enhances CTFS’s ability to attract talent from a broader pool, including individuals with diverse backgrounds, experiences, and perspectives. This not only improves workforce capability but also positions the company as an employer of choice in a competitive labor market. Diverse teams are better equipped to generate creative solutions and make well-rounded decisions. By embracing diversity across all levels of the organization, we enhance our ability to respond to complex challenges, adapt to change, and deliver high-quality services to a diverse client base.	Short-term	Fostering an Inclusive Culture for Our People	Employees Investors Suppliers Contractors Community NGOs
	CTFS operates in sectors where workforce conditions, fair treatment, and ethical conduct are under increasing scrutiny. Failure to uphold human rights, including fair wages, non-discrimination, and safe working conditions, can lead to reputational damage and legal liability. Risks may also arise from third-party contractors or suppliers who do not meet human rights standards. Evolving human rights legislation and international frameworks require companies to demonstrate due diligence and transparency in their operations and supply chains. Inadequate policies or failure to identify and mitigate human rights risks may result in non-compliance, sanctions, or exclusion from ESG-sensitive partnerships and financing. Additionally, a lack of awareness or training on human rights principles among employees and management may lead to inconsistent practices, workplace grievances, or ethical breaches. This can undermine CTFS’s organizational culture and affect service quality.	CTFS is committed to upholding human rights across its operations by fostering a respectful, inclusive, and safe working environment. This includes fair employment practices, equal opportunity policies, and mechanisms for grievance redress. These efforts enhance employee satisfaction and support a resilient workforce. CTFS promotes human rights compliance across our value chain through our supplier engagement practices and related policies, such as our Supplier Code of Conduct. By conducting due diligence and favoring suppliers with strong labor and ethical standards, we reduce opportunities for risks and strengthen our ESG profile. Demonstrating leadership in human rights supports CTFS’s reputation as a responsible and ethical service provider. Transparent reporting and proactive engagement with stakeholders, including employees, clients, and community partners, reinforces trust and contributes to long-term value creation. By aligning with international human rights frameworks and integrating these principles into our Environmental Management System (“EMS”), CTFS enhances our eligibility for sustainability-linked contracts, partnerships, and financing. This positions the company as a forward-looking organization committed to ethical and sustainable growth.	Medium-term	Fostering an Inclusive Culture for Our People	Employees Investors Customers Governments/Regulators Suppliers Contractors Community Industry Associations Academics Media NGOs

Material Issue	Identified Sustainability-related Risks	Identified Sustainability-related Opportunities and Impacts	Time Horizon	Relevant Report Section	Stakeholder Groups Impacted by Material Issue
Create Shared Value					
Stakeholder Engagement and Partnerships	Failure to engage meaningfully with stakeholders, including customers, employees, suppliers, regulators, and community partners, can lead to misalignment between CTFS's operations and stakeholder expectations. This may result in reputational damage, reduced trust, and missed opportunities to create shared value. Inadequate stakeholder engagement can also limit the company's ability to anticipate emerging issues, respond to social and environmental concerns, or adapt to regulatory changes.	Proactive stakeholder engagement enables CTFS to build trust, strengthen relationships, and develop solutions that address shared sustainability goals. By maintaining open, transparent communication with stakeholders, we can better understand their expectations, enhance responsiveness, and reinforce our social license to operate. This approach supports long-term value creation and reputational resilience.	Long-term	- Collaborating with Partners Along Our Value Chain - Supporting the Communities	Employees Investors Customers Governments/Regulators Suppliers Contractors Community Industry Associations Academics Media NGOs
	Ineffective collaboration with key external parties may hinder CTFS's ability to deliver high-quality, sustainable services. This can lead to inefficiencies and fragmented responses to shared challenges such as climate change, workforce development, and supply chain resilience. A lack of coordinated action may also reduce CTFS's influence in shaping industry standards and best practices.	Partnerships with industry peers, suppliers, and community organizations offer opportunities to drive innovation, improve service delivery, and scale sustainability initiatives. For example, CTFS participates in sector-wide seminars to exchange knowledge and share best practices. These collaborations enhance operational effectiveness and position CTFS as a proactive contributor to industry advancement.			
		Engaging with local communities and social partners allows CTFS to contribute to inclusive economic development and social well-being. Through community engagement initiatives, we support broader societal goals while reinforcing stakeholder loyalty. These efforts also help CTFS identify emerging risks and opportunities early, enabling more agile and informed decision-making.			
Supply Chain Management	CTFS relies on a network of suppliers for goods, equipment, and services essential to our operations. Disruptions can impact service delivery, increase costs, and delay project timelines, hindering our ability to respond to client needs or scale operations effectively.	CTFS has adopted a sustainable procurement policy that prioritizes suppliers with strong environmental and social performance. By integrating ESG criteria into supplier selection and evaluation, we reduce our exposure to sustainability-related risks and strengthen our supply chain resilience.	Medium-term	Collaborating with Partners Along Our Value Chain	Employee Suppliers Investors
	Suppliers that fail to meet environmental, social, or ethical standards can expose CTFS to reputational damage and regulatory scrutiny. Without robust due diligence and monitoring, we may inadvertently support practices such as poor labor conditions, unsustainable resource use, or non-compliance with environmental regulations.	Engaging suppliers through collaboration, training, and performance monitoring enables us to build long-term, mutually beneficial relationships. Encouraging suppliers to adopt best practices also amplifies the company's positive impact across our value chain.			
		Demonstrating responsible supply chain management enhances our reputation with clients, investors, and regulators. Transparent reporting on supplier practices, risk management, and ESG performance supports stakeholder trust and positions CTFS as a preferred partner in sustainability-conscious markets.			

Material Issue	Identified Sustainability-related Risks	Identified Sustainability-related Opportunities and Impacts	Time Horizon	Relevant Report Section	Stakeholder Groups Impacted by Material Issue
Community Investment and Strategic Partnerships	Insufficient or poorly targeted community investment may weaken CTFS’s social license to operate, particularly in areas where our services intersect with public interests. A lack of meaningful engagement or perceived neglect of community needs can lead to reputational damage, reduced stakeholder trust, and diminished brand value.	Community programs offer opportunities for employee involvement, fostering a sense of pride and belonging among our staff. CTFS’s community investment initiatives demonstrate a commitment to addressing social needs and reducing waste. These efforts enhance our social impact and strengthen relationships with local communities and stakeholders.	Medium-term	• Supporting Our Communities	Employees Investors Customers Governments/Regulators Community Industry Associations Academics Media NGOs
	As expectations around corporate social responsibility grow, CTFS may face scrutiny over the transparency and outcomes of our community investments. Inadequate reporting or lack of impact measurement may affect stakeholder confidence and limit access to sustainability-linked partnerships or funding.	By collaborating with NGOs, social enterprises, and local organizations, CTFS can help to create solutions that deliver shared value. These partnerships support position CTFS as a proactive contributor to community development.			
Customer Satisfaction and Engagement	CTFS’s reputation and business performance are closely tied to customer satisfaction. Inconsistent service delivery or failure to meet client expectations can lead to dissatisfaction, contract loss, and reputational damage. Negative customer experiences may also be amplified through digital platforms, affecting brand perception and future business opportunities.	CTFS’s commitment to high-quality, reliable service delivery supports strong client relationships and long-term retention. By embedding customer satisfaction metrics into performance management and operational planning, we ensure consistent service standards and responsiveness to client needs.	Medium-term	• Collaborating with Partners Along Our Value Chain	Employees Investors Customers
	Failure to establish effective channels for customer feedback and engagement may result in missed opportunities to improve services or address concerns proactively. A lack of responsiveness can erode trust and hinder CTFS’s ability to adapt to evolving client needs, particularly in competitive or high-stakes environments. Without regular engagement and insight into customer expectations, we risk falling behind in service innovation and relevance. This may lead to reduced competitiveness, especially as clients increasingly prioritize sustainability, digitalization, and customization in service delivery.	Demonstrating leadership in customer engagement and satisfaction reinforces CTFS’s reputation as a trusted and responsive service provider. Transparent reporting on customer satisfaction outcomes and proactive engagement strategies support ESG performance and position the company for growth in sustainability-conscious markets. We actively seek customer feedback to aid in refining our services and address emerging expectations. This continuous improvement approach enhances agility, strengthens client trust, and supports innovation in service delivery.			

ENVIRONMENTAL PERFORMANCE DATA SUMMARY¹

Parameter	Units	FY2023	FY2024	FY2025 ^{2,3}
Air Emissions^{4,5,6}				
Nitrogen oxide (NO _x)	Tonne	2.96	1.63	1.78
Sulphur oxide (SO _x)	Tonne	0.006	0.006	0.006 [↓]
Particulate matters (PM ₁₀)	Tonne	0.27	0.13	0.15
Energy Consumption^{4,7}				
Diesel	Gigajoules (GJ)	155,833	124,653	144,529 [↓]
Biodiesel ⁸	Gigajoules (GJ)	288,717	195,065	173,952 [↓]
Unleaded petrol	Gigajoules (GJ)	10,599	11,452	11,224 [↓]
Liquefied petroleum gas	Gigajoules (GJ)	547	676	457 ^{↓9}
Electricity	Gigajoules (GJ)	304,433	323,164	328,047 ^{↓10}
Towngas	Gigajoules (GJ)	13,099	15,904	15,483 [↓]
Total energy consumption	Gigajoules (GJ)	773,228	670,914	673,692 [↓]
	MWh ¹¹	214,957	186,514	187,286 [↓]
Total energy consumption intensity	GJ/HK\$ million	34.1	25.4	27.7 [↓]
On-site generated renewable energy for feed-in tariff ¹²	Gigajoules (GJ)	44	38	43 [↓]
Green Electricity Certificates (GECs) ¹³	Gigajoules (GJ)	0	0	53,701 [↓]

¹ The majority of figures are rounded to a whole number, with decimals used where appropriate.

² The data have been presented with greater detail, covering our Corporate Offices in both Hong Kong and the Mainland.

³ Data for Free Duty is included up to its disposal date during the reporting period. Data for Hsin Chong Aster Building Services Limited is included from its acquisition date within the reporting period.

⁴ PwC performed limited assurance on the environmental data of the Group, excluding the data from Kai Tak Sports Park (KTSP).

⁵ Road air emission factors are based on the Hong Kong Environmental Protection Department's (EPD) EMFAC-HK Vehicle Emission Calculation model and the United States Environmental Protection Agency's (USEPA's) Vehicle Emission Modeling Software — MOBILE6.1. PM emission refers to respirable suspended particles (PM₁₀).

⁶ From vehicle emissions.

⁷ Energy conversion factors of different fuel types are referenced from Greenhouse Gas Inventory Guidance: Direct Emissions from Stationary Combustion Sources, January 2016, published by USEPA and HKEX Appendix 2: Reporting Guidance on Environmental KPIs. The following conversion factors are used to standardize the units to Gigajoules (GJ): biodiesel (0.036 GJ/L), Diesel (0.039 GJ/L), Unleaded petrol (0.035 GJ/L), Liquefied petroleum gas (0.049 GJ/kg), Electricity (0.0036 GJ/kwh), On-site generated renewable energy for feed-in tariff (0.0036 GJ/kwh) and Towngas (0.048 GJ/unit).

⁸ The emission factor of Biodiesel is updated according to "Greenhouse gas reporting: conversion factors 2025" from the Department for Environment, Food & Rural Affairs (DEFRA) of UK.

⁹ The decrease in liquefied petroleum gas usage in FY2025 is attributed to the gas-to-electricity conversion implemented in the canteens of Zhejiang NWS Expressway in April 2025.

¹⁰ In FY2025, the electricity consumption includes onsite solar energy of 1,299 GJ from Zhejiang NWS Expressway, 90 GJ from Hunan CTFs Expressway and 169 GJ from Wuhan Jiamai Warehouse Co. Ltd.

¹¹ 1 gigajoule (GJ) = 0.278 MWh

¹² The scope covers the grid-connected solar panels installed in the rooftop of the HKCEC only. The installed renewables covered are for the feed-in-tariff scheme in Hong Kong, therefore their energy generated will not offset the overall Group's usage.

¹³ CTF Services Limited purchases GECs in the Mainland market based on the regulations set out by the National Energy Administration ("NEA"). During the reporting year, 14,917 MWh was purchased and fully retired by 30 June 2025.

Parameter	Units	FY2023	FY2024	FY2025 ^{2,3}		
Greenhouse Gas (GHG) Emissions ^{14,15,16}				Total (excluding KTSP)		Total
				KTSP	KTSP	
Scope 1 GHG emissions ¹⁷	Tonne CO ₂ e	32,918	28,284	2,228	23,903	26,131 [✓]
Scope 2 GHG emissions (location-based) ¹⁸	Tonne CO ₂ e	51,447	58,568	12,946	49,091	62,037 [✓]
Scope 2 GHG emissions (market-based)	Tonne CO ₂ e	51,447	58,568	12,946	44,301	57,247 ^{✓ 19}
Total GHG emissions (Scope 1 & 2) (location-based)	Tonne CO ₂ e	84,365	86,852	15,174	72,994	88,168 [✓]
Total GHG emissions (Scope 1 & 2) (market-based)	Tonne CO ₂ e	84,365	86,852	15,174	68,204	83,378
Total GHG emissions (Scope 1 & 2) intensity (location based)	Tonne CO ₂ e/ HK\$ million	3.7	3.3	N/A	3.0	3.6 [✓]
Total GHG emissions (Scope 1 & 2) intensity (market based)	Tonne CO ₂ e/ HK\$ million	3.7	3.3	N/A	2.8	3.4
Scope 3 Cat.1 — Purchased goods and services ²⁰	Tonne CO ₂ e	958,426	842,601	N/A	N/A	664,654
Scope 3 Cat.15 — Emissions from Investments ²¹	Tonne CO ₂ e	2,766,544	2,155,429	N/A	N/A	2,142,128
Procured carbon offset ²²	Tonne CO ₂ e	457	1,532	58	1,589	1,647 [✓]
Water Consumption ^{4,23}						
Municipal water used	m ³	1,371,523	1,275,616		1,040,447 [✓]	
Water intensity	m ³ /HK\$ million	60.5	48.3		42.8 [✓]	
Wastewater direct discharge ²⁴	m ³	1,100,062	1,001,991		800,938	

¹⁴ Environmental performance data includes Kai Tak Sports Park in FY2024 and FY2025, but it was not included in FY2023. As the Kai Tak Sports Park project transitioned to its operational stage during the reporting period, environmental data for FY2025 is included only up to the construction completion date.

¹⁵ Greenhouse Gas (GHG) emissions were calculated based on the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong, 2010 Edition published by the Environmental Protection Department and the Electrical and Mechanical Services Department of Hong Kong Government, which includes carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) of Scope 1 and 2 emissions.

¹⁶ For Hong Kong operations, emission factors adopted for purchased electricity are 0.60 kgCO₂e/kWh and 0.38 kgCO₂e/kWh as provided by HK Electric Investments Sustainability Report 2024 and CLP Sustainability Report 2024 respectively, subject to the location of operation. The emission factor adopted for Towngas is 0.548 kgCO₂e per unit of Towngas as provided by The Hong Kong and China Gas Company Limited Environmental, Social and Governance Report 2024. For Mainland operations, the emission factor adopted for purchased electricity for Scope 2 GHG emissions (location-based) is 0.5366 kgCO₂e/kWh, while the emission factor adopted for purchased electricity for Scope 2 GHG emissions (market-based) is 0.5856 kgCO₂e/kWh, which is referenced from The Ministry of Ecology and Environment of People's Republic of China.

¹⁷ Scope 1 emissions include direct emissions from fuels combusted in sources under the in-scope business segments.

¹⁸ Scope 2 emissions include indirect emissions from purchased electricity and town gas consumed by the in-scope business segments.

¹⁹ All 14,917 MWh of GECs procured by the Group in FY2025 were allocated to our operations powered by Hong Kong China Light & Power Company (CLP). Accordingly, only these operations benefited from contractual instruments under the market-based Scope 2 GHG emissions calculation, while emissions from other locations were calculated using the applicable residual emission factors noted above.

²⁰ Applicable to Hip Hing only.

²¹ Applicable to CTFS (Corporate Office) and CTF Life.

²² Hip Hing Group has initiated a program to offset carbon emission from the fossil fuel consumption of its construction equipment since FY2021. The amount of carbon offset procured covers the fuel consumption throughout each financial year.

²³ Figure excludes water consumption at Corporate Office of CTFS and Hsin Chong Aster Building Services Limited as floor-level submetering is not available at its office premises.

²⁴ For all Logistics operations, Free Duty, CTF Life, Hunan CTFS Expressway, Hunan Sui-Yue Expressway and Zhejiang NWS Expressway, it was assumed 100% municipal water usage was directly discharged as wastewater. For Hip Hing Group, 20% of water consumption is estimated to be recycled for on-site reuse. For HML, the wastewater discharge amount was the actual data recorded in the sewage discharge bills.

Parameter	Units	FY2023	FY2024	FY2025 ^{2,3}
Waste ⁴				
Hazardous Waste Disposed				
Chemical waste (liquid) ^{25,26}	Tonne	0	2.2	0 [∨]
Chemical waste disposed (solid)	Tonne	0.43	0.37	0.60
Total chemical waste disposed	Tonne	0.43	2.57	0.60
Non-Hazardous Waste Disposed				
General waste to landfills (Exclude Hip Hing Group)	Tonne	2,985	4,764	4,340 ²⁷
C&D waste to landfills (Only Hip Hing Group)	Tonne	43,806	37,423	38,160 [∨]
C&D waste to sorting facility	Tonne	41,895	41,050	23,240 [∨]
Total non-hazardous waste to landfills ²⁸	Tonne	88,686	83,237	65,740 ²⁷
Total non-hazardous waste intensity	Tonne/HK\$ million	3.91	3.15	2.70 ²⁷
Total C&D waste generated ²⁹	Tonne	1,175,694	772,985	1,257,710
Materials Recycled ⁴				
Inert C&D materials (to public fill facility)	Tonne	966,018	693,583	1,143,537 [∨]
Inert C&D materials (reused by Material Management App)	Tonne	201	3	264
Inert C&D materials (to alternate disposal ground)	Tonne	123,774	926	52,510
Food waste	Tonne	88	140	117 [∨]
Cooking oil ³⁰	Tonne	3.4	4.7	5.0 [∨]
Paper	Tonne	147	182	225 [∨]
Plastics bottles	Tonne	5.7	22.8	37.3 [∨]
Aluminum cans	Tonne	0.3	1.4	1.3 [∨]
Glass bottles	Tonne	6.9	36.6	17.5 [∨]
Total materials recycled	Tonne	1,090,245	694,900	1,196,714
Reuse of C&D Waste ³¹	%	93	90	95 [∨]

²⁵ Chemical waste is properly stored at the premise of the business operations and handled by qualified third-party contractors for disposal as required by local regulations.

²⁶ The weight of chemical waste (liquid) is converted by using the density figure 1.0 kg/liter from the Australian Hazardous Waste Data and Reporting Standard 2017 revision.

²⁷ PwC performed limited assurance on the General waste to landfills (Exclude Hip Hing Group), total non-hazardous waste to landfills and total non-hazardous waste intensity of the Group, excluding the waste from Wuhan Jiamai Warehouse Co. Ltd., Chengdu Dasheng Logistics Co. Ltd., Jialong (Chengdu) Warehouse Co. Ltd., Jiaxin (Chengdu) Warehouse Co. Ltd., Chengdu JiaChao Warehouse Co. Ltd., Jiayao (Chengdu) Warehouse Co. Ltd. and Suzhou Greenland Platinum Election e-commerce Co. Ltd., which are 3,785[∨] tonnes, 65,185[∨] tonnes and 2.68[∨] tonnes/HK\$ million respectively.

²⁸ "Total non-hazardous waste to landfill" is the summation of "General waste to landfills (Exclude Hip Hing Group)", "C&D waste to landfills (Only Hip Hing Group)" and "C&D waste to sorting facility".

²⁹ "Total C&D waste generated" is the summation of "C&D waste to landfills (Only Hip Hing Group)", "C&D waste to sorting facility", "Inert C&D waste (to public fill facility)", "Inert C&D waste (reused by Material Management App)" and "Inert C&D materials (to alternate disposal ground)".

³⁰ The weight of cooking oil is converted by using the density figure 918.31kg/m³ from the EPA Mandatory Reporting Rule Subpart-C.

³¹ Reuse of C&D waste is calculated as the summation of "Inert C&D materials (to public fill facility)", "Inert C&D materials (reused by Material Management App)", and "Inert C&D materials (to alternate disposal ground)", divided by the "total C&D waste generated".

SOCIAL DATA SUMMARY ^{32,33,34,35}

Parameter		Unit	FY2023	FY2024	FY2025
Workforce					
Total Number of Employees ³⁶		No. of employees	4,797	4,921	4,936 [↓]
By Gender	Male	No. of employees	3,276	3,230	3,405 [↓]
	Female	No. of employees	1,521	1,691	1,531 [↓]
By Employment Type	Full-time employees	No. of employees	4,748	4,873	4,884 [↓]
	Part-time employees	No. of employees	49	48	52 [↓]
By Contract Type	Permanent employees	No. of employees	4,765	4,771	4,601 [↓]
	Fixed-term/temporary employees	No. of employees	32	150	335 [↓]
By Seniority	Operational Staff	No. of employees	3,468	3,516	3,287 [↓]
	General Staff	No. of employees	449	478	633 [↓]
	Assistant Manager	No. of employees	245	262	278 [↓]
	Manager and Senior Manager	No. of employees	463	487	541 [↓]
	Assistant General Manager and above ³⁷	No. of employees	172	178	197 [↓]
By Age Group	Under 30 years old	No. of employees	846	821	776 [↓]
	30-50 years old	No. of employees	2,562	2,677	2,706 [↓]
	Over 50 years old	No. of employees	1,389	1,423	1,454 [↓]
Total New Hires ³⁸		No. of employees	1,141	938	876 [↓]
New Hire Rate ³⁹		%	24	19	18 [↓]
Total Number of Leavers ⁴⁰		No. of employees	1,167	918	946 [↓]
Turnover Rate ⁴¹		%	24	19	19 [↓]

³² The social data for FY2023 excluded logistics operations. For FY2024 and FY2025, logistics operations are included in the scope.

³³ The social data for FY2025 excludes Free Duty, due to its disposal during the reporting period.

³⁴ In FY2025, the data have been presented with greater detail, covering our corporate offices in both Hong Kong and the Mainland.

³⁵ The social data for FY2023 and 2024 excluded the Hsin Chong Aster Building Services Limited. For FY2025, Hsin Chong Aster Building Services Limited is included in the scope.

³⁶ Total Number of Employees refers to the number of employees of the in-scope business segments under this Report as of 30 June of the respective year.

³⁷ Assistant General Manager and above includes remunerated directors from Board of Directors, CEOs, COO & CFO.

³⁸ The definition of Total New Hires covers permanent employees only.

³⁹ New Hire Rate is calculated as the Total New Hires divided by the Total Number of Employees.

⁴⁰ Total Number of Leavers covers permanent employees only and includes both voluntary and involuntary leavers as of 30 June of the respective year.

⁴¹ Turnover Rate is calculated as the Total Number of Leavers divided by Total Number of Employees.

Parameter		Unit	FY2023	FY2024	FY2025
Health and Safety					
Total Hours Worked ⁴²	Employees	No. of hours	10,705,555	10,913,608	14,226,007 ⁴
Work-related Lost-time injuries (Sick Leave > 0 day)	Employees	No. of case	33	34	33 ⁴
Workday Lost due to Work-related Injuries ⁴³	Employees	No. of days	3,172.0	2,616.5	2,981.0 ⁴
Lost-day Rate ⁴⁴	Employees	per 100 employees	59.3	47.9	41.9 ⁴
Lost-time Injury Rate ("LTIR") ⁴⁵	Employees	per 100 employees	0.6	0.6	0.5 ⁴
Work-related Fatalities	Employees	No. of cases	0	0	1 ^{4 46}
	Contractors	No. of cases	N/A	3	0
Work-related Fatality Rate ⁴⁷	Employees	%	0	0	0 ⁴
Occupational Diseases	Employees	No. of cases	N/A	0	0
Training					
Average Training Hours per Employee ⁴⁸		No. of hours	11.8	11.2	11.7 ⁴
Average Training Hours per Employee (by Gender) ⁴⁹	Male	No. of hours	12.0	10.3	10.5 ⁴
	Female	No. of hours	11.4	13.1	14.4 ⁴
By Type of Training	Anti-corruption	No. of hours	909	1,670	2,769 ⁴
	Corporate culture	No. of hours	19,435	13,518	15,150 ⁴
	Environmental protection	No. of hours	887	966	449 ⁴
	Occupational health and safety	No. of hours	12,601	17,291	13,614 ⁴
	Professional development	No. of hours	21,868	21,792	25,863 ⁴
Average Training Hours Completed per Employees (By Seniority) ⁵⁰	Operational Staff	No. of hours	8.5	9.6	9.6 ⁴
	General Staff	No. of hours	28.6	15.3	14.4 ⁴
	Assistant Manager	No. of hours	20.8	15.9	15.1 ⁴
	Manager	No. of hours	14.8	13.9	17.1 ⁴
	Senior Manager	No. of hours	12.1	13.9	15.0 ⁴
	Assistant General Manager and above	No. of hours	15.3	18.0	20.2 ⁴

⁴² Total Hours Worked is calculated by multiplying the Total Number of Employees by the number of paid working hours stipulated in their respective employment contracts.

⁴³ Number of Workday Lost due to Work-related Injuries is calculated based on the total calendar days (consecutive or otherwise) for which work-related injuries or work-related ill health occurred, excluding statutory holidays, which aligns with the Hong Kong Labour Department's definition and is also adopted for the business segments in the Mainland, including roads operations and logistics operations.

⁴⁴ Lost-day Rate represents the number of Workday Lost due to Work-related Injuries per 100 employees per year. It is calculated as the total number of Workday Lost due to Work-related Injuries divided by the Total Hours Worked and multiplied by 200,000. The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.

⁴⁵ Lost-time Injury Rate (LTIR) represents the number of work-related Lost-time injuries per 100 employees per year. It is calculated as the Number of Work-related Lost-time Injuries divided by the Total Hours Worked and multiplied by 200,000. The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.

⁴⁶ A banksman who was hit by an excavator during its operation at the Foundation and ELS Works for a NKIL 6590 at Kai Tak Area 2A Site 3 on 27 February 2025 was certified dead in hospital on 2 March 2025.

⁴⁷ Work-related Fatality Rate is calculated as the number of Work-related Fatalities divided by the Total Number of Employees.

⁴⁸ Average Training Hours per Employee for the year is calculated as the total number of training hours divided by the total number of employees.

⁴⁹ Average Training Hours per Employee by Gender for the year is calculated as the total number of training hours divided by the total number of employees by respective gender.

⁵⁰ Average Training Hours Completed per Employee by Seniority for the year is calculated as the total number of training hours completed by respective seniority divided by the total number of employees by respective seniority.

Detailed Breakdown in FY2025

Parameter		Unit	Male	Female
Workforce				
By Employment Type and Gender	Full-time	No. of employees	3,376 ¹	1,508 ¹
	Part-time	No. of employees	29 ¹	23 ¹
By Contract Type and Gender	Permanent Contract	No. of employees	3,195 ¹	1,406 ¹
	Fixed-term or Temporary Contract	No. of employees	210 ¹	125 ¹
By Seniority and Gender	Operational Staff	No. of employees	2,382 ¹	905 ¹
	General Staff	No. of employees	354 ¹	279 ¹
	Assistant Manager	No. of employees	178 ¹	100 ¹
	Manager and Senior Manager	No. of employees	371 ¹	170 ¹
	Assistant General Manager and above	No. of employees	121 ¹	76 ¹
New Hires				
By Gender		No. of employees	655 ¹	221 ¹
Rate by Gender ⁵¹		%	13.3 ¹	4.5 ¹
New Hires Rate by Geographical Region ⁵²	Hong Kong	%		16.7 ¹
	The Mainland	%		1.1 ¹
	Others	%		0 ¹
New Hires by Age Group ⁵³	Under 30 years old	No. of employees	161	67
	30-50 years	No. of employees	316	110
	> 50 years old	No. of employees	178	44
New Hires Rate by Age Group ⁵⁴	Under 30 years old	%		4.0
	30-50 years	%		8.6
	> 50 years old	%		4.5

⁵¹ New Hires Rate by Gender is calculated as the number of New Hires by respective gender divided by the Total Number of Employees.

⁵² New Hires Rate by Geographical Region is calculated as the number of New Hires in the corresponding region divided by the Total Number of Employees.

⁵³ New Hires by Age Group and Turnover by Age Group data points have been newly added in this reporting year. For transparency and comparison purposes, FY2024 data is as follows for New Hires by Age Group: Under 30 years old (286), 30-50 years (408), and >50 years old (244); and Turnover by Age Group: Under 30 years old (191), 30-50 years (437), and >50 years old (290).

⁵⁴ New Hire Rate by Age Group is calculated as the number of New Hires by respective age group divided by the Total Number of Employees.

Parameter		Unit	Male	Female
Turnover				
Leavers By Gender		No. of employees	679 ⁵¹	267 ⁵¹
Turnover Rate by Gender ⁵⁵		%	13.8 ⁵¹	5.4 ⁵¹
Turnover Rate by Geographical Region ⁵⁶	Hong Kong	%	18.1 ⁵¹	
	The Mainland	%	1.1 ⁵¹	
	Others	%	0 ⁵¹	
Turnover by Age Group ⁵³	Under 30 years old	No. of employees	127	59
	30-50 years	No. of employees	293	138
	> 50 years old	No. of employees	259	70
Turnover Rate by Age Group ⁵⁷	Under 30 years old	%	3.8 ⁵¹	
	30-50 years	%	8.7 ⁵¹	
	> 50 years old	%	6.7 ⁵¹	
Parental Leave				
Employees who took Parental Leave		No. of employees	51 ⁵¹	40 ⁵¹
Employees returned to work after Parental Leave ended		No. of employees	51 ⁵¹	31 ⁵¹
Return-to-work Rate by Gender ⁵⁸		%	100 ⁵¹	77.5 ⁵¹
Community				
Contributions	Time Donation	No. of hours	14,434 ⁵⁹	
	Monetary Donation	HK\$ million	1.29 ⁶⁰	

⁵⁵ Turnover Rate by Gender is calculated as the number of Leavers by respective gender divided by the Total Number of Employees.

⁵⁶ Turnover Rate by Geographical Region is calculated as the number of Leavers in the corresponding region divided by the Total Number of Employees.

⁵⁷ Turnover Rate by Age Group is calculated as the number of Leavers by respective age group divided by the Total Number of Employees.

⁵⁸ Return-to-work Rate by Gender is calculated as the number of Employees returned to work after Parental Leave ended divided by the number of Employees who took Parental Leave by respective gender.

⁵⁹ The total number of volunteer service hours includes the contributions from employees and accompanying non-employees, as well as the commute time to and from the volunteering sites.

⁶⁰ The Donation is solely contributed from the CTF Services Charity Foundation Limited.

GRI STANDARDS AND HKEX CONTENT INDEX

The following table indicates the location of our direct response to GRI Standards disclosures included in this report.

Statement of use CTF Services Limited has reported the information cited in this GRI content index for the period 1 July 2024 to 30 June 2025 with reference to the GRI Standards.

GRI 1 version GRI 1: Foundation 2021

GRI 2: General Disclosure 2022

GRI		HKEX ESG Guide		
Standards	Description	Reference	Description	Report Section/Remarks
The organization and its reporting practices				
2-1	Organizational details			About this Report
2-2	Entities included in the organization’s sustainability reporting			About this Report
2-3	Reporting period, frequency and contact point			About this Report
2-4	Restatements of information			Environmental Performance Data Summary , Social Data Summary
2-5	External assurance			Appendix
2-6	Activities, value chain and other business relationships			About this Report
Activities and workers				
2-7	Employees	KPI B1.1	Total workforce by gender, employment type, age group	Social Data Summary
2-8	Workers who are not employees			Social Data Summary

GRI		HKEX		
Standards	Description	ESG Guide		
		Reference	Description	Report Section/Remarks
Governance				
2-9	Governance structure and composition			ESG Governance Structure ; Annual Report 2025
2-10	Nomination and selection of the highest governance body			Annual Report 2025
2-11	Chair of the highest governance body			Annual Report 2025
2-12	Role of the highest governance body in overseeing the management of impacts			ESG Governance Structure
2-13	Delegation of responsibility for managing impacts			ESG Governance Structure
2-14	Role of the highest governance body in sustainability reporting			About this Report
2-15	Conflicts of interest			Annual Report 2025
2-16	Communication of critical concerns			Sustainability-related Impacts, Risks and Opportunities ; Climate-related Financial Disclosures ; Corporate Governance and Risk Management
2-17	Collective knowledge of the highest governance body			Sustainability-related Impacts, Risks and Opportunities ; Climate-related Financial Disclosures ; Corporate Governance and Risk Management
2-18	Evaluation of the performance of the highest governance body			ESG Governance Structure
2-19	Remuneration policies			Annual Report 2025
2-20	Process to determine remuneration			Annual Report 2025
2-21	Annual total compensation ratio			Annual Report 2025

GRI		HKEX ESG Guide		Report Section/Remarks
Standards	Description	Reference	Description	
Strategy, policies and practices				
2-22	Statement on sustainable development strategy			Message from Chairman of Environment, Social and Governance Management Task Force
2-23	Policy commitments			Our ESG Strategy and Progress; Corporate Governance and Risk Management; Investing in Our People
2-24	Embedding policy commitments			Corporate Governance and Risk Management
2-25	Processes to remediate negative impacts			Corporate Governance and Risk Management
2-26	Mechanisms for seeking advice and raising concerns			Corporate Governance and Risk Management
2-27	Compliance with laws and regulations			Corporate Governance and Risk Management
				There were no instances of violating environmental regulations in FY2025, same as FY2024.
2-28	Membership associations			Collaborating with Partners Along Our Value Chain; Memberships and Affiliations
Stakeholder engagement				
2-29	Approach to stakeholder engagement			Stakeholder Engagement and Materiality Assessment
2-30	Collective bargaining agreements			Stakeholder Engagement and Materiality Assessment

GRI 3: Material Topics 2022

GRI	Standards	Description	HKEX	Description	Report Section/Remarks
			ESG Guide		
	3-1	Process to determine material topics	Reference		<u>Stakeholder Engagement and Materiality Assessment</u>
	3-2	List of material topics			<u>Stakeholder Engagement and Materiality Assessment</u>
HKEX Mandatory Disclosure Requirements					
			Governance Structure	A statement from the board containing the following elements: (1) a disclosure of the board's oversight of ESG issues; (2) (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 (3) (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.	<u>ESG Governance Structure</u>
			Reporting Principles	(1) Materiality (2) Quantitative (3) Consistency	<u>About this Report</u>
			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	<u>About this Report</u>

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
Economic				
GRI 201: Economic Performance 2016				
3-3	Management of material topic	General Disclosure B7	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion	<u>Our ESG Strategy and Progress</u> ; <u>Corporate Governance and Risk Management</u> ; <u>Investing in Our People</u>
201-1	Direct economic value generated and distributed	KPI B8.2	Resources contributed (e.g. money or time) to the focus area	<u>Annual Report 2025</u> ; <u>Supporting Our Communities</u>
201-2	Financial implications and other risks and opportunities due to climate change	KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	<u>Sustainability-related Impacts, Risks and Opportunities</u> ; <u>Climate-related Financial Disclosures</u> ; <u>Corporate Governance and Risk Management</u>
GRI 203: Indirect Economic Impacts 2016				
3-3	Management of material topic			<u>Annual Report 2025</u> ; <u>Supporting Our Communities</u>
203-1	Infrastructure investments and services supported			<u>Annual Report 2025</u> ; <u>Supporting Our Communities</u>
203-2	Significant indirect economic impacts			<u>Collaborating with Partners Along Our Value Chain</u> ; <u>Supporting Our Communities</u>
GRI 204: Procurement Practices 2016				
3-3	Management of material topic			<u>Collaborating with Partners Along Our Value Chain</u>

GRI		HKEX ESG Guide		
Standards	Description	Reference	Description	Report Section/Remarks
GRI 205: Anti-corruption 2016				
3-3	Management of material topic	General Disclosure B7	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	<u>Act With Integrity</u> There were no reported cases of non-compliance that had a material impact on the Group in FY2025.
205-1	Operations assessed for risks related to corruption			<u>Act With Integrity</u>
205-2	Communication and training about anti-corruption policies and procedures	KPI B7.3	Description of anti-corruption training provided to directors and staff	<u>Act With Integrity</u>
205-3	Confirmed incidents of corruption and actions taken	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	<u>Act With Integrity</u>
		KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	<u>Act With Integrity</u>
Environment				
GRI 301: Materials 2016				
3-3	Management of material topic	General Disclosure A2, A3	Policies on the efficient use of resources, including energy, water and other raw materials.	<u>Evolve Sustainably; Managing Resources Sustainably; Corporate Governance and Risk Management</u>
			Policies on minimizing the issuer’s significant impact on the environment and natural resources	
		KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	We did not collect this data. The use of packaging material is not material to the Group.

GRI		HKEX		Report Section/Remarks
Standards	Description	ESG Guide Reference	Description	
GRI 302: Energy 2016				
3-3	Management of material topic	General Disclosure A2, A3	Policies on the efficient use of resources, including energy, water and other raw materials. Policies on minimizing the issuer's significant impact on the environment and natural resources	<u>Evolve Sustainably; Managing Resources Sustainably; Corporate Governance and Risk Management</u>
302-1	Energy consumption within the organization	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	<u>Environmental Performance Data Summary</u>
302-3	Energy intensity			<u>Environmental Performance Data Summary</u>
302-4	Reduction of energy consumption	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	<u>Our ESG Strategy and Progress; Evolve Sustainably; Environmental Performance Data Summary</u>
GRI 303: Water and Effluents 2018				
3-3	Management of material topic	General Disclosure A2, A3	Policies on the efficient use of resources, including energy, water and other raw materials. Policies on minimizing the issuer's significant impact on the environment and natural resources	<u>Evolve Sustainably; Managing Resources Sustainably; Corporate Governance and Risk Management</u>
303-1	Interactions with water as a shared resource	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	<u>Evolve Sustainably</u> There were no problems encountered in sourcing water in our operations in FY2025. Fresh water used by the Group's operations is sourced locally from the respective municipalities that are considered adequate and fit for purpose and we strive to conserve water consumption.

GRI		HKEX		Report Section/Remarks
Standards	Description	ESG Guide Reference	Description	
		KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	<u>Mitigating Biodiversity Impacts</u>
303-2	Management of water discharge-related impacts			<u>Mitigating Biodiversity Impacts</u>
303-4	Water discharge			<u>Environmental Performance Data Summary</u>
303-5	Water consumption	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	<u>Environmental Performance Data Summary</u>
GRI 304: Biodiversity 2016				
3-3	Management of material topic	General Disclosure A2, A3	Policies on the efficient use of resources, including energy, water and other raw materials.	<u>Evolve Sustainably; Managing Resources Sustainably; Corporate Governance and Risk Management</u>
			Policies on minimizing the issuer's significant impact on the environment and natural resources	
304-2	Significant impacts of activities, products and services on biodiversity	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	<u>Mitigating Biodiversity Impacts</u>

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
GRI 305: Emissions 2016				
3-3	Management of material topic	General Disclosure A1, A3	Information on the policies and 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. Policies on minimizing the issuer's significant impact on the environment and natural resources	<u>Evolve Sustainably; Managing Resources Sustainably; Corporate Governance and Risk Management</u> There were no reported cases of non-compliance that had a significant impact on the Group in FY2025.
305-1	Direct (Scope 1) GHG emissions	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	<u>Environmental Performance Data Summary</u>
305-2	Energy indirect (Scope 2) GHG emissions			
305-3	Other indirect (Scope 3) GHG emissions			<u>Climate-related Financial Disclosures</u>
305-4	GHG emissions intensity	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	<u>Environmental Performance Data Summary</u>
305-5	Reduction of GHG emissions	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them	<u>Our ESG Strategy and Progress; Climate-related Financial Disclosures</u>
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	KPI A1.1	The types of emissions and respective emissions data	<u>Environmental Performance Data Summary</u>

GRI		HKEX ESG Guide		
Standards	Description	Reference	Description	Report Section/Remarks
GRI 305: Waste 2020				
3-3	Management of material topic	General Disclosure A1, A3	Information on the policies and 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. Policies on minimizing the issuer's significant impact on the environment and natural resources	<u>Evolve Sustainably; Managing Resources Sustainably; Corporate Governance and Risk Management</u> There were no reported cases of non-compliance that had a significant impact on the Group in FY2025.
306-1	Waste generation and significant waste-related impacts			<u>Environmental Performance Data Summary</u>
306-2	Management of significant waste-related impacts	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	<u>Our ESG Strategy and Progress; Evolve Sustainably; Environmental Performance Data Summary</u>
306-3	Waste generated	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	<u>Environmental Performance Data Summary</u>
		KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	<u>Environmental Performance Data Summary</u>
306-4	Waste diverted from disposal			<u>Environmental Performance Data Summary</u>
306-5	Waste directed to disposal			<u>Environmental Performance Data Summary</u>

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
Social				
GRI 401: Employment 2016				
3-3	Management of material topic	General Disclosure B1	Information on the policies and 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	<u>Grow As One</u> There were no reported cases of non-compliance related to employment that had a material impact on the Group in FY2025.
401-1	New employee hires and employee turnover	KPI B1.2	Employee turnover rate by gender, age group and geographical region	<u>Social Data Summary</u>
401-3	Parental leave			<u>Social Data Summary</u>
GRI 403: Occupational Health and Safety 2018				
3-3	Management of material topic	General Disclosure B2	Information on the policies and 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.	<u>Grow As One</u> There was one reported case of non-compliance related to health and safety that had a material impact on the Group in FY2025. Please refer to the <u>Social Data Summary</u> for more information.
403-1	Occupational health and safety management system			<u>Grow As One</u>
403-2	Hazard identification, risk assessment, and incident investigation			<u>Grow As One</u>
403-3	Occupational health services			<u>Grow As One</u>
403-4	Worker participation, consultation, and communication on occupational health and safety			<u>Grow As One</u>

GRI Standards	Description	HKEX ESG Guide		Report Section/Remarks
		Reference	Description	
403-5	Worker training on occupational health and safety	KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	<u>Social Data Summary</u>
403-6	Promotion of worker health			<u>Grow As One</u>
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships			<u>Grow As One</u>
403-8	Workers covered by an occupational health and safety management system			
403-9	Work-related injuries	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	<u>Social Data Summary</u>
		KPI B2.2	Lost days due to work injury	<u>Social Data Summary</u>
403-10	Work-related ill health			<u>Grow As One; Social Data Summary</u>

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
GRI 404: Training and Education 2016				
3-3	Management of material topic	General Disclosure B3	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	<u>Investing in Our People</u>
404-1	Average hours of training per year per employee	KPI B3.1	The percentage of employees trained by gender and employee category	<u>Social Data Summary</u> Relevant data including the average training hours completed per employee by gender and employee category, and total training hours by training topics completed is available under <u>Investing in Our People</u> .
		KPI B3.2	The average training hours completed per employee by gender and employee category	<u>Social Data Summary</u>
404-2	Programs for upgrading employee skills and transition assistance programs			<u>Social Data Summary</u>
404-3	Percentage of employees receiving regular performance and career development reviews			

GRI		HKEX ESG Guide		
Standards	Description	Reference	Description	Report Section/Remarks
GRI 405: Diversity and Equal Opportunity 2016				
3-3	Management of material topic	General Disclosure B1	Information on the policies and 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	<u>Grow As One; Corporate Governance and Risk Management</u> There were no reported cases of non-compliance related to employment that had a significant impact on the Group in FY2025.
405-1	Diversity of governance bodies and employees	KPI B1.1	Total workforce by gender, employment type, age group and geographical region	<u>Social Data Summary</u>
GRI 406: Non-discrimination 2016				
3-3	Management of material topic	General Disclosure B1	Information on the policies and 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	<u>Grow As One</u> There were no reported cases of non-compliance related to discrimination that had a significant impact on the Group in FY2025.
406-1	Incidents of discrimination and corrective actions taken			There were no reported cases of non-compliance related to discrimination that had a significant impact on the Group in FY2025.

GRI		HKEX		
Standards	Description	ESG Guide		
		Reference	Description	Report Section/Remarks
GRI 408: Child Labor 2016				
3-3	Management of material topic	General Disclosure B4	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor	<u>Grow As One</u>
408-1	Operations and suppliers at significant risk for incidents of child labor			<u>Grow As One</u>
		KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	<u>Grow As One</u>
		KPI B4.2	Description of steps taken to eliminate such practices when discovered	<u>Grow As One</u>
GRI 409: Forced or Compulsory Labor 2016				
3-3	Management of material topic	General Disclosure B4	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor	<u>Grow As One</u>
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor			<u>Grow As One</u>

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
GRI 413: Local Communities 2016				
3-3	Management of material topic	General Disclosure B8	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	<u>Create Shared Value; Corporate Governance and Risk Management</u>
413-1	Operations with local community engagement, impact assessments, and development programs			<u>Create Shared Value</u>
413-2	Operations with significant actual and potential negative impacts on local communities			<u>Create Shared Value</u>
		KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	<u>Create Shared Value</u>
		KPI B8.2	Resources contributed (e.g. money or time) to the focus area	<u>Create Shared Value</u>
GRI 416: Customer Health and Safety 2016				
3-3	Management of material topic			<u>Evolve Sustainably</u>
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services			There were no concluded cases of regulatory non-compliance regarding health and safety impacts of products and services that had a material impact on the Group in FY2025.

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
GRI 417: Marketing and Labeling 2016				
3-3	Management of material topic	General Disclosure B6	Information on the policies and 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	<u>Collaborating With Partners Along Our Value Chain; Evolve Sustainably</u> There were no concluded cases of regulatory non-compliance regarding product responsibility that had a material impact on the Group in FY2025.
417-1	Requirements for product and service information and labeling			We adhere to the Trade Descriptions Ordinance (Cap. 362) and relevant legislation. Our marketing and sales approach aligns with applicable laws and labelling mandates, with dedicated personnel reviewing marketing materials to ensure accuracy and prevent any misleading information.
417-2	Incidents of non-compliance concerning product and service information and labeling			There were no concluded cases of regulatory non-compliance regarding product and service information and labeling that had a material impact on the Group in FY2025.
417-3	Incidents of non-compliance concerning marketing communications			There were no concluded cases of regulatory non-compliance regarding marketing communications that had a material impact on the Group in FY2025.

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
GRI 418: Customer Privacy 2016				
3-3	Management of material topic	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	<u>Act With Integrity</u>
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data			There were no concluded cases of regulatory non-compliance regarding customer privacy that had a material impact on the Group in FY2025.
Supply Chain Management				
		General Disclosure B5	Policies on managing environmental and social risks of the supply chain	<u>Collaborating With Partners Along Our Value Chain</u> ; <u>Evolve Sustainably</u>
		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	<u>Collaborating With Partners Along Our Value Chain</u> ; <u>Evolve Sustainably</u>
		KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	<u>Collaborating With Partners Along Our Value Chain</u> ; <u>Evolve Sustainably</u>
		KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	<u>Collaborating With Partners Along Our Value Chain</u> ; <u>Evolve Sustainably</u>

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
Product Responsibility				
		General Disclosure B6	Information on the policies and 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	<u>Collaborating With Partners Along Our Value Chain; Evolve Sustainably</u> There were no concluded cases of regulatory non-compliance regarding product responsibility that had a material impact on the Group in FY2025.
		KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	There were no recalls concerning the provision and use of products and services for safety and health reasons in FY2025.
		KPI B6.2	Number of products and service related complaints received and how they are dealt with	The Group received a total of 1,039 complaints in relation to product and services during FY2025. Customer complaints received are addressed through our feedback handling systems within each business unit. We offer customers contact details on our business units' respective websites and assigned dedicated teams to handle comments and complaints to ensure the efficacy of our complaint resolution.
		KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	<u>Corporate Governance and Risk Management</u>
		KPI B6.4	Description of quality assurance process and recall procedures	Recall procedures are not material to the Group's operations.

IFRS S1 REFERENCE TABLE

We strive to provide information about our sustainability-related risks and opportunities that facilitates the decision-making of our investors. Starting from this year, we began mapping our sustainability-related disclosures to the latest recommendations of the International Sustainability Standards Board’s (ISSB) IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information published in June 2023.

Relevant information can be found in the specified section of the CTFS Environmental, Social and Governance (“ESG”) Report.

Governance

IFRS S1 Requirements	Description	Report Section/Remarks
IFRS S1-27 Disclosure of information about the governance body (the Board and its associated committee charged with governance of governance) with oversight of sustainability-related risks and opportunities, and information about management’s role in those processes.		
IFRS S1-27(a)	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities. Specifically, CTFS shall identify that body(s) or individual(s) and disclose information about:	
	(1) How responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body (s) or individual(s).	ESG Governance Structure
	(2) 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 sustainability-related risks and opportunities.	Internal training via business briefing by management disclosed in Corporate Governance Report and on-going ESG communication e.g. Evolve Conference
	(3) How and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities.	
	(4) How the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing CTFS’s strategy, our decisions on major transactions and our risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities.	ESG Governance Structure
IFRS S1-27(b)	(5) How the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitor progress towards those targets (paragraph 51), including whether and how related performance metrics are included in remuneration policies.	
	Management’s role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities, including information about:	
	(1) 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.	ESG Governance Structure
	(2) Whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Act With Integrity

Strategy

IFRS S1 Requirements	Description	Report Section/Remarks
<i>Sustainability-related risks and opportunities</i>		
IFRS S1-30 Disclosure of information on sustainability-related risks and opportunities that could reasonably be expected to affect CTFS’s prospects, over the short, medium or long term.		
IFRS S1-30(a)	A description of sustainability-related risks and opportunities that could reasonably be expected to affect CTFS’s prospects.	<u>Sustainability-related Impacts, Risks and Opportunities; Impacts, Risks, and Opportunities Discussion; Climate-related Financial Disclosures</u>
IFRS S1-30(b)	The time horizons — short, medium or long term — over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur.	
IFRS S1-30(c)	How CTFS defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by us for strategic decision-making.	
<i>Business model and value chain</i>		
IFRS S1-32 Disclosure of information on CTFS’s assessment of the current and anticipated effects of sustainability-related risks and opportunities on our business model and value chain.		
IFRS S1-32(a)	The current and anticipated effects of sustainability-related risks and opportunities on CTFS’s business model and value chain.	<u>Sustainability-related Impacts, Risks and Opportunities; Impacts, Risks, and Opportunities Discussion; Climate-related Financial Disclosures</u>
IFRS S1-32(b)	A description of where CTFS’s business model and value chain sustainability-related risks and opportunities are concentrated (for example, geographical areas, facilities or types of assets).	
		We are working closely with our value chain partners to better assess and quantify the relevant risks and opportunities. We will continue enhancing our approach and assessment to improve these disclosures in future reports.
<i>Strategy and decision making</i>		
IFRS S1-33 Disclosure of information on the effects of sustainability-related risks and opportunities on CTFS’s strategy and decision-making.		
IFRS S1-33(a)	How CTFS has responded to, and plans to respond to, sustainability-related risks and opportunities in our strategy and decision-making.	<u>Enhancing Business Resilience; Sustainability-related Impacts, Risks and Opportunities; Impacts, Risks, and Opportunities Discussion; Climate-related Financial Disclosures</u>
IFRS S1-33(b)	The progress against plans CTFS has disclosed in previous reporting periods, including quantitative and qualitative information.	<u>Sustainability-related Impacts, Risks and Opportunities; Impacts, Risks, and Opportunities Discussion; Climate-related Financial Disclosures</u>
IFRS S1-33(c)	What trade-offs between sustainability-related risks and opportunities that CTFS considered (for example, in making a decision on the location of new operations, an entity might have considered the environmental impacts of those operations and the employment opportunities they would create in a community).	<u>Advance With Agility</u>
<i>Financial position, financial performance and cash flows</i>		
IFRS S1-34 Disclosure of information on the effects of sustainability-related risks and opportunities on our financial position, financial performance and cash flows for the reporting period, and the anticipated effects over the short, medium and long term — including how sustainability-related risks and opportunities are included in our financial planning.		
IFRS S1-34(a)	The effects of sustainability-related risks and opportunities on CTFS’s financial position, financial performance and cash flows for the reporting period (current financial effects).	<u>Sustainability-related Impacts, Risks and Opportunities; Impacts, Risks, and Opportunities Discussion; Climate-related Financial Disclosures</u>
IFRS S1-34(b)	The anticipated effects of sustainability-related risks and opportunities on CTFS’s financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how sustainability-related risks and opportunities are included in CTFS’s financial planning (anticipated financial effects).	

IFRS S1 Requirements	Description	Report Section/Remarks
IFRS S1-35 Disclosure of quantitative and qualitative information about the financial effects of the sustainability-related risks and opportunities		
IFRS S1-35(a)	Quantitative and qualitative information about how sustainability-related risks and opportunities have affected our financial position, financial performance and cash flows for the reporting period.	<u>Sustainability-related Impacts, Risks and Opportunities; Impacts, Risks, and Opportunities Discussion; Climate-related Financial Disclosures</u>
IFRS S1-35(b)	Quantitative and qualitative information about the sustainability-related risks and opportunities identified in paragraph 35(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	
IFRS S1-35(c)	Quantitative and qualitative information about how CTFS expects our financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration: (1) Our investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans CTFS is not contractually committed to. (2) Our planned sources of funding to implement its strategy.	
IFRS S1-35(d)	Quantitative and qualitative information about how CTFS expects our financial performance and cash flows to change over the short, medium and long term, given our strategy to manage sustainability-related risks and opportunities.	
Resilience		
IFRS S1-41	A qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon.	Qualitative assessment — <u>Enhancing Business Resilience; Climate-related Financial Disclosures</u> Quantitative assessment: The report has identified the financial impacts of climate-related risks, and we are currently undertaking a quantitative assessment
Risk management		
IFRS S1-44 Disclosure of information on the processes, by which sustainability-related risks and opportunities, are identified, assessed, prioritized, monitored and managed.		
IFRS S1-44(a)	The processes and related policies CTFS uses to identify, assess, prioritize and monitor sustainability-related risks, including information about: (1) The inputs and parameters CTFS uses (for example, information about data sources and the scope of operations covered in the processes). (2) Whether and how CTFS uses scenario analysis to inform its identification of sustainability-related risks. (3) How CTFS assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria). (4) Whether and how CTFS prioritises sustainability-related risks relative to other types of risk. (5) How CTFS monitors sustainability-related risks. (6) Whether and how CTFS has changed the processes we use compared with the previous reporting period.	<u>Enhancing Business Resilience; Climate-related Financial Disclosures</u>
IFRS S1-44(b)	The processes CTFS uses to identify, assess, prioritize and monitor sustainability-related opportunities.	<u>Climate-related Financial Disclosures</u>
IFRS S1-44(c)	The extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring sustainability-related risks and opportunities are integrated into and inform CTFS’s overall risk management process.	<u>Enhancing Business Resilience; Climate-related Financial Disclosures</u>

IFRS S1 Requirements	Description	Report Section/Remarks
Metrics and targets		
IFRS S1-46 Disclosure of information on how CTFS measures, monitors and manages our sustainability-related risk and opportunity that could reasonably be expected to affect our prospects.		
IFRS S1-46(a)	Metrics required by an applicable IFRS Sustainability Disclosure Standard.	Environmental Performance Data Summary ; Social Data Summary
IFRS S1-46(b)	Metrics CTFS uses to measure and monitor: (1) That sustainability-related risk or opportunity. (2) Our performance in relation to that sustainability-related risk or opportunity, including progress towards any targets CTFS has set, and any targets we are required to meet by law or regulation.	We reported on key ESG metrics. Additional metrics will be included to enhance our disclosure in the future. Our ESG Strategy and Progress
IFRS S1-50 Disclosure of information about metrics which have been developed by CTFS.		
IFRS S1-50(a)	How the metric is defined, including whether it is derived by adjusting a metric taken from a source other than IFRS Sustainability Disclosure Standards and, if so, which source and how the metric disclosed by CTFS differs from the metric specified in that source.	Environmental Performance Data Summary ; Social Data Summary
IFRS S1-50(b)	Whether the metric is an absolute measure, a measure expressed in relation to another metric or a qualitative measure (such as a red, amber, green — or RAG — status).	
IFRS S1-50(c)	Whether the metric is validated by a third party and, if so, which party.	PwC was engaged to conduct a limited assurance engagement on certain data as indicated in the Environmental Performance Data Summary and Social Data Summary . HKQAA was engaged to conduct a limited assurance engagement on material Scope 3 emissions. Some specific metrics are currently not validated by a third party. We will consider seeking third party validation in coming years.
IFRS S1-50(d)	The methods used to calculate the metric and the inputs to the calculation, including the limitations of the method used and the significant assumptions made	Environmental Performance Data Summary ; Social Data Summary
IFRS S1-51 The quantitative and qualitative sustainability-related targets CTFS has set to monitor progress towards achieving our strategic goals, and any targets we are required to meet by law or regulation.		
IFRS S1-51(a)	The metric used to set the target and to monitor progress towards reaching the target;	Our ESG Strategy and Progress
IFRS S1-51(b)	The specific quantitative or qualitative target CTFS has set or is required to meet.	
IFRS S1-51(c)	The period over which the target applies.	
IFRS S1-51(d)	The base period from which progress is measured.	
IFRS S1-51(e)	Any milestones or interim targets.	
IFRS S1-51(f)	Performance against each target and an analysis of trends or changes in CTFS’s performance.	
IFRS S1-51(g)	Any revisions to the target and an explanation for those revisions.	

IFRS S2 REFERENCE TABLE

We support the latest international reporting standard to provide consistent, timely and comparable information related to climate-related issues. Since FY2023, we have been mapping our climate related disclosures to the latest recommendations of the International Sustainability Standards Board’s (“ISSB”) IFRS S2 Climate-related Disclosures published in June 2023.

Relevant information can be found in the specified section of the CTFS ESG Report.

Governance

IFRS S2 Requirements	Description	Report Section/Remarks
IFRS S2-6 Disclosure of information about the governance body (the Board and its associated committee charged with governance of ESG issues) with oversight of climate-related risks and opportunities, and information about management's role in those processes.		
IFRS S2-6(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, including information about:	
	(1) How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions, and other related policies applicable to that body(s) or individuals(s).	Climate-related Financial Disclosures
	(2) 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.	Internal training via business briefing by management disclosed in Corporate Governance Report and on-going ESG communication e.g. Evolve Conference
	(3) How and how often the body(s) or individual(s) is informed about climate-related risks.	
	(4) How the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing CTFS’s strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities.	Climate-related Financial Disclosures
IFRS S2-6(b)	(5) How the body(s) or individual(s) oversee the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.	
	Management’s role in the governance processes, controls and procedures used to monitor, manage, and oversee climate-related risks and opportunities, including information about:	
	(1) 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.	
	(2) 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.	Climate-related Financial Disclosures

Strategy

IFRS S2 Requirements	Description	Report Section/Remarks
IFRS S2-9 Disclosure of climate-related financial disclosures regarding CTFS’s strategy to understand our strategy for addressing significant climate-related risks and opportunities.		
IFRS S2-9(a)	The climate-related risks and opportunities that could reasonably be expected to affect CTFS’s prospects.	Climate-related Financial Disclosures
IFRS S2-9(b)	The current and anticipated effects of those climate-related risks and opportunities on CTFS’s business model and value chain.	Sustainability-related Impacts, Risks and Opportunities ; Impacts, Risks, and Opportunities Discussion ; Climate-related Financial Disclosures
IFRS S2-9(c)	The effects of those climate-related risks and opportunities on CTFS’s strategy and decision-making, including information about its climate-related transition plan.	Climate-related Financial Disclosures
IFRS S2-9(d)	The effects of those climate-related risks and opportunities on CTFS’s financial position, financial performance and cash flows for the reporting period, and their anticipated effects on CTFS’s financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into CTFS’s financial planning.	We have conducted a 1.5°C feasibility assessment for our construction, financial services, roads, and logistics segments, including a high-level financial implication analysis for the net zero transition. We are still exploring methodologies and processes to assess the effects of climate-related risks and opportunities on CTFS’s financial position, financial performance and cash flows for future disclosure.
IFRS S2-9(e)	The climate resilience of CTFS’s strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration CTFS’s identified climate-related risks and opportunities.	Climate-related Financial Disclosures ; Act With Integrity
<i>Climate-related risks and opportunities</i>		
IFRS S2-10 Disclosure of information on significant climate-related risks and opportunities that could reasonably be expected to affect the CTFS’s business model, strategy and cash flows, our access to finance and our cost of capital, over the short, medium or long term.		
IFRS S2-10(a)	Describe the climate-related risks and opportunities that could reasonably be expected to affect CTFS’s prospects.	Climate-related Financial Disclosures
IFRS S2-10(b)	For each climate-related risk CTFS has identified, whether CTFS considers the risk to be a climate-related physical risk or climate-related transition risk.	
IFRS S2-10(c)	For each climate-related risk and opportunity CTFS 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.	
IFRS S2-10(d)	How CTFS defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by CTFS for strategic decision-making.	
<i>Business model and value chain</i>		
IFRS S2-13 Disclosure of information on CTFS’s assessment of the current and anticipated effects of significant climate-related risks and opportunities on our business model.		
IFRS S2-13(a)	A description of the current and anticipated effects of climate-related risks and opportunities on CTFS’s business model and value chain.	Sustainability-related Impacts, Risks and Opportunities ; Impacts, Risks, and Opportunities Discussion ; Climate-related Financial Disclosures
IFRS S2-13(b)	A description of where in CTFS’s business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	

IFRS S2 Requirements	Description	Report Section/Remarks
Strategy and decision making		
IFRS S2-14 Disclosure of information on the effects of significant climate-related risks and opportunities on our strategy and decision-making, including our transition plans.		
IFRS S2-14(a)	Information about how CTFS has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how CTFS plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, CTFS shall disclose information about: (1) Current and anticipated changes to CTFS's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments). (2) Current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications). (3) Current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains). (4) Any climate-related transition plan CTFS has, including information about key assumptions used in developing its transition plan, and dependencies on which CTFS's transition plan relies. (5) How CTFS plans to achieve any climate-related targets, including any greenhouse gas emissions targets.	Climate-related Financial Disclosures Climate-related Financial Disclosures — climate-related targets are set for CTFS Group.
IFRS S2-14(b)	Information about how CTFS is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).	Hip Hing, CTF Life, and our Roads, HML and Logistics are in the process of planning resources to achieve the set targets
IFRS S2-14(c)	Quantitative and qualitative information about the progress of transition plans disclosed in previous reporting periods in accordance with paragraph 14(a).	NA
Financial position, financial performance and cash flows		
IFRS S2-15 Disclosure of information on the effects of significant climate-related risks and opportunities on our financial position, financial performance and cash flows for the reporting period, and the anticipated effects over the short, medium and long term — including how climate-related risks and opportunities are included in our financial planning.		
IFRS S2-15(a)	The effects of climate-related risks and opportunities on CTFS's financial position, financial performance and cash flows for the reporting period (current financial effects).	Sustainability-related Impacts, Risks and Opportunities; Impacts, Risks, and Opportunities Discussion; Climate-related Financial
IFRS S2-15(b)	The anticipated effects of climate-related risks and opportunities on CTFS's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in CTFS's financial planning (anticipated financial effects).	Disclosures

IFRS S2 Requirements	Description	Report Section/Remarks
IFRS S2-16 Disclosure of quantitative and qualitative information on how climate-related risks and opportunities affect our financial position, financial performance and cash flows for the Reporting Period, and the anticipated effects in the next Reporting Period.		
IFRS S2-16(a)	How climate-related risks and opportunities have affected our financial position, financial performance and cash flows for the reporting period.	<u>Sustainability-related Impacts, Risks and Opportunities; Impacts, Risks, and Opportunities Discussion; Climate-related Financial Disclosures</u> The Group completed the disposal of its entire stake in Free Duty business during the Current Period, making a full exit from all investments in duty free-related business.
IFRS S2-16(b)	The climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	
IFRS S2-16(c)	How CTFS expects our financial position to change over the short, medium, and long term, given our strategy to manage climate-related risks and opportunities, taking into consideration: (1) Our investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans CTFS is not contractually committed to. (2) Our planned sources of funding to implement our strategy.	
IFRS S2-16(d)	How CTFS expects our financial performance and cash flows to change over the short, medium and long term, given our strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	
IFRS S2-21 Disclosure of quantitative information on the anticipated financial effects of climate-related risks or opportunities.		
IFRS S2-21(a)	Explain why CTFS has not provided quantitative information	We are currently in progress of assessing quantitative information on the anticipated financial effects of climate-related risks or opportunities.
IFRS S2-21(b)	The qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected; or have been affected, by that climate-related risk or opportunity.	<u>Climate-related Financial Disclosures</u>
IFRS S2-21(c)	The quantitative information about the combined financial effects of that climate-related risk or opportunity with other climate-related risks or opportunities and other factors unless the entity determines that quantitative information about the combined financial effects would not be useful.	We are currently in progress of assessing quantitative information on the anticipated financial effects of climate-related risks or opportunities.

IFRS S2 Requirements	Description	Report Section/Remarks
Climate Resilience		
IFRS S2-22 Disclosure of analysis on the resilience of CTFS’s strategy and business model to climate-related changes, developments or uncertainties — taking into consideration our identified significant climate-related risks and opportunities and related uncertainties.		
IFRS S2-22(a)	An entity shall disclose information that enables users of general purpose financial reports to understand the resilience of CTFS’s strategy and business model to climate-related changes, developments and uncertainties, taking into consideration CTFS’s identified climate-related risks and opportunities. CTFS shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with CTFS’s circumstances. In providing quantitative information, CTFS may disclose a single amount or a range. Specifically, CTFS shall disclose: (1) The implications, if any, of CTFS’s assessment for its strategy and business model, including how CTFS would need to respond to the effects identified in the climate-related scenario analysis. (2) The significant areas of uncertainty considered in CTFS’s assessment of climate resilience. (3) CTFS’s capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including: (i) The availability of, and flexibility in, CTFS’s existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities. (ii) CTFS’s ability to redeploy, repurpose, upgrade or decommission existing assets. (iii) The effect of CTFS’s current and planned investments in climate-related mitigation, adaptation, and opportunities for climate resilience.	<u>Climate-related Financial Disclosures</u> The most recent climate-related scenario analysis was conducted to provide an overview of associated risks and opportunities. We are currently enhancing the analysis, with an updated version expected in FY2026.

IFRS S2 Requirements	Description	Report Section/Remarks
IFRS S2-22(b)	How and when the climate-related scenario analysis was carried out, including:	
	(1) Information about the inputs CTFS used, including:	
	(i) Which climate-related scenarios CTFS used for the analysis and the sources of those scenarios.	
	(ii) Whether the analysis included a diverse range of climate-related scenarios.	<u>Climate-related Financial Disclosures</u>
	(iii) Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risk.	The most recent climate-related scenario analysis was conducted to provide an overview of associated risks and opportunities. We are currently enhancing the analysis, with an updated version expected in FY2026
	(iv) Whether CTFS used, among, its scenarios, a climate-related scenario aligned with the latest international agreement on climate change.	
	(v) Why CTFS decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties.	
	(vi) The time horizons CTFS used in the analysis.	
	(vii) What scope of operations CTFS used in the analysis (for example, the operating locations and business units used in the analysis).	
	(2) The key assumptions CTFS made in the analysis, including assumptions about:	
	(i) Climate-related policies in the jurisdictions in which CTFS operates.	
	(ii) Macroeconomic trends.	We are currently enhancing the analysis, with an updated version expected in FY2026.
	(iii) National- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources).	
	(iv) Energy usage and mix.	
	(v) Developments in technology.	
	(3) The reporting period in which the climate-related scenario analysis was carried out.	<u>Climate-related Financial Disclosures</u>

Risk management

IFRS S2 Requirements	Description	Report Section/Remarks
IFRS S2-25 Disclosure of information on the process, or processes, by which climate-related risks and opportunities are identified, assessed and managed.		
IFRS S2-25(a)	The processes and related policies CTFS uses to identify, assess, prioritize and monitor climate-related risks, including information about:	
	(1) The inputs and parameters CTFS uses (for example, information about data sources and the scope of operations covered in the processes).	<u>Climate-related Financial Disclosures</u>
	(2) Whether and how CTFS uses climate-related scenario analysis to inform its identification of climate-related risks.	<u>Climate-related Financial Disclosures</u>
	(3) How CTFS assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether CTFS considers qualitative factors, quantitative thresholds or other criteria).	
	(4) Whether and how CTFS prioritizes climate-related risks relative to other types of risks.	<u>Climate-related Financial Disclosures</u>
	(5) How CTFS monitors climate-related risks.	
	(6) Whether and how CTFS has changed the processes it uses compared with the previous reporting period.	NA
IFRS S2-25(b)	The processes CTFS uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how CTFS uses climate-related scenario analysis to inform its identification of climate-related opportunities.	<u>Climate-related Financial Disclosures</u>
IFRS S2-25(c)	The extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform CTFS's overall risk management process.	<u>Climate-related Financial Disclosures</u> ; <u>Act With Integrity</u>

Metrics and targets

IFRS S2 Requirements	Description	Report Section/Remarks
IFRS S2-28 Disclosure of information on how CTFS measures, monitors and manages our significant climate-related risks and opportunities.		
IFRS S2-28(a)	Information relevant to the cross-industry metric categories.	Climate-related Financial Disclosures
IFRS S2-28(b)	Industry-based metrics that are associated with particular business models, activities or other common features that characterize participation in an industry.	
IFRS S2-28(c)	Targets set by CTFS, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets	Our ESG Strategy and Progress; Climate-related Financial Disclosures
Climate-related metrics		
IFRS S2-29 Disclosure of cross-industry metric categories.		
IFRS S2-29(a)	An entity shall disclose information relevant to the cross-industry metric categories of greenhouse gas emissions, including: (1) Disclose the absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO₂ equivalent, classified as: (i) Scope 1 greenhouse gas emissions. (ii) Scope 2 greenhouse gas emissions. (iii) Scope 3 greenhouse gas emissions. (2) 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 an exchange on which CTFS is listed to use a different method for measuring its greenhouse gas emissions. (3) Disclose the approach it uses to measure its greenhouse gas emissions including: (i) The measurement approach, inputs and assumptions CTFS uses to measure its greenhouse gas emissions. (ii) The reason why CTFS has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions. (iii) Any changes CTFS made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes. (4) For Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)–(2), disaggregate emissions between: (i) The consolidated accounting group (parent and its consolidated subsidiaries). (ii) Other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries). (5) For Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users’ understanding of CTFS’s Scope 2 greenhouse gas emissions. (6) For Scope 3 emissions disclosed in accordance with paragraph 29(a)(i)(3) and with reference to paragraphs B32-B57, disclose: (i) The categories included within CTFS’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). (ii) Additional information about CTFS’s Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if CTFS’s activities include asset management, commercial banking or insurance.	Climate-related Financial Disclosures; Environmental Performance Data Summary We are in progress improving the methodologies and processes to calculate disaggregated emissions for future disclosure.

IFRS S2 Requirements	Description	Report Section/Remarks
IFRS S2-29(b)	Climate-related transition risks — the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	<u>Climate-related Financial Disclosures</u> ; <u>Environmental Performance Data Summary</u>
IFRS S2-29(c)	Climate-related physical risks — the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
IFRS S2-29(d)	Climate-related opportunities — the amount and percentage of assets or business activities aligned with climate-related opportunities.	
IFRS S2-29(e)	Capital deployment — the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	We are in progress improving the methodologies and processes to calculate disaggregated emissions for future disclosure.
IFRS S2-29(f)	Internal carbon prices — CTFS shall disclose: (1) An explanation of whether and how CTFS is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis). (2) The price for each metric tonne of greenhouse gas emissions CTFS uses to assess the costs of its greenhouse gas emissions.	We are currently exploring the potential of adoption in the coming years.
IFRS S2-29(g)	Remuneration — CTFS shall disclose: (1) A description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)). (2) The percentage of executive management remuneration recognized in the current period that is linked to climate-related considerations.	We are currently not factoring climate-related considerations into executive remuneration and will explore the potential of adoption in the coming years.
<i>Climate-related targets</i>		
IFRS S2-33 The quantitative and qualitative climate-related targets CTFS has set to monitor progress towards achieving our strategic goals, and any targets we are required to meet by law or regulation, including any greenhouse gas emissions targets.		
IFRS S2-33(a)	The metric used to set the target.	<u>Climate-related Financial Disclosures</u> — climate-related targets are set for CTFS Group, and BUs, including Hip Hing, and CTF Life
IFRS S2-33(b)	The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives).	
IFRS S2-33(c)	The part of CTFS to which the target applies (for example, whether the target applies to CTFS in its entirety or only a part of CTFS, such as a specific business unit or specific geographical region).	
IFRS S2-33(d)	The period over which the target applies.	
IFRS S2-33(e)	The base period from which progress is measured.	
IFRS S2-33(f)	Any milestones and interim targets.	
IFRS S2-33(g)	If the target is quantitative, whether it is an absolute target or an intensity target.	
IFRS S2-33(h)	How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	

IFRS S2 Requirements	Description	Report Section/Remarks
IFRS S2-34 The approach to setting and reviewing each target, and how CTFS monitors progress against each target.		
IFRS S2-34(a)	Whether the target and the methodology for setting the target has been validated by a third party.	These are currently not validated by a third party as no specific guideline applicable for conglomerate business while Hip Hing and CTF Life near-term targets are SBTi-validated.
IFRS S2-34(b)	CTFS's processes for reviewing the target.	Climate-related Financial Disclosures
IFRS S2-34(c)	The metrics used to monitor progress towards reaching the target.	
IFRS S2-34(d)	Any revisions to the target and an explanation for those revisions.	N/A
IFRS S2-36 For each greenhouse gas emissions target disclosed, some additional detail shall be disclosed.		
IFRS S2-36(a)	Which greenhouse gases are covered by the target.	Climate-related Financial Disclosures; Our ESG Strategy and Progress
IFRS S2-36(b)	Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	
IFRS S2-36(c)	Whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If CTFS discloses a net greenhouse gas emissions target, CTFS is also required to separately disclose its associated gross greenhouse gas emissions target.	
IFRS S2-36(d)	Whether the target was derived using a sectoral decarbonization approach.	
IFRS S2-36(e)	CTFS'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 CTFS shall disclose information including: (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. (iv) Any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits CTFS plans to use (for example, assumptions regarding the permanence of the carbon offset).	Environmental Performance Data Summary In FY2025, Hip Hing Group procured carbon offsets and CTFS Group purchased 14,917 MWh of GECs, which were allocated to our operations powered by Hong Kong China Light & Power Company (CLP). As a result, only these operations benefited from contractual instruments in the market-based Scope 2 GHG emissions calculation.

AWARDS AND RECOGNITIONS

Company	Award/Recognition	Organizer
CTF Life	Bloomberg Businessweek Financial Institutions — Excellence Performance — Environment Sustainability and Protection	Bloomberg Businessweek/ Chinese Edition
	Bloomberg Businessweek Financial Institutions — Outstanding Performance — ESG Sustainability of the Year	
	GBA Insurance Awards — HK & Macau — Outstanding Environmental, Social and Governance Award	Metro Finance
	20+ Caring Company Logo	The Hong Kong Council of Social Service
	Best Companies to Work for in Asia (4th consecutive year)	HR Asia
	Most Innovative Product/Service Award (Health) — Top Three	Hong Kong Insurance Awards
	Data — Insurance Award	Hong Kong Business Technology Excellence Awards 2024
	Corporate Financial Education & ESG Leadership — Gold Award for seven consecutive years at the IFPHK Financial Education & ESG Leadership Awards 2024. Best Corporate Financial Education & ESG Leadership of the Year (2nd consecutive year)	Institute of Financial Planners of Hong Kong
	ESG Social Performance Award in Outstanding ESG Enterprises Recognition Scheme	Sing Tao and The Hong Kong Polytechnic University
	“Grand Award — Joyful@Healthy Workplace Best Practices Award” under the “Enterprise/Organisation Category” for the fifth consecutive year	Occupational Safety and Health Council
	Good MPF Employer for 5 Years Running	Mandatory Provident Fund Schemes Authority
	Final Gold under BEAM Plus NB V1.1 — K11 ATELIER	Hong Kong Green Building Council Limited
	Final Platinum under BEAM Plus NB V1.2 — CTF Life Tower	
	Indoor Air Quality Certificate — CTF Life Tower	CMA Industrial Development Foundation Limited

Company	Award/Recognition	Organizer
CTFS Group	Leadership in Energy and Environmental Design (LEED) Certification, Platinum — Tower 1 The Gateway	U.S. Green Building Council & Green Business Certification Inc.
	Leadership in Energy and Environmental Design (LEED) Certification, Platinum — Tower 6 The Gateway	
	Happy Company 5+	Promoting Happiness Index Foundation
	Best Corporate Social Responsibility Award — Gold	CTgoodjobs
	Best ESG Award — Grand	
	Best Family-Friendly Employment Policy — Grand	
	20+ Caring Company	The Hong Kong Council of Social Service
	Employer of Choice Award 2024	JobMarket
	Innovative Technology Deployment Award	
	Employee Communication Award	
	ESG HR Strategy	
	Best Annual Reports Awards 2024 — Excellence Report Award	The Hong Kong Management Association
	Hong Kong Sustainability Award 2024 — Merit Award (Large Organization Category)	
	Hong Kong Corporate Governance & ESG Excellence Awards 2024 — Honourable Mention for ESG Excellence (Category 2)	Chamber of Hong Kong Listed Companies
	TVB ESG Awards 2024 — 1. Best in ESG Practices; 2. Best in ESG Report; 3. ESG Environmental Innovative Technology Award, and 4. ESG Social Innovative Technology Award	TVB
	Corporate & Non-Commercial Organization (Volunteer Hours) — Gold Award	The Home and Youth Affairs Bureau and the Agency for Volunteer Service

Company	Award/Recognition	Organizer
	2025 Asia (Ex-Japan) Executive Team Survey	Extel (formerly known as Institutional Investor)
	1. Most Honored Company	
	2. Best CEO	
	3. Best CFO	
	4. Best IR Professional	
	5. Best IR Program	
	6. Best IR Team	
	7. Best ESG	
	HKIRA 11th IR Awards 2025	Hong Kong Investor Relations Association
	1. Best IR Company	
	2. Best IRO	
	3. Best Investor Presentation Material	
	4. Best IR Team	
	15th Asian Excellence Award/Sustainable Asia Award 2025 –	Corporate Governance Asia
	1. Best CEO	
	2. Best CFO	
	3. Best Investor Relations Professional	
	4. Best Investor Relations Company	
	5. Best Corporate Communications	
	6. Sustainable Asia Award	
	Listed Company Award of Excellence 2024	Hong Kong Economic Journal
Hip Hing	2024 Environmental Merit Award	HKCA Hong Kong Construction Environmental Awards
	20+ Caring Company	The Hong Kong Council of Social Service
	The Green Contractor Award 2024 — Empowering New Generation	ArchSD
	Hong Kong Green Awards 2024 — Project Management (Large Corporation) — Gold	Green Council
	Hong Kong Green Awards 2024 — Innovative Initiative Award — High Replicability	
	ESG Environmental Innovative Technology Award	TVB
	Outstanding Award for Contribution to Livable City Construction (Contractor) — Promote Eco-friendly Construction	HKQAA Hong Kong Green and Sustainability Contribution Awards 2025 by Hong Kong Quality Assurance Agency

Company	Award/Recognition	Organizer
HML	Outstanding Award for Contribution to Livable City Construction (Contractor) — Promote High-productivity Construction Adoption	
	Outstanding Pioneer Award Excellence for Sustainable Design Contribution	
	30th Considerate Contractors Site Award Scheme — Gold, Silver, Bronze, Merit	Development Bureau (DEVB), CIC
	Construction Safety Award — Gold, Silver, Bronze, Merit	HKCA
	Corporate & Non-Commercial Organization (Volunteer Hours) — Bronze Award	The Home and Youth Affairs Bureau and the Agency for Volunteer Service
	20+ Caring Company	The Hong Kong Council of Social Service
	Hong Kong's Best Convention Centre 2024	World MICE Awards
	HACCP (GHPs) (General Principles of Food Hygiene CXC 1-1969 (latest revised 2022)) — CP and HR Café	SGS Hong Kong Limited
	ISO 20121 Event Sustainability Management System	BSI Pacific Limited
	Universal Design Award Scheme 2024/25 — Special Recognition Award (HKCEC)	Equal Opportunities Commission
	Universal Design Award Scheme 2024/25 — Gold Award (HKCEC)	
	Universal Design Award Scheme 2024/25 — Silver Award (Congress Plus)	
	Food Wise Eateries Scheme — Diamond Class (Congress Plus)	Environmental Protection Department
	Food Wise Eateries Scheme — Diamond Class (Harbour Kitchen)	
	Accredited MICE Venue Rating Certificate 2024 — Gold	CrescentRating

Company	Award/Recognition	Organizer
	Management Award for Net-Zero Contribution — Visionary Blueprint towards Net-Zero	Hong Kong Green and Sustainability Contribution Awards 2025, launched by the Hong Kong Quality Assurance Agency
	Gold Seal for Contribution to Sustainable Facility — Promote Health and Hygiene	
	Gold Seal for Contribution to Sustainable Facility — Promote Environmental Protection	
	Gold Seal for Contribution to Sustainable Facility — Promote Barrier-free Facilities	
	Gold Seal for Contribution to Sustainable Facility — Promote Barrier-free Services	
	Gold Seal for Contribution to Sustainable Facility — Promote Community Caring	
	Pioneer Gold Seal for Contribution to Livable City Living (Promote Halal-friendly Community) — Promote Halal-friendly Venue	
	Digital Accessibility Recognition Scheme 2024-2025 — Website — Triple Gold Award	Hong Kong Internet Registration Corporation Limited Digital Policy Office
	Digital Accessibility Recognition Scheme 2024-2025 — Gold Award (Android)	
	Digital Accessibility Recognition Scheme 2024-2025 — Gold Award (iOS)	
	Halal In Travel Award 2025 — Muslim-friendly Convention & Exhibition Centre of The Year	CrescentRating
Roads	West Lake Service Area — Highway Service-Area “Water-Saving Station”	Highway Bureau, Ministry of Transport of China
	West Lake Service Area — Five-Star Service Area — Five-Star Rating	Department of Transport, Provincial Government of Zhejiang, China
	LEED Platinum Certification — West Lake Station North District Building (Note) — Platinum	U.S.Green Building Council

MEMBERSHIPS AND AFFILIATIONS

Organizers	Memberships and Affiliations	Companies
Hong Kong Management Association	Charter Member	CTF Life
Business Environment Council	Corporate Member	CTFS Group
Hong Kong General Chamber of Commerce	Member	CTFS Group
The Caring Company Patron's Club 2025/26	Coral Member	CTFS Group
The Chamber of Hong Kong Listed Companies	Full Member	CTFS Group
Green Council	Silver Member	Hip Hing
Hong Kong Green Building Council	Silver Patron Member	Hip Hing
30.50 FoodSmart Partnership Programme & Environmental Protection Department	Carbon Neutrality (Waste Reduction) Charter	HML
Hong Kong Exhibition & Convention Industry Association	Full Member	HML

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