

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE COMPANY

Tongguan Gold Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”, “our” or “we”) are principally engaged in (i) the gold exploration, development and mining production activities, and (ii) gold recycling, which is purchasing the gold related materials, refining and sale of gold bullion.

The environmental, social and governance (“ESG”) concept is increasingly significant to global business development. In March 2021, China rolled out its 14th Five-Year Plan for National Economic and Social Development of the People’s Republic of China and the Long-Range Objectives Through the Year 2035 (《中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要》), reaffirming its commitment and ambition to pursue a sustainable development strategy, enhance mechanisms for improving ecological civilization, establish a sound ecological civilization system, accelerate the prosperity of a green economy and society, and progress towards the vision of building a Beautiful China (美麗中國). The importance of building a Beautiful China over the next five years has been further underscored at the National Conference on Ecological and Environmental Protection in July 2023.

As a responsible gold mining enterprise, the Group adheres to the responsible gold mining principles and strives to implement its sustainability strategies and fulfil its environmental and social responsibilities in its business operations. To achieve sustainable and resilient operations, we strive to deliver strong performance across all three ESG pillars.

In promoting responsible gold mining practices and enhancing ESG performance, we place emphasis on environmental protection and social well-being of our employees, as well as our partners and communities associated with its business activities. Accordingly, we have undertaken a comprehensive and ongoing effort to span various functions and to involve a high level of external collaboration, robust governance and efficient project management.

MESSAGES FROM THE BOARD

Dear valued stakeholders,

The Group recognises that the mining industry can have significant impacts on the natural environment and human health if sustainability considerations are not properly integrated into business operations. As a growing gold mining operator, we acknowledge our corporate social responsibility and are committed to optimising our business model while minimising potential adverse social and environmental impacts through innovative solutions. We strive to embed sustainability at the core of our business strategy and corporate purpose, positioning it as a key driver of resilience and long-term development. ESG mindsets, principles and best practices are integrated into our daily operations to create sustainable strategic value. In addition, targets are established and reviewed on a regular basis, with progress disclosed transparently to continuously refine and enhance the Group’s management approach.

Fulfilling environmental responsibilities

In 2020, China announced its national targets to achieve carbon peak by 2030 and carbon neutrality by 2060. At the same time, the government has been promoting the transition of the mining industry towards low-carbon operations.

In response, the Group has actively advanced its decarbonisation efforts, recognising the growing demand for green metals and the national policy direction encouraging low-carbon industrial development. To maintain competitiveness, we place strong emphasis on setting climate-related targets and formulating a Climate Policy that guides our management approach and operational practices in mitigating and adapting to climate change.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MESSAGES FROM THE BOARD *(CONTINUED)*

Fulfilling environmental responsibilities *(CONTINUED)*

To promote the integration of Production, Life and Ecosystem (生產、生活、生態), the Group has continually strengthened and improved its environmental management system. The latest regulatory requirements of governments are studied and adopted, which include the Classification of Solid Mineral Tailings (《固體礦產尾礦分類》), Specifications for Sample Proportioning of Mineral Processing (《固體礦產選冶試驗樣品配製規範》), and Codes for Utilisation of Solid Mine Waste (《礦山固體廢棄物資源化利用指標及計算方法》). Meanwhile, dedicated internal teams have been established to monitor and manage potential environment-related risks. Environmental protection and performance monitoring taskforces are established to develop a corporate environmental protection network. The network comprises corporate leaders and other personnel and convenes relevant meetings for internal communication and coordination. The taskforces, consisting of management representatives and qualified technical professionals, possess necessary expertise and knowledge to oversee and implement environmental protection initiatives across the Group.

To archive environmental protection data and timely report to the management, all departments and employees have conscientiously followed the relevant policies and regulations, organised internal environmental monitoring, mastered the original records, established the operating account of environmental protection facilities, and fulfilled their responsibilities.

Caring for people's wellbeing

The health and safety of our workforce and surrounding communities remain our utmost priority. Guided by our core value of "Putting People's Health & Safety In The First Place" (以人為本、生命第一), the Group has developed internal mechanisms and formulated teams to coordinate operational responses and launch protective protocols. We have strictly adhered to safety regulations in the jurisdictions where it operates, including the Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》).

The Group is committed to fostering and strengthening a strong safety culture across the organisation. We strive to provide all employees with a safe working environment, reliable equipment and comprehensive occupational health and safety training. Proactive risk management practices are embedded throughout our operations, with systematic hazard identification conducted across all operational processes.

Rather than viewing ESG as merely a compliance obligation, we regard it as a forward-thinking and sustainable approach to creating value. In the future, we aim to unlock greater opportunities for sustainable growth, decarbonise our value chain, and expand our positive impact on society.

Finally, we would like to express our sincere appreciation to all our employees for their continued dedication to upholding our values and principles, and our stakeholder communities for their partnership and support. We are pleased to present the ESG report for the financial year 2025, which highlights the Group's progress in its sustainability journey and our steadfast commitment to advancing responsible mining across the industry.

Board of Directors of Tongguan Gold Group Limited
27 March 2026

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ABOUT THIS REPORT

The Group is pleased to present its twelfth ESG report (the “Report”) to demonstrate the sustainable initiatives, programmes and performances.

The information of the Report was collected through the official documents and statistics, the integrated information on supervision, management and operation in accordance with the relevant policy, the internal quantitative and qualitative questionnaires based on the reporting framework, and sustainability practices provided by different subsidiaries of the Group.

Reporting Scope and Period

The Report presents our ESG performance from 1 January 2025 to 31 December 2025 (the “Reporting Period”). Unless otherwise specified, the reporting scope of the Report remains the same as last year, covering the Group’s major business activities and management policies of its gold mining operations, office operations and gold recycling business.

Report Standards and Principles

The Report has been prepared in strict adherence to Appendix C2 – Environmental, Social and Governance Reporting Code (the “Code”) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“HKEX”).

The preparation of the Report follows the reporting principles listed in the Code:

Materiality	<p>The Reporting scope of the Report is set, and the material ESG topics are determined in consideration of the principle of Materiality.</p> <p>A holistic approach is adopted throughout the report preparation process to generate a valuable, credible and useful ESG report.</p>
Quantitative	<p>The key performance indicators (“KPIs”) of the Group are disclosed in a quantitative manner where appropriate to generate a comprehensive view of the Group’s ESG performance. The data is collected and calculated with reference to “Appendix 2: Reporting Guidance on Environmental KPIs” and Appendix 3: Reporting Guidance on Social KPIs” of “How to Prepare an ESG Report” by HKEX.</p>
Consistency	<p>A consistent approach is adopted in methodologies, data collection and calculation for meaningful comparisons of ESG data over time.</p> <p>The GHG emissions data have been prepared in line with widely recognised standards, including the recommendations from “How to Prepare an ESG Report? – Appendix 2: Reporting Guidance on Environmental KPIs” issued by HKEX and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT *(CONTINUED)*

Access to this Report

The Report is available in English and Chinese and is uploaded to the website of HKEX and the official website of the Company (<http://www.tongguangold.com>). If there is any conflict or inconsistency, the English version shall prevail.

Stakeholder Feedback

We highly value the opinions of our stakeholders and the public about this Report. Your feedback and advice are welcome to enhance and strengthen the ESG approach and performance of the Group. Should you have any enquiries or suggestions, please share your opinions and comments with the Group by post:

Postal address: Room 2707A, 27/F, Office Tower of Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong

SUSTAINABILITY GOVERNANCE

To create long-term value for all stakeholders, the Group incorporates and considers ESG elements in all business operations and decisions in adhering to the following sustainability principles:

- Promotion of environmental education
- Improvement of the environmental management system
- Strengthening assessment and supervision
- Optimisation of governance framework
- Implementation of an accountability mechanism in delivering environmental targets
- Exploration of the application of clean energy
- Building of a “green” corporate culture
- Acceleration of technological transformation and innovation; and
- Transformation into intensive pollution control mode

The Group is committed to building a robust corporate governance that champions strong ESG management and emphasises the integration of ESG risks and opportunities into its enterprise risk management system. Recognising the strategic importance of ESG, the Group has formulated a top-down management approach to ensure effective oversight and implementation.



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SUSTAINABILITY GOVERNANCE *(CONTINUED)*

Board of Directors

The Board of Directors (the “Board”) of the Company bears the primary and ultimate responsibility for overseeing ESG-related matters, including the execution and effectiveness of relevant ESG policies, reporting and other associated initiatives. The implementation of ESG risk management is monitored through clearly defined metrics, and the Board regularly reviews the Group’s progress towards its sustainability goals through Board meetings and management presentations.

Having embedded its recognition of climate change and commitments to climate risk mitigation and adaptation into the Group’s business strategy and decision-making processes, the Board assumes the highest level of strategic oversight for all climate-related matters. Climate-related risks and opportunities are evaluated, prioritised and managed based on the results of materiality assessments, with the objective of safeguarding long-term value creation.

With the support of internal teams and the expertise of external professionals, the Board supervises environmental and social risk assessments across the Group. To promote the integration of ESG considerations into business decisions, the Board fosters an ESG-oriented corporate culture through a structured top-down approach.

Management Teams

The Management teams are primarily responsible for identifying, evaluating, consolidating and addressing ESG-related risks arising from operations, and for overseeing the effective implementation of the Group’s policies by all employees. They also play a vital role in maintaining efficient communication between the Board and frontline staff, ensuring that strategic directions are effectively translated into operational practices.

Under the leadership of the Board, strategies, policies and targets relating to climate change are cascaded through the organisation and proactively managed by the Management teams and subsequently by the Climate Task Force (comprising the Leadership Team and the Implementation Team). This central body convenes at least once every 12 months to review and discuss the implementation of climate-related policies and initiatives.

To further strengthen governance over climate-related risks, the Group has established a structured climate self-assessment framework. The framework assesses the Group’s preparedness in addressing climate-related risks and acts as a tool for reviewing the completeness and effectiveness of the Group’s Climate Policy. It comprises a series of yes/no questions organised around six key elements, representing the major areas an enterprise should focus on to identify and control climate-related risks. These elements are aligned with internationally recognised recommendations and standards. The self-assessment serves as a practical evaluation tool for members of the Climate Task Force to assess critical climate change issues in business operations. The assessment is conducted on an operational control basis and is completed by the Leadership Team within the Climate Task Force on a regular basis, at least by the end of every financial year.

Guided by the Board and Management, sustainability strategies have become an integral part of the Group’s operations. The Group adopts tailored approaches to address different ESG risks and continuously reviews and updates its sustainability policies to comply with evolving regulatory requirements, meet stakeholder expectations and align with the broader transition towards sustainability.

In addition, the Group has also engaged an independent consultant, Riskory Consultancy Limited, to provide ongoing support on improving the Group’s climate policies and resilience, with updated newswire and research findings being developed to inform our Directors and Senior Management in making decisions.

For further details on our corporate governance, please refer to the “Corporate Governance Report” of the Annual Report 2025.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDER ENGAGEMENT

The Group highly values the feedback from its stakeholders as they are critical of the Group's operation and management. During the Reporting Period, the Group consistently engaged with its stakeholders and responded to their significant concerns in a timely manner.

To ensure barrier-free communication with key stakeholder groups, the Group utilises different platforms and maintains different communication channels as follows:

Stakeholders	Expectations and Concerns	Communication Channels and Responses
Government and Regulatory Authorities	<ul style="list-style-type: none"> - Compliance with laws and regulations - Anti-corruption policies 	<ul style="list-style-type: none"> - Supervision on the compliance with local laws and regulations - Routine reports and tax payments
Shareholders	<ul style="list-style-type: none"> - Return on investments - Corporate governance - Business compliance 	<ul style="list-style-type: none"> - Regular reports - Announcements - General meetings - Official website of the Group
Employees	<ul style="list-style-type: none"> - Employees' remuneration and benefits - Career development - Health and safety in the workplace - Education on environmental protection - Smooth internal communication 	<ul style="list-style-type: none"> - Performance appraisals - Regular meetings and training - Emails, notice boards, hotline, and team building activities with the management
Customers	<ul style="list-style-type: none"> - Production quality assurance - Protection of customers' privacy and rights 	<ul style="list-style-type: none"> - Customers' satisfaction surveys - Face-to-face meetings and onsite visits - Customer service hotline and emails
Suppliers	<ul style="list-style-type: none"> - Fair and open procurement - Win-win cooperation - Environmental protection - Protection of intellectual property rights - Insistence on sustainable development 	<ul style="list-style-type: none"> - Open tendering - Contracts and agreements - Suppliers' satisfaction assessment - Telephone discussions - Face-to-face meetings and onsite visits - Industry seminars
General Public	<ul style="list-style-type: none"> - Involvement in communities - Business ethics - Environmental protection awareness - Consumption of packaging materials 	<ul style="list-style-type: none"> - Media conferences and responses to enquiries - Public welfare activities

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MATERIALITY ASSESSMENT

To provide stakeholders with a comprehensive, objective, and scientific overview of our corporate performance, we conducted an annual internal interview to identify and prioritise material ESG issues that could have a significant impact to both the Group's business and our stakeholders by conducting an annual internal review. The Group commissioned Riskory Consultancy Limited to conduct an internal materiality assessment. Through the application of professional analytical models and structured communication mechanisms, we obtained deeper insights into the ESG risks and opportunities associated with the Group's main businesses. This assessment process enables the Group to accurately identify key materiality issues, ensuring that our ESG strategies and resource investments effectively address societal expectations while continuing to create long-term value for our stakeholders and society.

In terms of the assessment process, the Group considers multiple dimensions, including but not limited to:

- Combining the Group's actual business operation characteristics and industry development trends;
- Referring to Sustainability Accounting Standards Board (SASB) guidelines and MSCI industry materiality classification guidelines;
- Analysing peer disclosure practices; and
- Closely monitoring national macroeconomic policy guidance and capital market dynamics.

To achieve the Group's sustainable development plans and goals, we will adjust our business strategies and sustainability initiatives according to the materiality assessment result. A three-step approach is adopted to confirm the material topics:

1. Identification

We identified 40 ESG issues spanning the three pillars, including environmental, social and governance. The list was compiled by reviewing last year's results alongside the latest Stock Exchange requirements, SASB standards, MSCI's Industry Materiality Map, and peer benchmarking.

2. Review

The Group analysed these issues to evaluate their impact and relevance, resulting in a prioritised list that reflects the overall materiality of each topic.

3. Confirmation

After redefining and finalising the materiality rankings, 8 key issues were identified as "Most Important" for the Reporting Period. The assessment results are conducive to informing us of our strategic sustainability goals and are presented throughout the Report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MATERIALITY ASSESSMENT (CONTINUED)

3. Confirmation (CONTINUED)

ESG issues	Materiality level
Environmental	
Land Use, Ecosystem and Biodiversity	Most Important
GHG Emissions	
Air Pollution	Important
Solid Waste Management	
Energy Management	
Water & Wastewater Management	
Materials Management	
Renewable and Clean Energy	
Local Environmental Protection	
Packaging Material Management	Relevant
Social	
Occupational Health and Safety	Most Important
Communication and Engagement with Suppliers	
Social Risk Management of Supply Chain (e.g. human rights or corruption)	
Business Ethics & anti-corruption	
Product Quality	Important
Diversity & Equal Opportunity	
Employee Remuneration and Benefit	
Employee Development and Training	
Preventing Child and Forced Labour	
Labour Practices	
Environmental Risk Management of Supply Chain (e.g. pollution)	
Intellectual Property Rights	
Customer Privacy and Data Security	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MATERIALITY ASSESSMENT (CONTINUED)

3. Confirmation (CONTINUED)

ESG issues	Materiality level
Social	
Green Procurement	Relevant
Supply Chain Materials Sourcing & Efficiency	
Health and Safety Relating to Products/Services	
Customers Welfare	
Marketing and Promotion	
Labelling Relating to Products/Services	
Product Design & Lifecycle Management	
Access & Affordability	
Community Engagement	
Participation in Philanthropy	
Cultivation of Local Employment	
Support of Local Economic Development	
Corporate Governance and others	
Critical Incident Risk Responsiveness	Most Important
Management of the Legal & Regulatory Environment (regulation-compliance management)	Important
Systemic Risk Management (e.g. Financial Crisis)	
Internal Communication & Grievance Mechanism	Relevant
Business Model Adaptation and Resilience to Environmental, Social, Political and Economic Risks and Opportunities	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY

Management Approach

Balancing business development and ecological protection is one of the key tasks of the Group. We have always committed to fulfilling the environmental requirements, and strictly comply with all applicable laws and regulations in Hong Kong and the PRC, including but not limited to:

- Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》);
- Law of the People's Republic of China on Environmental Impact Assessment 2018 (《中華人民共和國環境影響評價法》);
- Environmental Protection Tax Law of the People's Republic of China (《中華人民共和國環境保護稅法》);
- Atmospheric Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國大氣污染防治法》);
- Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法》);
- Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》);
- Law of the People's Republic of China on the Prevention and Control of Pollution from Environmental Noise (《中華人民共和國環境噪聲污染防治法》);
- Regulations on Administration of Pollutant Discharge Permits (《排污許可管理條例》);
- Emission Standard for Industrial Enterprises Noise at Boundary GB 12348-2008 (《工業企業廠界環境噪聲排放標準》);
- Standard for Pollution Control on the Non-hazardous Industrial Solid Waste Storage and Landfill GB 18599-2001 (《一般工業固體廢物貯存、處置場污染控制標準》);
- Technical Policy for Pollution Prevention and Control in the Gold Industry (《黃金工業污染防治技術政策》); and
- Guiding Opinions on the Comprehensive Utilisation of Bulk Solid Waste during the 14th Five-Year Plan Period (《「十四五」關於大宗固體廢棄物綜合利用的指導意見》).

To identify and handle environment-related issues in business operations, a dedicated Environmental Protection Department or Environmental Production Protection Department is formed by professional management staff. During the Reporting Period, the Group was not aware of any material violation of laws and regulations in relation to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that have a significant impact on the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A1. Emissions

Guided by the philosophy that “lucid waters and lush mountains are invaluable assets” (綠水青山就是金山銀山), the Group remains committed to scientific and green development. We operate in compliance with applicable industry regulations and standards, and actively promote the development of a circular economy based on the principles set out below:

Reduce at source (源頭減量)	Control in the process (過程控制)	Remedy at the end (末端治理)	Resource Utilisation (資源化利用)
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In alignment with the Technical Policy of Gold Industrial Pollution Control, the Group has implemented various measures to minimize its environmental impact in accordance with the recommended pollution control approaches. Our efforts are centred on the following three key priorities:

- Enhancing energy efficiency across mining operations;
- Assessing and advancing the implementation of environmentally friendly facilities; and
- Accelerating the transition from fossil fuel dependence towards a low-carbon energy model.

Air emissions

Sulphur oxides (“SO_x”) and nitrogen oxides (“NO_x”) were the primary air pollutants from the mining process. Particulate matter (“PM”) was mainly generated from fuel combustion for machinery operations, vehicle transportation and other operational processes.

During the Reporting Period, the data for air emissions are as follows:

Air emission ^{1, 2}	Unit	2025	2024
SO _x ³	Kg	10.7	4.1
NO _x ³	Kg	4,868.6	1,069.6
PM ³	Kg	612.5	76.9

1. Air emissions included only the air pollutants in the exhaust gas from vehicles for transportation.
2. In light of the significant changes in the Group’s business operations between 2024 and 2025, readers are encouraged to refer to the “Reporting Scope and Period” section to better assess the Group’s performance. This consideration also applies to the remainder of the data disclosed in this Report.
3. In light of the changes in the Group’s business operations in 2025, the number of vehicles deployed increased, leading to a material variance compared with 2024.

To effectively reduce air emissions, staff are encouraged to replace gasoline vehicles with electric vehicles and carpool together.

Waste Management

The Group’s hazardous waste mainly consists of chemical containers generated from our gold mining operations. As for the non-hazardous waste, it mainly consists of tailings and sludge generated from our gold mining business and domestic operations of the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A1. Emissions (CONTINUED)

Waste Management (CONTINUED)

During the Reporting Period, the data for hazardous and non-hazardous waste are as follows:

	Unit	2025	2024
Hazardous Waste	Tonnes	21.43	24.27
Intensity ^{1,2}	Tonnes/revenue (HK\$ million)	0.01	0.02
Non-hazardous Waste	Tonnes	747,856	694,538
Intensity ^{1,2}	Tonnes/revenue (HK\$ million)	312.10	533.12

1. As the revenue grew at a faster rate than the change in hazardous and non-hazardous waste generation, the Group's waste intensities recorded a significant change.
2. Considering the environmental impact of our gold recycling is insignificant compared to the gold mining operation, we believe using the revenue of gold mining operation segment to calculate the intensity would better assist readers to assess our performance.

Hong Kong Office

Only indirect GHG emissions, municipal solid waste and wastewater were generated in the Hong Kong office. No hazardous waste was generated during the Reporting Period.

i. GHG Emissions

Indirect GHG emissions were generated by the Hong Kong office mainly due to the consumption of purchased electricity. Despite not being a carbon-intensive business, the Hong Kong Office has proactively aligned with the Hong Kong Climate Action Plan 2050 and supported its goal to achieve carbon neutrality before 2050.

A series of measures has been adopted to reduce electricity consumption:

- Promoting the use of multi-media systems and the internet to minimise the frequency of and dependence on business travel;
- Encouraging employees to use public transportation or carpool when possible; and
- Taking an initiative through actions, including avoiding unnecessary printing

More details of actions in saving electricity and improving energy efficiency are further disclosed in the next subsection under Electricity and Other energy resources.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A1. Emissions (CONTINUED)

Hong Kong Office (CONTINUED)

ii. Solid Wastes

Commercial solid waste generated by the Hong Kong office mainly comprised general office waste. A centralised waste collection bin is provided within the office premises to facilitate proper disposal. Packaging materials from takeaway food were for reuse where practicable. Non-recyclable municipal solid waste produced by the office was managed by the building's property management and subsequently transferred to government-designated landfills for final disposal.

To reduce commercial wastes, employees are encouraged to change their behaviours in daily operations by reducing, reusing and recycling. The Group has also provided effective training and implemented the Waste Classification System.

iii. Wastewater

Commercial wastewater was the primary wastewater generated from the Hong Kong Office. The wastewater was directly discharged into the building sewerage network and handled by the property management. To reduce water consumption in the office, various effective measures were adopted by the Group, which will be further presented in the next subsection under Water.

Gold Recycling and Gold Mining Businesses

Minimal emission was generated by the gold recycling segment. It solely involve the sale of physical gold bullion by purchasing gold-related materials from other supply chain players and refining by subcontractors. In addition, the office of the gold mining business in the PRC also involves gold recycling operation.

During the Reporting Period, the principal emissions in the gold mining business of the Group included GHG emissions from the electricity consumption and combustion of fossil fuels and coal for industrial operations, SO_x, NO_x, smoke, slag, dust, noise, wastewater, tailings, mine waste, rock waste and domestic waste from workers during the mining process.

The Group conducts comprehensive environmental impact assessments for facility expansions and mining operations in strict compliance with government requirements, ensuring that emissions from mining sites are effectively monitored and managed. To further mitigate environmental impacts, the Group procures operational facilities in accordance with national standards, including dust removal equipment, desulfurisation and denitrification devices. Internal training and assessments are strengthened to enhance employees' environmental awareness and compliance during construction and operational activities. Automatic technologies and processes are deployed in production workshops to reduce waste discharge and facilitate the comprehensive recycling and reuse of water resources. In addition, the Group continuously optimises its production processes to improve overall recycling rates.

1. Air and GHG Emissions

Electricity consumption, fuel usage (including gasoline) and dust generated during mining activities, such as blasting, hauling, crushing and rock stockpiling, are the primary sources of air and GHG emissions. Exhaust emissions are produced by heavy machinery used in mining and ore transportation, as well as by light vehicles transporting employees between dormitories and mining sites.

To mitigate adverse impacts on surrounding areas, the Group has established and implemented a series of internal policies and control measures in strict compliance with national and local regulatory requirements. For dust suppression and control, professional equipment and facilities that meet national standards, including bag-house dust collectors and enclosed hoods, have been installed to ensure on-site air quality compliance. To further reduce dust along mining sites and ore transportation routes, the Group strictly implements the Six Major Systems for field operations, including wet drilling and blasting techniques, as well as sprinkler systems installed on vehicles.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A1. Emissions (CONTINUED)

Gold Recycling and Gold Mining Businesses (CONTINUED)

1. Air and GHG Emissions (CONTINUED)

Recognising the importance of advancing towards low-carbon operations, the Group is committed to decarbonising its activities to mitigate and adapt to climate change. We actively explore opportunities related to low-carbon and energy-efficient technologies, including fuel switching, the potential adoption of renewable energy sources, and incorporating energy efficiency as a key consideration in procurement decisions.

More internal policies reducing air and GHG emissions from mining operations are outlined under A2. Use of Resources.

2. Solid Waste

The Group's mining operations generate industrial solid waste, primarily including tailings, waste rock, mineral processing waste, and other hazardous and non-hazardous materials. During the Reporting Period, domestic solid waste generated by employees mainly comprised paper, glass and plastic products, which were properly sorted, recycled and handled by certified municipal authorities.

Tailings and mineral processing waste represent the two principal by-products of gold mining and processing. To achieve the objective of zero harm to people and the environment from tailings facilities, the Group benchmarks against the Global Industry Standard on Tailings Management and strictly implements the "Work Plan for Preventing and Resolving Tailings Pond Safety Risks" (《防範化解尾礦庫安全風險工作方案》).

During the Reporting Period, tailings were stored in designated internal tailings storage facilities. Processing systems for fine-grained, water-bearing tailings were established, comprising three main components: plunger pump tailings transportation systems, tailings ponds and return pumping station facilities, with return water fully recycled. Upholding a "zero waste" philosophy, the Group strives to maximise the recycling rate of tailings. After processing, tailings are transported to tailings ponds for proper storage and management.

Hazardous waste is strictly segregated from general waste and stored in dedicated warehouses equipped with stringent monitoring systems. Such waste is contained in specialised containers and managed in accordance with the Guiding Opinions on Comprehensive Utilisation of Bulk Solid Waste During the 14th Five-Year Plan (《關於「十四五」大宗固體廢棄物綜合利用的指導意見》) and the Regulations on the Safety Management of Hazardous Chemicals (《危險化學品安全管理條例》).

Employees responsible for handling hazardous waste are provided with protective clothing and equipment that meet national standards. Strict operating procedures and control systems have been established, and certified third-party companies are regularly engaged for the recycling and disposal of hazardous waste.

To promote good practices in construction, operation, maintenance, monitoring and the disposal of waste, the Group has formulated and consistently reviewed its Solid Waste Stewardship Strategy to promote best practices in construction, operation, maintenance, monitoring and waste disposal, ensuring sound management of tailings, waste rock and other valuable solid waste.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A1. Emissions (CONTINUED)

Gold Recycling and Gold Mining Businesses (CONTINUED)

3. Wastewater

Wastewater generated from mining operations primarily comprises industrial sewage from production processes and domestic wastewater from employees. In line with the principle of a “Circular Economy”, the Group has set a target of “Zero Water Discharge” for its mining operations. During the Reporting Period, wastewater was fully recycled on-site for purposes such as planting and irrigation, achieving a practically 100% recycling rate.

In accordance with national standards and its comprehensive water management plans, the Group emphasises internal wastewater treatment and recycling. Sedimentation tanks, automatic valveless filters and drainage ditches have been installed around mining areas, with catch basins established in mining pits. To facilitate the recycling of industrial wastewater, automated systems such as drainage pump stations have been deployed on site.

All industrial wastewater is required to undergo treatment in sedimentation tanks, where floating sludge is collected and transferred to certified external environmental organisations for proper disposal. Treated effluent is either reused for agricultural irrigation or discharged in compliance with applicable standards.

Case Study: The Mining Sites Owned by Grand Gallant Group

Two adjacent underground water storage tanks are installed at the mining site to perform sedimentation functions. In addition, a surface reservoir is constructed above ground. Water collected in the underground tanks is conveyed via pipelines to the surface reservoir.

The reservoir is equipped with a pump station, where the water pumps and pipelines are mechanically connected. Water stored in the reservoir is reused as production water in the mineral processing plant. Sediment accumulated in the underground water tanks is manually removed and subsequently fed into the mineral processing process together with the ore extracted from the mine.

Production water used in mineral processing is recycled within the system and is not discharged to workers’ residential areas. Wastewater is treated through a “fertiliser pool” sewage treatment facility. After purification and treatment, the water is pumped for reuse in plant irrigation and dust suppression activities.

The Group’s site-level environmental teams are responsible for overseeing water management, including the supervision and coordination of sustainable water use and sewage treatment. Through the effective implementation of internal policies and operational practices, domestic and industrial wastewater generated from mining activities complies with the Integrated Wastewater Discharge Standard (GB 8978-1996) (《污水綜合排放標準》). Wastewater of different characteristics and properties is collected, stored and treated separately in designated facilities and specialised containers to ensure proper handling and regulatory compliance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A1. Emissions (CONTINUED)

Noise

Heavy machinery and drilling equipment were the primary sources of the noise emissions of the Group's noise emissions. Dedicated professional teams have been established to assess the operational impacts, including noise generated during operations, and to conduct participatory noise monitoring sessions in surrounding areas. We are committed to ensuring that vehicles and machinery operate within prescribed noise limits and have implemented measures to promote the proper use of hearing protection equipment by employees.

To reduce noise impacts on nearby communities, the Group has adopted a range of noise mitigation measures and facilities in strict accordance with national and local regulatory requirements, including the Emission Standard for Industrial Enterprises Noise at Boundary (GB12348-2008) 《工業企業廠界環境噪聲排放標準》. For instance, careful design considerations are given to the size and configuration of windows and facility layouts to enhance overall noise control performance.

To further strengthen noise management, the Group has adopted low-noise equipment and high-performance pumps with enhanced noise reduction capabilities. Shock-absorbing pads, air compressors and mufflers have also been installed on site. In addition, advanced mining technologies, such as millisecond deep-hole blasting and drilling machines utilise wet rock drilling techniques to reduce friction-induced noise.

Trend Analysis and Goals

1. GHG emissions

Target	Aligning with the global trend of decarbonisation and the national carbon neutrality goal by 2060, the Group has been focusing on the control of its GHG emissions.
Proposed Steps	<p>The Group applies innovative technologies, optimises production processes and strengthens internal monitoring and management of energy consumption to increase energy efficiency.</p> <p>The Group will seek opportunities to offset its carbon emissions through investment and planting activities.</p>

2. Solid waste

Target	<p>Based on an in-depth analysis, the Group believes that an indefinite target that aims to ensure no catastrophic or major environmental incidents in relation to its tailings management is appropriate at the current stage.</p> <p>The Group commits to achieving "Zero Discharge of Solid Waste" by fully integrating Circular Economy into practices in the long run.</p>
Proposed Steps	The Group commits to allocating more resources to implement its Sustainable Waste Management that steadily intensifies efficient extraction and overall utilisation of valuable components of tailings through external partnerships and internal growth.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A2. Use of Resources

Electricity, gasoline, diesel, coal, water and paper were the main resources consumed by the Group during the Reporting Period. No packaging materials were required or consumed by the gold mining and gold recycling businesses as the final products of the Group are gold products that are sold by pour-out.

During the Reporting Period, the data for resource consumption are as follows:

Use of Resources	Unit	2025	2024
Energy¹			
– Electricity (Indirect Energy)	MWh	87,321.8	76,617.1 ²
– Diesel (Direct Energy) ^{1,3}	MWh	5,368.2	1,842.9
– Gasoline (Direct Energy) ^{1,3}	MWh	1,281.9	754.4
– Coal (Direct Energy)	MWh	4,656.2	4,311.3
– Natural Gas (Direct Energy) ¹	MWh	47.8	/
Total energy consumption	MWh	98,675.9	83,525.6
Intensity ⁴	MWh/revenue (HK\$ million)	41.2	64.1
Water			
Total water consumption ³	M ³	73,284	54,740
Intensity ⁴	M ³ /revenue (HK\$ million)	30.6	42.0

1. Direct energy consumption of the Group includes the consumption of diesel, petrol, natural gas, coal and natural gas. The conversion factors for diesel, petrol, natural gas, coal and LNG adopted are based on the conversion of fuel data to MWh issued by Carbon Disclosure Project (“CDP”). For the consumption of coal, the conversion factor adopted is based on the International Energy Agency (“IEA”).
2. The data of 2024 has been restated to ensure consistency and comparability.
3. The significant change in the data was mainly due to the establishment of our in-house mining team in our gold mining business.
4. Considering the environmental impact of our gold recycling is insignificant compared to the gold mining operation, we believe using the revenue of gold mining operation segment to calculate the intensity would better assist readers to assess our performance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A2. Use of Resources (CONTINUED)

The Group consistently regards the enhancement of energy efficiency and the promotion of energy conservation as core responsibilities. During the Reporting Period, the Hong Kong office successfully applied and signed the Energy Saving Charter 2025 initiated by the Environment and Ecology Bureau of Hong Kong, committing to fully integrate energy-saving measures into our daily operations.

By actively advancing long-term decarbonisation strategies, the Group is dedicated to achieving carbon neutrality before 2050, taking concrete actions to support the vision set out in the Hong Kong Climate Action Plan 2050 issued by the HKSAR Government.

Management Approach

Optimising the mining operations and securing stable and reliable energy sources are critical to the Group's long-term sustainability, as energy is fundamental to mining activities.

Environmental Protection Departments have been established to formulate implementation plans and oversee the progress in energy efficiency improvement and resource conservation. The specialists of the Environmental Protection Departments conduct regular assessments of the energy performance of various operating sites and processes according to the Group's accountability system.

Electricity

Electricity was purchased from the utility company and consumed in the offices and during mining operations.

The Group is committed to advancing energy efficiency improvements and transformations, while expanding the application of clean and renewable energy resources. The Environmental Protection Department formulates implementation strategies and monitors performance in energy efficiency and resource conservation. Staff regularly assess the energy performance of various plants and operational processes.

Both office premises and mining sites strictly comply with relevant regulations and the Group's electricity conservation policies. The Policy of "Cut off electricity during operation shutdown and re-operate after returning to work" (停轉停工·復轉復工), also referred to as the "stop and resume work" policy, has been established to regulate electricity usage during operational suspension and resumption. In addition, a reward and punishment system for electricity management has been implemented. Internal energy-related policies have also been formulated to quantify and monitor the consumption of different energy resources in mining operations.



Energy Saving Charter 2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY *(CONTINUED)*

A2. Use of Resources *(CONTINUED)*

Electricity *(CONTINUED)*

To facilitate the transition towards a “low carbon and low consumption” business model, environmentally friendly vehicles are prioritised for transportation and operational purposes.

During the Reporting Period, various measures have been adopted to encourage employees to reduce the electricity consumption of the Group:

- Switching off idle lighting and air-conditioning systems (e.g., turning off most electrical equipment during lunch hours);
- Displaying reminder posters such as “Save electricity and turn off the light when you leave please”;
- Providing seminars and training sessions to promote energy conservation awareness;
- Procuring and installing high energy-efficiency electric generators and transformers onsite;
- Replacing energy-intensive lamps with LED lighting in offices;
- Conducting regular energy audits to monitor equipment performance; and
- Adopting natural ventilation or ventilation fans in areas where air-conditioning is not required.

Other energy resources

Gasoline and diesel were primarily consumed by the Group for digging, loading and transportation of ore and waste rock, comminution process, and heating, while coal was used for heating purposes.

China has achieved significant progress in advancing its clean energy transition in recent years. In 2022, the National Development and Reform Commission established 2025 energy efficiency targets for energy-intensive industries and outlined the adoption of more stringent energy efficiency standards by 2030. In alignment with China’s commitment to achieving carbon neutrality by 2060, the Group is dedicated to enhancing energy efficiency and accelerating the transition towards greater adoption of clean and renewable energy resources.

Internal energy-related policies have been established to quantify and track the amount of different energy resources consumed during mining operations. To further reduce gasoline consumption, employees are encouraged to replace their vehicles with electric vehicles and adopt carpooling practices. Regular energy consumption audits are conducted to assess vehicle performance. To facilitate a smooth transition towards a “low-carbon and low-consumption” business model, environmentally friendly vehicles for transportation and operational use are prioritised during procurement.

In cases where transportation services are outsourced, comprehensive background assessments are conducted on the service providers to evaluate their energy efficiency performance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY *(CONTINUED)*

A2. Use of Resources *(CONTINUED)*

Water

The Group recognises the importance of water resources and places strong emphasis on improving water utilisation efficiency. To minimise potential adverse impacts on water resources during operations, the Group is committed to responsible water stewardship and has implemented robust water protection and monitoring measures. For example, flow meters are installed to regulate water withdrawal. During the Reporting Period, the Group did not encounter any issues in sourcing water fit for purpose.

Despite a reduction in facility area, the Group continues to support and implement various water recycling initiatives to achieve the objective of “Zero Water Discharge” onsite. Mining sites with high water consumption are encouraged to appropriately reuse wastewater.

The Group also focuses on strengthening employees’ awareness of water conservation to effectively implement its water conservation and security strategy and to accumulate practical experience for continuous improvement. To promote water conservation in daily operations, measures aligned with the “3R rules – Reduce, Reuse and Recycle” have been adopted.

The following practices have been implemented to further enhance water utilisation efficiency:

- Optimising chemical dosage and management procedures in the wastewater treatment processes to monitor and ensure compliance with industry standards;
- Promptly repairing dripping taps to prevent further leakage in the water supply system;
- Conducting regular leakage tests on water taps, joint rings and other components in the water supply system; and
- Strengthening the inspection and maintenance of water taps, water pipelines and water storage.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A2. Use of Resources (CONTINUED)

Paper

To effectively manage paper consumption, the Quantification Management Policy has been formulated and serves as a monitoring tool. We have implemented a series of Office Automation (“OA”) solutions, from document transfer and information communication, all the way to the review, approval and signing of relevant decisions within the Group.

To promote and achieve a paperless office, the Group has adopted the following measures:

- Promoting the “Think before print” concept through posters and stickers to reduce unnecessary printing;
- Setting duplex printing as the default mode for most network printers when printouts are needed;
- Promoting the procurement and use of recycled paper;
- Placing collection boxes as containers beside photocopiers to collect single-sided paper for reuse;
- Recycling used stationery whenever possible; and
- Using the reverse side of old single-sided documents for printing or draft paper

Trend Analysis and Goals

1. Energy Efficiency

Target	In line with the goals of GHG emissions reductions, the Group targets to lower the GHG emissions in the purchase of electricity for operations.
Proposed Steps	On top of electricity conservation, the Group commits to focus its efforts on improving the energy efficiency of its equipment through upgrades and procurement.

2. Water

Target	The Group targets to maintain its water recycling rate at 100% and pursue an effort to lower its consumption of freshwater in operations.
Proposed Steps	The Group plans to improve the water recirculating system and employ advanced water recycling facilities to enhance water efficiency.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY *(CONTINUED)*

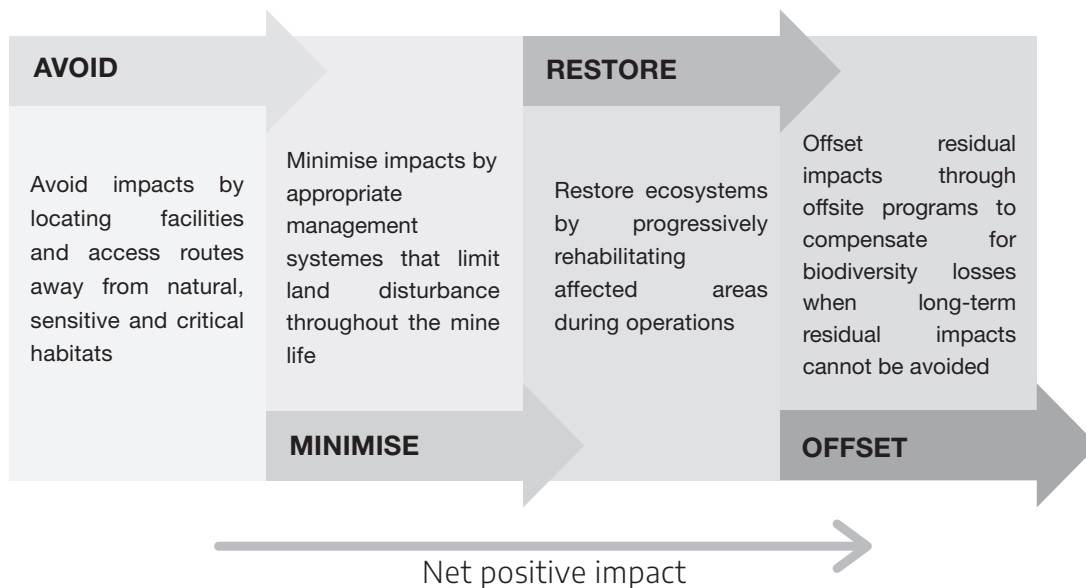
A3. The Environment and Natural Resources

Gold mining is a resource-intensive operation that requires substantial land use and energy consumption, thereby presenting potential environmental risks. The Group fully recognises the environmental impacts associated with its mining activities and has undertaken considerable measures to minimise related environmental effects and risks, with the aim of promoting coordinated and sustainable long-term development.

The Group remains committed to identifying, assessing and monitoring its significant environmental impacts, and to formulating practical and effective measures to mitigate and manage such risks. In advancing towards a net positive impact in its operations, the Mitigation Hierarchy concept has been incorporated into the Group’s environmental management and risk control system.

In line with this commitment, the Group further implemented the green mine construction (Phase 1) in Subei County during the Reporting Period, with construction be completed in 2025. The green intelligent mine project encompasses a comprehensive suite of technological systems, including a smart mining system, 3D digital twin system, ore processing plant dust removal system, as well as a private cloud infrastructure. Collectively, these systems enable the Group to enhance operational safety, improve resource efficiency, and minimise environmental impact across the full lifecycle of its mining operations.

MITIGATION HIERARCHY



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A3. The Environment and Natural Resources (CONTINUED)

During the Reporting Period, land Use, ecosystem and biodiversity, mining waste management and GHG emission control were identified and assessed as material issues to the Group. To mitigate their negative impacts, we developed targeted strategies and established key measures to effectively manage these challenges.

With respect to land use, ecosystem and biodiversity, the Group strives to protect local biodiversity through ecological restoration initiatives and related measures. To minimise excessive dilution and further lower the potential risk of surface subsidence, mined-out areas are backfilled to provide structural support to the surrounding rock mass.

Regarding mining waste management, we recognise that substantial waste may arise during mining operations, while mine tailings are produced at mineral processing plants following one separation. Without proper management, such tailings may pose risks to ecosystems and water resources. The Group strictly adheres to national and local regulatory requirements, particularly in relation to tailings treatment and onsite sewage management. Sustainable management measures for mining tailings have been implemented and planned. The Group is committed to reducing the impact of tailings facilities on water resources through monitoring and preventing acid mine drainage and the discharge of hazardous substances. Dedicated professional task forces have been established to carry out regular environmental impact assessments of tailings facilities and dams.

In addition, the Group continues to formulate and implement its internal policies for more effective waste stewardship onsite in line with regulations and standards, including the Provisions on the Protection of the Geologic Environment of Mines (《礦山地質環境保護規定》) and Technical Policy of Gold Industrial Pollution Control (《黃金工業污染防治技術政策》).

In relation to the tailings assessment, pollutants such as heavy metals and organic matter may be present in tailings ponds. Physical, chemical or biological treatment methods are applied, including the use of adsorbents. Degrading agents are utilised to remove and break down pollutants, thereby mitigating potential contamination of surrounding soil and water bodies.

For land areas affected around tailings ponds, the Group has implemented various effective restoration measures to recover soil fertility and ecological functions and to minimise land degradation. These measures include vegetation restoration and soil remediation. Recognising that tailings ponds may pose risks of seepage to adjacent water bodies, the Group has adopted anti-seepage measures. Actions have been taken to prevent tailings leakage, and water purification technologies are applied to treat contaminated water. Looking ahead, the Group will continue to promote ecological balance restoration and enhance the environmental quality surrounding tailings ponds. Ongoing tracking and evaluation of remediation effectiveness will be conducted, with timely identification of issues and implementation of corresponding corrective measures to ensure the sustainability and long-term stability of governance outcomes.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY *(CONTINUED)*

A3. The Environment and Natural Resources *(CONTINUED)*

With respect to GHG emissions control, the Group has implemented multiple initiatives to reduce its GHG footprint. China's 2060 carbon neutrality commitment has significantly accelerated the transition towards low-carbon energy and the reduction of economy-wide emissions to achieve net zero, thereby reducing dependence on fossil fuels. In line with this direction, the Group prioritises accelerating its transformation towards cleaner energy sources, including "green" electricity. Its initiatives focus on three key areas: investment in innovative R&D and technology deployment, leveraging opportunities through partnerships and collaboration, and promoting education to encourage behavioural change.

A4. Climate Change

The Group is aware that climate change amplifies operating risks by increasing the frequency and severity of extreme weather events, resulting in potentially wide-ranging impacts. We recognise that the mining sector is particularly susceptible to climate-related risks. In response, we have developed a group-wide climate policy that outlines our strategic management approach and provides a framework for guiding the practices adopted to address climate-related risks and opportunities.

As a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) framework, the Group is dedicated to strengthening climate resilience by addressing gaps in climate-related policies and risk management measures, enhancing environmental standards, and reinforcing operational adaptability. Through responsible mining practices, we seek to contribute to national and regional economic development while mitigating climate-related impacts. To reduce exposure to climate risks, the Group continues to refine and implement its Climate Policy to oversee and regulate mining operations.

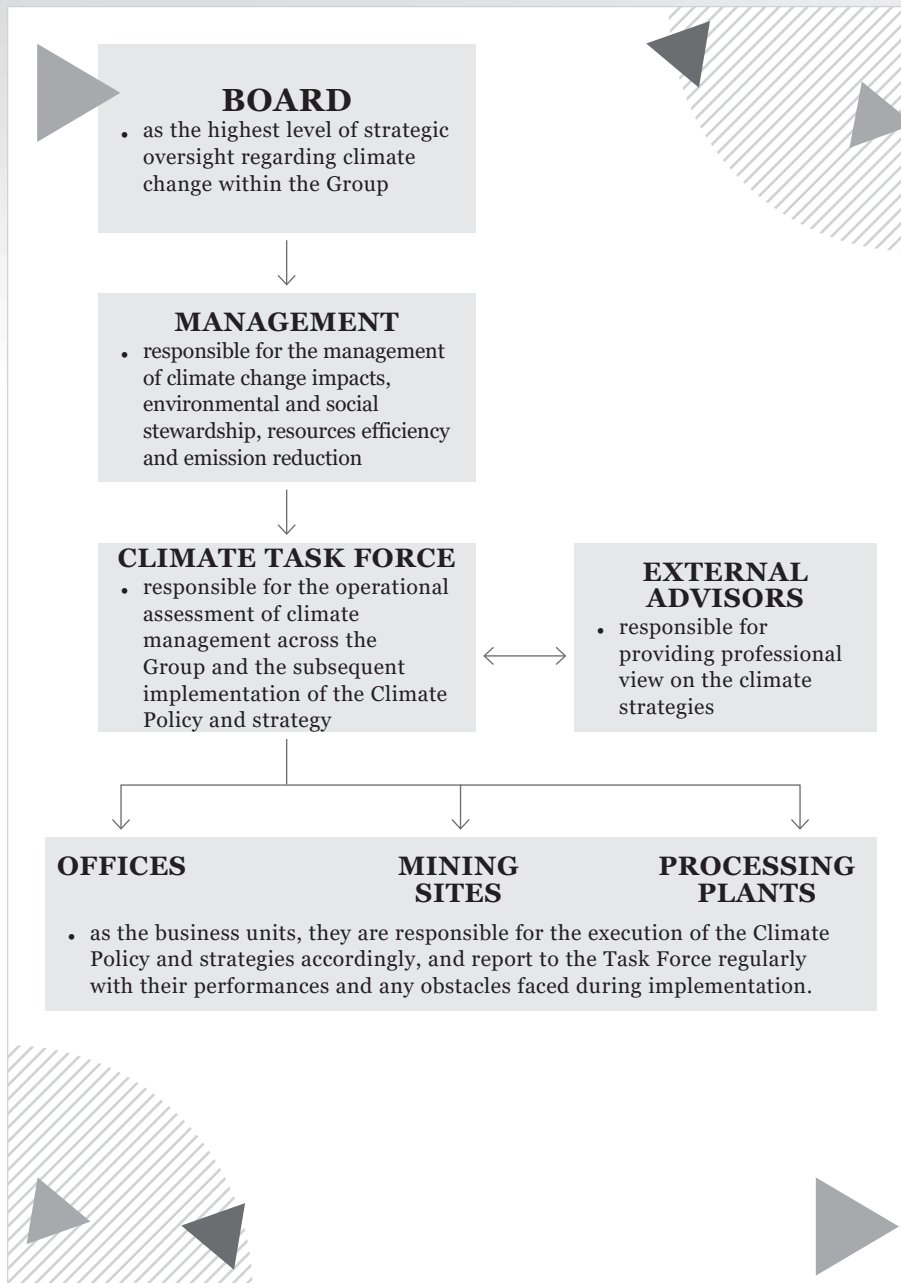
The Group's preliminary analysis of climate-related risks and plans for climate action are detailed in the following sub-sections, which present the key elements of our evolving Climate Policy.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A4. Climate Change (CONTINUED)

Governance



The Group has collaborated with an independent consultant, Riskory Consultancy Limited, to assist the Board and Management team in strengthening their understanding of material physical and transition risks. During the Reporting period, we further enhanced this effort by engaging professional expertise to conduct detailed analyses, including industry benchmarking, and carried out a preliminary assessment of climate-related risks associated with the diversified metals and mining sector.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A4. Climate Change (CONTINUED)

Strategy

During the Reporting Period, we further advanced our climate-related risk assessment by engaging with professional consultants to conduct a climate scenario analysis. In conjunction with peer benchmarking results, we performed a preliminary assessment of climate risks relevant to our operations. With reference to HKEX Implementation Guidance and prevailing market practices, climate-related risks were categorised into short-term (2030), medium-term (2050), and long-term (2080) time horizons. The table below outlines the climate risks identified by the Group and their potential impacts on our business operations and development:

Physical risks	Potential impact on the Group	Significance	
Acute risks	<ul style="list-style-type: none"> Reduced revenue from decreased production capacity (e.g. transport difficulties, supply chain interruptions) Reduced revenue and higher costs from negative impacts on the workforce (e.g. health, safety, absenteeism) Write-offs and early retirement of existing assets (e.g. damage to property and assets in “high-risk” locations) Increased operating costs Increased capital costs (e.g. damage to facilities) Increase insurance premiums and potential for reduced availability of insurance on assets in “high-risk” locations 	Material risks	
Increased severity of extreme weather events such as cyclones and floods			
Chronic risks		Less material risks	
Changes in precipitation patterns and extreme variability in weather patterns			
Rising mean temperatures			Material risks
Rising sea levels			Not significant risks

Transition risks	Potential impact on the Group	Significance
Compliance risks		
Increased pricing of GHG emissions	<ul style="list-style-type: none"> Increase operating costs, including compliance costs and insurance premiums Write-offs, asset impairment, and early retirement of existing assets due to policy changes Increased costs and/or reduced demand for products and services resulting from fines and judgments 	Material risks
Enhanced emissions-reporting obligations		Not significant risks
Technological risks		
Substitution of existing products and services with low-emission options	<ul style="list-style-type: none"> Reduced demand for existing products and services that rely on carbon-intensive operations Research and development (R&D) expenditure in new and alternative technologies (e.g. renewable energy resources) Costs to benchmark and integrate new practices and processes into operations 	Not significant risks
Costs to transition to lower emissions technology		Material risks

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY *(CONTINUED)*

A4. Climate Change *(CONTINUED)*

Risk Management

The Group is dedicated to incorporating climate risk management into its enterprise risk management framework. We conduct climate risk analysis through a three-step process:

1. Evaluate the implications of relevant climate-related risks on the business via internal discussions and support from external advisors;
2. Undertaking a materiality assessment to prioritise risks that require immediate attention;
3. Perform a feasibility analysis of response actions for implementation.

Climate risk will be included on the agenda for the Board's Audit and Risk Committee meetings. Additionally, a quarterly meeting is planned between the Board and Management to discuss the identification of potential climate risks, during which mitigation measures and tracking plans will be addressed.

Metrics and Targets

To identify and manage relevant climate-related risks and opportunities, the Group has set up both directional and quantitative metrics with reference to the seven cross-industry, climate-related metric categories recommended by TCFD.

In light of recent changes in the Group's core operations, the relevant targets have been reviewed and appropriately adjusted to better align with our current business structure and strategic priorities.

Highlights of the climate-related metrics and targets established by the Group are set out below:

Metrics

- Number of climate-related activities or initiatives in which the Group participates each year

Targets

Looking ahead, we aim to participate in at least one climate-related activity or initiative each year, proactively collaborating with various stakeholders to further support energy conservation and emission reduction efforts, advance decarbonisation actions, and contribute to the achievement of carbon neutrality goals. Our ESG Committee will be responsible for monitoring progress against this target and, where appropriate, will seek support from external professional consultants to enhance implementation and effectiveness.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A4. Climate Change (CONTINUED)

Metrics and Targets (CONTINUED)

Targets (Continued)

During the Reporting Period, Tongguan Gold Group Limited participated in the “ESG Xchange 2025: International Climate Action Summit” held in May 2025 at the Hong Kong Convention and Exhibition Centre, which was organised by the World Green Organisation. The Summit serves as a prominent platform in the Asia-Pacific region for ESG, climate action and green innovation, bringing together over 2,500 representatives from the United Nations, international organisations and the corporate sector worldwide. The event focused on key topics, including ESG and climate risk strategies, sustainable supply chain management, opportunities and challenges in carbon trading markets, the latest energy-saving and carbon reduction technologies, and the role of artificial intelligence in advancing ESG development.

Participation in the Summit enabled the Group to stay abreast of the latest ESG regulatory developments and strategic trends, further accelerating our ESG transformation efforts. It also demonstrated the Group’s strong commitment to embedding ESG principles into our corporate strategy and advancing sustainable development.



Representative of the Group attending the ESG Xchange 2025: International Climate Action Summit

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

A4. Climate Change (CONTINUED)

GHG emissions

The GHG emissions generated by the Group were mainly from the combustion of fossil fuels, electricity and coal consumption during industrial operations. During the Reporting Period, the data for GHG emissions are as follows:

GHG emission ¹	Unit	2025	2024
Scope 1 (Direct Emissions) ²	Tonnes CO ₂ e	3,842	2,239
Scope 2 (Energy Indirect Emissions) (Location-based) ³	Tonnes CO ₂ e	50,443	43,692
Scope 3 (Other Indirect Emissions) ⁴	Tonnes CO ₂ e	152	/
Total GHG Emissions (Scope 1 and Scope 2)	Tonnes CO ₂ e	54,285	45,931
Intensity (Scope 1 and Scope 2) ^{5,6}	Tonnes CO ₂ e/ revenue (HK\$ million)	22.7	35.3

1. The calculation standards and methodologies for GHG emissions are based on “Appendix 2: Reporting Guidance on Environmental KPIs” of “How to Prepare an ESG Report” by HKEX and the Greenhouse Gas Protocol.
2. Scope 1 emissions included direct GHG emissions from combustion of fuels in stationary and mobile sources, and the use of refrigeration. The Emission Factors adopted are based on “Appendix 2: Reporting Guidance on Environmental KPIs” published by the HKEX and guidance from the U.S. Environmental Protection Agency. The Global Warming Potential (“GWP”) rates from the Intergovernmental Panel on Climate Change (“IPCC”) Sixth Assessment Report (AR6). The material increase in Scope 1 emissions during the Reporting Period was primarily attributable to increased coal and diesel combustion arising from expanded business operations.
3. Scope 2 emissions included indirect GHG emissions from purchased electricity, Towngas, and steam/heat consumed by the Company. The emission factor for Chinese Mainland-based operations referenced the Ministry of Ecology and Environment of the People’s Republic of China. The emission factor of purchased towngas is referenced to the latest ESG report published by Hong Kong and China Gas Company Limited.
4. Due to the complexity of Scope 3 emissions and the broad range of categories involved, current disclosure is limited to cover Category 6 – Business travel (flight) as defined by the GHG Protocol. Emission factors adopted are from the “Environmental Reporting Guidelines: Including mandatory greenhouse gas emissions reporting guidance” issued by the Department for Energy Security and Net Zero of the UK.

This is the first Reporting Period in which the Group has disclosed Scope 3 emissions in accordance with the requirements of the HKEX’s Environmental, Social and Governance Reporting Code.
5. In light of the increase in the Group’s Scope 1 and Scope 2 emissions in 2025, while the growth rate of revenue exceeded that of emissions, there is a material variance in the Group’s emission intensity compared with 2024.
6. Considering the environmental impact of our gold recycling is insignificant compared to the gold mining operation, we believe using the revenue of gold mining operation segment to calculate the intensity would better assist readers to assess our performance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYMENT AND LABOUR PRACTICES

B1. Employment

The Group values employees' talents and is committed to building and sustaining an attractive workplace with excellent career development opportunities for all employees. We strive to provide a suitable platform for them, ensure equal and fair compensation and respect labour rights. Talent development, learning, diversity and culture are prioritised in the human resources management approach of the Group.

We strictly adhere to applicable employment laws and regulations in Hong Kong and the PRC that were material to the Group's businesses, including but not limited to Employment Ordinance (Cap. 57 of the Laws of Hong Kong), Employees' Compensation Ordinance (Cap. 282 of the Laws of Hong Kong), Labour Law of the People's Republic of China (《中華人民共和國勞動法》), Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》) and Regulations on the Supervision of Labour Security (《勞動保障監察條例》).

During the Reporting Period, the Group was not aware of any material violation of laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare that have a significant impact on the Group.

Beyond statutory compliance, the Group actively promotes employee engagement and well-being through various cultural and welfare initiatives. From 22 December to 30 December 2025, employees participated in the "Tongguan County "Tongjin Cup" Cadres and Employees Basketball Friendly Tournament" (「潼金杯」幹部職工籃球友誼賽) organised by the Tongguan County Federation of Trade Unions and the Tongguan County Education and Sports Bureau at the Tongguan National Fitness Centre. A total of 17 representative teams consisting of approximately 200 staff athletes took part in the competition, including teams representing the Government Joint Team, Chengguan Subdistrict Office, Public Security Bureau, Human Resources and Social Security Bureau and other local institutions. The event advocated the importance of physical fitness, strengthened teamwork and enhanced employees' sense of belonging at the Company.



Group photos taken during the "Tongjin Cup" Staff Basketball Friendly Tournament

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYMENT AND LABOUR PRACTICES *(CONTINUED)*

B1. Employment *(CONTINUED)*

In addition, the Group organised an “Caring for Employees and Delivering Warmth Activity – “Birthday Benefits”” (關愛職工送關懷活動「生日福利」) during the Reporting Period. All employees, including temporary staff, received birthday greeting cards, longevity noodles as a symbolic gesture of good health, and birthday welfare gift cards. This initiative reflects the Group’s unwavering commitment to fostering a caring and inclusive workplace culture where employees feel valued and supported.



Group Photo of Employees Celebrating June Birthdays



“Warmth Delivery” (送温暖) Visit to the Factory in November

The Human Resource Department of the Group monitors the implementation of company policies, including:

Measures of Employee Recruitment

Employment Management

Employee Training Management

Employee Transfer Management

Employee Leave and Attendance Management

Performance Management

Compensation Management

Human Resources Management System

To ensure compliance with the latest laws and regulations, the department reviews and updates internal procedures regularly.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYMENT AND LABOUR PRACTICES *(CONTINUED)*

B1. Employment *(CONTINUED)*

As at 31 December 2025, the Group had a total of 768 employees (2024: 436 employees). The employee demographic is as follows:

Total workforce	2025	2024
By Gender		
Male	638	353
Female	130	83
By Employment Type		
Full-time	742	435
Part-time/Contract	26	1
By Age Group		
Below 30	169	40
31-40	189	112
41-50	194	124
Above 51	216	160
By Geographical Region		
Hong Kong	12	11
Chinese Mainland	756	425

Note: The employment data in headcount was obtained from the Group's Human Resources Department based on the employment contracts entered between the Group and its employees. The data covered employees engaged in a direct employment relationship with the Group according to relevant local laws and workers whose work and/or workplace was controlled by the Group. The methodology adopted for reporting on employment data set out above was based on "How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYMENT AND LABOUR PRACTICES *(CONTINUED)*

B1. Employment *(CONTINUED)*

Recruitment and promotion

A set of transparent and clear procedures in annual recruitment is adopted and followed to ensure the recruitment practices comply with the following principles:

Openness (公開)	Fairness (公平)	Transparency (透明)	Standardization (規範)
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The recruitment plan is formulated by the General Office according to internal procedure and considering the position vacancies in various departments. The recruitment sources are identified, and the eligible candidates are selected, in which CV screening, interviews, internal discussion and approval, and entry health examination are normally carried out step by step.

Fair, competitive remuneration and benefits are provided with due consideration of the applicant's past performance, personal attributes, job experience and career aspirations. The promotion within the Group is strictly based on clear and legitimate procedures. We refer to market benchmarks in relation to staff promotion. Equal promotion opportunities are provided to eligible employees who have exhibited outstanding performance and potential.

Compensation and dismissal

The Group conducts an annual review of its employee compensation policy, subject to evaluation and approval. In determining any adjustments, the Group benchmarks against local market standards, taking into account company performance, prevailing economic conditions, individual development and the nature of each position.

The Group strictly prohibits any form of unfair or unlawful dismissal. Termination of employment contracts is carried out only on reasonable and lawful grounds, in full compliance with applicable regulations and internal policies, including the Staff Handbook of the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYMENT AND LABOUR PRACTICES (CONTINUED)

B1. Employment (CONTINUED)

Compensation and dismissal (CONTINUED)

During the Reporting Period, the employee turnover rate of the Group is as follows:

Turnover Rate	2025	2024
By Gender		
Male	10.8%	10.5%
Female	11.5%	9.6%
By Age Group		
Below 30	6.5%	30.0%
31-40	16.9%	10.7%
41-50	11.3%	5.6%
Above 51	8.8%	8.8%
By Geographical Region		
Hong Kong	8.3%	0.0%
Chinese Mainland	11.0%	10.6%

Employees who breach the Group's employment policies will first receive a verbal warning prior to the issuance of a formal warning letter. If an employee repeatedly commits the same misconduct without improvement, the Group may proceed with dismissal in accordance with the standard procedures prescribed under the laws of Hong Kong and PRC. The Group may consider terminating a labour contract in compliance with applicable laws and regulations if an employee falls under the circumstances deemed serious by the Group, including but not limited to:

1. Failure to satisfy the employment requirements during the probationary period;
2. Serious breach of labour discipline or the Group's internal rules and regulations; and
3. Serious neglect of duty or malpractice causing damage to the interests of the Group, etc.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYMENT AND LABOUR PRACTICES (CONTINUED)

B1. Employment (CONTINUED)

Working hours and rest periods

The Group's policies and arrangements regarding the management of working hours and rest periods are established in accordance with local employment laws, including the Provisions of the State Council on Employees' Working Hours (《國務院關於職工工作時間的規定》), and are clearly set out in the Staff Handbook (《員工手冊》). An attendance management system is implemented to monitor employees' working hours, and employees who perform overtime work are compensated with overtime pay or corresponding additional leave.

Employees are entitled to various leave benefits, including but not limited to:

Statutory Holidays	Marriage leave	Bereavement leave	Maternity leave	
Breastfeeding leave	Sick leave	Personal leave	Family visit leave	Annual leave

Equal opportunity and anti-discrimination

As an equal-opportunity employer, the Group is dedicated to fostering a fair, inclusive, and diverse workplace. Anti-discrimination principles are actively promoted, and equal opportunities are upheld in all human resources and employment-related decisions. Employees are granted equal access to training, promotion, dismissal, and retirement opportunities, irrespective of age, gender, marital status, pregnancy, family status, disability, race, ethnicity, nationality, religion, or any other non-job-related factors. The Group enforces an equal opportunity policy to prevent workplace discrimination, harassment, or vilification, in compliance with local laws and regulations. The Group adopts zero tolerance for any form of discrimination, harassment, or retaliation. Employees are encouraged to report any suspected incidents of discrimination to the Human Resource Department, which is responsible for conducting investigations and implementing appropriate disciplinary actions against individuals found to be in breach of the policy.

In line with its commitment to equality, the Group strives to promote barrier-free internal communication through multiple channels. The Human Resources Departments and Staff Committees at various levels serve as the primary bodies responsible for employee relations and communication within the organisation. They support employees in enhancing job satisfaction, ensuring labour security, providing occupational psychological counselling, and actively gathering employee feedback and suggestions. All staff are encouraged to express their views and concerns openly. To cultivate a corporate culture grounded in inclusiveness and mutual respect, the Group regularly communicates updates on operations and management developments through emails, bulletin boards, meetings, and other communication platforms.

Other benefits and welfare

Employees are provided with various corporate benefits in accordance with internal policies to strengthen their sense of belonging. The Group makes contributions to social insurance schemes for employees as required by applicable laws and regulations, including endowment insurance, work-related injury insurance, medical insurance and housing provident funds.

The Group also provides routine physical examinations and organises regular physical exercises and recreational activities to protect employees' physical and mental health.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYMENT AND LABOUR PRACTICES (CONTINUED)

B2. Health and Safety

The Group has embedded the protection of employees' health and safety into its core corporate values. A systematic safety management strategy, together with structured approaches and regulations, has been established and implemented to ensure a safe and secure working environment for all employees.

We strictly complied with applicable national and local regulations in relation to occupational health and safety in Hong Kong and the PRC, including but not limited to the Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong), Law of the People's Republic of China on the Protection of Production Safety (《中華人民共和國安全生產法》), Law of the People's Republic of China on Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》), Mine Safety Law of the People's Republic of China (《中華人民共和國礦山安全法》), Regulation on Work-Related Injury Insurance (《工傷保險條例》), and Warning Signs for Occupational Hazards in the Workplace (《工作場所職業病危害警示標識》).

During the Reporting Period, the data in relation to health and safety is shown below:

	Unit	2025	2024	2023
Work-related fatalities	No.	0	0	0
Lost days due to work injury	Day	30	90	100

During the Reporting Period, the Group was not aware of any material violation of laws and regulations in relation to providing a safe working environment and protecting employees from occupational hazards that have a significant impact on the Group.

“Safety first, Prevention crucial, Integrated Management” (安全第一·預防為主·綜合治理)

To minimise accident risks at mining sites and strengthen employees' health and safety awareness, the Group has developed a comprehensive management framework supported by a series of effective policies governing workplace safety and labour practices, in compliance with applicable health and safety standards. To foster and maintain a safe working environment, we have formulated internal policies and operational guidelines, including the Work Safety Manual (《工作安全手冊》), Internal Control Manual (《內部控制手冊》) and Management Manual of Safe Production Standardisation (《安全生產標準化管理手冊》). In addition, to further enhance safety management standards, a detailed implementation plan for the “Six Major Systems” (「六大系統」) has been developed in accordance with the Interim Provisions on the Installation, Use, Supervision and Inspection of the “Six Major Systems” for Safety Risk Avoidance in Metal and Non-metallic Underground Mines issued by the State Administration of Work Safety.

The Human Resource Department and the Administrative Department are responsible for monitoring and ensuring that all the safety policies are in place and enforced properly in the office. The full-time Safety, Environmental Protection, Production and Technology Department has been formed and is equipped with full-time safety officers to facilitate the Group's safety management onsite. Safety Production Management Committees have been established and are responsible for organising educational workshops on the topic of safe production, formulating safety measures and supervising the implementation of internal policies.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYMENT AND LABOUR PRACTICES (CONTINUED)

B2. Health and Safety (CONTINUED)

“Safety first, Prevention Crucial, Integrated Management” (安全第一，預防為主，綜合治理)
(CONTINUED)

To further promote employee wellbeing and reinforce the Group’s commitment to occupational health, the Group regularly organises health-related initiatives for its workforce. In May 2025, Tongguan County Xiangshun Mining Development Co., Ltd. (“Xiangshun Mining”) organised a health examination program for senior employees aged 50 and above at the Physical Examination Centre of Tongguan County People’s Hospital. A total of 69 employees participated in the program, including 64 male employees and 5 female employees. The health examination covered both basic and targeted medical screening items. Basic examinations included height, weight, blood pressure, complete blood count, urinalysis, liver function and kidney function tests. Key examination items included electrocardiogram, Doppler ultrasound, carotid artery ultrasound, and HPV screening for female employees. Through this initiative, the Group aimed to facilitate early detection of potential health risks, enhance employees’ health awareness, and provide timely medical guidance where necessary. The program reflects the Group’s proactive approach to safeguarding employee health and fostering a safe, caring, and sustainable working environment.



Employees queued for registration prior to the medical screening



Employees queued for blood sampling tests

Moreover, the Group has effectively adopted the following measures to eliminate fatalities and life-altering injuries from the operations and to continuously reduce potential injury and health hazards on-site.

Emergency preparedness programs
<ul style="list-style-type: none"> • Train and build mine rescue team • Improve its real-time monitoring and alerting system

Management of hazardous materials
<ul style="list-style-type: none"> • Promote the lifecycle management of purchase, use, storage, transportation and disposal

Technical safety training
<ul style="list-style-type: none"> • Machine safeguarding training • Simulator training

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYMENT AND LABOUR PRACTICES *(CONTINUED)*

B2. Health and Safety *(CONTINUED)*

Equipment operation training

The mining rescue team is equipped with appropriate protective gear and established rescue plans to respond to emergency situations. In the event of unforeseen circumstances, professional emergency facilities and adequate emergency supplies are maintained and readily available.

When unexpected environmental and operational incidents occur that may endanger the health and safety of workers, designated personnel are responsible for overseeing and managing the situation to ensure the effective implementation of the contingency plan.

The Group is committed to enhancing its emergency response capabilities in accordance with the National Emergency Plans in Response to the Outbreak of Environmental Incidents (《國家突發環境事件總體應急預案》), and will further strengthen both the frequency and quality of emergency drills going forward.

Relevant policies have been formulated to regulate the proper handling of hazardous materials, ensuring that procurement practices, mining sites operations, warehouse storages, transportation and disposal measures comply with applicable industry standards. Employees' awareness and understanding of occupational health and safety are enhanced through various training programmes.

Potential safety risks include insufficient implementation of safety and environmental protection education and training, leading to "three violations behaviors" (三違行為) that may result in personal injury and property loss. To promptly and effectively mitigate the underlying risks, the Group continuously evaluates safety risks that are material to its operations and adopts a precautionary approach. The Group strictly enforces the aforementioned internal policies under an accountability system to address the relevant safety risks. All units and mining areas of the Group are required to conduct regular reviews of safety-related targets and submit reports to the Safety, Environmental Protection, Production and Technology Department.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYMENT AND LABOUR PRACTICES *(CONTINUED)*

B3. Development and Training

Employees' competencies are fundamental to productivity and operational efficiency. The Group is committed to strengthening employees' capabilities through structured training initiatives. A range of training programmes has been developed and implemented to meet the needs of employees across different roles and positions.

During the Reporting Period, the training and development data are as follows:

	2025	2024
Percentage of employees trained by gender		
– Male	85.7%	84.4%
– Female	80.8%	66.3%
Percentage of employees trained by Employee Category		
– Director and the management	96.9%	93.8%
– Senior employee, manager and senior manager	96.2%	96.3%
– General staff	83.5%	81.1%
Average training hours per employee by gender		
– Male	4.69	5.6
– Female	3.42	3.8
Average training hours per employee by Employee Category		
– Director and the management	5.0	7.9
– Senior employee, manager and senior manager	6.0	6.4
– General staff	4.3	5.0

To create more opportunities for employee improvement, the Group has devoted sufficient resources to training development and provision.

New hires	Technical safety training
<ul style="list-style-type: none"> A complete training package covering the History of Company, Corporate Governance Structure, Corporate Culture, Business Processes, and Management System 	<ul style="list-style-type: none"> Regular courses that match the corporate demands and employees' interests

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYMENT AND LABOUR PRACTICES *(CONTINUED)*

B3. Development and Training *(CONTINUED)*

The Group encourages employees to enhance their professional capabilities by pursuing work-related knowledge during their spare time and actively registering for professional qualification examinations and external training programs. Employees who successfully complete external qualification examinations and obtain relevant vocational qualification certificates are eligible for reimbursement in accordance with the Group's policy. This initiative supports continuous professional development and aligns employee growth with the Group's long-term development objectives.

The training programs provided by the Group can be broadly categorised into safety management training and technical knowledge training, supplemented by thematic activities, competitions, and corporate culture initiatives to foster a comprehensive learning environment.



Safety Management Training

With the support of the Safety, Environmental Protection, Production and Technology Department, the General Office is responsible for formulating an annual safety training plan. The Safety, Environmental Protection, Production and Technology Department organises relevant business departments and production units to organise group-wide, company- and unit-level safety educational courses and workshops.

In accordance with the annual safety training plan, regular workshop-level safety training sessions are conducted for each production unit. Personnel from relevant business departments and production units are required to participate in the “Three-Level Safety Training” (三級安全培訓) and complete the corresponding “Training Attendance Forms” (培訓出勤表). Assessments of the Three-Level Safety Training are conducted regularly by the General Office, the Safety, Environmental Protection, Production and Technology Department, and the respective production units to ensure training effectiveness.



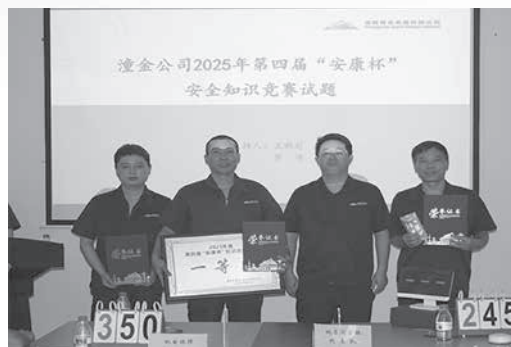
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYMENT AND LABOUR PRACTICES (CONTINUED)

B3. Development and Training (CONTINUED)

Safety Management Training (CONTINUED)

To further promote a longstanding culture of safe production, Xiangshun Mining organized the “2025 Safety Production Month Knowledge Competition – The Fourth “Safety and Healthy Cup Competition”” (2025年安全生產月知識競賽—第四屆「安康杯」) in June 2025. The event was hosted by the Safety, Environmental Protection, Production and Technology Department, and attracted 10 participating teams, including representatives from the Mechanical and Electrical Support Centre, Central Processing Plant, Geological Survey Department, Security Department, and Hongshang Construction Team. The competition enhanced employees’ understanding of safety regulations and strengthened their safety management capabilities through interactive learning.



Technical Knowledge Training

The Safety, Environmental Protection, Production, and Technology Department, together with mining sites and mineral processing workshops, jointly oversee technical knowledge training. Employees are expected to continuously stay updated on the latest production processes, understand the features of key workshop facilities, and become proficient in the performance of machinery, equipment, and tools.

Whenever new processes, technologies, equipment or materials are introduced, operators are required to receive training conducted by the supplier’s technical personnel and to strictly comply with the prescribed technological procedures and operational requirements. Employees in key positions participate in business skills and knowledge training every six months, which includes formal assessments to evaluate their competency. All training programmes, teaching materials, curricula and relevant documentation are systematically maintained and recorded in the corporate training archives.

In addition, the Group organized a series of internal training meetings to keep employees updated with emerging technical knowledge during the Reporting Period. Senior and middle management personnel delivered training sessions covering professional knowledge across various departmental functions, business skills, practical work experience and motivational development topics, further strengthening internal capacity building. In July 2025, the Group (Xiangshun Mining) participated in the “Celebrating the July 1st” Speech Competition (「慶七一」演講比賽).” The event was very successful, with 26 participants representing teams from all operating subsidiaries of the Group. The competition fostered corporate culture, enhanced communication and reinforced employees’ sense of mission and responsibility.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYMENT AND LABOUR PRACTICES *(CONTINUED)*

B4. Labour Standards

Upholding and safeguarding labour rights constitutes a core component of the Group's commitment to sustainability. The Group maintains a strict prohibition against child and forced labour. We strictly abide by applicable labour laws and regulations in Hong Kong and the PRC, including but not limited to the Employment Ordinance (Cap. 57 of the Laws of Hong Kong) and the Labour Law of the People's Republic of China (《中華人民共和國勞動法》). During the Reporting Period, the Group was not aware of any material violation of laws and regulations relating to the prevention of child and forced labour that would have a significant impact on the Group.

The Human Resource Department is responsible for ensuring that corporate policies and practices align with the relevant laws and regulations prohibiting child labour and forced labour. To verify that job applicants are lawfully employable prior to confirmation of any employment, all of them are required by the Group's Human Resource Department to provide valid identity documents to combat illegal employment of child labour, underage workers and forced labour.

The Group also requires its subsidiaries to report new hires and conduct monthly reviews of employment records. Should any instance of non-compliance with applicable labour laws, regulations or standards be identified, the relevant employment contract will be terminated immediately, and the personnel responsible for human resource management will be subject to appropriate disciplinary measures.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OPERATING PRACTICES

B5. Supply Chain Management

The Group acknowledges that effective supply chain management is essential to achieving sustainable development. As a socially responsible enterprise, the Group is firmly committed to fostering a sustainable and dependable value chain by proactively addressing environmental and social risks. During the Reporting Period, all operating subsidiaries successfully managed their suppliers through the proper implementation of the Group's supply chain management policies.

During the Reporting Period, the Group engaged a total of 191 major suppliers located in the PRC. The Group's supply chain management policy applies to all its major suppliers, and approximately 124 suppliers have committed to complying with our Supplier Code of Conduct.

The Group's principal suppliers include providers of machinery and equipment, raw materials, labor and transportation services. A supply chain management ledger system has been established to identify and select qualified suppliers that satisfy corporate requirements and comply with relevant laws and regulations. Through this system, suppliers are categorised and registered based on supply categories, corporate strengths, and other relevant criteria. Prospective suppliers are evaluated through inquiries, onsite inspections, benchmarking, bidding, and other relevant methods. Preference is given to suppliers with strong credibility, appropriate industry qualifications, superior product quality, reasonable pricing and relevant experience. Generally, procurement plans are submitted by the respective departments for management review and approval, while the Procurement Department is responsible for submitting procurement applications and executing the purchases of relevant materials.

Supplier performance and supply chain practices are continuously monitored through ongoing engagement. All suppliers and contractors are required to comply with the contractual terms and policies agreed upon in the contracts throughout the course of the business partnership. The "Supplier Management Procedures" (供應商管理辦法) and other internal policies have been formulated to ensure that suppliers consistently align with the Group's standards and guidelines. Regular evaluations of the supply chain are conducted to identify and mitigate significant risks. When risks arise, an emergency plan is immediately activated, involving the mobilisation of professionals and allocation of emergency funds to minimise potential losses.

Social and Environmental Risk Control

To identify and mitigate potential social and environmental risks within the supply chain, the Group's Procurement Department works closely with suppliers to prevent and monitor potential threats. We also ensure that each business division has designated personnel to maintain close communication with suppliers.

To enhance risk control, suppliers' environmental performance and compliance, particularly in relation to significant environmental hazards in their operations, are assessed through interviews. Regular evaluations are conducted on candidate suppliers with respect to legality, technical capability, production capacity, quality assurance and possession of relevant industry certificates. We also monitors suppliers' performance improvements in areas such as labour standards, human rights, code of conduct, anti-corruption policies, and occupational health and safety standards. Internal coordination and participation in supplier selection and management processes are continuously strengthened.

To extend sustainable influence across the value chain and encourage environmentally responsible business practices, the Group actively promotes the integration of Green Procurement into its operations. In supplier selection and collaboration, considerations include energy efficiency, geographical location, environmental management-related certifications, and compliance with national requirements. For instance, whether dust collectors and water purification systems have been installed in accordance with relevant national standards.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OPERATING PRACTICES (CONTINUED)

B5. Supply Chain Management (CONTINUED)

Social and Environmental Risk Control (CONTINUED)

Looking ahead, the Group will continue to enhance the scientific management of its supplier online platform system, enabling more systematic classification and more accurate automated evaluation of supplier performance.

B6. Product Responsibility

Upholding the philosophy of “Steady operation, Pioneering and innovative, Upholding integrity, and Enhancing social responsibility” (穩健經營、開拓創新、篤守誠信、增強社會責任感), the Group is committed to fulfilling its product responsibility of “People-Oriented, Quality Assurance, Environmental Protection and Scientific Management” (以人為本、保證質量、保護環境、科學管理) and maintaining a high standard of reliability, quality and robustness in its products and services.

We have strictly complied with the applicable rules, regulations and standards in the PRC and Hong Kong, including but not limited to the Product Quality Law of the People’s Republic of China (《中華人民共和國產品質量法》), Mineral Resources Law of the People’s Republic of China (《中華人民共和國礦產資源法》), The Notice of Gold Tax Policy (《關於黃金稅收政策問題的通知》) and Ambient Air Quality Standards (《環境空氣質量標準》).

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to health and safety, advertising, labelling and privacy matters concerning products and services provided, or methods of redress that would have a significant impact on the Group.

Product quality and operation safety

Gold concentrate and gold bullion constitute the Group’s principal products. The Group is dedicated to producing high-quality gold concentrate and gold bullion characterized by “No Impurity and Uniform Color” to satisfy customers’ needs. To regulate the production and sales processes, a series of established rules and effective control measures have been implemented, including laboratory test report result (檢驗結果報告單); water content test report (水分檢測報告單); delivery measurement order (出庫計量單); metal concentration confirmation slip (金屬含量確認單); and sales settlement statement (銷售結算單).

For gold recycling business, the Group has formulated stringent internal procedures and effective measures for gold bullion production to standardise the supply and refining processes and safeguard product quality, including, but not limited to, the use of a spectroscopic gold detector to examine the gold-related materials.

To ensure operational performance and quality standards, refining subcontractors are selected exclusively from the nationally recognised list.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OPERATING PRACTICES (CONTINUED)

B6. Product Responsibility (CONTINUED)

Product quality and operation safety (CONTINUED)

The Group requires its product quality to consistently satisfy specific standards across various performance indicators. Regular quality control evaluations are carried out by designated personnel to uphold quality assurance. Production activities are monitored and managed through predefined operational parameters, and an automated management system is applied throughout the entire production process.

Internal policies have been established and adopted to control product quality as follows:

Product Plan Management	Product Process Management	Engineering Management
Equipment Management	Production Compliance Management	

In accordance with relevant international and national standards in the mining industry, the Group adheres to YS/T 3004-2011 Gold Concentrate (《金精礦行業標準》) for quality classification, ensuring the provision of dependable and credible products to its customers. Functional units of the Group, including mineral processing workshops and the Internal Quality and Technique Control Station, closely oversee critical production stages, such as ore dressing tests and quality measurements of flotation-enriched gold concentrate. The Internal Quality and Technique Control Station is specifically responsible for sampling, testing, and issuing gold quality certifications. Prior to the delivery of gold concentrate, sample extraction is conducted by a buyer-designated representative under the supervision of the sales team. Samples are required to be stored in clean and dry containers and submitted to the laboratory of the Quality and Technique Control Station for testing. Chemical examinations are performed by the experimenter, and the final test report must be duly signed by the relevant staff.

During the Reporting Period, the Group did not encounter any products subject to recalls for safety and health reasons.

As part of its commitment to environmental stewardship and operational safety, the Group places significant emphasis on tailing management. To ensure that operations do not adversely affect nearby residents, comprehensive tailings dam management plans have been established, and regularly safety inspections are conducted. The following measures are implemented as follows:

- The length and slope of the sedimentation beach are verified to meet the requirement in design, preventing the slurry from brushing the dam body;
- Carry out geological surveys and stability analysis of the tailing dam when the pond accumulation is up to two-thirds of the designed height;
- Ensure the good permeability and stability of the tailing dam, upstream tailing ores are dispersed evenly so that both the coarse and fine particulates can be deposited in the correct place;

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OPERATING PRACTICES (CONTINUED)

B6. Product Responsibility (CONTINUED)

Product quality and operation safety (CONTINUED)

- In a later stage, the internal and external slopes of the dam are built strictly based on the requirements in terms of factors including the stacking quality and the uniform rise of the dam to avoid significant height differences between the two ends of the dam axis;
- The inner water edge line is maintained parallel to the dam axis; and
- Seepage prevention and drainage of the dam are maintained through practices including building the flood interception ditch at the dam abutment, reducing the dam body's infiltration line and preventing mountain torrents from scouring the dam body.

Complaint handling, Privacy matters & Advertising

The Group places great importance on client feedback, recognizing it as a key driver of sustainable development. The general office of the PRC subsidiaries is responsible for handling customers' complaints. Upon receipt of any complaint, a follow-up mechanism is promptly activated and implemented. After conducting an investigation, the Group undertakes appropriate corrective actions based on the findings and communicates the result to the complainant in a timely manner. During the Reporting Period, no material complaints were received.

To safeguard customers' rights and interests, we strictly comply with applicable laws in relation to customer privacy, including but not limited to the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) and Law of the People's Republic of China on the Protection of Consumer Rights and Interests (《中華人民共和國消費者權益保護法》). Pursuant to the contractual confidentiality provisions, employees are prohibited from disclosing any information concerning the Group and its customers to third parties. Any customer information collected by the Group is used solely for the purposes for which it was obtained. During the Reporting Period, the Group did not receive any complaints or become involved in any legal cases related to breaches of customer privacy or data loss.

With the collaboration of various departments, the Marketing Department is responsible for reviewing and disseminating marketing materials to ensure accuracy and compliance with relevant laws and regulations, including but not limited to the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》). Given the nature of the Group's business operations, matters relating to product labelling, intellectual property rights and recall-related matters are relatively insignificant or not applicable to the Group.

Looking forward, we will continue to adopt a value-oriented approach and remain committed to developing distinctive and innovative products and services. To achieve this, the Group will further enhance its uniqueness, precision and authority within the industry, while building a comprehensive and systematic competitive advantage in the high-precision sector.

B7. Anti-corruption

A strong anti-corruption culture and system can effectively safeguard the reputation of the corporation and prevent a decline in business value. The Group is dedicated to ensuring a workplace free from corruption and mandates all employees to adhere to the standards outlined in the code of conduct and internationally recognised ethical guidelines.

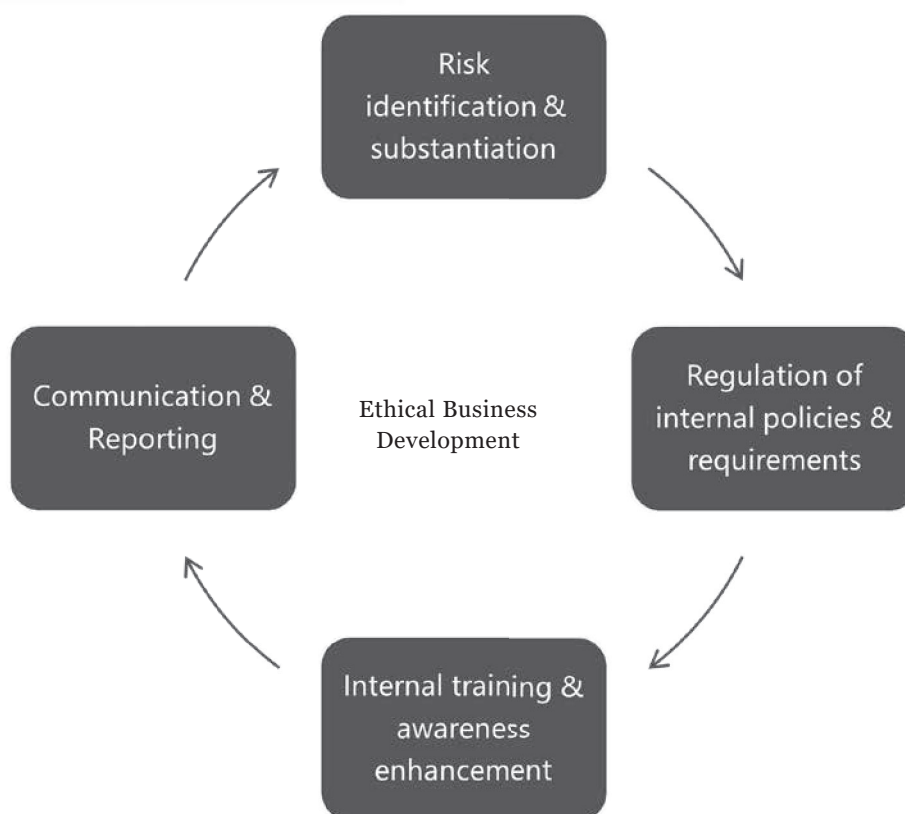
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OPERATING PRACTICES (CONTINUED)

B7. Anti-corruption (CONTINUED)

We strictly abide by the applicable laws and regulations relating to anti-corruption and bribery in the PRC and Hong Kong, including but not limited to the Anticorruption Law of the People's Republic of China (《中華人民共和國反腐敗法》), Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615 of the Laws of Hong Kong), the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong), the Law of the People's Republic of China on Anti-money Laundering (《中華人民共和國反洗錢法》) and Interim Provisions on Banning Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》), the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615 of the Laws of Hong Kong), and the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong).

During the Reporting Period, the Group was not aware of any material violation of laws and regulations in relation to bribery, extortion, fraud and money laundering that have a significant impact on the Group. There were no legal cases concerning corrupt practices that were concluded against the Group or its employees.



The Group adopts a strict zero-tolerance policy against bribery and corruption, rigorously implementing its internal anti-corruption policies, including those set out in the Staff Handbook, to prevent and combat fraudulent activities. The Group strongly promotes adherence to professional ethics, emphasising compliance with relevant laws and regulations. Employees are required to safeguard the Group's interests and contribute positively to society's well-being.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OPERATING PRACTICES *(CONTINUED)*

B7. **Anti-corruption** *(CONTINUED)*

Any violation of professional ethics that causes significant economic loss to the Group will result in immediate action taken in accordance with relevant laws and regulations. The Group also upholds the principle of addressing nepotism in employee recruitment or appointments. Mutual supervision between management and staff is encouraged to mitigate risks of bribery, extortion, fraud, and money laundering. A comprehensive internal control management system has been established at the Group Level to oversee business departments and strengthen anti-corruption measures.

As part of its anti-corruption strategy, the Group's latest anti-corruption policy has been circulated to all staff in the Hong Kong office for their acknowledgement and compliance. In addition, all employees who are Party members signed the Member's Personal Integrity and Self-Discipline Commitment Letter, affirming their commitment to comply with the Group's anti-corruption policy. During the Reporting Period, approximately 2 hours of internal anti-corruption were provided to its employees.

The Group encourages whistle-blowers to report any suspected misconduct, either verbally or in writing, to the Human Resource Department of the Group, with detailed information and supporting evidence. To safeguard the Group's interests, the Human Resources Department is primarily responsible for investigating any suspected or unlawful conduct. To protect whistle-blowers from unfair dismissal or victimization, an established grievance mechanism has been established. If any criminal activity is substantiated, the Group's management will promptly submit a report to the relevant regulators or law enforcement authorities as necessary.

On 23rd October 2025, the Party Branch of Tongguan Tongjin Mining Company Limited organized Party members to visit the Yang Zhen Integrity Education Base for a study program. Activities included reviewing exemplary cases of integrity and anti-corruption, revisiting the Party oath, learning about the historical development of Tongguan at the Tongguan Museum, and watching historical and inspirational films. All Party members of the Tongguan Tongjin Mining Company branch participated in the activity, further strengthening integrity awareness and ethical conduct.

Through these structured training programmes, safety initiatives and cultural activities, the Group continues to enhance employees' professional competencies, safety awareness and ethical standards, thereby supporting sustainable corporate development and long-term operational excellence.



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COMMUNITY

B8. Community Investment

As part of its commitment to corporate social responsibility, the Group embraces the principle of “giving back to society” and remains committed to volunteerism and financial contributions to support underprivileged communities. Our community investment efforts primarily focus on advancing community education development, promoting environmentally sustainable infrastructure development, and supporting cultural and sports initiatives. The Group actively encourages and organizes employee participation in community activities to foster sustainable development and enhance social wellbeing in the regions where we operate, in alignment with the national Common Prosperity initiative.

During the Reporting Period, the Group participated in diverse community events and donated approximately HK\$1.1 million to various organisations, supporting education development, emergency relief, sports promotion, cultural preservation, community welfare and rural revitalisation. In addition, the Group supported educational advancement through a donation of approximately HK\$6.6 million to Chang’an University (長安大學) to fund education development programmes, reflecting the Group’s dedication to nurturing future talents and advancing higher education in China. Furthermore, the Group noted an unforeseen incident in a local community in Hong Kong that disrupted the daily lives of certain residents. Demonstrating our commitment to community well-being, the Group provided a one-off charitable donation of HK\$1 million to the Hong Kong Red Cross to support the delivery of immediate relief supplies and services, including clothing, drinking water, hot meals, temporary shelter, daily necessities and psychological support, to address the urgent needs of the affected community.

In addition to the major contributions, the Group provided financial support to various community initiatives. These initiatives included:

- The Tongguan County “Tongjin Cup” Cadres and Employees Basketball Friendly Tournament (潼關縣“潼金杯”幹部職工籃球友誼賽) hosted by the Tongguan County Federation of Trade Unions and the Tongguan County Education and Sports Bureau;
- Community welfare programmes organised by the Jiuquan Charity Federation (酒泉市慈善聯合總會);
- Rural revitalisation and infrastructure support in Kuitengguole Village, Yanchiwan Township, Subei Mongolian Autonomous County (肅北蒙古族自治縣鹽池灣鄉奎騰郭勒村); and
- Caring for the Elderly in the Surrounding Community – “Chung Yeung Festival” Donation Activity (關愛企業周邊老人“重陽節”捐款活動) in Oujiacheng Community, Daiziying Town Community and Anle Town Community, Tongguan County (潼關縣歐家城社區、代字營鎮社區、安樂鎮社區)

Moreover, the Group is committed to advancing sustainable development through concrete actions, actively supporting projects that align with our corporate values and create positive social impact. During the Reporting Period, we supported Hong Kong’s first community-initiated carbon-neutral concert, “Chill & Decarbonise: ESG Charity Concert”, organised by Riskory S, a brand of Riskory Consultancy Limited (“Riskory”). The event leveraged music to unite the community, promote a culture of sustainability, and advance the goal of carbon neutrality, while also supporting the development of local music and creating lasting positive impact for society. The event was designed in line with circular economy principles, incorporating measures such as the use of eco-friendly materials, promotion of reusable items, food upcycling, and comprehensive recycling. A portion of the proceeds was donated to Food Angel, further amplifying the social benefits and reflecting a strong commitment to food waste reduction and resource sharing.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

COMMUNITY *(CONTINUED)*

B8. Community Investment *(CONTINUED)*

To address greenhouse gas emissions generated by the event, the organizer completed a carbon audit and achieved carbon neutrality through the purchase and retirement of carbon credits via the Hong Kong Exchanges and Clearing Limited (HKEX) Core Climate platform[#]. This ensured effective management of environmental impact and reinforced the credibility of the initiative. By sponsoring this project, we demonstrated our determination to advance carbon neutrality and played a catalytic role in fostering collaboration across the value chain. We also encouraged suppliers, business partners, and other stakeholders to participate in Scope 3 emissions management. This initiative not only laid a solid foundation for our long-term carbon reduction goals but also enabled us to work hand in hand with society to build a more sustainable future.

[#] The carbon credits used for this offset were procured and retired via the HKEX Core Climate platform, sourced from the “Panzhou County Chicken Farm Manure Composting Project (Project ID: 5210)”. This project is issued under the Verified Carbon Standard (“VCS”), which is a globally adopted standard for GHG emission reduction credits.

We will remain steadfast in fulfilling our social responsibility by spearheading community investment endeavors through fostering connections with local communities and seeking new opportunities to create long-term value for society.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX: HKEX ESG REPORTING CODE CONTENT INDEX

Environmental, Social and Governance Reporting Code		
Categories, Aspects and Key Performance Indicators		The relevant sections of this report disclose or interpretation
Mandatory Disclosure Requirements		
Governance Structure	A Statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Sustainability Governance
Reporting principles	A description of, or an explanation on, the application of the Reporting Principles (materiality, quantitative, and consistency) in the preparation of the ESG Report: Materiality: The threshold at which ESG issues determined by the board are sufficiently important to investors and other stakeholders that they should be reported. Quantitative: KPIs in respect of historical data need to be measurable. The issuer should set targets (which may be actual numerical figures or directional, forward-looking statements) to reduce a particular impact. In this way the effectiveness of ESG policies and management systems can be evaluated and validated. Quantitative information should be accompanied by a narrative, explaining its purpose, impacts, and giving comparative data where appropriate. Consistency: The issuer should use consistent methodologies to allow for meaningful comparisons of ESG data over time.	Reporting Standards and Principles
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.	Reporting Scope and Period

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Environmental, Social and Governance Reporting Code			
Categories, Aspects and Key Performance Indicators			The relevant sections of this report disclose or interpretation
"Comply or explain" Provisions			
A. Environment			
Aspect A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Environmental Sustainability	Environmental Sustainability
	KPI A1.1	The types of emissions and respective emissions data.	Air emission
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management
	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Air emission & GHG emission
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Waste Management
Aspect A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water, and other raw materials.	Use of Resources
	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).	Use of Resources
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Electricity & Other energy resources
	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.	Water
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable
Aspect A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	The Environment and Natural Resources
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	The Environment and Natural Resources

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Environmental, Social and Governance Reporting Code			
Categories, Aspects and Key Performance Indicators			The relevant sections of this report disclose or interpretation
B. Social			
Aspect B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment
	KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employment
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Compensation and dismissal
Aspect B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	Health and Safety
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
	KPI B2.2	Lost days due to work injury.	Health and Safety
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
Aspect B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training
	KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training
Aspect B4: Labour Standards	General Disclosure	Information on: (a) Policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards

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Environmental, Social and Governance Reporting Code			
Categories, Aspects and Key Performance Indicators			The relevant sections of this report disclose or interpretation
Aspect B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
	KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Social and Environmental Risk Control
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
Aspect B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product quality and operation safety
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Compliant handling, Privacy matters & Advertising
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Compliant handling, Privacy matters & Advertising
	KPI B6.4	Description of quality assurance process and recall procedures.	Product quality and operation safety
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Compliant handling, Privacy matters & Advertising
Aspect B7: Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Anti-corruption
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Environmental, Social and Governance Reporting Code			
Categories, Aspects and Key Performance Indicators			The relevant sections of this report disclose or interpretation
Aspect B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
	KPI B8.1	Focus on areas of contribution (e.g. education, environmental issues, labour needs, health, culture, sports). Focus on areas of contribution (e.g. education, environmental issues, labour needs, health, culture, sports).	Community Investment
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment

PART D: CLIMATE-RELATED DISCLOSURES INDEX

ESG Code	Section	Descriptions	Remarks/Explanations
Governance			
19(a)(i) – (iv)	Climate change – Governance	Information on the issuer's governance body(s) or individual(s) responsible for oversight of climate-related risks and opportunities.	The Group currently does not incorporate climate-related performance metrics into our remuneration policies.
19(b)(i) – (ii)	Climate change – Governance	Information on the issuer's management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Governance
Strategy			
20(a) – (d)	Climate change – Strategy – Assessing Our Climate Risks	Information on the issuer's climate-related risks and opportunities that could reasonably affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term.	Strategy
21(a) – (b)	Climate change – Strategy – Assessing Our Climate Risks	Information on the issuer's current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain.	Strategy
22(a)(i)	Climate change – Strategy – Assessing Our Climate Risks	Information on the issuer's current and anticipated changes to the issuer's business model to address climate-related risks and opportunities.	Strategy
22(a)(ii)	Climate change – Strategy – Assessing Our Climate Risks	Information on the issuer's current and anticipated adaptation and mitigation efforts.	Strategy
22(a)(iii)	Climate change – Strategy – Assessing Our Climate Risks	Information on the issuer's climate-related transition plan, or an appropriate negative statement.	Strategy
22(a)(iv)	Climate change – Strategy – Assessing Our Climate Risks	Information on the issuer's plans to achieve any climate-related targets, described in accordance with paragraphs 37 to 40.	Strategy
22(b)	Climate change – Strategy – Action Plan	Information on the issuer's climate-related risks and opportunities in its strategy and decision-making.	Strategy
23	Climate change – Strategy – Action Plan	Information on the issuer's progress of plans disclosed in previous Reporting Periods in accordance with paragraph 22(a)	Strategy

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

24(a) - (b)	N.A.	Qualitative and quantitative information on how climate-related risks and opportunities have affected its financial position, financial performance and cash flows during the Reporting Period, and the extent to which these factors might pose a significant risk of material adjustment within the next annual Reporting Period.	The Group is currently refining the quantitative data for climate-related risks and opportunities.
25(a) - (b)	N.A.	Qualitative and quantitative information on how the issuer's financial position, financial performance, and cash flows are expected to change over the short, medium, and long term.	The Group is currently refining the quantitative data for climate-related risks and opportunities.
26(a)(i)	Climate change – Strategy – Assessing Our Climate Risks	Information on the issuer's understanding of the resilience of its strategy and business model to climate-related changes, developments and uncertainties, while considering its identified climate-related risks and opportunities.	The Group is currently enhancing our climate-related data management and analytical framework, and intends to make relevant disclosures in the future when feasible, in order to further enhance the accuracy of the information provided.
26(a)(ii)	Climate change – Climate Resilience	Information on the issuer's understanding of the resilience of its strategy and business model to climate-related changes, developments and uncertainties, while considering its identified climate-related risks and opportunities.	The Group is currently enhancing our climate-related data management and analytical framework, and intends to make relevant disclosures in the future when feasible, in order to further enhance the accuracy of the information provided.
26(a)(iii)	Climate change – Strategy – Assessing Our Climate Risks	Information on the issuer's understanding of the resilience of its strategy and business model to climate-related changes, developments and uncertainties, while considering its identified climate-related risks and opportunities.	The Group is currently enhancing our climate-related data management and analytical framework, and intends to make relevant disclosures in the future when feasible, in order to further enhance the accuracy of the information provided.
26(b)(i)-(iii)	Climate change – Climate Resilience	Information on how and when the issuer's climate-related scenario analysis was carried out.	The Group is currently enhancing our climate-related data management and analytical framework, and intends to make relevant disclosures in the future when feasible, in order to further enhance the accuracy of the information provided.

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Risk Management			
27(a) – (c)	Climate change – Governance	Information on the issuer’s processes and related policies used to identify, prioritise, and monitor climate-related risks, opportunities, and how the processes are integrated into and inform the issuer’s overall risk management process.	Governance
Metrics and Targets			
28(a) – (c)	Climate change – Greenhouse Gas Emissions	Information on the issuer’s Scope 1 greenhouse gas emissions, Scope 2 greenhouse gas emissions, and Scope 3 greenhouse gas emissions generated during the Reporting Period.	Climate change
29(a) – (d)	Climate change – Greenhouse Gas Emissions	Information on the issuer’s measurement methodology, the disclosure of location-based Scope 2 greenhouse gas emissions, and the categories included in its Scope 3 emissions reporting.	Climate change
30	N.A.	Information on the issuer’s amount and percentage of assets of business activities vulnerable to climate-related transition risks.	The Group is currently refining the data for the quantification of assets and business activities exposed to climate-related risks and opportunities..
31	N.A.	Information on the issuer’s amount and percentage of assets of business activities vulnerable to climate-related physical risks.	The Group is currently refining the data for the quantification of assets and business activities exposed to climate-related risks and opportunities.
32	N.A.	Information on the issuer’s amount and percentage of assets or business activities aligned with climate-related opportunities.	The Group is currently refining the data for the quantification of assets and business activities exposed to climate-related risks and opportunities.
33	N.A.	Information on the issuer’s amount of capital expenditure, financing, or investment deployed towards climate-related risks and opportunities.	The Group is currently refining the data for the quantification of assets and business activities exposed to climate-related risks and opportunities.
34(a) – (b)	N.A.	Information on the issuer’s intent to apply a carbon price in decision-making, and specific pricing employed to assess the costs of its greenhouse gas emissions. If no carbon price is used, a statement to that effect must be provided.	The Group currently does not apply carbon pricing in our decision-making process.
35	N.A.	Information on whether and how climate-related considerations are factored into the issuer’s remuneration policy, or an appropriate negative statement.	The Group currently does not incorporate climate-related considerations into our remuneration policies.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Metrics and Targets			
36	N.A.	Information on the issuer's disclosure of industry-based metrics that are related to one or more particular business models, activities or other common features that characterise participation in an industry.	The Group currently does not apply carbon pricing in our decision-making process.
37(a) – (h)	Climate change – Strategy – Metrics and Targets	Information on the issuer's disclosure of qualitative and quantitative climate-related targets toward achieving its strategic goals and targets it needs to meet by law or regulation, including any greenhouse gas emissions targets.	Climate Change
38(a)	Climate change – Strategy – Metrics and Targets	Information on the issuer's disclosure of whether the target and the methodology for setting the target have been validated by a third party.	The Group is currently in the process of optimising its environmental management system and has not yet set quantitative targets for various environmental indicators that have been verified by third parties.
38(b)	Climate change – Governance; Strategy – Action Plan	Information on the issuer's disclosure of its processes for reviewing the target.	The Group's current environmental targets and the methodologies adopted for setting them are primarily reviewed and approved by internal management based on historical operational experience. At present, no independent third-party verification has been conducted. As our management systems continue to mature, we will assess the feasibility of introducing external assurance to further enhance credibility and transparency.
38(c)	Climate change – Strategy – Action Plan	Information on the issuer's disclosure on the metrics used to monitor progress toward reaching the target.	Although the Group has not yet established final quantitative emission reduction targets, we have begun adopting “energy consumption intensity” and “water consumption intensity” as internal monitoring indicators. We will continue to accumulate and analyse relevant data to support the formulation of more meaningful and measurable key performance indicators in the future.
38(d)	N.A.	Information on the issuer's disclosure on any revisions to the target and an explanation for those revisions.	Climate change
39	Climate change – Strategy – Metrics and Targets; Action Plan	Information on the issuer's performance against each climate-related target and an analysis of trends or changes in its performance.	Climate change
40(a) – (e)	Climate change – Strategy – Metrics and Targets	Information on the issuer's disclosure of greenhouse gas emissions target in accordance with paragraphs 37 to 39.	Climate change