



新創建 NWS

# NWS Holdings Limited

(Incorporated in Bermuda with limited liability)

Stock code: 659

## Environmental, Social and Governance Report 2024



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Where the English and the Chinese texts conflict, the English text prevails.

# Introduction

## ABOUT THIS REPORT

This annual Environmental, Social and Governance (“ESG”) report provides an overview of NWS Holdings Limited (“NWS”) and its subsidiaries’ (“the Group”) ESG performance for the financial year from 1 July 2023 to 30 June 2024 (“FY2024”). It is published on the same day of the NWS Annual Report 2024.

This report focuses on NWS strategic sustainability priorities to align with our sustainability strategy, Breakthrough 2050 (details to be found in the section “Our Sustainability Vision” below). Additionally, this report also covers issues important to our stakeholders, market expectations, regulatory compliance and areas identified by rating agencies.

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

## Reporting Boundaries and Scope

This report discloses details on the ESG performance and data of NWS Holding’s corporate office and principal subsidiaries that are 100% owned<sup>1</sup>, excluding holding companies without operation, from business segments including Roads, Insurance, Logistics, Construction, and Facilities Management represented by the business units outlined below.

### Roads

NWS is one of the major road operators in the Mainland. The three wholly owned expressways:

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

### Insurance

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

<sup>1</sup> The ESG Report features the most material ESG impact to the Group and its stakeholders.

## Logistics

- NWS operates a portfolio of premium logistics properties. Six<sup>2</sup> premium logistics real estate properties which are located in the central and western logistics hubs of Chengdu and Wuhan:
  - o Wuhan Jiamai Warehouse Co. Ltd.
  - o Chengdu Dasheng Logistics Co. Ltd.
  - o Jialong (Cheungdu) Warehouse Co. Ltd.
  - o Jiaxin (Chengdu) Warehouse Co. Ltd.
  - o Chengdu Jiaochao Warehouse Co. Ltd.
  - o Jiayao (Chengdu) Warehouse Co. Ltd.
- Urban Parking Limited provides a range of services, including car park management, car park consultation services, car park interior design, a 24-hour centralized control center, procurement of car park equipment.

## Construction

- Hip Hing Construction Group provides professional design, procurement, engineering and construction services in the public, commercial, and private sectors. The major operating subsidiaries of the Group engaged in construction business include:
  - o Hip Hing Construction Co., Ltd.
  - o Hip Hing Engineering Co., Ltd.
  - o Hip Hing Builders Co., Ltd.
  - o Vibro (H.K.) Limited ("Vibro")
  - o Vibro Construction Co., Ltd.
  - o Vibro Foundation Ltd.

## Facilities Management

- Hong Kong Convention and Exhibition Centre (Management) Limited ("HML"), is a professional private management and operating company, responsible for providing day-to-day management for the Hong Kong Convention and Exhibition Centre ("HKCEC").
- Anway Limited and Sky Connection Limited (collectively referred to as "Free Duty") offer retail of a wide range of duty-free merchandise at Hong Kong's cross-border railway terminals and the Hong Kong-Zhuhai-Macao Bridge.

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

Compared to the previous reporting period, there is one more road ("Hunan Daoyue Expressway") and six logistics operations added to the scope of metrics used in our ESG performance measurement in FY2024. For detailed ESG performance, please refer to the Appendix for supporting data, breakdown and historical performance.

<sup>2</sup> The data of Suzhou Greenland Platinum Election e-commerce Co. Ltd. will be incorporated into our FY2025 reporting.



## Reporting Standards and Principles

This report complies with the ESG Reporting Guide (“ESG Guide”) set out in Appendix C2 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”). It was prepared based on reporting principles of materiality, quantitative, consistency and balance as set out in the ESG Guide.

In addition, this report references the Global Reporting Initiative Standards 2021 (“GRI”). To enhance our climate-related disclosures and address stakeholder expectations, we have also provided additional disclosures with reference to IFRS S2 Climate-related Disclosures published by the International Sustainability Standards Board (“ISSB”). In FY2024, NWS continued to enhance our disclosures on sustainability-related risks and opportunities by preparing this report with reference to ISSB’s IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information.

## ESG Reporting Assurance

As approved by our Board of Directors (the “Board”), the ESG performance was independently verified by a third party, PricewaterhouseCoopers (PwC), which provides limited assurance in accordance with the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information, and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board. PwC undertook an assurance engagement with respect to selected sustainability information provided by NWS. They verified ESG performance data and presented an Independent Practitioner’s Limited Assurance Report to the Board of Directors of NWS. The assurance statement can be found on pages 79–84.

## Share Your Thoughts

Thank you for reading NWS ESG report 2024. Your feedback towards the material issues identified and reported in the report and our sustainability strategies are critical for us to continuously improve our reporting and sustainability practices. Please share your suggestions and comments with us at [esg@nws.com.hk](mailto:esg@nws.com.hk).

The English version shall prevail in case of any discrepancy or inconsistency between the English version and its Chinese translation.






## OUR SUSTAINABILITY VISION

NWS endeavors to deliver quality products and services that will meet the evolving needs of our customers, while creating long-lasting, positive impacts for our stakeholders. Building upon the values of community, innovation and responsible growth, we have woven sustainability principles into our corporate vision:

***To serve as the building blocks to accelerate our portfolio companies, value chains, and communities for sustainability transition in line with our corporate values.***

Building resilience against the emerging challenges on ESG is integral to our business development. Sustainability is at the heart of our daily operations and we strive to align with the expectations of our key stakeholders we serve in a responsible manner.

Through our dedicated efforts over recent years, we have proactively explored innovative and efficient ways to enhance our operational processes and minimize associated impacts. As a result, we have successfully met all the targets set in the Group's 2018 Sustainable Development Vision. In FY2024, we are excited to introduce our new sustainability strategy — Breakthrough 2050. This ambitious plan, aligned with our Five Core Values, sets even higher targets to drive further innovation and efficiency improvements. Our goal is to make a meaningful contribution to the global shift towards a sustainable future.

Five Core Values	Our Targets	FY2024 Status
<b>Act with Integrity</b>  Acting with integrity is our most important and inherent core value. It ensures fairness and a high level of ethical standards in our work. Integrity supports the growth of our business and helps nurture our long-term relationships.	<b>Business Ethics and Anti-corruption</b> <ul style="list-style-type: none"> <li>Maintain 0 convicted cases of corruption</li> </ul>	✓ <b>Zero convicted cases</b> of corruption
<b>Advance with Agility</b>  Being resilient and agile is ingrained in our culture. In this ever-changing world, we stay ready to turn challenges into opportunities to maintain our lead in the market.	<b>Sustainable Finance and Investment</b> <ul style="list-style-type: none"> <li>50% of bond and loan facilities from sustainability-linked or green financing by 2030</li> </ul>	✓ <b>32%</b> of bond and loan facilities from sustainability-linked green financing (as of 30 June 2024)
<b>Evolve Sustainably</b>  Building a more sustainable future for our next generation, communities, and businesses. We do this by incorporating new practices and innovations into the way we work every day.	<b>Climate Change</b> <ul style="list-style-type: none"> <li>Reducing 50% GHG emissions by 2035 relative to 2023 levels and reaching global net-zero emissions or at a sector level in eligible 1.5°C-aligned pathways by 2050</li> </ul>	✓ <b>9% reduction</b> in GHG emissions <sup>3</sup> of Scope 1 & 2 compared to FY2023
<b>Grow as One</b>  Empowering every team member is to excel at NWS. We grow and share success as one.	<b>Talent Attraction and Retention</b> <ul style="list-style-type: none"> <li>Rethink upskilling, embrace flexibility and deliver on purpose-driven work to build trust</li> </ul>	✓ Please refer to the "Grow as One" section for FY2024 highlights
<b>Create Shared Value</b>  Aspiring to tie our business success with social progress. Our goal is to create long-term value, not only for our shareholders but all stakeholders in the communities we serve.	<b>Community Investment</b> <ul style="list-style-type: none"> <li>Support 40 scalable and self-sustaining community projects and solutions, both internally and externally by 2030</li> </ul>	✓ <b>Eight projects</b> supported <sup>4</sup>






<sup>3</sup> The GHG emissions reduction reported in "FY2024 Status and Highlights" excluded the emissions from Kai Tak Sports Park to align with the calculation methodology of baseline year, FY2023, and allow for meaningful comparison of data.

<sup>4</sup> The eight projects supported in FY2024 included three projects from Imp[ACT] Fund and five community projects. For more details, please refer to the sections "Investing for the Future" and "Fostering an Inclusive Community".

## CHARTING OUR SUSTAINABILITY PROGRESS

Our commitment to sustainability is deeply rooted in our five core values on “Act with Integrity”, “Advance with Agility”, “Evolve Sustainably”, “Grow as One”, and “Create Shared Value”. The core values serve as the key pillars that shape our business strategy and guide our approach to sustainability. By developing targets, launching initiatives, and closely monitoring our performance metrics, we proactively address critical issues related to each core value.

It is also crucial for us to actively engage with our stakeholders to collectively uphold our shared values, as collaborative efforts are essential to the transition to a sustainable future. We endeavor to exert positive influence on the society and the environment where we operate by setting long-term targets, making continuous enhancement and initiating programmes under each of our core values.

Five Core Values	FY2024 Performance Highlights
<b>Act with Integrity</b> 	<ul style="list-style-type: none"> <li>Zero instances of corruption or bribery were reported to the NWS whistleblowing channels.</li> <li>All employees are required to complete an e-learning course on our “Whistleblowing Policy” and “Anti-Fraud and Counter-Corruption Policy”.</li> <li>We achieved the overall No.1 score in Hang Seng Corporate Sustainability Index Series for the conglomerates industry.</li> </ul>
<b>Advance with Agility</b> 	<ul style="list-style-type: none"> <li>We completed the feasibility assessment for setting 1.5°C with Phase 1 sectors to support the development of 2050 NWS Net Zero Pathway. We are also disclosing our material Scope 3 emissions estimation for the first year for our construction and insurance business units.</li> <li>To raise group-wide business resilience and risk awareness, a Risk Forum with the theme of “Strengthen Connection, Building Resilience” was organized, enabling Group management and business units to share key risk insights across different industries.</li> </ul>
<b>Evolve Sustainably</b> 	<ul style="list-style-type: none"> <li>We have secured HK\$14.1 billion in green and sustainability financing.</li> <li>We successfully issued our first-ever Green Panda Bonds with proceeds allocated for logistics warehousing.</li> <li>All six newly acquired warehouses in Chengdu and Wuhan have been awarded the Grade 1 “Green Warehousing Certification” by the China Association of Warehousing and Distribution.</li> </ul>
<b>Grow as One</b> 	<ul style="list-style-type: none"> <li>Our LTIR achieved a rate of 0.6 during the reporting period. Additionally, our Lost Day Rate has been reduced to 47.9 per 100 employees.</li> </ul>
<b>Create Shared Value</b> 	<ul style="list-style-type: none"> <li>We released our first Corporate Climate Action Report, in collaboration with Business Environment Council (“BEC”). The report provided valuable insights into the latest developments in climate action across various industries in Hong Kong.</li> <li>We have partnered with 70 organisations and accumulated 17,000 volunteer hours to impact 27,000 beneficiaries in Hong Kong and the Mainland.</li> </ul>

## MESSAGE FROM THE GROUP CO-CHIEF EXECUTIVE OFFICER AND CHAIRMAN OF THE ENVIRONMENT, SOCIAL AND GOVERNANCE MANAGEMENT TASK FORCE

Dear Stakeholders,

I am pleased to present our FY2024 ESG report, offering a comprehensive overview of our sustainability journey, and highlighting our progress and achievements.

This year marks a significant milestone for NWS as we turn a new page in our sustainability efforts. Thanks to our colleagues' unwavering dedication, we have met all targets set in the Group's 2018 Sustainable Development Vision. As we embark on this new chapter, we begin with a new ESG framework — Breakthrough 2050, paving a clear path forward. This framework sets forth new goals and targets to address the challenges and opportunities in the rapidly changing economic landscape. It reinforces our commitment to ensure the resilience and future-readiness of our business, positioning us to embrace and capitalize on emerging opportunities.

### THE NEW FRAMEWORK

While the new framework may require changes to the way we conduct our businesses and may even present challenges, we view them as opportunities for us to continue to review, improve and innovate our business. This new framework can also act as catalysts for transformation, driving us to make strategic decisions that seamlessly integrate ESG principles into our operations.

This year, we established the ESG Committee by consolidating the powers and functions previously delegated to the Corporate Governance Committee and Sustainability Committee. This strategic move is expected to drive more effective governance and sustainable growth. By combining resources, we enhance our focus on ESG issues, ensuring comprehensive oversight, optimized resource allocation, and strategic alignment with our broader corporate goals.

### ACCELERATE TOWARDS 2050

As part of our ESG strategy, we have developed a clear roadmap that prioritizes tasks and goals towards achieving net zero by 2050. Through a phased approach, we meticulously align each business unit with the Science Based Targets initiative ("SBTi") standards. We are dedicated to setting measurable, achievable KPIs, ensuring our efforts are impactful, and strategically positioned for long-term benefits.

Innovation is one of the key focuses of our new ESG framework. The introduction of the Imp[ACT] Fund in FY2024 exemplifies our dedication to fostering a culture of innovation and excellence. This internal fund empowers our teams to develop and implement sustainable and innovative solutions, driving continuous improvement and operational efficiency across all segments.

Our people-centric approach extends beyond our employees to their families and our communities promoting holistic support and well-being. In FY2024, we enhanced our charitable giving strategy to better align with causes that leverage our business strengths and networks, amplifying our positive impact on the communities we serve. This strategic approach not only supports present needs, but also ensures sustained growth and builds the capacity of our communities.

### GOING FORWARD

As we move forward, our strategic focus remains on driving sustainability through our core values: Acting with Integrity, Advancing with Agility, Evolving Sustainably, Growing as One, and Creating Shared Value. These values ensure that our ESG efforts are both integrated and impactful. Our Breakthrough 2050 framework is not merely a roadmap, but a strategic vision to navigate the complex landscape ahead. By continuing to integrate ESG principles into our core strategies, we aim to create long-term shared value and secure a sustainable future for all stakeholders.

**Gilbert Ho**

Group Co-Chief Executive Officer and  
Chairman of the Environment, Social, and Governance Management Task Force

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Communications with Our Stakeholders

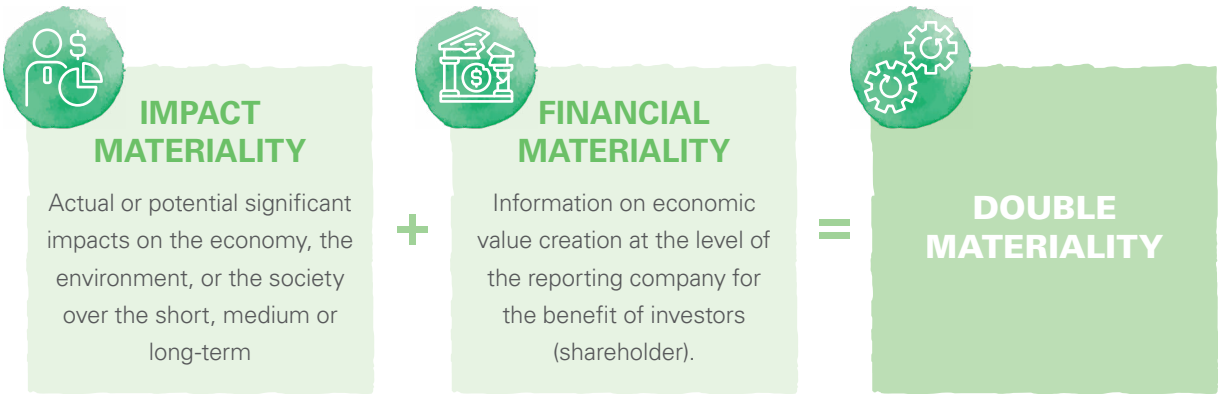
Understanding the views and interests of internal and external stakeholders is fundamental to developing sustainability strategies. NWS connects regularly with a wide range of stakeholder groups, such as our employees, investors, customers, and supply chain partners, along with NGOs, industry associations, academia, media, and the broader community.

Our stakeholders of diverse backgrounds have provided valuable insights into the evolving market trends and global ESG movement which guide our formulation of sustainability-related initiatives and targets that address their needs and areas of concern.

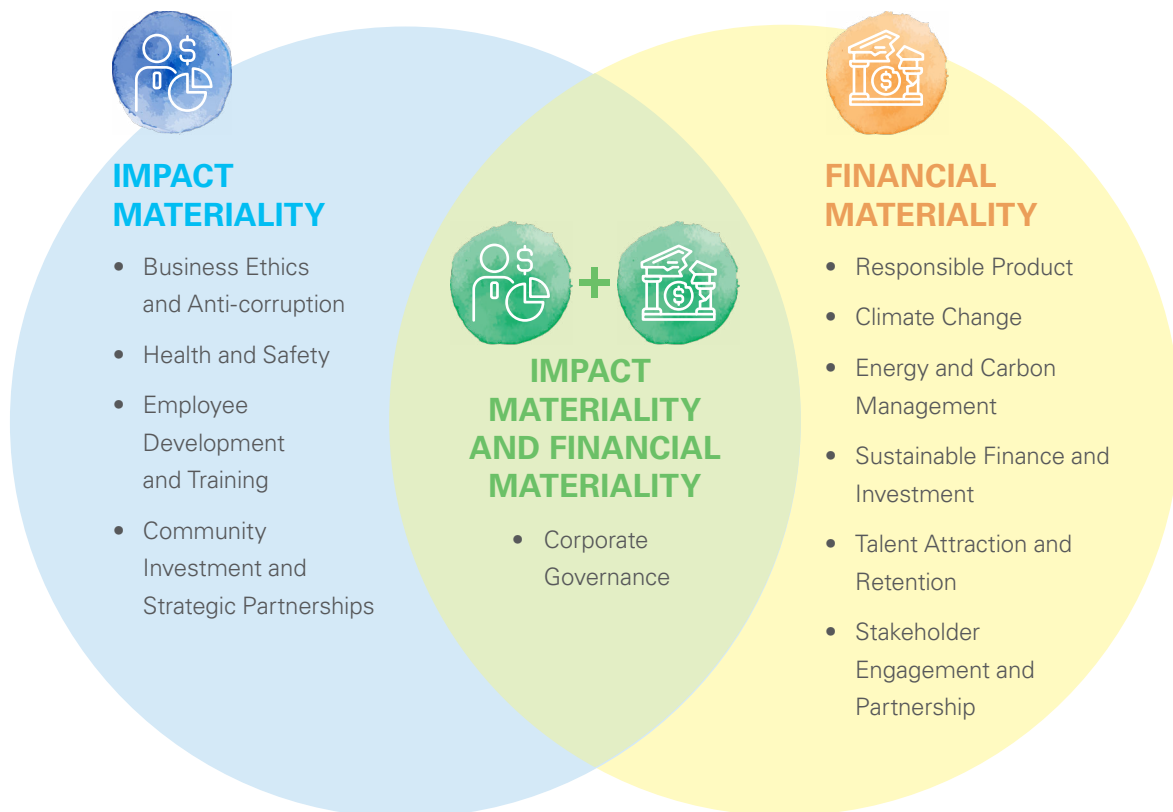
Materiality Assessment Process

A materiality assessment allows the identification and prioritization of significant sustainability issues that can be leveraged for establishing goals, allocating resources in prioritized areas and deciding the focus of disclosures in external communications and reports.

In the previous reporting period, a third-party consultant conducted a materiality assessment for NWS Group, considering the global standards for assessing materiality, including the AA1000 accountability principles and GRI 3: Material Topics 2021. A double materiality approach was adopted to facilitate our understanding of the impacts of our operational footprint, as well as aspects that impact on our financial performance. As the sustainability standards and guidance continue to develop, we strive to enhance our approach to ensure it is aligned with global best practices and helps us focus on the most important sustainability areas for our business and stakeholders.



In FY2024, we engaged a third-party consultant to perform a reassessment of our list of material issues. The exercise enabled the enhancement of report disclosures to focus on topics that are the most material to the Group and our stakeholders. Building upon previous stakeholder engagement and double materiality assessment results, emerging megatrends and taking reference of internationally recognized reporting standards, such as Sustainability Accounting Standards Board ("SASB") and ISSB Standards, we have obtained a refined list of 11 impact and/or financial material issues, of which:







Sustainability-related Impacts, Risks and Opportunities

Sustainability issues are potential risks for companies which impact their financial performance, but at the same time, bring opportunities for achieving responsible growth. NWS has integrated sustainability risks into our Enterprise Risk Management (“ERM”) framework, fostering a robust connection with conventional risks.

With ISSB standards as reference, we intend to integrate sustainability risks and opportunities into the materiality assessment process, aiming to disclose information that is more investor focused. This will highlight relationships between different pieces of information and provide insight into the impacts on ESG aspects that are not necessarily recognized in financial statements. The ESG report outlines a forward-looking roadmap detailing how NWS Group plans to achieve its sustainability goals.

Further details on the processes and related policies used to identify, assess and monitor sustainability-related risks are available in the “Turning Sustainability Risks into Opportunities” section of this report. NWS will consider how to further disclose on the methodologies and processes to assess financial effects of sustainability-related risks and opportunities, including their impacts on our financial performance and cash flows over the short, medium and long term, to prepare for future disclosures.

Pillars	Identified Sustainability Risks and Opportunities	Material Issues for NWS	Relevant Sections
<div>Act with Integrity</div> <div></div>	(S) Organizational Capability <ul style="list-style-type: none"> <li>Strategy Direction &amp; Execution Risk</li> <li>Corporate Governance Risk</li> <li>Leadership Vacancy Risk</li> <li>Reputation &amp; Branding Risk</li> <li>Sustainability Strategy and Governance Risk</li> </ul>	Corporate Governance	Accounting for Effective Controls
	(C) Legal/Regulatory <ul style="list-style-type: none"> <li>Legal/Regulatory Compliance Risk</li> <li>Intellectual Property Infringement Risk</li> <li>Personal Data Privacy Risk</li> <li>Litigation &amp; Legal Dispute Risk</li> </ul> (O) Third Party Management <ul style="list-style-type: none"> <li>Third Party Fraud/Illegal Act Risk</li> </ul> (C) Integrity & Conduct <ul style="list-style-type: none"> <li>Internal Fraud and Misconduct Risk</li> </ul> (O) Process <ul style="list-style-type: none"> <li>Confidential Information and Intellectual Property Protection Risk</li> </ul> (O) Information Technology <ul style="list-style-type: none"> <li>IT Strategy and Application Risk</li> <li>Cybersecurity Risk</li> </ul>	Business Ethics and Anti-corruption	Ethical Business Approach

Pillars	Identified Sustainability Risks and Opportunities	Material Issues for NWS	Relevant Sections
<div>Advance with Agility</div> <div></div>	(S) Merger and Acquisition <ul style="list-style-type: none"> <li>Business Acquisition/Disposal and Investment Risk</li> </ul> (O) Business Interruption & Asset Damage <ul style="list-style-type: none"> <li>Natural Disaster Risk</li> </ul> (F) Asset Liability & Management <ul style="list-style-type: none"> <li>Funding &amp; Capital Management Risk</li> <li>Financial Market Risk</li> </ul> (C) Contractual Compliance <ul style="list-style-type: none"> <li>Breaching of Undertaking/Financial Covenants Risk</li> </ul>	Sustainable Finance and Investment	Investing for the Future
		Climate Change	Accelerating to Net Zero
<div>Evolve Sustainably</div> <div></div>	(S) Organizational Capability <ul style="list-style-type: none"> <li>Innovation Risk</li> </ul> (S) Market Environment <ul style="list-style-type: none"> <li>Customer Risk</li> </ul> (O) Process <ul style="list-style-type: none"> <li>Quality, Health and Safety Risk</li> <li>Environmental Risk</li> </ul>	Responsible Products and Services	Striving For Continuous Improvement
		Energy and Carbon Management	Driving Operational Optimization and Product Excellence
<div>Grow as one</div> <div></div>	(O) People <ul style="list-style-type: none"> <li>Talent Attraction and Retention Risk</li> <li>Talent Development Risk</li> <li>Labor Dispute and Labor Movement Risk</li> <li>Work Safety Risk</li> </ul>	Health and Safety	Employee Health and Safety
		Employee Development and Training	Nurturing Our Talents for the Future
		Talent Attraction and Retention	Training and Development
<div>Create Shared Value</div> <div></div>	(O) Third party management <ul style="list-style-type: none"> <li>Strategic Partnering Risk</li> </ul> (O) Supply Chain Management <ul style="list-style-type: none"> <li>Sourcing Risk</li> <li>Supplier Performance Risk</li> </ul>	Stakeholder Engagement and Partnership	Collaborating with Partners Along Our Value Chain
		Community Investment and Strategic Partnerships	Fostering an Inclusive Community

(C) Compliance, (F) Financial, (O) Operational, and (S) Strategic



# Act with Integrity

Acting with integrity is a fundamental value at the core of NWS. It serves as the basis for building trust, credibility, and collective value. We stay updated on changing regulations and requirements across various jurisdictions and sectors. Good corporate governance serves as the foundation for maintaining our organizational capacity and ensuring the continued success of our diverse businesses. Our dedication to integrity and ethical business practices ensures that sustainability is seamlessly integrated into our strategies, decision-making processes, and operations. To achieve this, we have implemented various policies, guidelines, and control measures that cover all entities within NWS' value chain. This comprehensive approach not only protects the company from legal and reputational risks but also ensures that our operations are guided by the principles of good governance: leadership, accountability, effectiveness, and engagement.

## **LEADERSHIP: ACCOUNTING FOR EFFECTIVE CONTROLS**

### **Environmental, Social, and Governance (ESG) Structure**

We embed our strong dedication to sustainability within our corporate governance framework. The Board and senior executives hold full responsibility for our sustainability strategy and its advancement, ensuring its integration from the top of our organizational structure. To ensure effective oversight, the Audit Committee and the ESG Committee regularly report to the Board, enhancing the accountability and monitoring of our sustainability efforts. The ESG Committee, established by the Board and operating within its defined terms of reference, is responsible for evaluating and reviewing the effectiveness of our sustainability framework. This includes managing important ESG issues, and monitoring the progress of our sustainability strategy, Breakthrough 2050. Chaired by an independent non-executive director, Mr. Wong Kwai Huen, Albert, the committee consists of executive directors and most independent non-executive directors. This composition ensures robust oversight and decision-making, reinforcing our commitment to transparent and accountable governance.

In December 2023, the establishment of ESG Committee has been approved by the Board to consolidate the powers and functions previously delegated to the Corporate Governance Committee and Sustainability Committee. This strategic move is expected to drive more effective governance and sustainable growth. Combining resources enhances focus on ESG issues, ensuring comprehensive oversight. It allows better allocation of resources and time, while strategic alignment integrates ESG goals with broader corporate strategy.

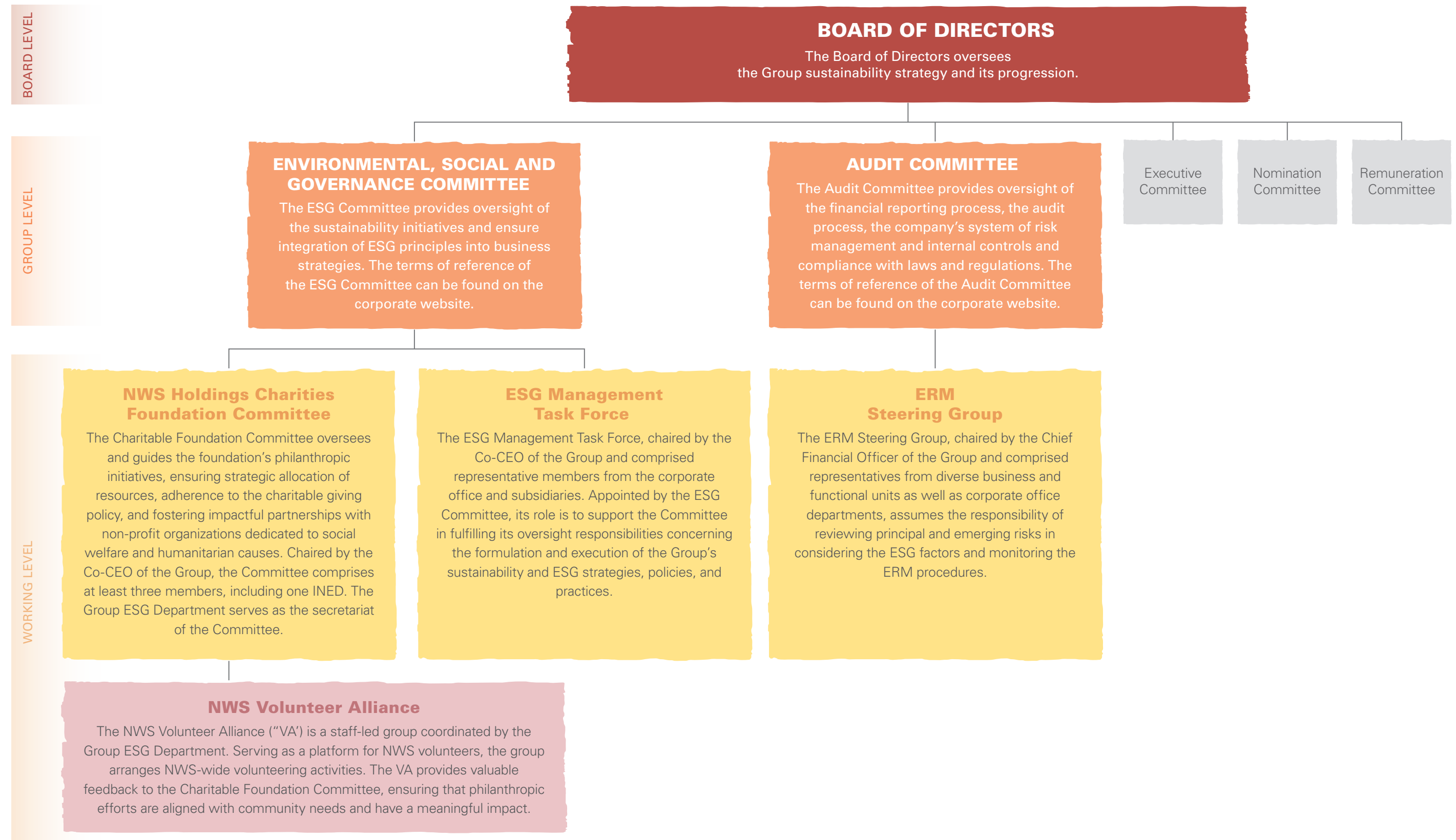


We promote collaboration with task forces and sub-committees across the organization, fostering partnerships and synergies with both internal and external stakeholders to drive the transition towards sustainability. The committees regularly present recommendations to the Board, drawing from internal reviews and external consultations, to ensure the successful implementation of initiatives and continuous improvement, creating long-term shared value for our stakeholders.

The Audit Committee plays a crucial role in supporting the Board to ensure the effectiveness of the Group's risk management and internal control systems. This includes identifying, assessing, and managing ESG risks within the framework of the ERM process. This approach helps our businesses make informed decisions and enables our investors to achieve better long-term returns. Risks identified are recorded in risk register and are evaluated using a standardized set of assessment criteria, which considers their impact, likelihood, and potential mitigations. The Audit Committee conducts bi-annual reviews of this process. For the complete ERM framework, please refer to the "Risk Management Report" in the Annual Report.

The ESG Committee works with the Audit Committee to incorporate key ESG factors and mitigation measures identified in the Risk Register when reporting to the Board. These committees collaborate to assess the adequacy of resources allocated to identified ESG risks and opportunities. They also coordinate with other board-level committees to implement sustainability strategies effectively.

## ACCOUNTABILITY: ENSURING EFFECTIVE ESG GOVERNANCE



## EFFECTIVENESS: ETHICAL BUSINESS APPROACH

NWS is committed to protecting its reputation, revenue, assets, and information by preventing fraud, corruption, deceit, and inappropriate conduct, both within the company and from external parties. We strictly adhere to the Corporate Governance Code and local and sector-specific regulations applicable to our operations. Our policies are designed to ensure compliance, and we emphasize the importance of ethics and integrity to our employees. We expect all stakeholders, including employees and others in our value chain, to uphold our Code of Conduct. Compliance is monitored through established frameworks, and we encourage prompt reporting of any suspected instances of fraud or misconduct through various reporting channels. During the reporting period, there were no concluded legal case of corruption.

To ensure compliance, we rely on the Enterprise Risk Management process as a central source of information. This enables us to be aware of our legal obligations and global risks and markets trends, allowing us to take the necessary steps to meet them.

Our governing body is well-informed, and we have clear procedures in place for reporting and escalating issues. Our dedication to sustainability is reflected in our policies and guidelines. We have established standardized protocols that govern our business practices. We regularly review and update these protocols to align with the evolving expectations and requirements of stakeholders, industry, and regulatory bodies.

### List of Relevant ESG Policies and Guidelines

Environmental	Social	Governance
<ul style="list-style-type: none"> <li>Climate Change Policy</li> <li><b>updated</b> Environmental, Social and Governance Policy</li> <li>Sustainable Office Guide</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Policy on Staff Responsibility</li> <li>Employee Handbook</li> <li>Health and Safety Policy</li> <li>Human Rights Policy</li> <li>Supplier Code of Conduct</li> <li>Supply Chain Management Guide</li> <li>Sustainable Procurement Guide</li> </ul>	<ul style="list-style-type: none"> <li>Accounting Policies and Procedures Manual</li> <li>Anti-Fraud and Counter-Corruption Policy</li> <li>Board Diversity Policy</li> <li>Data Privacy Policy</li> <li>Disclosure Policy for Inside Information</li> <li>Dividend Policy</li> <li>Guidelines on Risk Management and Internal Control System</li> <li>Enterprise Risk Management Policy</li> <li>Enterprise Risk Management Manual</li> <li>ESG Board Oversight Statement</li> <li><b>updated</b> IT Policy</li> <li>Personal Information Collection Statement</li> <li>Shareholders' Communication Policy</li> <li>Shareholders' Right</li> <li>Whistleblowing Policy</li> <li>ESG Due Diligence Guideline for Investment</li> <li><b>new</b> Charitable Giving Policy</li> </ul>

Our efforts in ESG integration have been recognized with several ESG-related awards in FY2024 and are reflected in our ESG rating performance. NWS Group has achieved the overall No. 1 score in the conglomerates industry for the Hang Seng Corporate Sustainability Index Series with an “AA+” standing and has obtained an “A” ESG rating from MSCI<sup>6</sup>. Other ESG-related awards and accolades which we received in FY2024 can be found in the “Awards and Recognitions” section.



**Hang Seng Corporate Sustainability Index**  
Series Member 2024-2025



### Anti-Fraud and Counter-Corruption

Dishonest and unethical behavior can damage the trust we have established with both our internal and external stakeholders. Our “Anti-Fraud and Counter-Corruption Policy” goes beyond legal requirements, encompassing measures to prevent money laundering, bribery, fraud, and corruption. We hold all directors, senior management members, employees, business partners, associated companies, and joint ventures accountable for complying with our anti-corruption policies. Our staff are committed to upholding high standards of integrity and adhering to legal regulations as guiding principles. We are dedicated to avoiding actual and perceived conflicts of interest and have a Corporate Policy on Staff Responsibility to address such situations. In cases when conflicts of interest cannot be averted, staff are mandated to adhere to our Corporate Policy on Staff Responsibility, reporting and declaring all pertinent interests to the Group Human Resources Department, subsequently determining the appropriate course of action. Records of such declarations are duly maintained.

#### Signatory of Construction Industry Integrity Charter 2.0

Hip Hing demonstrated its commitment to upholding and enhancing professionalism and integrity by signing the Construction Industry Integrity Charter 2.0, thereby supporting the implementation of a self-regulated Integrity Management System.



#### Strengthening our Defences Against Fraud

Fraud poses a significant risk to both insurer and policyholders. Fraudulent activities, whether committed within or against the insurer can severely impact an insurer’s financial stability and reputation. At CTF Life, we strengthen our governance capacity by establishing a Market Conduct Committee and appointing a Best Practice Officer to oversee matters related to agency sales conduct. We have also developed a Leaders Compliance Guidebook to assist leaders in monitoring their downline agents effectively.

<sup>6</sup> Disclaimer Statement: The use by NWS Holdings Limited of any MSCI ESG Research LLC or its affiliates (“MSCI”) data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of NWS Holdings Limited by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided ‘as-is’ and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

Our charitable giving policy establishes a transparent framework for philanthropic donations and non-commercial sponsorships. We support locally registered charitable institutions and trusts that uphold ethical practices and create impactful change in the communities where we operate. We strictly prohibit any misuse of donations or sponsorships for corrupt activities through a robust due diligence process with clear selection criteria. Our aim is to promote genuine social transformation and maintain responsible and ethical giving in our charitable initiatives.

We understand the importance of collaborating with relevant stakeholders, including government entities. We actively engage in discussions with entities throughout our business value chain to drive sectoral changes. This includes working with governmental bodies to address issues, align with regulations, and improve our business practices. While we do not make direct donations to political organizations, we actively participate in public dialogues and engage with stakeholders on topics that can impact our operations. The Group's involvement with such organizations complies with government and regulatory mandates. For information on our trade association memberships, please see the "Memberships and Affiliations" section.

We do not make charitable contributions to the following:



**Individuals, Religious Organizations, Overseas Organizations or Political Organizations**



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



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



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



**Sponsorship Events, Commercial Shows and Compliment advertising,** such as sponsorship of professional sports events, trade fairs, magazine advertisements



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



**Inadequate Due Diligence:** Organizations that fail to complete the due diligence requirements

## Whistleblowing Policy



The whistleblowing cases are investigated in a confidential and timely manner, while the investigation results and follow-up actions are reported to the Audit Committee and the Executive Committee. The Audit Committee reviews the reported cases and the appropriateness of the actions taken.

In FY2024, a Whistleblowing Policy Information Sharing Session was held to provide reference and share insights with the senior management of CTF Life. There were no whistleblowing cases with reportable concerns received via whistleblowing channels of GARA during the reporting period.

For the latest updates regarding the Corporate Governance Code, please refer to the “Corporate Governance Report” section.

## Cybersecurity



As our operations are enhanced with digitalization, cybersecurity remains a significant focus area for NWS. We ensure compliance with relevant privacy laws, such as the Personal Data (Privacy) Ordinance (Cap. 486) and the Personal Information Protection Law of the People’s Republic of China. No material IT-related incidents were recorded during FY2024.

To maintain compliance and robustness, we conduct regular IT audits and internal compliance assessments led by external cybersecurity professionals. These assessments cover NWS and all affiliated business units. We enforce a suite of data privacy and information security-related policies and procedures, including the Privacy Management Program, which enhances data lifecycle management and strengthens the integrity and confidentiality of personal data.

Protecting intellectual property (IP) rights is a central element of NWS’s operations. Failing to protect our confidential data can have substantial financial and reputational impact on our business. Our “IT Policy and Procedures” defend against any encroachment on these rights. All IP rights undergo formal registration channels, and any perceived infringements trigger the solicitation of legal counsel and consideration of corrective measures.

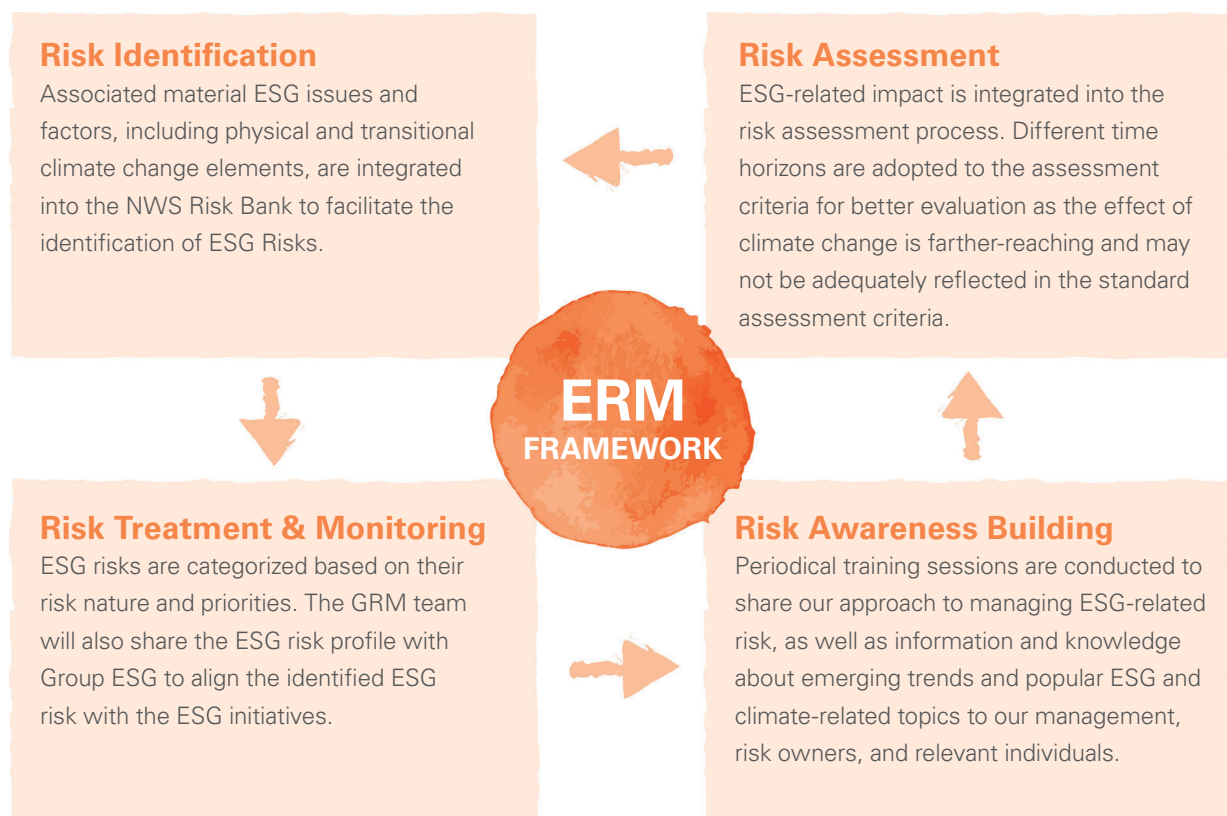


## ENGAGEMENT: INTEGRATING ESG RISKS INTO OUR OPERATIONS

During the materiality assessment process, we have identified ESG issues that could significantly impact the Group, whether positively or negatively. To strengthen the connection between conventional and ESG risks, we have integrated these risks into our ERM framework. This integration enhances our risk management process, supporting us to achieve our sustainability strategy, Breakthrough 2050, while building resilience against both physical and transitional impacts of climate-related risks. For the complete ERM framework, please refer to the “Risk Management Report” in the Annual Report.

### Integration of ESG Risks Into Existing ERM Process

ESG is not an isolated or standalone risk category; it encompasses a range of intersecting risks affecting strategic, operational, financial, and legal & compliance areas. As disclosure requirements increasingly mandate ESG and climate-related risk reporting, the close collaboration between Group Risk Management (“GRM”) and Group ESG becomes pivotal in developing an integrated ERM framework. This updated ERM framework aims to proactively manage ESG-related risks, aligning with the Group Sustainability goals and targets. By integrating ESG factors into the risk identification and assessment stages of our ERM process, we are adopting a thorough approach that strengthens our viability and resilience to anticipate and respond to a complex and interconnected array of risks that could challenge our business strategy and goals.



## Developing a Business Continuity Management (“BCM”) System

In FY2024, we formed the Business Continuity Management Committee (“BCMC”), led by Group Co-CEO and CFO. The Committee consists of representatives from respective business units and corporate functions in NWS Group, enabling successful plan development, execution, and alignment across the Group. BCMC is finalizing the BCM Policy, which provides detailed guidance on BCM governance structure, framework, approach, and methodology to enhance business continuity capabilities. This policy serves as a common framework for NWS Group and its subsidiaries to develop structured BCM plans for each business unit.

### NWS BCM Framework

## CRISIS MANAGEMENT AND COMMUNICATION PLAN

To define the crisis escalation and activation procedure, and establish crisis communication plan to key stakeholders

### PREVENTIVE MEASURES



To reduce the likelihood of incident occur

### EMERGENCY RESPONSE/INCIDENT MANAGEMENT PLAN



To remediate the incident and prevent it from deteriorating into a crisis

### BUSINESS CONTINUITY/DISASTER RECOVER PLAN



To recover and sustain the business after a disruption/crisis occurs

We will continue regular test and validate the effectiveness of these plans. Our business continuity and crisis management strategies are shared with relevant stakeholders to ensure a comprehensive understanding. Furthermore, we are committed to corporate resilience through proactive data collection and thorough risk analysis. This collaborative approach strengthens our ability to navigate the ever-changing landscape of potential challenges, particularly with the increasing climate-related risks.

## Raising Awareness

Employees are periodically participated in e-learning courses on our “Whistleblowing Policy” and “Anti-Fraud and Counter-Corruption Policy” to improve their awareness and comprehension. Additionally, the ERM induction e-learning course raises employees’ understanding of business risks and highlights the significance of early risk identification and whistleblowing. We frequently engage external experts to deliver training sessions on industry best practices and emerging market trends.

In FY2024, a workplace ethics training session for staff members was hosted by the Independent Commission Against Corruption (“ICAC”). The training aimed at raising staff awareness against corruption temptation in daily work and acquiring skills to make ethical decisions, particularly in scenarios where conflicts of interest arise.

We also arranged a training session on business ethics by ICAC for our Board of Directors. This encompassed their guardian role as Directors, regulation comprehension, identifying triggers of integrity problems and the application of ethical governance in corporate practices.

## Fostering a Risk-Aware Culture for Enhanced Resilience and Management

A robust risk culture is essential for effective risk management, thriving on the collective contributions of our workforce. We are dedicated to fostering a risk-aware culture that promotes a shared understanding of risk. To maintain this environment, our Group Audit and Risk Assurance Department organized a Risk Forum themed “Strengthen Connection, Build Resilience” in April 2024 for over 300 participants from the Group.

During the forum, Group management sparked fruitful exchanges about risk management practices from a management perspective in daily operations. Representatives from our subsidiaries provided industry-specific information and shared practical case studies with the audience. The forum facilitated an invaluable platform for Group management and business units to exchange key risk insights across different industries.



# Advance with Agility

Being resilient and agile is ingrained in our culture. In this ever-changing world, we stay proactive, ready to turn challenges into opportunities to maintain our lead in the market. To achieve this, we do not only manage risks through cultivating a strong risk culture at group level, but also take ESG considerations into account when taking investment actions to capitalize on emerging opportunities. By securing green finance, we support our journey towards net zero transition.

## INVESTING FOR THE FUTURE

### Sustainable Financing

The transition to a net-zero economy requires a concerted effort to support companies and projects through provision of capital and fund.

To demonstrate our commitment to sustainable finance and investment, we have set an ambitious target, which is 50% of debt financing will be financed through sustainability-linked or green finance by 2030.

the total Sustainability  
Linked Loan and  
Green Debt Financing is

**HK\$14.1** billion,

**32%**

representing 32% of the total debt financing is being financed through sustainability-linked or green finance.

As of 30 June 2024



### Issuance of First-ever Green Panda Bonds with Proceeds Allocated for Logistics Warehousing



We successfully issued our RMB denominated 2024 Medium-term Green Notes Series 1 (Bond Connect) (the "Green Panda Bonds") in March 2024. This is the first-ever Green Panda Bonds issued by a Hong Kong conglomerate with proceeds allocated for logistics warehousing. The principal amount of this tranche is RMB100 million, with an annual interest rate of 3.55% and a 3-year tenor. Proceeds from these Green Panda Bonds will be used for the sustainable development of five NWS logistics projects in Chengdu and Wuhan which obtained green rating of G1 from Lianhe Equator Environmental Impact Assessment Co., Ltd.

### Sustainable Investment

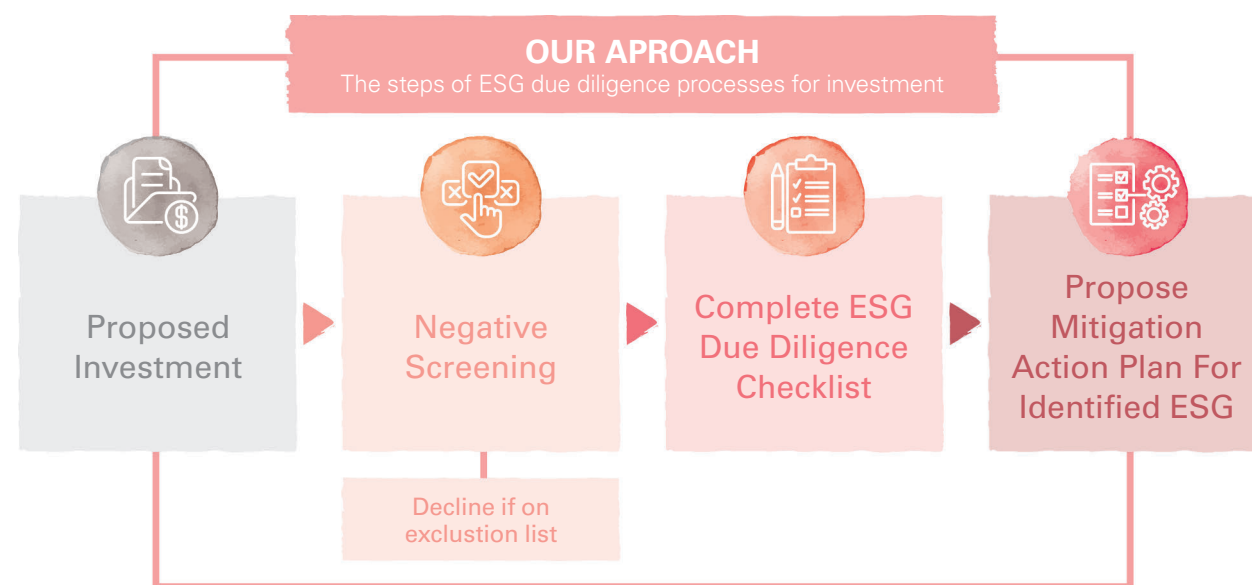
We believe that investing in companies and projects that are leading the way to a more sustainable future and supporting the global ambitions on net-zero transition not only deliver more sustainable financial returns but also de-risks our investment portfolio.

NWS Group and CTF Life established the "ESG Due Diligence Guideline" and "Responsible Investment Standards", respectively, in FY2023, as an essential framework that integrates ESG factors into our existing investment analysis and decision-making.

## Investment Planning

Our commitment to sustainable investing is reflected in this approach, which seeks to balance long-term financial returns with environmental and social responsibility. During the planning stage of investment, we subject each potential investment to go through the ESG due diligence process for investment. We make use of an ESG Due Diligence Checklist to evaluate proposed investments before presenting them to our Executive Committee. All proposed investments must be evaluated for all material long-term factors against the exclusion list and the ESG Due Diligence Checklist. This assessment helps us identify potential ESG risks, to which we develop customized mitigation plans to minimize potential adverse impacts on business. The rigorous evaluation ensures that our investments are not only financially sound, but also aligned with our commitment to sustainability and responsible investing.

## The Evaluation Process for ESG Due Diligence



## LIST OF SECTORS AND ACTIVITIES IN EXCLUSION LIST

### Gambling

Direct equity investment in or operation of gambling facilities.



### Modern Slavery/ Human Trafficking

Activities or operations associated with potential modern slavery or human trafficking risks.



### Military

Direct involvement in the sale, manufacturing, or distribution of military weapons or equipment.



### Animal Testing

Operations or investments in medical facilities involving animal testing.



### Coal, Petroleum, Nuclear

Ownership, operation, or investment in power plant facilities related to coal, petroleum, or nuclear energy.



### Detention Facilities

Ownership, operation, or investment in detention facilities.



## Acquisition Premium for Quality Warehouses

At NWS, we are committed to acquiring premium quality assets that meet our rigorous standards for sustainability and operational excellence. Our strategic investments in logistics properties are exemplified by the recent acquisition of six top-tier warehouses in Chengdu and Wuhan.



### Strategic Alignment and Evaluation Criteria

These properties were acquired in mid-2022 based on specific investment criteria, one of which was the achievement of green certification standards in mainland China. This strategic focus on sustainability was a key determinant in our investment decision, reflecting our commitment to integrating environmental considerations into our business operations.



### Achieving the Highest Green Building Certification

As we continue to expand our portfolio, we will persist in our efforts to innovate and implement green practices, ensuring that our logistics properties not only meet but exceed industry standards for environmental stewardship.

All six newly acquired logistics properties have achieved Grade 1 (3-star), the highest grading in the esteemed "Green Warehousing Certification" awarded by the China Association of Warehousing and Distribution (CAWD). This accolade underscores our dedication to environmental sustainability and operational efficiency.

## Divestment To Drive Long-term Value

In January 2024, we announced the disposal of interest in Chengdu Jintang Power Plant, marking the complete phase-out of fossil fuel investments from NWS' portfolio. The divestment decision is to align our investments with our climate ambitions, reduce exposure to volatile fossil fuel markets, and capitalize on emerging opportunities in sustainable energy. By doing so, we aim to reshape the economic landscape and address emerging sustainability challenges.





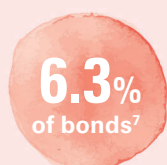
## Portfolio Monitoring and Management

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

## CTF Life ESG Investment Strategy

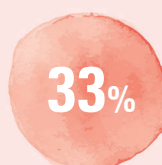
As a leading life insurance company, CTF Life Insurance is dedicated to transitioning their investment portfolio to attain net-zero emission through adopting an Integrated Approach in Responsible Investment.

### Breakdown on ESG labelled assets



As of 30 June 2024

invested are ESG labelled bonds. These included the first sustainable infrastructure-loan-backed security issued in Hong Kong and other bonds issued by the government, banks and corporates



**of mutual funds and Exchange Traded Funds ("ETF")** invested are ESG funds that are reported under Article 8 or 9 of the Sustainable Finance Disclosure Regulation ("SFDR")






Exclusion	Inclusion
<b>0%</b> exposure to non-ESG aligned sectors (e.g. coal and tobacco)	<b>HKD3.5 bn</b> ESG labelled bond (6.3% of the general account credit portfolio as of June 2024) <b>HKD2.6 bn</b> in ESG funds (33% of funds invested by the general account as of June 2024)
ESG Research	ESG Analytics
<b>100%</b> of the credit and equity research reports in FY2024 includes ESG assessment.	<b>19</b> SFC authorized ESG Fund Choices in the Unit Linked Platform <b>19%</b> reduction in the carbon footprint of the Investment portfolio in FY2024
Active Stewardship	Disclosure and Communication
Directly via proxy voting, and indirectly via fund managers	Monthly reporting on ESG labelled investment holdings and investment portfolio carbon footprint

CTF Life has committed to set near-term 1.5°C-aligned decarbonization targets aligning with the approach defined by the SBTi. In line with its commitment, CTF Life will continue to implement responsible investment while fulfilling its fiduciary duties to the shareholders and policyholders, facilitating a just and inclusive transition.

<sup>7</sup> The universe of bonds for this purpose excludes the US Treasury bonds and T-bill which are for the purpose of duration and liquidity management.

## Driving Sustainability Progress Through Innovation

At NWS, we strategically allocate resources to drive impactful environmental and social initiatives across our diversified business portfolio. These funds are utilized to support projects that enhance our ESG and climate capabilities, specifically focusing on carbon, water, waste, and people. We also channel resources into programs that bolster sectors' resilience and foster support for the sustainability transition with our partners. By aligning our financing with our commitment to sustainability, we ensure that every dollar spent contributes significantly to our sustainability goals and the broader advancement of a resilient and sustainable future for all stakeholders.

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



## Promoting Internal ESG Practices via Imp[ACT] Fund

In FY2024, we introduced an internal project fund for sustainability, the Imp[ACT] Fund, which was a specially designed financial mechanism and capacity building programme to foster and support ESG practices within the Group. This fund will annually allocate a total of HK\$1 million project fund to support three initiatives dedicated for creating positive impacts to our operation and value chains.



This fund aligns with our core values as it incentivizes and empowers our employees, departments, and business units to propose and implement innovative and sustainable projects in addressing the pressing challenges in our operation by providing financial support and resources.

### Summary of the winning projects

ESG Theme	Business Unit & Project Title	Project Description
<b>Carbon</b> 	<b>Construction</b> Hip Hing & Vibro — 3D Metal Printing in Construction	<b>3D Metal Printing in Construction</b> The project aims to build the capacity and accelerate the commercialization of 3D metal printing technology within construction industry. Through collaboration with various partners from the government, research institutes and the construction field, the technology will enhance construction designs and save materials, time and cost.
<b>Water</b> 	<b>Construction</b> Hip Hing — WaterGuard	<b>Water Guard</b> The project aims to conduct a pilot water monitoring system at construction sites to understand the water usage behaviour of construction workers. The Water Guard pilot seeks to identify water usage patterns and use the data to develop tailored programmes to reduce water consumption.
<b>People</b> 	<b>Roads</b> NWS (Zhejiang) — Toll Facilities Smart Monitoring System	<b>Toll Facilities Smart Monitoring System</b> The project aims to make use of the existing toll data to build a monitoring system. This system will identify exceptional events at toll facilities through data analysis and generate timely alerts for repairs, helping to reduce maintenance cost and operational risks.

Designing and implementing innovation processes centered on market needs enhances the attractiveness of our products and services. We actively develop and adopt process innovations that boost operational resilience, improve productivity, and protect stakeholders' well-being. By leveraging digital technologies, we promote operational efficiency, reduce costs, and support sustainable growth in a changing market.

## ACCELERATING TO NET ZERO

To help our stakeholders better understand our approach to climate-related business risks and opportunities, we prepare our climate-related disclosures with reference to the ISSB's IFRS S2 Climate-related Disclosures standard, which was developed incorporating the recommendations by the Task Force on Climate-related Financial Disclosures ("TCFD").

### Climate Governance

#### THE BOARD

- Responsible for our sustainability strategies
- Oversee group's strategic direction, key decisions on major transactions, risk management processes and related policies, and performance, including the management of climate-related risks and opportunities

##### ESG COMMITTEE

Oversee the development and implementation of climate-related strategy and goals, and endorse significant climate plans and actions

##### AUDIT COMMITTEE

Evaluates the effectiveness of ESG and climate risk management, internal controls, and climate vulnerability assessments.

##### ESG MANAGEMENT TASK FORCE

Formed with corporate and business unit representatives coordinate and monitor climate initiatives and budgets.

Both committees regularly report to the Board, providing updates and insights for evaluating climate risks and opportunities. This integrated approach enables us to respond proactively and cohesively, addressing climate risks and capitalizing on opportunities in line with our sustainability vision. Please refer to "Accounting for Effective Controls" section for more details on the roles and responsibilities related to ESG governance.

## Climate Risk Management

Our established Climate Change Policy addresses climate risks at both societal and operational levels and continues to guide our climate risks related practices. Since FY2021, climate risks have been included in our overall ERM framework and process, alongside other risks. This year, the enhancement of ERM process aimed to better integrate ESG and climate factors into risk identification and assessment. Articulating ESG-related risks into the business strategy and objectives brings ESG issues into mainstream processes and evaluation. Using this company-wide process we evaluate both physical and transition risks, considering their inherent and residual impacts, likelihood, and time horizon. We prioritize actions on risks with high impact and likelihood. This process covers all business units: roads, insurance, logistics, construction, and facility management.

### THE THREE LINES MODEL FOR MANAGING CLIMATE RISK

#### First line of Defense

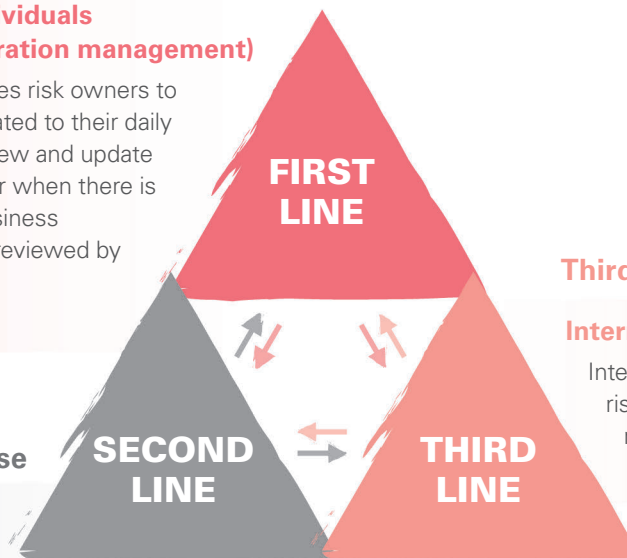
##### Business Units and Individuals (frontline staff and operation management)

Each business unit designates risk owners to identify and assess risks related to their daily operations. The owners review and update the Risk Register regularly or when there is significant change in the business environment, which will be reviewed by Group ESG and Group Risk Management.

#### Second line of Defense

##### Group ESG and Group Risk Management

Group ESG and Group Risk Assurance continuously support the monitoring and tracking risk mitigation actions, enhancing our ability to manage climate-related risks effectively. They ensure continuous improvement and alignment with our objectives and global trends, and escalate issues to the oversight parties.



#### Third line of Defense

##### Internal Audit

Internal audit conducts risk-based validation of risk treatment plans for climate-related risks.

## Climate Strategy

At NWS, we recognize that climate change poses different types of risks to our business. Apart from physical risks, such as extreme weather events, change in precipitation patterns and extreme variability in weather patterns, sea-level rise, that can negatively impact our employees, business operations, facilities, we also acknowledge the potential financial impacts that can result from transition risks coming from market, regulatory, etc.




### Embed ESG into Standard Procedures

Our aim is to embed ESG and climate considerations into routine processes to improve business planning, eliminate redundancies, and optimize resource allocation. This enables business units to identify ESG and climate trends, uncovering new opportunities by evaluating longer term positive and negative ESG-related risks.

Despite the risks, there are significant opportunities associated with addressing climate change. Climate-related opportunities are crucial for mitigating and adapting to climate change, improving our investment decision, operational efficiencies with new innovations and digitalization, and to support low-carbon future with our green initiatives. In adapting to the transition, we capitalize on resources and operation efficiencies through integrating innovative ways of doing business and creating new partnerships with different stakeholders.

As part of our ongoing effort of addressing the actual and potential impacts of climate-related risks and opportunities, we have conducted a thorough assessment process to further align with ISSB Standards. By integrating ESG and ERM approaches, we can comprehensively understand and prioritize these risks and opportunities.

In considering the climate-related risks and opportunities, we have adopted the following definitions of time horizons.

			
Time horizons	<b>Short-term</b>	<b>Medium-term</b>	<b>Long-term</b>
Definition	<b>&lt; 2 years</b>	<b>2 – 5 years</b>	<b>Beyond 5 years</b>

## Scenario Analysis

To better understand the implications of the climate-related risks, we conducted a scenario analysis for various business units (“BUs”). In the analysis, we evaluated the Shared Socio-economic Pathways (“SSP”) scenarios used by the Intergovernmental Panel on Climate Change’s (“IPCC”) Sixth Assessment Report, also known as “AR6”. We adopted the middle-ground scenario (SSP2), reflecting moderate challenges and continuity with historical trends, and a high-growth (SSP5), focusing on rapid economic growth driven by fossil fuels, in our scenario analysis to assess the impacts to the business from factors, including extreme temperatures, rainfall, typhoons, extreme wind, and fog events.

By focusing on these two pathways, we can capture a wide range of socioeconomic conditions without overwhelming the analysis with too many variables. The outcomes of this analysis empower us to visualize and assess potential impacts of climate-related risks, thereby facilitating the prioritization of the risks.

Climate Scenario	Estimated Warming Range (2081 – 2100)	Emissions Trend
SSP2 Middle of the Road (Intermediate GHG emission)	+2.1–3.5°C	CO <sub>2</sub> emissions remain around current levels until the middle of the century
SSP5 Fossil-fueled development (Very high GHG emission)	+3.3–5.7°C	CO <sub>2</sub> emissions roughly double from current levels by 2050



### Our Pathway of Strengthening Climate Resilience

Leveraging the processes and results from Risk Register review and Scenario Analysis, we prioritize the climate-related risk we face over short, medium, and long-term time horizons, aiming to develop effective strategies for managing and mitigating these risks.

To enhance the resilience in the face of increasing climate-induced emergencies, we are introducing a group-wide Business Continuity Management (“BCM”) system. This system ensures consistency across all NWS’s subsidiaries in developing, executing and maintaining their Business Continuity Plan (“BCP”). The BCP encompasses crisis management & communication plans, emergency responses, business continuity strategies, and disaster recovery protocol for swift resumption of operations after extreme weather events.

Given the geographic diversity of our operations, specific sites within the NWS Group face elevated risks from heat waves, heavy rainfalls, typhoons, and floods. Collaborating with external consultants, we assess potential impacts and extend the insurance coverage to address these risks. Additionally, pre-weather checks are now part of our regular inspections.

Our business units, particularly for construction, facilities management, logistics and roads, have implemented tailored measures to mitigate the impacts of acute and chronic physical climate risks on assets and operations.

	Facilities Management 	Construction 	Roads 	Logistics 
<b>Waterproofing Enhancement</b>	X			
<b>Storm water drainage/ anti-flooding measures</b>	X	X	X	X
<b>Erosion Control</b>			X	
<b>Heat Resilient Construction</b>			X (High temperature resistant pavement, deck materials and expansion joint)	
<b>Heat Safety Protocol e.g. alternate working time arrangement</b>		X	X	X
<b>Extreme weather procedures</b>	X	X	X	X
<b>Lifting Equipment/Structure Safety measures for adverse weather</b>	X	X	X	X
<b>Emergency Power Infrastructure</b>	X	X	X	X







As part of our strategic approach, we recognize the critical importance of high-value assets in our operations. To ensure their resilience in the face of climate change, we engage third-party experts to conduct comprehensive analyses. These assessments consider the latest IPCC AR6 and TCFD recommendations, providing a robust foundation for decision-making.



Looking ahead, we remain committed to conducting additional climate-related scenario analyses. These efforts deepen our understanding of both risks and opportunities associated with climate change. Strengthening our preparedness and strategic decision-making processes ensures the long-term resilience of our high-value assets.

The following table outlines a summary of the prioritized climate-related risks and its financial implications. Please refer to relevant sections “Driving Operational Optimization and Product Excellence” and “Collaborating with Partners Along Our Value Chain” in the report on how different business units explore and engage with climate-related opportunities.



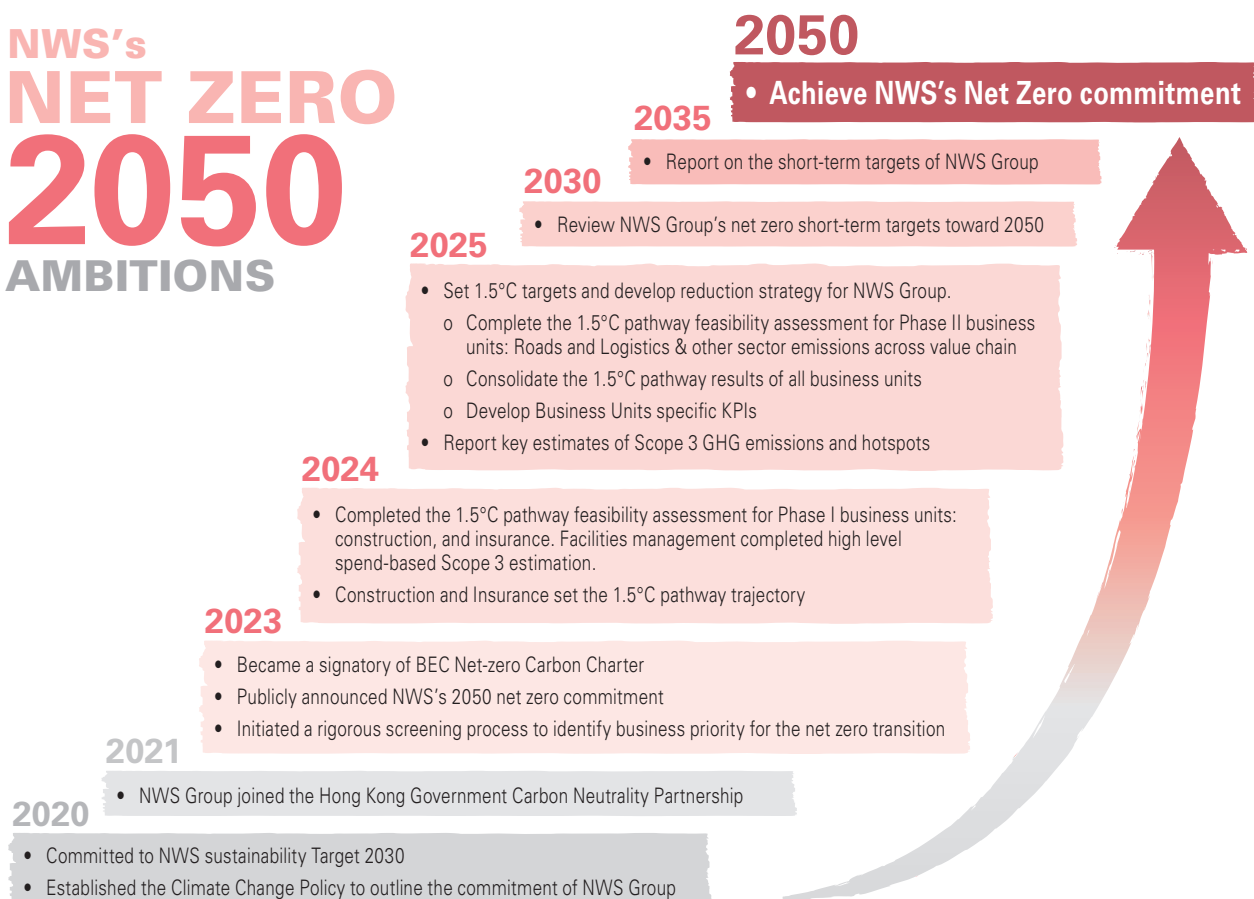
	Risks	Key BUs Affected	Time horizon	Potential Impacts to Our Business	Financial Implications	
PHYSICAL RISKS	Acute					
		Extreme weather events	Corporate and all BUs	Short-term	<ul style="list-style-type: none"><li>Extreme weather events present significant challenges to our business operations, including an increased risk of injuries and loss of life, suspension of business activities for extended periods.</li><li>Products failing to perform under extreme weather events as contracted may result in legal disputes and reputational damage.</li></ul>	<ul style="list-style-type: none"><li><b>Increased cost:</b> repair and replacement; operational costs due to operation disruption and subsequent recovery efforts; insurance cost; health and safety costs</li></ul>
	Chronic					
		Change in precipitation patterns and extreme variability in weather patterns	Corporate and all BUs	Medium-term	<ul style="list-style-type: none"><li>The alteration in precipitation patterns and variability in weather conditions pose significant risks to our operations. Extreme variability in weather patterns can disrupt supply chains by damaging infrastructure, delaying transportation, and affecting the availability of raw materials.</li><li>The changing climate increases health risks, such as heat-related illnesses, poor air quality, and other health issues. Sectors sensitive to chronic climate hazards, such as insurance and construction, may face long-term operational changes.</li></ul>	<ul style="list-style-type: none"><li><b>Increased cost:</b> operational costs due to operation disruption and subsequent recovery efforts; sourcing raw materials</li></ul>
		Sea-level rise	Corporate and all BUs	Long-term	<ul style="list-style-type: none"><li>Rising sea levels can lead to coastal flooding, erosion and saltwater intrusion into freshwater systems causing road and facility damage, resulting in unforeseen repair and maintenance.</li></ul>	<ul style="list-style-type: none"><li><b>Increased costs:</b> repair and replacement; operational costs operational costs due to operation disruption and subsequent recovery efforts; insurance cost</li></ul>
TRANSITION RISKS		Growing market expectations and requirements on net zero transition, climate related disclosure, and performance	Corporate and all BUs	Short-term	<ul style="list-style-type: none"><li>Inadequate response to these rising expectations could adversely affect our brand reputation, and stakeholder confidence.</li><li>Overlooking these risks can alienate ESG-conscious customers who prioritize sustainability.</li></ul>	<ul style="list-style-type: none"><li><b>Credit Risks:</b> high exposure to transition risks may face difficulties in securing financing, leading to higher credit risks</li><li><b>Revenue Shifts:</b> Change in market demand</li></ul>
		Failing to consider climate-related risks in investment decision-making	Corporate and Insurance	Short-term	<ul style="list-style-type: none"><li>Neglecting climate-related risks while making investment decisions can lead to reduced long-term returns, as business of invested in assets may be hindered by transition and physical risks.</li></ul>	<ul style="list-style-type: none"><li><b>Asset/Investment Revaluation:</b> the value of assets that become obsolete or less profitable due to the transaction</li></ul>
		Increasing market and regulatory pressure for the use of sustainable materials	Construction and Facilities Management	Medium-term	<ul style="list-style-type: none"><li>Potential disruption to construction progress due to limited availability or choice of materials.</li><li>Elevated construction costs to adopt new, greener construction technology and equipment.</li><li>Slow or inadequate innovation may diminish our market competitiveness.</li></ul>	<ul style="list-style-type: none"><li><b>Increased cost:</b> regulatory compliance and supply chain</li><li><b>Revenue Shifts:</b> Change in market demand</li></ul>
		Introduction of new policies and/or regulations on environmental protection and carbon emissions, such as carbon taxes	Corporate and all BUs	Medium-term	<ul style="list-style-type: none"><li>Potentially substantial financial impact from carbon taxes related to traditional fuel vehicles.</li><li>Failure to adapt to these new regulations could result in heightened costs and potential non-compliance.</li></ul>	<ul style="list-style-type: none"><li><b>Increased cost:</b> regulatory compliance</li></ul>
		Potential regulatory requirements and guidelines concerning green building management and building operational efficiency	Facilities Management and Construction	Medium-term	<ul style="list-style-type: none"><li>Non-compliance with these regulatory mandates may lead to adverse repercussions for the Group’s overall reputation.</li></ul>	<ul style="list-style-type: none"><li><b>Increased cost:</b> regulatory compliance</li></ul>

### Transitioning to Net Zero

Apart from taking actions mitigating the identified risks and as part of our sustainability strategy, Breakthrough 2050, we have also developed a clear roadmap that prioritizes tasks and goals towards net zero in 2050. NWS' businesses span across various sectors with different operational models and climate impacts. To ensure we carefully consider and strike a balance between business expansion and greenhouse gas reduction, we adopt a phased approach for aligning our business units to approach net-zero following the SBTi standards.



## NWS's NET ZERO 2050 AMBITIONS

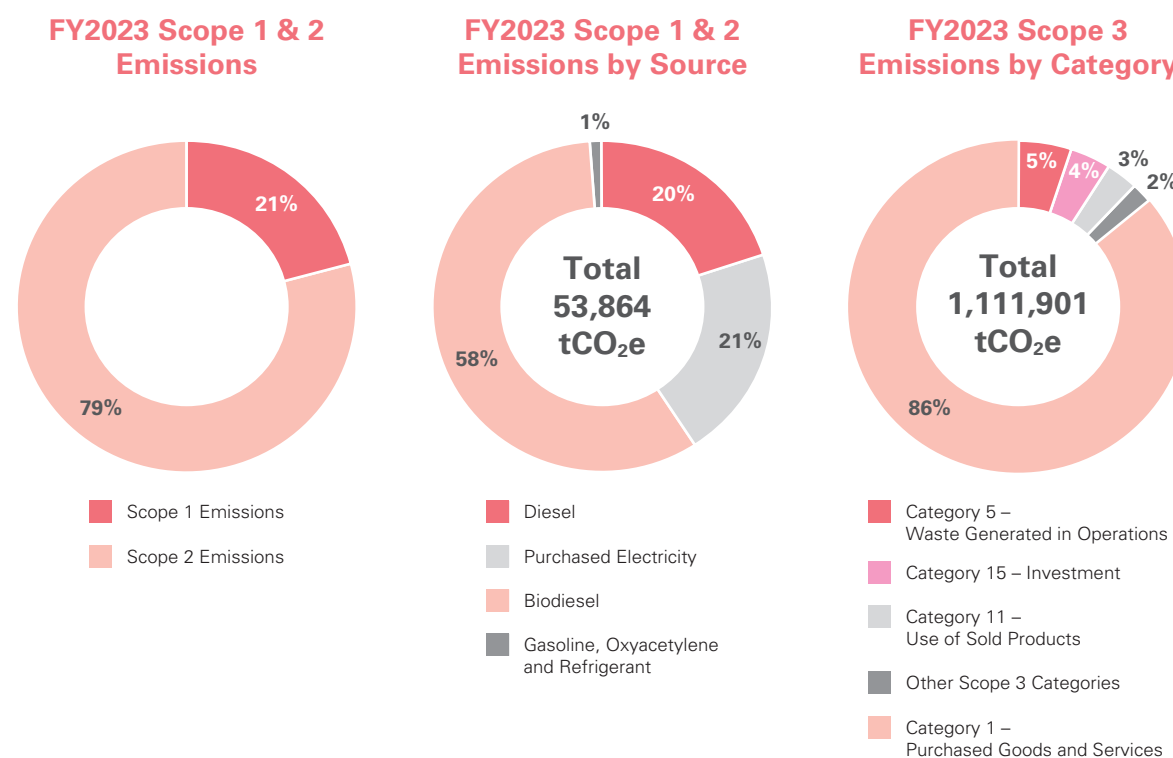


## Phase I: 1.5°C Pathway Feasibility Assessment of Hip Hing

A feasibility study to assess the feasibility of setting SBTi was conducted based on a review of Scope 1, 2 & 3 inventory, emission scenario modelling and evaluation of practical decarbonization strategies.

### Scope 1, 2, & 3 emissions review

In FY2024, Hip Hing conducted a review of its operational emissions (Scope 1 and 2) and mapped its company value chain to identify the material emission sources upstream and downstream for measuring Scope 3 emission.



Scope 3 accounts for 95% of Hip Hing's total Scope 1, 2 & 3 emissions

### Target pathway aligning to 1.5°C

Scope	FY2023 (tCO <sub>2</sub> e)	Reduction type	Near-term reduction target (by FY2034)	Long-term reduction target (by FY2050)
1 & 2	53,864	Absolute	58.8%	90%
3 (Categories 1-8, 11, and 15)	1,111,901	Absolute Or Physical Intensity	35% 63.8%	90% 97%

### 1.5°C pathway feasibility assessment

Three emission cases were developed to simulate low, medium, and high emission scenarios, along with the estimation of financial implication of Hip Hing from 2023 to 2050 under a combination of reduction scenarios. The following business growth and emissions growth scenarios have been developed by using historical and forecasted construction expenditure published by Construction Industry Council and Group-level turnover provided by the Finance Department as projection basis. Through projection modelling, the reduction impact from each reduction strategy in each emission case was estimated, providing insights to the decarbonization efforts required to align with a SBT reduction trajectory.

### Decarbonization Strategies Towards Near-term SBT

The decarbonization strategy is designed as a comprehensive approach to significantly reduce carbon emissions across various operational areas, incorporating both active initiatives and sustainable procurement practices. Key active measures include optimizing diesel efficiency and electricity usage, which are critical for minimizing fossil fuel consumption in daily operations. The strategy also prioritizes the electrification of generators and machinery, thus reducing dependence on diesel-powered equipment. Furthermore, by transitioning to hydrogen and biodiesel as alternative fuels, and electrifying our vehicle fleet, we aim to further lower our carbon footprint while enhancing overall efficiency. The adoption of offsite construction practices not only streamlines operations but also contributes to lower emissions associated with traditional construction methods.

On the operational expenditure ("OPEX") front, we are committed to procuring Renewable Energy Certificates ("RECs") alongside renewable diesel, reinforcing our commitment to sustainable energy solutions. Overall, this multifaceted strategy not only aims to meet regulatory requirements but also positions us as a leader in sustainability within the industry, contributing to a low-carbon future.

Challenges are anticipated regarding investment costs and the availability of technology to achieve the required emissions reductions. Meeting the Scope 3 decarbonization target heavily relies on the adoption of low-carbon steel and concrete. Current decarbonization strategies are insufficient, and a significant emissions gap exists in both the near and long term. However, substantial improvements in emerging material technologies are expected to bridge the projected emissions gap by FY2050.

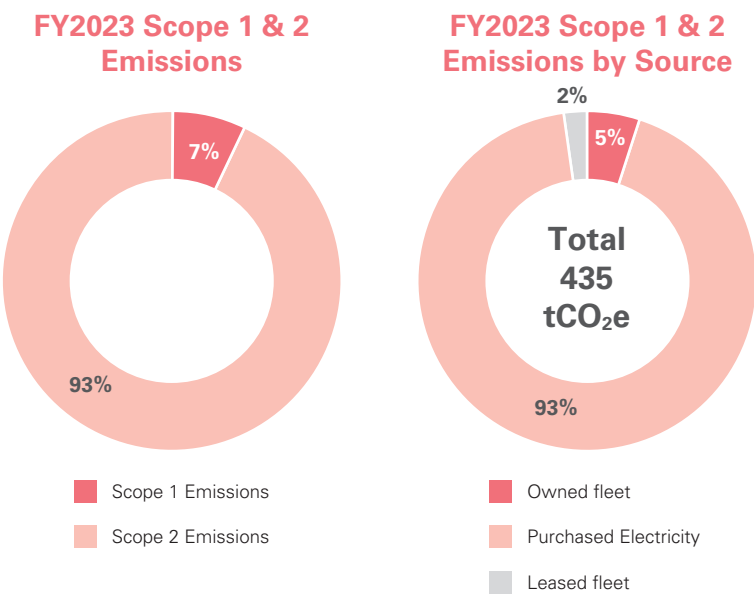
With ongoing technological advancements and increased adoption of low-carbon materials, the costs are expected to decrease over time, reducing the financial impact. Hip Hing has been proactively collaborating with partners to support the sector's low-carbon transition, and with continuous innovation, the path to achieving these targets looks increasingly promising.

## Phase I: 1.5°C Pathway Feasibility Assessment of CTF Life<sup>8</sup>

A feasibility study to assess the feasibility of setting SBTi was conducted based on a review of Scope 1, 2 & 3 inventory, emission scenario modelling and evaluation of practical decarbonization strategies.

### Scope 1, 2, & 3 emissions review

In FY2024, CTF Life conducted a review of its FY2023 operational emissions (Scope 1 and 2) and value chain emissions (Scope 3). Scope 3 accounts for more than 99% of CTF Life’s total Scope 1, 2 & 3 emissions.



For Scope 3, a screening of all 15 categories has identified 3 that are relevant to CTF Life:

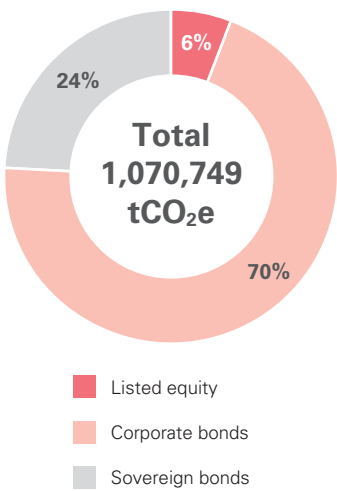
- Category 5: Waste generated in operations
- Category 13: Downstream leased assets
- Category 15: Investments

Other categories are considered irrelevant or insignificant and excluded from estimation.

<sup>8</sup> This feasibility study and Scope 3 calculation do not take Insurance-Associated Emissions (“IAE”) into account, due to the current version of the IAE Standard does not cover life or health insurance, which constitute the major service offerings of CTF Life.

Due to CTF Life’s business nature, decarbonization targets will be focused on Scope 3 Category 15. Based on the preliminary GHG baselining results, the emissions of Scope 3 Category 5 and Category 13 are less than 1% of the overall Scope 1, 2 & 3 emissions, and are deemed insignificant.

**FY2023 Financial Emissions by Asset Class**



### Target pathway aligning to 1.5°C

SBTi guidance was considered in estimating potential 1.5°C aligned targets for both Scope 1 & 2 and Scope 3 Category 15 (Investments) emissions. For financed emissions, Portfolio Coverage Approach (“PCA”) is adopted for Listed Equity, Corporate Bonds and Private Equity. Sectoral Decarbonization Approach (“SDA”) is adopted for the power generation portfolio within Listed Equity, Corporate Bonds, and Private Equity.

BU	Scope	FY2023	Near-term <sup>9</sup> reduction target	Long-term reduction target
CTF Life	1 & 2	435 tCO <sub>2</sub> e	42% by FY2030	90% by FY2050
	3 Cat 15: PCA (for listed equity & corporate bonds and private equity) <sup>10</sup>	23%, with 30 companies already set their SBTs	50% of listed equities, corp. bonds and PE portfolio by FY2029	100% of listed equities, corp. bonds and PE portfolio by FY2040
	3 Cat 15: SDA (for power sector) <sup>11</sup>	0.43 tCO <sub>2</sub> e/MWh	68% by FY2030 <sup>12</sup>	99.9% by FY2050

### 1.5°C target feasibility assessment

A high-level feasibility assessment was conducted to identify potential gaps in meeting the Science-Based Targets (“SBT”) requirements. The assessment revealed significant room for improvement in data coverage and quality regarding financed emissions, which would enhance emissions monitoring and target tracking. Key considerations for achieving the targets include replacing the current leased and self-owned vehicles with electric vehicles for Scope 1, improving the energy efficiency of corporate and in-force agency office buildings, and purchasing renewable energy certificates (“RECs”) for Scope 2.

For Scope 3, achieving the PCA target involves actively managing the investment portfolio with a focus on companies committed to SBTi and engaging with existing portfolio companies to set SBTs and have them validated by SBT. Leveraging the influence to drive boards of portfolio companies to take climate actions, where CTF Life directly uses its proxy voting rights and indirectly leveraging on its asset managers on climate issues. Additionally, achieving the SDA target requires actively managing the investment portfolio with a focus on low-carbon or cleaner assets and engaging with the power generation sector to advance green technologies.

Alongside 33 insurance companies, CTF Life is proud to be one of the inaugural signatories of the Insurance Industry Climate Charter developed by the Hong Kong Federation of Insurer, demonstrating our strong commitment to supporting the sector’s transition.

<sup>9</sup> The final near-term targets are subject to the discussion and validation with SBTi.  
<sup>10</sup> The PCA is a portfolio alignment method, focused on portfolio companies’ setting of SBTs. The AuM Weighting Approach is adopted in this case.  
<sup>11</sup> The SDA uses a physical intensity metric, and is used to set targets for specific sectors represented in portfolios. The SDA is applied to the electricity generation portfolio within Listed Equity, Corporate Bonds, and Private Equity in this case.  
<sup>12</sup> Under the assumption of fixed market share — assuming that the portfolio grows (in terms of activity output) at the same rate as the sector.

## Metrics and Targets

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

This ESG report disclosed the material Scope 3 emission estimations for our Construction and Insurance business segments for the first time. We plan to continue disclosing cross-industry metrics in the coming years, covering additional business segments, such as Roads, Logistics, and Facility Management, alongside Construction and Insurance.

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

Details about our climate-related data and methodologies are available in the “Environmental Performance Summary” section.

# Evolve Sustainably

In response to growing environmental challenges, environmental regulations have become increasingly stringent in different geographies. Stakeholders now expect businesses to lead positive environmental change. At NWS, we view environmental stewardship as a key driver for process optimization and we meticulously offer better products to create significant values for our customers. We leverage innovative technologies to contribute positively to the environment and society.

## STRIVING FOR CONTINUOUS IMPROVEMENT

### Service and Product Quality

NWS is committed to ensuring that our services and products uphold environmental and social responsibility. Guided by our Environmental, Social and Governance Policy, we actively pursue innovative solutions to reduce environmental footprint and negative impact on local communities, while ensuring service and product quality.

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

Our commitment to delivering high-quality and services remains unwavering. Ensuring the safety and quality of offerings is crucial for enhancing customer satisfaction and building trust. This, in turn, attracts new customers and leads to greater market shares.

## DRIVING OPERATIONAL OPTIMIZATION AND PRODUCT EXCELLENCE

### Construction

The construction sector plays a pivotal role in the shift towards net zero future. Our construction segment, Hip Hing, continues to improve their operation process by adopting innovations and technologies to achieve the highest possible efficiency. Hip Hing recognizes the potential adverse environmental impacts their business operations may exert on natural habitats and biodiversity, all our construction sites are certified with internationally recognized standards such as ISO 9001 for Quality Management System, ISO 14001 for Environmental Management System, ISO 50001 for Energy Management System, ISO 45001 for Occupational Health and Safety Management System, and ISO 27001 for Information Security Management System.



## Hip Hing's Digitalization Roadmap

Hip Hing's envisions construction informatics and robotization as the key drivers for industry prosperity. Our strategy revolves around a collaborative approach to innovation, focusing on nurturing new ideas in four main areas:

The Evolution of the Centralized Management Platform ("CMP")

### Stage 1: CMP 1.0

#### Project Management Platform

Establish a robust foundation for project management

- Develop a comprehensive project management platform
- Integrate basic tools for task tracking, communication and documentation

Train teams on using the platform for effective collaboration

#### Examples



The Internal CMP

### Stage 2: CMP 2.0

#### Repeatable Project Platforms to enterprise scale

Expand the platform to support large-scale, repeatable project execution

- Standardize project templates for consistency and efficiency
- Optimize the platform for scalability to support enterprise-level demands

Enhance user interface for better user experience and adoption

#### Examples

- A self-maintained centralized management platform supported by specialized teams, including project implementation team, continuous delivery ("CD") team, and IT team
- Smart Site Safety System ("4S") feeds real-time safety data and alerts into the CMP through various sources, such as digital plant forms, permit to work, e-lock, mobile plant zones, tower crane zones, wearables, AI-Camera, confined space, and VR, enabling immediate action and response.
- Streamlines communication and ensures safety compliances



### Stage 3: CMP 3.0

#### System Integration with Other Innovation Tech

Create a seamless ecosystem by integrating with cutting-edge technologies

- Integrate the project management platform with other essential business systems
- Incorporate IoT devices to improve real-time data collection and analysis

#### Examples

Integrating an Open API with CMP to incorporate innovation in plant technology enables seamless connectivity to facilitate interoperability and data exchange which enhanced automation, real-time monitoring and control over various processes.



Enhanced Automation



Real Time Monitoring



Improved Control and Decision Making



Cost Efficiency



Scalability

#### Intelligent Internet Infrastructure

- Restricted of 220V Powered Tools
- Electricity Usage Record
- Provision of Wi-Fi Network Coverage

#### Utilization of BIM CAVE

- Immersive experience for trainings on procedure, awareness, and skillset gain
- Virtual experience for show flat and aesthetics review
- Project facilitation on coordination, constructability, and as-built review

#### Tower Crane Wire Rope Monitoring System

- Monitoring of Tower Crane Hoist Rope Using Electro-magnetic tomography sensors
- Continuous Streaming of Data to Cloud Server for AI processing

### Stage 4: CMP 4.0

#### AI and BI Development

Leverage artificial intelligence and business intelligence to drive strategic decisions

- Implement AI-powered tools for predictive analysis and automated decision-making
- Develop BI dashboards to provide actionable insights and enhance data visualization

Continuously refine AI and BI capabilities to evolve with organizational needs and technological advancements

#### Examples

#### AI Prescriptive Analytics — Virtualization Project Planning

Integrating diverse data sources to form a comprehensive dataset and utilizing predictive models to forecast future resource requirements. By evaluating multiple scenarios, the AI provides optimal resource allocation strategies to balance performance and cost. It identifies potential risks and suggests mitigation tactics, developing key performance metrics to track the project's success.



Reduce Resources Used



Reduce Cost and Time



## Integrating Building Information Modelling (“BIM”) to Our Construction Projects

Our efforts on adopting BIM have been accelerated since 2019. To improve the collaborative BIM process, Hip Hing uses the openBIM as a universal approach to work with BIM using open standards and workflows.

Hip Hing has been incorporating openBIM strategies in various construction projects. In recognition of the hard work and innovative approach of the openBIM application, Hip Hing has been honoured with four Grand Awards at the prestigious Hong Kong openBIM/openGIS Awards Presentation Ceremony, held in June 2024.

### Hip Hing's BIM Capacity at a Glance



**120** members



**35%** members with BIM professional membership



**8,000** hours training hours in 2022



### Grand Award of Design for Buildings Category

- Design and Construction of a District Court Building at Caroline Hill Road



### Grand Award of Construction for Buildings Category

- Design and Construction of Expansion of the Legislative Council Complex



### Grand Award of Facilities Management/Asset Management Category

- Kai Tak Sports Park



### Grand Award of Construction for Buildings Category

- Commercial Development on IL no. 8945, Causeway Bay, Hong Kong



## TRANSLATING 3D BUILDING MODELS INTO VIRTUAL REALITY



Located at the LegCo Complex Expansion project office in Central, the “Hip Hing Cave” is equipped with a Computer Aided Virtual Environment (“CAVE”) system and utilizes BIM technology. The system projects to users the project design and environment of a construction project in a highly realistic and vivid 3D virtual space. The seamless integration of advanced technology into daily workflows has enhanced the efficiency and productivity of construction processes.

Moreover, the system also serves immersive training applications, allowing users to conduct risk-free safety and operation training in a realistic and interactive 3D model of a construction environment. The flexibility of the system provides hands-on experience on various virtual scenarios and support training of different skillsets.

During the year, Hip Hing had the honor to present the BIM Cave system to their esteemed clients. The system enabled multiple visitors to immerse into the virtual environment, such that they may grasp information of construction projects and surrounding environment easily and accurately, facilitating communication among stakeholders and providing valuable insights.



## WEAVING LOVE: HONG KONG'S FIRST LARGE-SCALE CONSTRUCTION PILOT PROJECT UTILIZING 3D METAL PRINTING TECHNOLOGY

Hip Hing successfully produced the first 3D metal printed installation in Hong Kong, "Weaving Love", at the Tseung Kwan O Immigration Department Headquarters. Drawing inspirations from a bridal veil, "Weaving Love" boasts an intricate design. It features a silhouette created by metal wire and a latticework filled with heart-shaped patterns. The use of cutting-edge 3D metal printing technology led to a reduction in material wastage by over 80% when compared to traditional construction methods. Moreover, this installation plays a pivotal role in showcasing the potential of this technology in the local market.



## USING MODULAR INTEGRATED CONSTRUCTION ("MiC") TO IMPROVE CONSTRUCTION EFFICIENCY

MiC technology is the innovative construction method which involves the installation of prefabricated building components which were manufactured offsite. In October 2023, Hip Hing achieved a significant milestone in the expansion of the LegCo Complex as it lifted the project's first MiC module into position. This installation of MiC module is also the first occasion to apply MiC technology in the development of a multi-storey office building in Hong Kong.

Other than shortening construction time and reducing risks of construction site hazard, by mass production of pre-tested prototype modules in a controlled factory environment, dust and noise nuisance to the surrounding environment at site were reduced and construction waste was minimized.



## Facilities Management

As one of the founding signatories of the “Net Zero Carbon Events” initiative, HML is determined to progress to net-zero by 2050. Therefore, HML has collaborated with business partners and participants of exhibitions and events to implement eco-friendly practices and technologies at the HKCEC. Key strategies include large-scale renovation, and facility retrofits.

HML’s dedication to sustainability is reflected in its numerous accolades, including the ISO 20121 Event Sustainability Management System certification and the Gold Rating of LEED Certification of Existing Building.

To strengthen sustainability awareness and measures in event operation, HML engaged with 10 major event organisers and official contractors to introduce HML’s ESG policies and promote green measures. A workshop was also arranged for suppliers and contractors to introduce HML’s sustainability journey and policy. Additionally, representatives from Hong Kong Productivity Council were invited to introduce how suppliers and contractors can support HML’s Scope 3 emission data collection.



Event organisers and official contractors workshop

## Operations & Services Award 2023

HML has won the Operations & Services Award 2023 organised by UFI. The Global Association of the Exhibition Industry, for its outstanding achievements in reducing its carbon footprint. This underscores HML’s commitment to a low-carbon transition.



### Integrating New Technologies at HML

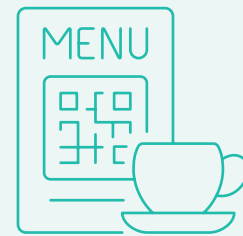
#### Launch of “Go HKCEC” Mobile App for Off-site Marshalling

Due to space limitations at the new Kwai Chung marshalling site, HML launched the “Go HKCEC” app in September 2023 to streamline vehicle management. The app allows drivers to queue virtually and only proceed to the site when loading bays are available. This helps manage drivers’ expectations, allows flexible scheduling, reduces idling time, and improves monitoring and communication. The app has been successful throughout FY2024, with engagement sessions held to educate event organizers.



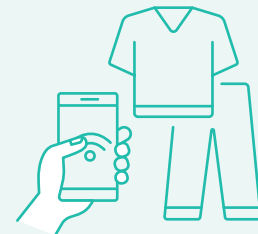
#### Mobile ordering in Harbour Kitchen

Self-ordering service was made available from May 2024 at Harbour Kitchen in the HKCEC. Guests can view menus and place orders by themselves using the QR code assigned, which directly links with the transaction system. This helps reduce errors, improve order accuracy, and speed up the ordering process. Bill settlement can also be easily done by scanning the QR code, offering a quick and seamless payment experience to customers.



#### Installation of RFID Tags for Uniform and Linen

To enhance operating efficiency and accuracy for inventory management, HML introduced a Radio Frequency Identification (“RFID”) system to its uniform and linen management process. The installation of RFID tags in uniform and linen items started in August 2024 and expected to be completed by the end of October 2024.



#### Development of e-Tendering System

HML developed a e-Tendering system, so that it can distribute tender documents or request for quotation easier and more efficiently. The electronic services can also facilitate the compilation of comparison and related analysis. The soft launch of the e-Tender system was held in mid July 2024.





### Enhancing Efficiency and Comfort: Ongoing Facilities Improvements

According to the Energy Audit Report, the energy used for the Air Conditioning system accounted for approximately 50% of total energy consumption. FY2023, the Chillers Replacement Project was successfully completed, leading to significant energy savings and improved equipment efficiency.

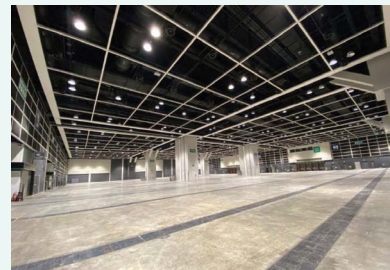
As part of our long-term energy saving strategy, HML is considering the replacement of Air Handling Units (AHUs) with units that utilize state-of-the-art technology in the coming years. In FY2024, AHU replacement projects were initiated, including upgrades in Meeting Room N100s and N200s, L1 Mezzanine, Hall 3BC and Hall 5BC. These projects, along with optimisation efforts for the operation control of air side equipment, resulted in an impressive energy saving of 812,000 kWh. To continue its commitment to energy conservation, HML will focus on achieving further savings from the air conditioning air side system.



Replacement of AHU

### Atrium Link Extension (ALE) Exhibition Halls Lightings Replacement for Hall 1DE, Hall 3DE, Hall 5E

In February 2024, the replacement of exhibition hall lightings for Hall 1DE, Hall 3DE, and Hall 5E was successfully completed to enhance reliability and energy efficiency. As part of this upgrade, the power rating of the hall lightings was reduced from 400W to 240W each, leading to significant energy savings. The estimated annual energy savings from this adjustment are approximately 699,000 kWh. Additionally, the longer lifespan of LED lights minimizes maintenance requirements, further enhancing overall reliability. This improvement ensures a consistently well-lit environment for visitors, contributing to a positive and welcoming experience.



Replacement of exhibition hall lightings

## Roads

Transport is crucial for economic growth, job creation and connecting people to essential services. However, the sector accounts for about one quarter of greenhouse gas emission globally and 95% of the world's transport energy still comes from fossil fuels. As a toll road operator, NWS is committed to sustainability by integrating advanced technology to enhance operational efficiency, reduce congestion and maintain road safety. We are also proactively investing in infrastructure to support the transition to renewable vehicles, ensuring our facilities meet the evolving needs of a greener future.

### HANGZHOU RING ROAD WEST LAKE SOUTHERN SERVICE BUILDING REDEVELOPMENT: FIRST SMART SERVICE AREA IN MAINLAND CHINA TO ACHIEVE LEED PLATINUM CERTIFICATION

The West Lake Southern Service Building renovation project has achieved the highest level LEED Platinum Certification requirements by implementing in-situ redevelopment, environmentally friendly construction processes, and energy-saving systems. The project prioritized the use of low-carbon and green building materials and has installed various green infrastructures, including photovoltaic system, sewage treatment pond and the largest number of electric vehicles ("EV") charging stations in the country.



#### Photovoltaic ("PV") System

- Utilizing the building roof and parking shed, a PV power generation system with an area of approximately 2,200 m<sup>2</sup> has been installed.
- The system has an estimated annual total power generation of 340,000 kW, reducing reliance on grid electricity.

#### EV Charging Stations

- A total of 79 EV charging stations have been installed, featuring 7 different charging station brands, which makes it the highway service area with the highest number of charging stations and the most diverse charging options in the country, supporting the transition to EVs.

#### Greywater Recycling

- A sewage treatment pond is constructed, treating 800 m<sup>3</sup> of wastewater daily. The treated water reused for flushing toilets in the service building, reducing water consumption.
- A rainwater harvesting system is also installed to store 400 m<sup>3</sup> of rainwater, which is reused for landscape irrigation, lowering the demand for freshwater.

Greywater Recycling

EV Charging Stations



Photovoltaic ("PV") System



## DIGITAL TOLLING SOLUTION

To enhance the electric toll collection system on toll roads, we have adopted self-service toll collection machines at Hangzhou Ring Road, and electronic toll receipt system at Sui-Yue Expressway. This automated process replaces cash transactions, enhancing toll collection efficiency and reducing vehicle waiting times and idling emission.



Improve the  
Travel Experience  
for Drivers



Reduce Idling  
Emissions



## TRAFFIC MONITORING SYSTEM ENHANCEMENT

### Hunan Daoyue Expressway and Hunan NWS Expressway

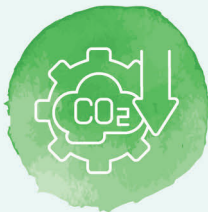
The implementation of surveillance monitoring every 2 km on the national expressway enhances information management and rescue efficiency from September 2024.

### Zhejiang NWS Expressway

the Supremind System, an AI technology traffic monitoring system, detects traffic and identifies anomalies in real-time.



Reduce Video  
Blind Spots and  
the Need for  
On-site Inspections



Saving Fuel  
And Lowering  
Carbon Emissions.

## Insurance

CTF Life is dedicated to creating value beyond insurance, helping our customers and their families navigate through life journey with personalized planning solutions and diverse lifestyle experiences.

### Innovative Protection for a Healthier Future



**Critical Illness Protection —  
Outstanding Performance by the Bloomberg Businessweek**



**Most Innovative  
Product Award  
(Life Insurance — Health) by the Metro Finance**

CTF Life has introduced the “FamCare 198”, which is an innovative Critical Illness Protection Product, to help shield customers and their families from the emotional and financial burden of critical illnesses. They have also launched the “FamCare 198” Critical Illness Protector — Pregnancy Baby Protection, specially crafted to help expectant mother safeguard their unborn child from 18 weeks of gestation.

Launched in February 2024, these innovative insurance products have received substantial industry recognitions for their rare and innovative features that address customer needs.

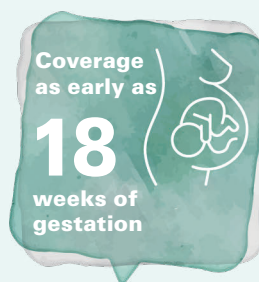
#### “FamCare 198” Critical Illness Protector

Most covered critical illness plan in the market\*

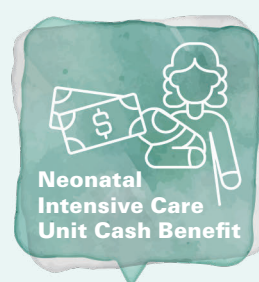


#### “FamCare 198” Critical Illness Protector — Pregnancy Baby Protection

Earliest-in-market\*



Market First\*



Market First\*



\* Most covered in market”, “Earliest-in-market”, and “Market First” are the results of comparing same type of major critical illness protection products of the life insurance market in Hong Kong. Under the SEN Care Benefit, attending a special school for at least 1 academic year due to Special Educational Needs Conditions is Market First. All results are compared as of 26 February 2024.

At CTF Life, we believe in creating products that not only protect but also empower our clients. The “FamCare 198” series is designed to provide comprehensive coverage and peace of mind, allowing families to focus on recovery and well-being without the added stress of financial strain. By offering extensive coverage for up to 198 illnesses and pioneering benefits like SEN Care, we ensure that our clients receive the best possible support during challenging times.

The “FamCare 198” Critical Illness Protector — Pregnancy Baby Protection is a testament to our commitment to maternal and child health. By insuring unborn children as early as 18 weeks of gestation and providing benefits like Neonatal Intensive Care Unit Cash Benefit and Waiver of Premium Benefit upon Maternal Death, we are setting new standards in prenatal care and support.

## NATURE-POSITIVE RESOURCES MANAGEMENT

NWS is committed to reducing our ecological footprint and preserving biodiversity. Our commitment to environmental stewardship is reflected in our policies and guidelines, which incorporated biodiversity considerations and sustainable practices inspired by the circular economy model.

### Minimizing Environmental Impacts

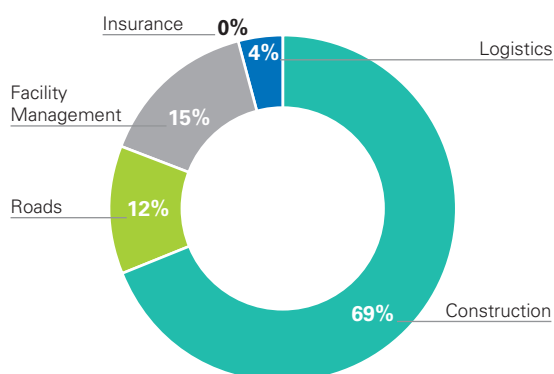
We establish internal policies to minimize habitat disruption and degradation and ensure compliance. We have ensured compliance with relevant laws and regulations that have a significant impact on NWS during the reporting year. As a sustainability pioneer, HML became the first organisation in Hong Kong to achieve the ISO 20121 Event Sustainability Management System certificate. Hip Hing's construction sites also adhere to stringent global standards, including the ISO 14001 Environmental Management System, to reduce nuisances from our projects across air, water and noise. Environmental Impact (or Life Cycle) Assessments are conducted by site project teams to ensure responsible practices.

Moreover, our commitment to sustainability extends beyond our direct operations as we recognize the indirect consequences of our activities. To this end, our ESG Due Diligence Guideline for Investment and Responsible Investment Standards prohibits business units from investing in ventures tied to animal test and power plants, underscoring our dedication to environmentally responsible decision-making.

### Reducing Our Water Footprint

Intensified by climate change, water scarcity is an increasing problem on every continent. The Greater Bay Area ("GBA"), one of the most economically developed regions in China, faces high water demand that outstrips supply due to its extensive socio-economic activities. To build resilience in managing this finite resource, we must develop an integrated and inclusive approach for a water-secure future. This year, we made significant strides in water conservation, achieving a 4% decrease in water intensity compared to last year. Hip Hing remains the largest contributor to water consumption of the Group, followed by roads business and HML.

## FY2024 WATER CONSUMPTION BY BUSINESS SEGMENTS



### Water Intensity

FY2024

**48.5 m<sup>3</sup> /HK\$ million<sup>14</sup>**

FY2023

**50.6 m<sup>3</sup> /HK\$ million**



<sup>14</sup> The FY2024 water intensity and consumption excluded consumption from Kai Tak Sports Park to align with the calculation methodology of baseline year, FY2023, and allow for meaningful comparison of data.

We consistently work to enhance water use efficiency and explore potential areas to reduce water consumption. Hip Hing implements on-site water replenishment and wastewater treatment systems at all project sites, enabling the reuse of treated water for various purposes, such as washing vehicles and cleaning floors. The Zhiyi West Lake Service Area at Hangzhou Ring Road was designed to feature a zero-discharge system, capable of treating and recycling 292,000 tonnes of wastewater annually, meeting stringent national quality standards.



Water recycling facilities in Service Area

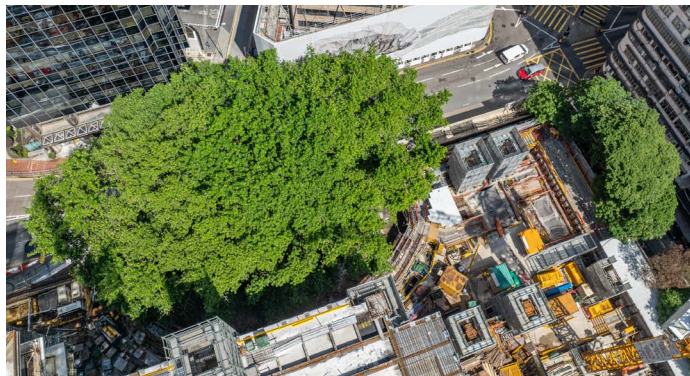
HML continued to enhance water efficiency of HKCEC's facility as part of the HKCEC 5-year Advancement Project. By installing more efficient water fixtures in the renovated guest restrooms, flushing system has also been optimized for high usage periods with flushing valves of lower water flow rate. In addition, the urinal flushing valves are recognized as Grade 1 Water Efficient by the Water Supplies Department, according to the Water Labelling Scheme ("WELS"). Employing the cleaning robots at HML reduces 80% of water usage for floor cleaning.



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

## THE VALUABLE INDIA-RUBBER TREE

In the heart of one construction project lies a true natural gem — an Old and Valuable Tree ("OVT"), a majestic India-rubber Tree. Standing tall at approximately 28 meters high, this magnificent tree has been carefully preserved through regular inspections by esteemed tree specialists and university professor.



To ensure its continued health and well-being, advanced real-time monitoring devices have been installed to track any changes in its condition. The construction site has also established a dedicated Tree Protection Zone, accessible only to authorized personnel. An artificial intelligence camera is placed to deter unauthorized access, safeguarding this precious tree from potential harm.






As an iconic landmark in Causeway Bay HKSAR, the OVT will remain an integral and treasured part. The tree's surroundings are meticulously maintained, with regular clearance of fallen leaves and targeted fertilization to promote optimal growth. By embracing innovative measures and traditional expertise, this valuable tree will continue to be one of the important elements that define our future landmark, a testament to our commitment to preserving natural beauty in harmony with modern architecture.



## MANAGING WASTE THROUGH A CIRCULAR ECONOMY

Waste has numerous environmental implications that can have far-reaching consequences for ecosystems and human health, such as air, water and land pollution, and loss of natural habitats. NWS recognizes the significance of sound waste management and strictly adheres to the pivotal principles of waste management hierarchy throughout our operations and value chain. We also strive to ingrain the concept of circular economy into our planning and strategy. HML has been recognized for its efforts in environmental protection through waste reduction and recycling in HKCEC and attained the Wastewi\$e certification of the Hong Kong Green Organization Certification ("HKGOC").

### Application of Waste Hierarchy in FY2024

Most preferred	Actions	Business Segments	Performance Highlights
	<b>PREVENTION</b> Reduce or eliminate waste generation at its source through efficient production processes 	HML	The commitment to "Think Before Plastic" is deeply rooted in HML's corporate ethos. All disposal plastic takeaway utensil has been replaced by eco-friendly wood or paper alternatives starting from May 2024.
	<b>REUSE</b> Reuse items or products to extend their lifespan 	HML	HML has replaced single-use plastics tableware items with the use of stainless-steel reusable meal boxes since August 2023. A total of 1,000 reusable meal boxes were purchased and more than 3,000 orders have been served with the tableware until the end of June 2024.
		Hip Hing	The Hip Hing Material Management App diverts surplus construction materials to project where they are needed, preventing the generation of 3 tonnes of waste in FY2024.
	<b>RECYCLE</b> Recycle involves the collection, sorting and processing of waste materials to produce new products or raw materials 	HML	HML has set an ambitious target in FY2023 to recycle 3,000 kg of wrapping plastic within three years and 16,318 kg has been recycled as at FY2024. This initiative aims to further curtail waste generation and minimize the environmental impact of organizing events.
		Roads	Sui-Yue Expressway introduced a smart canteen dining management system that allows on demand meal preparation to reduce unnecessary procurement of food ingredients, halving food waste generated. Food waste is also used as feed for poultry and livestock, achieving recycling of food waste.
Least preferred	<b>RECOVERY</b> Recovery of energy or other useful resources from waste 	HML	HML sends the food waste to the Organic Resource Recovery Centre Phase 1 ("O•PARK1") to convert food waste into biogas for electricity generation. In FY2024, resulted from the Green@HKCEC initiative promoting waste separation and recycling after the conclusion of the 7-day Hong Kong Book Fair, HML has collected almost 2,300 kg of food waste and delivered to O-PARK1.
	<b>DISPOSAL</b> Disposal of waste to landfill 	All business segments	Only dispose what waste remains after prevention, reuse, recycle and recovery.

## REUSE RATE OF CONSTRUCTION & DEMOLITION MATERIALS

FY2024

90%

FY2023

93%



# Grow as One

Our employees are the cornerstone of our achievements, embodying the essence of our company. We are committed to fostering an inclusive, diverse, and supportive organizational culture that provides equal opportunities for everyone, regardless of their background. Our approach is centered on our people and extends to supporting their families as well. We place a strong emphasis on employee well-being, health and safety, and we are dedicated to upskilling our workforce as we evolve and grow. To cultivate a strong talent pipeline, we proactively engage with young talents both within and outside our organization, offering them pathways to grow and thrive with us.

Our unwavering commitment to cultivating a positive workplace culture has been recognized and appreciated by the market.

JobMarket	<ul style="list-style-type: none"> <li>• The Employer of Choice (for the 7th consecutive year)</li> <li>• Corporate Social Responsibility Award</li> <li>• ESG HR Strategy Award</li> </ul>
CTgoodjobs	<ul style="list-style-type: none"> <li>• Grand — Best Family Employment Policy Award</li> <li>• Gold — Best ESG (Environmental, Social and Governance) Award</li> <li>• Gold — Best Corporate Social Responsibility Award</li> </ul>
Human Resources Online	<ul style="list-style-type: none"> <li>• Gold — Excellence in ESG Strategy</li> <li>• Bronze — Excellence in Employee Engagement</li> </ul>



## Enhanced Family-friendly Policies

We are committed to fostering a supportive workplace with our enhanced family-friendly policies for our corporate office. Our Extended Health Package includes comprehensive medical coverage for dependents, spouses, and children, inclusive of legal same-sex marriages. The Wellness Dollar program allows employees and their families to use funds for wellness expenses like wellness devices, apparels and sports equipment, health supplements, and recreation and fitness classes. We also offer medical benefits for employees' non-working parents and allow the conversion of unused non-statutory annual leave into wellness or medical benefits.

For family care, we provide Family Care Leave for planned or unexpected situations without documentation proof. Our Flexible Working Hours Schedule lets employees start their day between 8:30 am and 9:30 am and finish between 5:30 pm and 6:30 pm, accommodating various family needs. These initiatives highlight our dedication to the well-being of our employees and their families.



## DYNAMIC CULTURE FOR OUR PEOPLE

NWS believes “Happy Family, Happy Employee” is essential to driving business success. Our approach is centered on our people and extends to supporting their families as well. At NWS, we prioritize the well-being of our people. These initiatives include celebrating World Mental Health Day, hosting health talk sessions delivered by medical experts and nutritionists, organizing green lunch events and providing health check-ups.

### Summer Fun

Every summer, our group corporate office launches the Summer Program with a series of summer activities to engage employees and their families. This programme reminds employees to care for their physical and mental health while providing opportunities to strengthen team bonds and enjoy quality time with loved ones.

#### Family-friendly Activities

##### Bring Your Kids to Work Day

The NWS headquarters transformed into a wonderland of fun and creativity. The event featured office tour, mini games, and DIY workshops.



##### Bowling Night

Employees and their families enjoyed a fun night at the bowling alley.



#### Wellness Events

##### Summer Yoga Class

From July to September, weekly yoga classes led by an experienced teacher enhanced employees' awareness, strength, and harmony, reducing stress and improving physical coordination.

##### Singing Bowl Workshop

Through sound and meditation, employees relaxed, reduced stress, found peace of mind, restored energy, and improved sleep quality.

##### Wellness Day

NWS corporate office organized Wellness Day with a health talk on posture and stretching exercises, plus health check-ups to help employees gain insights into their physical wellness.





## Cultivating a Culture of Diversity, Equity and Inclusion (“DEI”)

At NWS, we strive to create a sense of belonging in our workplace, welcoming diverse perspectives. We believe that an environment supporting diversity, equity, and inclusion is fundamental to our success. We are committed to upholding the rights of our workforce and fostering a respectful and inclusive workplace, fostering equal opportunities and ensuring that every employee is treated with dignity, fairness, and respect, regardless of age, gender, ethnicity, or any other aspect of diversity. Our Human Rights Policy practices aligns with the United Nations Global Compact (“UNGC”) principles and is available on our corporate website. We strictly comply with laws against illegal labor and human trafficking in all jurisdictions of operation, with no instances of non-compliance during the reporting period. Employment-related personal data is managed in accordance with the provisions of the Personal Data (Privacy) Ordinance (Cap. 486, Laws of Hong Kong), ensuring confidentiality, integrity, and availability.

Our Employee Handbook includes a structure grievance process, and we respect each staff member’s interest and rights to form or join associations of their choosing. We communicate our expectations to stakeholders through educational campaigns, training initiatives, and engagement events. The relevant policies will be reviewed periodically and endorsed by the ESG Committee.

## Enabling Diverse Workforce for Meaningful Contributions

NWS is dedicated to interweaving diversity across sectors which we operate, continually its efforts in fostering an inclusive and supportive environment for different groups of individuals. Diversity encompasses a wide range of human differences, including race, ethnicities, religions, abilities, genders, and sexual orientations. We aim to embrace all employees and enable them to make meaningful contributions. DEI is an ongoing journey for creating changes. We proactively integrating DEI into our operating process and workflow, offering more discussions on various unconscious bias, and actively listening to the needs from our colleagues.

As a signatory of the Racial Diversity and Inclusion Charter for Employers, we operate our business by ensuring meritocratic employee recruitment, training, compensation and promotion processes, and other working conditions. We provide training on the identification and counteracting of unconscious bias during the recruitment process to our hiring managers, such that evaluations of candidates are kept impartial and equitable. Candidates are assessed solely on their academic qualifications, technical knowledge, and competency level, which are essential for the applied job. The remuneration for qualified candidates is in line with the current market level.

### Integrating Fairness and Consistency in the Hiring Process at HML

HML is dedicated to fostering an inclusive and equitable recruitment process. Recognizing the importance of a standardized and positive interview experience, HML organized a half-day workshop titled “Competence-based Interviewing Skills for Hiring Managers.” This initiative aimed to enhance the skills of departmental hiring managers by introducing competence-based questions, standardizing recruitment workflows, and providing guidelines for frequently asked questions and rating criteria. The workshop also offered practical tips for comparing and identifying suitable candidates. By equipping 23 hiring managers with these tools, HML ensures a systematic, fair, and inclusive approach to candidate assessment, reinforcing their commitment to diversity and equity in hiring practices.



### Embracing Uniqueness for Inclusive Workplace

On International Women's Day, we do not only celebrate women's achievements, and raise awareness about women's equality by hosting a charity bazaar at our corporate office, featuring products created by talented local women. Every purchase made at the event supported the employment of local women, and arranged a fire-side chat on diversity and inclusivity from an Ethnic Minorities perspective. We have invited ethnic minority speakers from Christian Action. They shed light on the challenges faced by ethnic minorities in the workplace and employment. By understanding their culture, we gain new insights into creating a more inclusive workplace for people from diverse backgrounds.



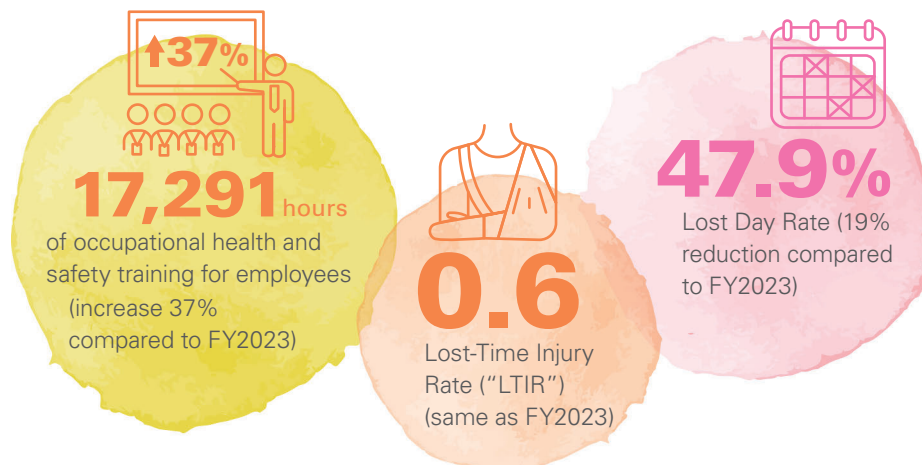
### Amplifying Employees Voices

At NWS, we ensure the voices of all employees are heard and valued by encouraging open and two-way communications in the workplace. Beyond collecting feedback through employees' surveys, townhall meetings, we have harnessed digital platforms to facilitate efficient communication. Both the Corporate Office and CTF Life adopt the use of "8alance", a mobile application for staff engagement that features employee recognition, activities, and campaigns. Similarly, in Hip Hing, the "HH Connect" serves a key platform to communicate with staff across the Group.

## EMPLOYEE HEALTH AND SAFETY

Employee health and safety are paramount at NWS, extending beyond regulatory. Our Occupational Safety and Health ("OSH") management system spans diverse business units, proactively addressing potential workplace disruptions and crises. We integrate health and safety risks into ERM to leverage emerging technologies, mitigating work-related accidents and illnesses.

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



## OUR OSH APPROACH

### OSH System and Policy



Our business units have established a robust hierarchy of control under our “Health and Safety Policy” to effectively address workplace hazard identification, assessment, and incident investigation. The overarching objective is to proactively eliminate hazards across our operations.

Hip Hing’s OSH system has achieved ISO 45001 certification. This certification underscores our adherence to international standards and our compliance with the Code of Practice of Factories & Industrial Undertakings (Safety Management Systems) Regulations.

### Hazard Identification and Risk Assessment



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

### Hazard Prevention and Control



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

### Education and Training



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

#### HML

- Held Organiser and Contractor Coordination Meetings in September 2023 and April 2024 to discuss safety and security issues
- Arranged two “7.5-hour Mandatory Basic Safety Training” classes in October 2023 and April 2024 for 32 staff
- Organized two “30-hour Adult First Aid Certificate Courses” in January and April 2024 for 22 staff members.

### Performance Monitoring and Continuously Improvement



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

Following an independent safety assessment, Hunan NWS Expressway was awarded the Standardization of Safety Operation for Transportation Companies (Grade 2) Certification in September 2023, acknowledging their implementation of high safety management standards.



## Hip Hing's Safety Measures for Extreme Weather Conditions

Safety in the workplace is paramount, especially in the face of extreme weather conditions exacerbated by climate change. Therefore, Hip Hing has implemented multiple safety initiatives to address the challenges posed by very hot days.

### Extreme Weather Monitoring

Hip Hing has installed weather monitoring devices on construction sites. The devices continuously monitor temperature, humidity, wind speed, wind direction, and air quality. By closely observing these factors, Hip Hing can assess the risk of heat stress and develop appropriate preventive measures.



### Preventive Measures and Controls

#### Risk Assessment:

Each construction site will conduct a heat stress assessment, using the results to schedule rest times for workers, tailored to specific needs of each site.

#### Rest Time Arrangement:

- Designated shaded rest areas
- Regular break time, and additional breaks as needed
- Adequate hydration facilities



#### Communicate on weather information:

Staying informed about weather conditions is crucial. Hip Hing closely monitors weather warnings issued by relevant authorities, such as the Observatory and the Labor Department. Heat warnings are prominently displayed at visible locations on construction sites, ensuring that workers are aware of the recommended rest requirements. Additionally, the "HH Connect" mobile application uses pop-up notification function to provide real-time reminders of heat warning messages and updates to frontline workers.



### Wellbeing and Care

In addition to preventive measures, Hip Hing offers workers with essential learning session and equipment to protect them from heat stress.



- **Heat-related illness prevention seminars:** Educating workers on recognizing symptoms and taking necessary precautions.
- **Regular Distribution of fruits:** Promoting hydration and providing essential nutrients
- **Protective Gear Supply:** Offering sun sleeves and helmets with sunshades



## Ergonomic and Robotic Solutions

To minimize muscle strain and injuries during manual handling, Hip Hing has implemented innovative solutions that combine ergonomic principles and robotics. They have invested in an ergonomic all-terrain vehicle with easily accessible controls to enhance worker comfort and safety during heavy load transportation, significantly reducing the risk of musculoskeletal injuries. Additionally, the vehicle is equipped with robotics that optimize load distribution and ensure stability, maximizing efficiency in transporting heavy loads.

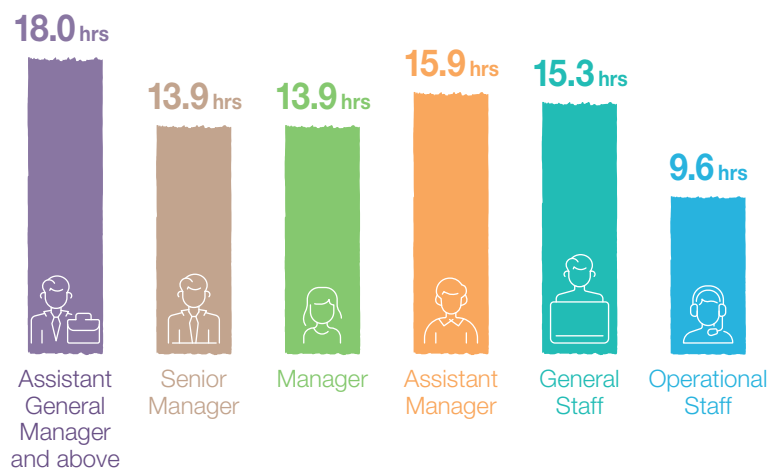


## NURTURING OUR TALENTS FOR THE FUTURE

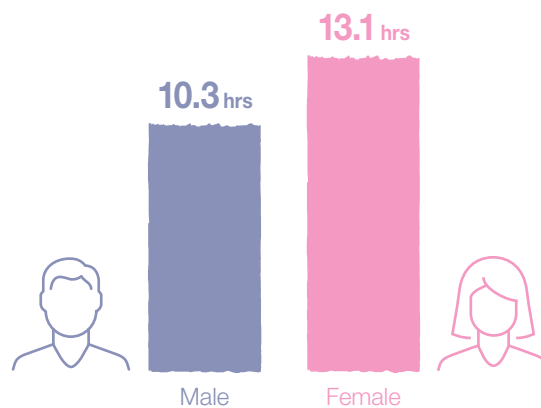
Given the rapid changes in society and evolving social dynamics, our employees must be adaptable and forward-thinking. We equip our workforce with the knowledge and skill relevant to their respective roles, enabling them to excel in their daily tasks and prepare for future challenges. By conducting training needs surveys, we have continued to offer practical support, helping our colleagues build their capabilities and advance their careers.

### Training and Development

Average Training Hours Per Employee by Category



Average Training Hours Per Employee by Gender








### Training Hours by Training Topics



### Our Training and Development Focuses

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

## Evolve Conference 2023

Evolve Conference, an annual group-wide conference, is a vibrant hub of inspiration, learning and collaboration. Under the theme “Climate Transition: Collaboration for Success,” sparked an inspiring exchange of ideas and solutions to drive sustainable progress.

With over 150+ participants joining online and 170+ participants attending the conference in person, the conference brought together colleagues from different business units. Throughout the event, participants explored innovative approaches, engaged in constructive discussions about the challenges and opportunities of sustainable transition, and shared knowledge, experiences, and best practices.

This collective effort has reinforced our commitment to sustainability and demonstrated our strategic initiative to build internal capacity for sustainable growth, creating value for both our company and the broader community.



## TALENT ATTRACTION AND RETENTION

Building a strong workforce is essential for the sustained success and growth of our business. It involves strategic initiatives focused on attracting, developing, and retaining top talent. By maintaining this dual focus, we ensure that our workforce remains dynamic, skilled and prepared to meet future challenges. This comprehensive approach not only supports our current operations but also positions us for continued innovation and excellence in the years to come.

### Supporting People Development at Hip Hing



Hip Hing highly encourages and supports their staff to participate in external competitions, including Construction Industry Outstanding Apprentice Award, Construction Industry Outstanding Young Person Award, HKIC Outstanding Alumni Award, Young Lu Pan, Most Improved Trainee Awards of YETP, VTC Outstanding Apprentice Award. Apart from participating through taking the self-initiative, Hip Hing will invite nominations of individuals with high performance from various departments to join the competitions.

Hip Hing will provide additional trainings to the participants on interview as well as presentation skills, so as to build up their confidence. On one hand, staff who participated in those external competitions can benefit from building a network and receiving recognition within the construction industry. On the other hand, Hip Hing can demonstrate their dedication to become a supportive company which cares for the development of staff. For those staff who won prizes in external competitions, the company will even grant cash award and paid leave for them to join exchange tours overseas.



## Career Development in Hip Hing



Clear career progression paths are key to attracting and retaining high-potential talent. Hip Hing launched the Project Manager Development Programme and Site Agent Development Programme to identify, nurture and expedite the growth of future leaders. Ambitious employees seeking advancement opportunities were encouraged to apply for these programmes. After a thorough screening and interview process conducted by the senior management members, the chosen candidates participated in a variety of capacity-building initiatives, such as on-the-job trainings, internal coaching sessions and action learning projects. These initiatives were designed to equip and prepare candidates for more challenging roles with projects and on-site positions and ensure a steady pipeline of talent within the company.

## Strategic Talent Identification and Development at HML

HML embarked on its talent identification and development journey in 2024. To kick off this initiative, a half-day workshop titled “Annual Management Development Programme — Succession Planning and Talent Identification” was conducted by an experienced external consultant. This workshop aimed to share concepts and strategies related to the talent identification process, talent engagement, and talent development, and was attended by 39 management staff.

In September 2023, two half-day workshops titled “From Great to Excellent: Be an A+ Event Star” were facilitated by the renowned entertainer and emcee, Astrid Chan. These workshops aimed to enhance the professionalism of young talents who had recently joined the MICE and Venue Management industry. The sessions covered a wide range of topics, including personal branding and customer service skills for handling difficult people. A total of 25 participants from event-related departments attended these workshops, polishing their skills from great to excellent.



## Empowering Employee Growth at HML

HML is committed to encouraging employees to develop their capabilities to the fullest and upgrade their skills to enhance job performance. In FY2024, 51 applicants reimbursed their Further Education Sponsorship. To further advance industrial knowledge and gain insights into market trends, one experienced manager was nominated and sponsored to attend the internationally recognised Venue Management School in Australia. This overseas training program provides valuable opportunities for professional growth and industry leadership.



## Attracting Young Talents in The Greater Bay Area

In FY2024, Hip Hing has proactively engaged with academic institutions and industry organizations to connect with emerging talents. By building strong relationships with these entities, we aim to attract bright, young professionals who can contribute fresh perspectives and innovative ideas to our organization.

- **Expanding Our Reach Beyond Hong Kong**

Hip Hing has extended its talent acquisition efforts to the Greater Bay Area. In 2023, we participated in two job fairs at universities in Shenzhen and Guangzhou, organized by the Development Bureau. These events resulted in over 20 new joiners to the construction industry and established strong connections with mainland China universities.



- **Hands-On Learning Opportunities**

In the same year, Hip Hing arranged for students from South China University of Technology to visit one of our Hong Kong projects. This site visit aimed to enhance students' understanding of real construction practices, site operations, construction technology, and the importance of site safety and sustainability measures. South China University of Technology also invited Hip Hing to hold a recruitment seminar for its students.



- **Youth Exchange Programmes**

Hip Hing participated in the Greater Bay Area Construction Industry Youth Exchange Programme organized by the Hong Kong Institute of Construction. This programme enabled numerous university and secondary students to understand the development trends of the construction industry in Hong Kong and the Greater Bay Area, reinforcing their aspirations to pursue careers in the construction industry.



# Create Shared Value

As we navigate our path towards achieving sustainable business growth and addressing the emerging risks, such as natural resource crises, the involvement of our community and business partners is indispensable. We aim to promote economic growth and societal advancement without compromising our competitiveness in the market. This requires us to closely collaborate with our partners along the value chain and continue our efforts in building an inclusive community.

## COLLABORATING WITH PARTNERS ALONG OUR VALUE CHAIN



We are dedicated to sourcing and creating products and services that are both environmentally and socially sustainable. We recognize that the global environmental risks, such as extreme weather events, pandemic-induced lockdowns and geopolitical tensions and cyberattacks, can cause supply chain disruptions, including price fluctuations, raw material shortages and delay of delivery. Therefore, we work diligently with our value chain partners through regular communication and close monitoring to ensure a resilient supply chain is maintained.

We remain steadfast in upholding environmental and social standards for our own and value chain partners' operations. Our unrelenting effort is reflected as we are recognized as a "Sustainable Consumption Enterprise" by the Business Environmental Council in Hong Kong since 2017.

Our Supplier Code of Conduct clearly outlines our expectations for the sustainable and responsible operations of our suppliers. Through regular audits and assessments, we carefully monitor and evaluate the performance of suppliers to ensure compliance, as well as continuous improvement. Supply chain partners who are identified with ESG risks are encouraged to take timely risk mitigation measures. Otherwise, the collaboration may be suspended. We will continue to leverage our influence to support and promote the adoption of sustainable practices across our value chain.

### Procurement Risk Management

Our Supply Chain Management Guide stipulates that integration of ESG requirements along supplier engagement process is mandatory. This includes the identification of sustainability risks associated with procured products and services. Our Risk Register serves as an integral tool for keeping track of the potential procurement risks identified and their respective mitigation approach. Besides, the tool is consistently reviewed to align with latest sustainability trends and information relevant to risk responses, like cost, quality, and availability of solutions. This approach is critical to enabling the swift response from relevant departments to address or better mitigate procurement risks. It also supports our informed decision-making and facilitates efficient resource management. Each Business Unit has their own procurement policy and workflow tailored to address the specific needs of their sector.

### Offering Sustainable Choices for Our Customers

Recognizing the rising demand for sustainable products and services from stakeholders, especially our customers, we integrate environmental, social, and governance factors into our procurement and decision-making processes. Our Sustainable Procurement Guide outlines our commitment and approach to minimize environmental impact and promote local, responsible, and ethical sourcing.

Therefore, our procurement teams have been minimizing the procurement of products which are single-use or overpackaged. Instead, we actively explore the use of green-labelled products and eco-friendly materials. We also seek sourcing options from diverse suppliers that support local economies and vulnerable communities. Our supply chain partners are also encouraged to align their practices with our Sustainable Procurement Guide where practicable.

### Offering Sustainable Foodservice Products at HML



Following the ban on single-use plastics tableware items, HML sought to find different environmentally friendly alternatives. All takeaway utensil changed to paper and wooden material starting from 15 May 2024. Rounds of testing were conducted in order to select the best supplies which could withstand and keep the temperature of the food, while maintaining the food quality.

Additionally, in August 2023, HML purchased 1,000 stainless-steel reusable meal boxes and encouraged clients such as exhibitors, organizers, crew members and production house staff to utilize them. The initiative has been well received and more than 3,000 orders were served with the reusable meal boxes.

### Business Partners

Our senior management at NWS exemplifies thought leadership in supporting sectors for sustainability transition. They actively participate in industry associations, sharing insights and best practices that drive forward our ESG agenda. Additionally, they formulate strategic partnerships with key sector players, fostering collaboration and innovation. Through these efforts, our leadership not only champions our internal sustainability initiatives but also contributes significantly to the broader industry's progress towards a more sustainable future. For further information of our trade association membership, please refer to the section "Memberships and Affiliations".

## LEADERSHIP IN SUPPORTING SECTORS' SUSTAINABILITY TRANSITION

### **Gilbert Ho** **Executive Director and Group** **Co-CEO, NWS Holdings Limited**

As the Vice Chairman of the China Committee of Hong Kong General Chamber of Commerce and the Vice Chairperson of the Chamber of Hong Kong Listed Companies, Gilbert is dedicated to supporting sustainable development of enterprises in Hong Kong. This includes an emphasis on enhancing economic relations and promoting good corporate governance, and integrating ESG principles.

### **Ellick Tsui** **Deputy CEO and CFO, CTF Life**

Ellick has been elected as the Deputy Chairman of the Hong Kong Federation of Insurers ("HKFI") for the term 2024/25. In his role as Deputy Chairman, he applies his extensive knowledge and experience to support HKFI in driving industry-wide advancements and strengthening the sector's contribution on the advancement of legislation of Hong Kong Risk-Based Capital ("HKRBC") regime and the development of green insurance.

### **Monica Lee-Müller** **Managing Director, HML**

Monica is an active facilitator of the global exhibition industry. She was the Vice-President of UFI – The Global Association of the Exhibition Industry for 2023-2026 and has served as Board Member since 2008. She is also an Executive Committee member of Hong Kong Exhibition & Convention Industry Association ("HKECIA").

## INTRODUCING GREEN TECHNOLOGIES THROUGH STRATEGIC PARTNERSHIP

In FY2024, NWS supported the first Hong Kong Green Tech Challenge – Green Building Edition ("the Challenge"), organized by Carbonless Asia and the Hong Kong Science and Technology Parks Corporation. As a corporate partner of the Challenge, we identified and provided a unique opportunity in our building and construction portfolio for the adoption and deployment of green technologies. The opportunity was open to green tech ventures around the globe which seek tangible business opportunities in Hong Kong. This collaborative program has driven innovative decarbonization action in the real estate and construction sector by facilitating the introduction of green technologies into the region.

## Supporting Industries' Low-carbon Transition Through Partnership

In collaboration with Business Environment Council, NWS unveiled its first Corporate Climate Action Research Reports for four sectors, namely Insurance, Logistics, Construction and Meeting, Incentives, Conferences, and Exhibitions ("MICE") and Event Management. The reports provided insights into the latest developments in climate action across various industries in Hong Kong. Key actions that facilitate the formulation of effective transformation strategies, resource allocation, and the enhancement of resilience against potential risks were also identified. The partnership had served as a platform for various industries to share their experiences and shed light on the challenges and opportunities brought by climate transformation in different industry, paving the way for a net-zero future.



➤ Access to the reports

## Local Communities

NWS is dedicated to continuing our efforts in community engagement and provide support to local social enterprises. We have collaborated with industry associations and educational institutions to create valuable learning opportunities for youthful talents in the community.

### Hip Hing Partnership with Industry Associations and Educational Institutions



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

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

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



## Our Customers

As a responsible insurer, CTF Life embraces a family-centric approach that values enduring customer relationships, specifically for the Caring Parent and Goal Achiever. The expansive product portfolio caters to individuals spanning all life stages, from children to adults, families, and retirement.

In a bid to co-create value with customers, CTF Life has partnered with New World CLUB and launched four complimentary programmes, namely GROWealth, PowerUp, EDUtainment and FAMmunity, for their members. The programmes aim to empower members and their families to thrive in the aspects of wealth management, health and wellness, education, and quality of life, as well as ensuring they can live life to the fullest with their loved ones. During the reporting period, a strategic alliance has been established to bring even more quality activities and experience to customers and their families.



## FOSTERING AN INCLUSIVE COMMUNITY

NWS strives to nurture a sustainable and inclusive community by closely collaborating with our business units and building deeper ties with local communities. Leveraging our resources and network, the NWS Holdings Charities Foundation Committee ("The Foundation") leads our community impact investment which focus on three key areas: "Empower for Change", "Build for Support", and "Drive for the Future". We aim to partner with charity partners to drive positive changes, fostering a sustainable and inclusive community for all.

In FY2024, we introduced a Charitable Giving Policy that outlines the guidelines for charitable contributions made by the Group and all business units. A mandatory Due Diligence Checklist ensures that all charitable donations contribute to organizations which comply with the Group's Anti-Fraud and Counter-Corruption Policy and adhere to all applicable rules and regulations, and align with the values and objectives of the Foundation.

### Members List of the Foundation

<b>Gilbert HO, Executive Director and Group Co-CEO, NWS</b>	Chairman
<b>Jim LAM, Executive Director and Group CFO, NWS</b>	Member
<b>Peter TANG, Company Secretary and Head of Legal, NWS</b>	Member
<b>Albert WONG, INED, NWS</b>	Member



## NWS HOLDINGS CHARITIES FOUNDATION

Established in November 2006, and registered charitable foundation (registered number w.e.f. 18.11.2006) under section 88 of the Inland Revenue ordinance, the Foundation aims to cultivate a connected community for collective success and well-being.



## NWS VOLUNTEER ALLIANCE

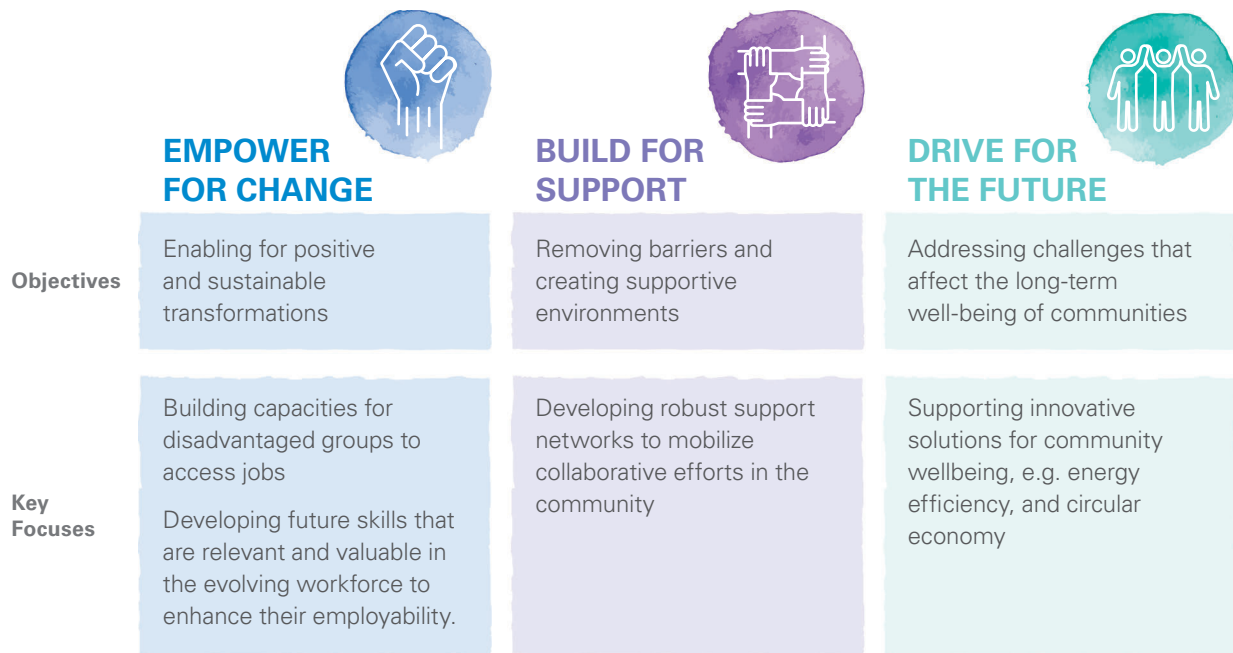
Founded in 2001, the Alliance has a vision to “serve society with what we know, what we have and what our heart has told us”. The Alliance actively participates in a wide range of volunteer and charitable activities, extending its caring and compassionate services to diverse communities.

Our unwavering commitment to giving back to society through social innovation projects with our volunteers and NWS Group has been recognized as Caring Company for 22 consecutive years by the Hong Kong Council of Social Service. Our members' companies, including CTF Life, Hip Hing, Vibro, HML, Free Duty and Urban Parking have also been awarded for 15 or 20 years plus caring company logo.

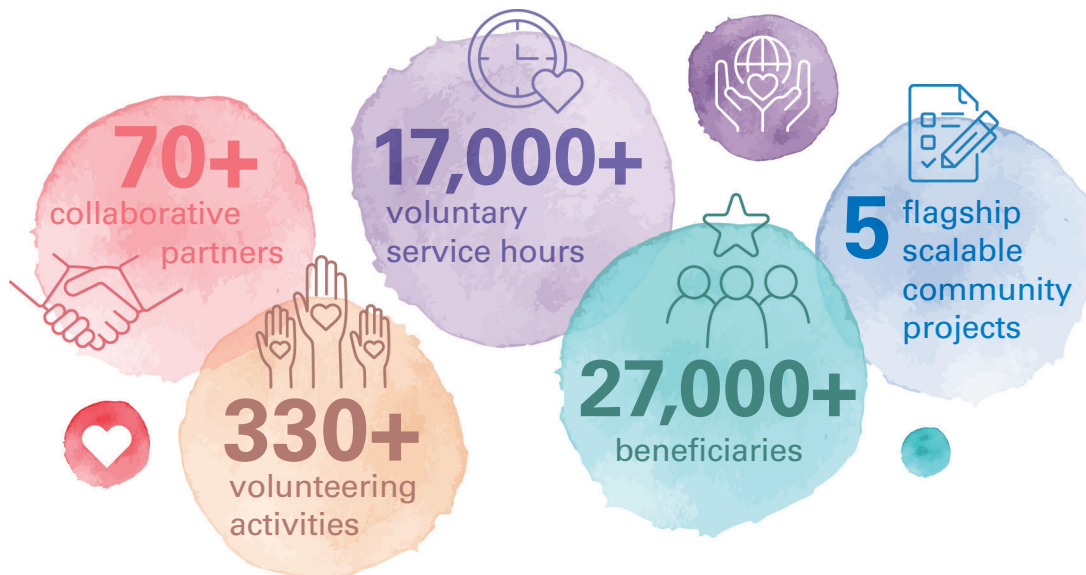
Additionally, the NWS Group and Hip Hing-Vibro Volunteer Team received the Gold Award for Corporate (Hours of Service Award) and the Bronze Award for Corporate (Hours of Service Award) in Hong Kong Volunteer Award 2023, respectively. The award, co-organized by the Home and Youth Affairs Bureau and the Agency for Volunteer Service, recognize their dedication to volunteer services during the year.



## Our Key Focuses



## Overview of Our Social Impacts in FY2024



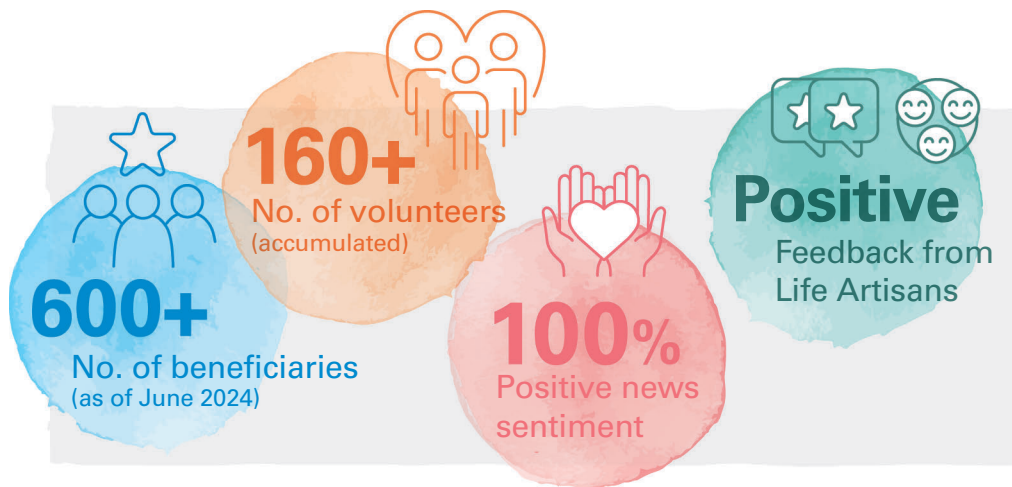
## Empower for Change

We focus on building capacities for disadvantaged groups, ensuring they have access to job opportunities. By developing future skills that are relevant and valuable in the evolving workforce, we aim to enhance their employability and empower them to thrive in a dynamic job market. Through these efforts, we are committed to fostering an inclusive environment where everyone has the chance to succeed and contribute to the community's overall well-being.

## Nurturing the Next Generation Through Seeds for Future Programme

CTF Life believes that next generation is our foundation for the future. Partnering with The WEMP Foundation ("WEMP") and Kai Tak Sports Initiative ("KTSI"), CTF Life aims to foster the holistic physical and mental development of children, promote positive family education, and strengthen parent-child relationships through a series of PowerUp activities to offer quality experiences to families that enable them to enhance family wellbeing.

As part of the "Seeds for Future" programme, CTF Life sponsors the "Daily Emotion Intake" campus tour by WEMP. Over 160 trained CTF Life volunteers visit ten primary schools across Hong Kong to assist students in recognizing, embracing and sharing their different emotions through engaging card game.

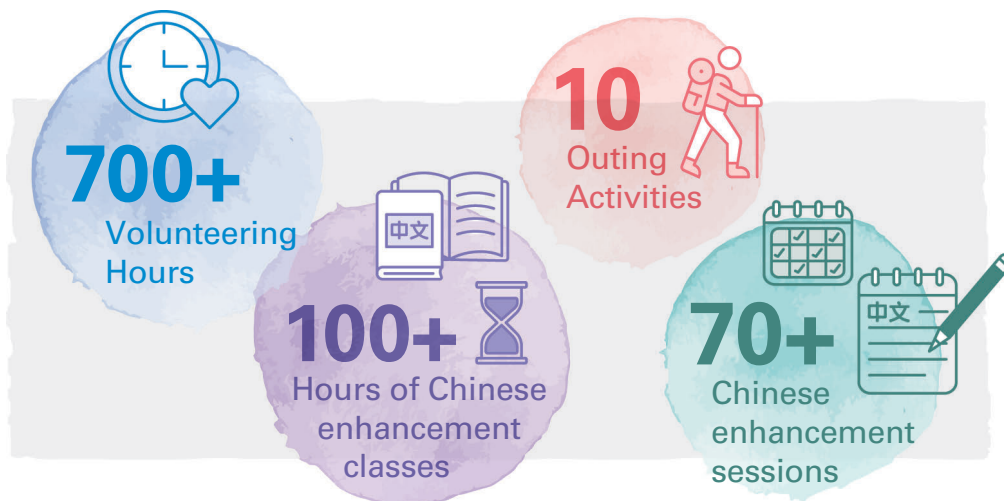




## Read-to-learn Chinese for Ethnic Minority — Primary Level (Phase I & II)

Since 2022, NWS and Christian Action have collaborated to provide regular Chinese enrichment classes and activities for underprivileged Ethnic Minority (“EM”) children in Hong Kong. This initiative aims to ignite their passion for learning and improve their proficiency in Chinese and Cantonese for everyday use.

We believe that strengthening Chinese language abilities must start from a young age. By focusing on early language development, we aim to enhance their proficiency, which is crucial for better integration into school life and the broader community. Proficient Chinese language skills facilitate the integration of EM children into school life, enhance their comprehension of teaching materials, and foster greater community engagement for their families.



\* The impact numbers for Phase I and Phase II of the Programme

“Schools primarily teach in Cantonese and Mandarin, making it difficult for Ethnic Minority (EM) children to fully grasp the teaching content. Additionally, these children often face the challenge of learning four to five languages simultaneously, which can hinder their ability to absorb information effectively. With the introduction of additional resources, we can now provide more targeted assistance to help them learn and use Chinese. This focused support significantly benefits their language development and overall integration into the school environment”.

— **Muhammad Haroon Ishaq**

*Project In Charge, Christian Action*

“This Chinese class equipped me with an extensive Cantonese vocabulary that I can use in my daily life. The tutor’s method of teaching us Chinese through quizzes was the best one and made it fun to learn”

— **Aslam**

“This class significantly boosted my self-confidence in using Cantonese, as I have learnt more Cantonese spoken word rather than just formal ones.”

— **Summar**



## Build for Support

By developing robust support networks, we aim to mobilize collaborative efforts that bring together various stakeholders. These networks provide essential resources, mentorship, and opportunities, ensuring that individuals facing challenges receive the support they need. Through these collective efforts, we foster a sense of unity and resilience, empowering community members to overcome obstacles and thrive.

### Upcycling for New Life Initiative — Phase I & II

Discarded wooden pallet is one of the key wastes in the logistic sector. In order to address the waste problem, this pilot project explores the potential of upgrading and recycling discarded wooden pallets from the ATL Logistics Centre, transforming them into functional furniture items such as shelves, bar counters, and bench. These upcycled creations are placed in the transitional housing project 'To-Gather' @ Sam Shing in Tuen Mun, enhancing shared spaces and fostering community engagement. This initiative not only reduces waste, but also strengthens community bonds, earning the Hong Kong Volunteer Award 2023 for Outstanding Collaboration Project, co-organized by the Home and Youth Affairs Bureau and the Agency for Volunteer Service.

We have extended our efforts to the 'Yap Ting Terraced Home' Transitional Housing Project in Tseung Kwan O in FY2024. By producing upcycled recreational facilities, we aim to create a friendly living environment and help tenants build social networks with their neighbors. This strategic approach not only addresses environmental sustainability, but also promotes social cohesion and community well-being.





## Drive for the Future

We support innovative solutions in dedication to tackling challenges that impact the long-term wellbeing of communities, aiming to foster sustainable development and enhance community resilience. Our initiatives focus on creating a healthier, more sustainable environment, ensuring that future generations can thrive in a world that values and protects its resources.

## Revamp of NWS “EXP” Journey

Since its inception in 2020, the NWS “EXP” Journey has been a signature programme designed to build on three strategic themes: Exploring, Experience, and Experimentation. This programme empowers students to go beyond the classroom and discover their passions.

In FY2024, we are excited to announce a comprehensive revamp of the programme to deepen these themes, forming an inclusive foundation aimed at:



<b>EXPloration</b>	Delve into new topics and ideas	Students will explore emerging fields, such as artificial intelligence, sustainable development, and social entrepreneurship through seminars, webinars, and interactive sessions.
<b>EXPerience</b>	Apply knowledge in real-world situation	Real-world applications will include internships, community service projects, and industry partnerships where students can apply their learning in practical settings.
<b>EXPeriment</b>	Foster innovation and problem-solving skills	Innovation will be fostered through collaborative projects, innovation challenges, and access to makerspaces where students can prototype and test their ideas.



The NWS Volunteering Alliance is dedicated to making a positive impact on the wider community. This initiative extends beyond our staff and their families, welcoming affiliates of NWS to join us as volunteers. Together, we support various social causes and work towards creating a better, more inclusive society.

## CARING FOR THE COMMUNITY WITH NWS VOLUNTEERING ALLIANCE

### NWS GROUP



#### Birthday Delights for Elderly

Delighted around 430 elderly service users with birthday surprises, such as party celebrations and home visits



#### Learn-to-Save Ocean Education Scheme

Recruited 31 HSUHK students as sustainability leaders to organize different environmental education activities, engaging around 300 local students and public through the project's educational initiatives.



#### Encourage care takers to explore quiet time for themselves

NWS Holdings allocated part of the volunteer hours matching donation to RMHC to hire visually impaired masseurs to provide massage services to parents of sick children at Kwun Tong House, volunteers play with the children, allowing parents to relax and enjoy some personal time.



#### Activities for elderly and their care takers in the Community

Organized a variety of activities and workshops to inspire elderly, their caregivers, and the public to participate in exercise at home. In FY2024, more than 90 exercise workshops were arranged in elderly center and community center.

### HIP HING

#### Home repairs and improvements

Carried out household repairs and home improvement works, such as installing new energy-efficient light fittings, shelves, and hangers, for elderly citizens households.



#### Invite elderly to Cantonese Opera Show

Hosted the annual Cantonese Opera Show in collaboration with the Hong Kong Young Women's Christian Association to promote local cultural heritage while encouraging elderly to engage and connect with peers in within the community.

### HML



#### Spring Gatherings for elderly

Held a charity lunch to welcome around 350 elderly, featuring booth and stage games and handwritten Fai Chun (Chinese calligraphy writing) and goodie bags. HML chefs prepared a special Chinese New Year banquet for an early celebration.



#### Activities for children and their care takers from Little Life Warriors Society

HML arranged roll cake making workshop and National Day firework show dinner buffet for the children and their caretakers in 2024.

### CTF Life



#### Title sponsor of Family Challenge of "100KM Treadmill Charity Challenge"

To encourage family bonding and strengthen family bonds, CTF Life sponsored Kai Tak Sports Initiative (KTSI) to organize Family Challenge during "100KM Treadmill Charity Challenge" on 22 June.

### Free Duty



#### Christmas Party for underprivileged children

Free Duty has collaborated with Hans Anderson Club since 2001 to organize Christmas Party for the children. This year, 20 children joined this heartwarming activity to celebrate this festive season.



Summary of the Flagship Community Projects Approved in FY2024

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

Project Partner	Christian Action
Project Name	Read-to-Learn Chinese for ethnic Minority — Primary Level (III)
Project Period	May 2024– April 2025
Funding Amount	\$
Project Overview	This programme aims to offer regular Chinese classes to improve the Chinese speaking and writing proficiency of ethnic minority (EM) primary students from low-income families. It utilizes interactive learning tools to engage students and involves their parents through different outreach activities. The goal is to provide a stronger foundation for enhancing the usage of Chinese language skills in their daily lives.

Inputs	70 Chinese Sessions 10 Poetry Reading Recorders with learning cards package 3 Health and Financial Talks 8 Cultural Inclusion Activities
Outputs	<ul style="list-style-type: none"><li><b>Removing barriers and creating supportive environment:</b> Cross-cultural match-ups with 1 local student from P5/6 and 1 EM student from P1–3 to encourage EM students to increase the usage of Chinese and sustain the interest of EM students to learn Chinese via interactive tools, and interesting outing activities.</li><li><b>Integrating to the Hong Kong Community:</b> Through a series of cultural experience activities, encouraging EM families to come out of their comfort zones and integrate to the local community and understand more of the Chinese culture.</li></ul> Reach out to approximately <ul style="list-style-type: none"><li>20 EM primary students, 20+ EM parents and 20 local students (Direct)</li><li>50 local parents and children (Indirect)</li></ul>
Outcome	<b>Community Impacts</b> <ul style="list-style-type: none"><li>Integrating EM families to the local community</li><li>Improving the Chinese proficiency of EM students, strengthening their capacity for social inclusion</li><li>NWS volunteers will be involved in supporting different Chinese language activities</li><li>The success of the pilot can extend the programme to local schools</li></ul>
Alignment to SDGs	SDG 4 and SDG 10 <div><div>4</div><div>10</div></div>

Pillars: Empower for Change and Drive for the Future



Project Partner	The Salvation Army
Project Name	The Salvation Army Recycling Programme — Outreach Workshops and Volunteer Services
Project Period	July 2024– June 2025
Funding Amount	\$\$
Project Overview	To facilitate and enhance the process of handling high-quality donations, the programme will collaborate schools and partners to promote an efficient donation handling process. It will engage students in sorting and cleaning donations, alleviating the manpower pressure of managing donations effectively.

Inputs	<ul style="list-style-type: none"><li>1–2 outreach workshops per month (August 2024–June 2025) &gt; 15 times</li><li>6 regular donation points in school and education programme</li></ul>
Outputs	<ul style="list-style-type: none"><li>Introduce the operation of recycling programme</li><li>Train the general public and targeted groups of sorting and cleaning of good donation</li><li>Increase good quality donations and collection points</li></ul> Reach out to approximately <ul style="list-style-type: none"><li>500+ Students from partnering schools</li><li>500+ general public</li><li>200+ volunteers</li></ul>
Outcome	<ul style="list-style-type: none"><li>Reinforce the public on the concept of recycling</li><li>Educate public (students, parents, teachers) about good acceptance by the Army</li><li>Connect with public by call for donation and volunteer work</li><li>Ease the pressure of manpower of handling good donation</li><li>Accelerate process of handling good donation</li></ul>
Alignment to SDGs	SDG 12 and SDG 17 <div><div>12</div><div>17</div></div>

Pillars: Build for Support and Drive for the Future	
Project Partner	Ronald McDonald House of Charities Hong Kong
Project Name	Connect-to-Care
Project Period	June 2024– December 2025
Funding Amount	\$\$\$
Project Overview	This programme aims to create a “one-stop-shop” platform for house guests, community members, partners and staff. It will streamline communications, maximise resources utilization, and offer comprehensive support to those in need.
Inputs	<ul style="list-style-type: none"><li>A RMHC App with the functions: (1) Management Booking, (2) Partnership Connection, (3) Edutainment: House enrollment</li><li>NWS Volunteering on In-app support, e.g. experts course supports and in-person projects, e.g. team-building events, internship and exchange programme</li></ul>
Outputs	<p><b>Charity Partners</b> Community Education — An external facing platform to connect RMHC with the community, offering extensive supports and services to other charities partners</p> <p><b>Service Users</b></p> <ul style="list-style-type: none"><li>Facilities Booking and eDay Pass: Optimizing the usage of house facilities</li><li>Partnerships Connection: Connect users with the necessary services on food, wellness, family, and youth programme, e.g. (1) Transportation service, (2) Medical Delivery, (3) Lunch booking, (4) Health and Community Support</li></ul> <p><b>General Public</b> Edutainment: AR Immersive experience, Chat for Change (Goods exchange, and Psychosocial hotline) Content for Community (volunteering and donation)</p> <p>Reach out to &gt;250,000 people</p>
Outcome	<p><b>Community Impacts</b></p> <ul style="list-style-type: none"><li>Leverage and optimize the usage of resources in the community</li><li>Connect different partners to create larger impacts</li><li>Offer better service experiences to users</li><li>Build the capacity of different partners</li><li>Offer a development sandbox for exploring and developing new technologies</li></ul>
Alignment to SDGs	SDG 3, SDG 11, and SDG 17 <div><div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div></div><div><div>11</div><div>SUSTAINABLE CITIES AND COMMUNITIES</div></div><div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div></div></div>

Pillars: Empower for Change and Drive for the Future	
Project Partner	St. James’ Settlement Jockey Club Upcycling Centre
Project Name	NWS EXP Journey 2024 – 2025
Project Period	September 2024– August 2025
Funding Amount	\$\$\$
Project Overview	The program aims to enhance the problem-solving abilities of university students of design school through a series trainings and workshops. This will enable them to design a variety of tools and solutions to effectively address social issues.
Inputs	<ul style="list-style-type: none"><li>16 social innovation designs</li><li>100 sets of products for winning designs</li><li>54 training workshops and capacity building sessions</li></ul>
Outputs	<p><b>Extend the social need product line to include Person-with-disabilities:</b> addressing the high-priority social needs of users in the community and integrating these needs into the design and production stages</p> <p><b>Create innovative tools and solutions for the social needs of carers:</b> exploring innovative solutions/tools to support the social needs</p> <p>Strengthen the problem-solving skills of design students by:</p> <ul style="list-style-type: none"><li>Understanding the social problems and needs</li><li>Enhancing students’ capabilities in empathic design, communication, and production</li><li>Improving the collaboration skills</li><li>Gaining insights into waste management</li></ul> <p>Reach out to approximately</p> <ul style="list-style-type: none"><li>80 university design schools’ students and 100+ people with disabilities</li><li>10,000 General Public</li></ul>
Outcome	<p><b>Community Impacts</b></p> <ul style="list-style-type: none"><li>Bringing new perspectives for design students to apply their skills</li><li>Integrating social innovation into the design and production process</li><li>Strengthening the problem-solving capabilities of students</li><li>Developing potential socially innovative products for targeted groups with specific social needs</li></ul>
Alignment to SDGs	SDG 10, SDG 12 and SDG 17 <div><div><div>10</div><div>REDUCED INEQUALITIES</div></div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div><div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div></div></div>

## Pillars: Build for Support

<b>Project Partner</b>	Tung Wah Group of Hospitals
<b>Project Name</b>	"Kai Fong" Masters on Energy Saving and Waste Reduction Pilot Scheme
<b>Project Period</b>	July 2024– December 2024
<b>Funding Amount</b>	\$
<b>Project Overview</b>	This pilot programme offers a series of energy-saving and repairing trainings for "Kai Fong" masters and volunteers. The initiative supports families living in subdivided flats in Kowloon City, Sham Shui Po, and Yau Tsim Mong districts by providing simple home improvement services, e.g. changing LED lights, installing electric fans, and cleaning air-conditioners. The programme aims to equip "Kai Fong" masters and volunteers with basic home maintenance skills, thereby improving the living condition and energy efficiency of families in subdivided flats and their neighbourhoods.
<b>Inputs</b>	<ul style="list-style-type: none"> <li>• Trained 20 Kai Fong masters</li> <li>• 40 regular volunteers for the energy saving volunteering team</li> <li>• Supported 240 deprived families to repair appliances, change LED lights, install electric fans, and cleaning air conditioners (Target: repair 60 appliances, change 240 LED lights, install 50 electric fans, and clean 50 air-conditioners)</li> </ul>
<b>Outputs</b>	<p><b>Cumulate social capital</b> The trained "Kai Fong" masters will become important social capital in the community, capable of supporting families in the neighbourhood</p> <p><b>Promote energy saving practices</b> A practical approach to improve energy efficiency and save energy in the community</p> <p><b>Home improvement for deprived families</b> Enhance households' energy efficiency through repairing appliances, use of LED lights, and installing of electric fans and cleaning of air conditioners</p> <p>Reach out to approximately</p> <ul style="list-style-type: none"> <li>• Trained 20 Kai Fong masters</li> <li>• 40 regular volunteers for the energy saving volunteering team</li> <li>• Supported 240 deprived families to repair appliances, change LED lights, install electric fans, and cleaning air conditioners</li> </ul>
<b>Outcome</b>	<p><b>Community Impacts</b></p> <ul style="list-style-type: none"> <li>• Building a network of Kai Fong masters to support the neighbourhood in adopting good energy practices</li> <li>• Promoting energy equality for underprivileged families</li> <li>• The success of the pilot can extend the programme to more subdivided flats</li> </ul>
<b>Alignment to SDGs</b>	<p>SDG 7 and SDG 11</p> <div>   </div>

# Appendix



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## INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT TO THE BOARD OF DIRECTORS OF NWS HOLDINGS LIMITED

We have undertaken a limited assurance engagement in respect of the selected sustainability information of NWS Holdings Limited (the "Company"), and its subsidiaries (collectively "the Group") listed below and identified with a ✓ in the Company's Environmental, Social and Governance ("ESG") Report for the year ended 30 June 2024 ("the 2024 ESG Report"), published on the ESG Report Website (<https://www.nws.com.hk/en/sustainability/sustainability-reports><sup>1</sup>) (the "Identified Sustainability Information").

### Identified Sustainability Information

The Identified Sustainability Information for the year ended 30 June 2024 is summarised below:

#### Environmental

##### Air Emission<sup>2</sup>

- Sulphur oxide (SO<sub>x</sub>) (Tonne)

##### Energy Consumption<sup>2</sup>

- Diesel (GJ)
- Biodiesel (GJ)
- Unleaded petrol (GJ)
- Liquefied petroleum gas (GJ)
- Electricity (GJ)
- Towngas (GJ)
- Total energy consumption (GJ)
- Year-on-year change between FY2023 and FY2024 on total energy consumption (%)
- Total energy consumption (MWh)
- Total energy consumption intensity (GJ/HK\$ million)
- On-site generated renewable energy for feed-in-tariff (GJ)

<sup>1</sup> The maintenance and integrity of the NWS Holdings Limited's website is the responsibility of the directors; the work carried out by the assurance provider does not involve consideration of these matters and, accordingly, the assurance provider accepts no responsibility for any differences between the selected sustainability information of NWS Holdings Limited on which the assurance report was issued or the assurance report that was issued and the information presented on the website.

<sup>2</sup> PwC performed limited assurance on the environmental data of the Group, excluding the data from Kai Tak Sports Park.



#### Greenhouse Gas (GHG) Emissions

- Scope 1 GHG Emissions (TonneCO<sub>2</sub>e)
- Scope 2 GHG Emissions (TonneCO<sub>2</sub>e)
- Total GHG emissions (Scope 1 & 2) (TonneCO<sub>2</sub>e)
- Total GHG emissions (Scope 1 & 2) intensity (TonneCO<sub>2</sub>e/HK\$ million)
- Year-on-year change between FY2023 and FY2024 on total GHG emissions (Scope 1 & 2) (%)
- Procured carbon offset (TonneCO<sub>2</sub>e)

#### Water Consumption<sup>2</sup>

- Municipal water used (m<sup>3</sup>)
- Water intensity (m<sup>3</sup>/HK\$ million)
- Year-on-year change between FY2023 and FY2024 on total municipal water used (%)

#### Waste — Hazardous Waste Disposed<sup>2</sup>

- Chemical waste (liquid) (Tonne)

#### Waste — Non-Hazardous Waste Disposed<sup>2</sup>

- General waste to landfills (Exclude Hip Hing Group) (Tonne)<sup>3</sup>
- C&D waste to landfills (Only Hip Hing Group) (Tonne)
- C&D waste to sorting facility (Tonne)
- Total non-hazardous waste to landfills (Tonne)<sup>3</sup>
- Total non-hazardous waste intensity (Tonne/HK\$ million)<sup>3</sup>

#### Materials Recycled<sup>2</sup>

- Inert C&D materials (to public fill facility) (Tonne)
- Food waste (Tonne)
- Cooking oil (Tonne)
- Paper (Tonne)
- Plastics bottles (Tonne)
- Aluminium cans (Tonne)
- Glass bottles (Tonne)

#### Environmental Targets

- Energy consumption (MWh)<sup>2</sup>
- Carbon emissions (TonneCO<sub>2</sub>e)
- Reuse of C&D material (% of construction waste reuse)<sup>2</sup>
- Municipal water used (m<sup>3</sup>)<sup>2</sup>

<sup>3</sup> PwC performed limited assurance on the General waste to landfills (exclude Hip Hing Group), Total non-hazardous waste to landfills and Total non-hazardous waste intensity of the Group, excluding the waste from Wuhan Jiamai Warehouse Co. Ltd., Chengdu Dasheng Logistics Co. Ltd., Jialong (Chengdu) Warehouse Co. Ltd., Jiabin (Chengdu) Warehouse Co. Ltd., Chengdu JiaChao Warehouse Co. Ltd. and Jiayao (Chengdu) Warehouse Co. Ltd..

## Social

### Workforce

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

### Health and Safety

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

### Training

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

### Parental leave

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



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Our assurance was with respect to the year ended 30 June 2024 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the 2024 ESG Report and, therefore, do not express any conclusion thereon.

### Criteria

The criteria used by the Company to prepare the Identified Sustainability Information is set out in the “Reporting Boundaries and Scope”, “Reporting Standards and Principles”, “Environmental Performance Data Summary” and “Social Data Summary” of the 2024 ESG Report (the “Criteria”).

### The Company’s Responsibility for the Identified Sustainability Information

The Company is responsible for the preparation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Identified Sustainability Information that is free from material misstatement, whether due to fraud or error.

### Inherent Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

### Our Independence and Quality Management

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

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



## Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information, and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- made inquiries of the persons responsible for the Identified Sustainability Information;
- understood the process for collecting and reporting the Identified Sustainability Information;
- performed limited substantive testing on a selective basis of the Identified Sustainability Information to check that data had been appropriately measured, recorded, collated and reported; and
- considered the disclosure and presentation of the Identified Sustainability Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Sustainability Information has been prepared, in all material respects, in accordance with the Criteria.



羅兵咸永道

### Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Identified Sustainability Information for the year ended 30 June 2024 is not prepared, in all material respects, in accordance with the Criteria.

Our report has been prepared solely for the board of directors of the Company and is not to be used for any other purpose. We do not assume responsibility towards or accept liability to any other parties for the content of this report.

A handwritten signature in black ink, appearing to read "PricewaterhouseCoopers", written over a faint, light blue circular stamp.

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 25 September 2024

## ENVIRONMENTAL PERFORMANCE DATA SUMMARY <sup>1,2</sup>

Parameter	Unit	FY2022	FY2023	FY2024
<b>Air Emissions</b> <sup>3,4,5</sup>				
Nitrogen oxide (NO <sub>x</sub> )	Tonne	2.49	2.96	1.63 <sup>6</sup>
Sulphur oxide (SO <sub>x</sub> )	Tonne	0.007	0.006	0.006 <sup>↓</sup>
Particulate matters (PM <sub>10</sub> )	Tonne	0.21	0.27	0.13 <sup>6</sup>
<b>Energy Consumption</b> <sup>3,7</sup>				
Diesel	Gigajoules (GJ)	73,028	155,833	124,653 <sup>8↓</sup>
Biodiesel <sup>9</sup>	Gigajoules (GJ)	174,498	288,717	195,065 <sup>↓</sup>
Unleaded petrol	Gigajoules (GJ)	11,203	10,599	11,452 <sup>↓</sup>
Liquefied petroleum gas	Gigajoules (GJ)	640	547	676 <sup>10↓</sup>
Electricity	Gigajoules (GJ)	245,653	304,433	323,164 <sup>11,12↓</sup>
Towngas	Gigajoules (GJ)	9,074	13,099	15,904 <sup>13↓</sup>
Total energy consumption	Gigajoules (GJ)	514,816	773,228	670,914 <sup>↓</sup>
	MWh <sup>14</sup>	141,805	214,957	186,514 <sup>↓</sup>
Total energy consumption intensity	GJ/HK\$ million	18.2	34.1	25.4 <sup>↓</sup>
On-site generated renewable energy for feed-in-tariff <sup>15</sup>	Gigajoules (GJ)	43	44	38 <sup>↓</sup>

<sup>1</sup> Majority of figures are rounded to whole number unless otherwise presented with decimals as appropriate.

<sup>2</sup> In FY2022 and FY2023, the amount of revenue used to calculate intensities denotes only revenues of business units under the ESG reporting scope. In FY2024, the amount of revenue of the Group is used to calculate intensities. In FY2022 and FY2023, revenue from Hip Hing Group was discounted using Architectural Services Department (ArchSD) Building Works Tender Price Index, Civil Engineering and Development Department (CEDD) Works Index and Labour Cost index from the Census and Statistics Department, HKSAR for buildings, infrastructure and civil projects, respectively. Starting from FY2024, revenue from Hip Hing Group is reported at actual values, without applying such discounting. In addition, the Group revenue has been restated due to the adoption of HKFRS 17 Insurance Contracts. Hence, the FY2023 intensities have been restated.

<sup>3</sup> PwC performed limited assurance on the environmental data of the Group, excluding the data from Kai Tak Sports Park (KTSP).

<sup>4</sup> Road air emission factors are based on the Hong Kong Environmental Protection Department's (EPD) EMFAC-HK Vehicle Emission Calculation model and the United States Environmental Protection Agency's (USEPA's) Vehicle Emission Modeling Software — MOBILE6.1. PM emission refers to respirable suspended particles (PM10).

<sup>5</sup> From vehicle emissions.

<sup>6</sup> The decrease in NO<sub>x</sub> and PM10 was due to most projects have passed the initial construction stage, which imposed a significant decrease in use of vehicles during FY2024, compared to previous year.

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

<sup>8</sup> The decrease in diesel consumption was due to most projects have passed the initial construction stage, which imposed a significant decrease in use of diesel-fueled stationary machinery during FY2024, compared to previous year.

<sup>9</sup> The emission factor of Biodiesel is updated according to the latest calculation in "Greenhouse gas reporting: conversion factors 2023" from the Department for Environment, Food & Rural Affairs (DEFRA) of UK.

<sup>10</sup> The increase in liquefied petroleum consumption was due to the business activities at the Hunan Daoyue Expressway being newly covered in FY2024.

<sup>11</sup> The increase in electricity consumption was due to the business activities at the Hunan Daoyue Expressway and the logistics operations being newly covered in FY2024.

<sup>12</sup> In FY2024, the electricity consumption has included the onsite solar energy of 1,141 GJ from Zhejiang NWS Expressway.

<sup>13</sup> The increase in Towngas consumption was due to the resumption of facility management business' catering and food and beverage services, which increased Towngas usage by such business activities comparing to last year.

<sup>14</sup> 1 gigajoule (GJ) = 0.278 MWh

<sup>15</sup> The scope covers the grid-connected solar panels installed in the rooftop of the HKCEC only. The installed renewables covered are for the feed-in-tariff scheme in Hong Kong, therefore their energy generated will not offset the overall Group's usage.



Parameter	Unit	FY2022	FY2023		FY2024	
<b>Greenhouse Gas (GHG) Emissions<sup>16,17,18</sup></b>				<b>KTSP</b>	<b>Total (excluding KTSP)</b>	<b>Total</b>
Scope 1 emissions <sup>19</sup>	Tonne CO <sub>2</sub> e	19,007	32,918	4,189	24,095	28,284 <sup>↓</sup>
Scope 2 emissions <sup>20</sup>	Tonne CO <sub>2</sub> e	41,575	51,447	6,125	52,443	58,568 <sup>↓</sup>
Total GHG emissions (Scope 1 & 2)	Tonne CO <sub>2</sub> e	60,582	84,365	10,314	76,538	86,852 <sup>↓</sup>
Total GHG emissions (Scope 1 & 2) intensity	Tonne CO <sub>2</sub> e/ HK\$ million	2.2	3.7	N/A	2.9	3.3 <sup>↓</sup>
Procured carbon offset <sup>21</sup>	Tonne CO <sub>2</sub> e	81	457	65	1,467	1,532 <sup>↓</sup>
<b>Water Consumption<sup>3,22</sup></b>						
Municipal water used	m <sup>3</sup>	991,399	1,371,523		1,275,616 <sup>↓</sup>	
Water intensity	m <sup>3</sup> /HK\$ million	35.3	60.5		48.3 <sup>↓</sup>	
Wastewater direct discharge <sup>23</sup>	m <sup>3</sup>	804,300	1,100,062		1,001,991	
<b>Waste<sup>3</sup></b>						
<b>Hazardous Waste Disposed</b>						
Chemical waste (liquid) <sup>24,25</sup>	Tonne	0	0		2.2 <sup>26↓</sup>	
Chemical waste disposed (solid)	Tonne	0.72	0.43		0.37	
Total chemical waste disposed	Tonne	0.72	0.43		2.57	

<sup>16</sup> Environmental performance data includes Kai Tak Sports Park in FY2024, but it was not included in FY2022 and FY2023.

<sup>17</sup> Greenhouse Gas (GHG) emissions were calculated based on the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong, 2010 Edition published by the Environmental Protection Department and the Electrical and Mechanical Services Department of Hong Kong Government, which includes carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O) of Scope 1 and 2 emissions.

<sup>18</sup> For Hong Kong operations, emission factor adopted for purchased electricity are 0.66 kgCO<sub>2</sub>e/kWh and 0.39 kgCO<sub>2</sub>e/kWh as provided by HK Electric Investments Sustainability Report 2023 and CLP Sustainability Report 2023 respectively, subjecting to the location of operation. The emission factor adopted for Towngas is 0.549 kgCO<sub>2</sub>e per unit of Towngas as provided by The Hong Kong and China Gas Company Limited Environmental, Social and Governance Report 2023. For mainland operation, the EF adopted for purchased electricity is 0.5703 tCO<sub>2</sub>/MWh, which is referenced from The Ministry of Ecology and Environment of People's Republic of China.

<sup>19</sup> Scope 1 emissions include direct emissions from fuels combusted in sources under the in-scope business segments.

<sup>20</sup> Scope 2 emissions include indirect emissions from purchased electricity and Towngas consumed by the in-scope business segments. These emissions are calculated based on the market-based method in accordance with the GHG Protocol Scope 2 Guidance.

<sup>21</sup> Hip Hing Group has initiated a programme to offset carbon emission from fossil fuel consumption of its construction equipment since FY2021, the amount of carbon offset was procured to cover the fuel consumption throughout each financial year.

<sup>22</sup> Figure excludes water consumption at Corporate Office of NWS Holdings as the floor-level submetering is not available at its office premises.

<sup>23</sup> For all Logistics operations, Free Duty, CTF Life, Hunan NWS Expressway, Hunan Daoyue Expressway and Zhejiang NWS Expressway, it was assumed 100% municipal water usage was directly discharged as wastewater. For Hip Hing Group, 20% of water consumption is estimated to be recycled for on-site reuse. For HML, the wastewater discharge amount was the actual data recorded in the sewage discharge bills.

<sup>24</sup> Chemical waste is properly stored at the premise of the business operations and handled by qualified third-party contractors for disposal as required by local regulations.

<sup>25</sup> The weight of chemical waste (liquid) is converted by using the density figure 1.0 kg/litre from the Australian Hazardous Waste Data and Reporting Standard 2017 revision.

<sup>26</sup> The increase in liquid chemical waste generated was due to more projects entered the final construction stage, which is when most chemical waste were generated and disposed in a project lifecycle.

Parameter	Unit	FY2022	FY2023	FY2024
<b>Non-Hazardous Waste Disposed</b>				
General waste to landfills (Exclude Hip Hing Group)	Tonne	1,492	2,985	4,764 <sup>27,28</sup>
C&D waste to landfills (Only Hip Hing Group)	Tonne	38,607	43,806	37,423 <sup>↓</sup>
C&D waste to sorting facility	Tonne	28,532	41,895	41,050 <sup>↓</sup>
Total non-hazardous waste to landfills <sup>29</sup>	Tonne	68,631	88,686	83,237 <sup>28</sup>
Total non-hazardous waste intensity	Tonne/HK\$ million	2.44	3.91	3.15 <sup>28</sup>
Total C&D waste generated <sup>30</sup>	Tonne	546,004	1,175,694 <sup>31</sup>	772,985 <sup>32</sup>
<b>Materials Recycled <sup>3</sup></b>				
Inert C&D materials (to public fill facility)	Tonne	478,865	966,018	693,583 <sup>↓</sup>
Inert C&D materials (reused by Material Management App)	Tonne	180	201	3
Inert C&D materials (to alternate disposal ground)	Tonne	130,195	123,774	926
Food waste	Tonne	31	88	140 <sup>↓</sup>
Cooking oil <sup>33</sup>	Tonne	1.0	3.4	4.7 <sup>↓</sup>
Paper	Tonne	113	147	182 <sup>↓</sup>
Plastics bottles	Tonne	0.9	5.7	22.8 <sup>↓</sup>
Aluminum cans	Tonne	0.2	0.3	1.4 <sup>↓</sup>
Glass bottles	Tonne	1.7	6.9	36.6 <sup>↓</sup>
Total materials recycled	Tonne	479,014	1,090,245 <sup>31</sup>	694,900 <sup>34</sup>
Reuse of C&D Waste <sup>35</sup>	%	90	93	90 <sup>↓</sup>

<sup>27</sup> The increase in general waste to landfills (exclude Hip Hing Group) generated was due to the increase in number and scale of events held at HKCEC during FY2024.

<sup>28</sup> PwC performed limited assurance on the General waste to landfills (Exclude Hip Hing Group), Total non-hazardous waste to landfills and Total non-hazardous waste intensity of the Group, excluding the waste from Wuhan Jiamai Warehouse Co. Ltd., Chengdu Dasheng Logistics Co. Ltd., Jialong (Chengdu) Warehouse Co. Ltd., Jiaxin (Chengdu) Warehouse Co. Ltd., Chengdu JiaChao Warehouse Co. Ltd. and Jiayao (Chengdu) Warehouse Co. Ltd. which are 4,276 tonne, 82,749 tonne and 3.13 tonne/HK\$ million respectively.

<sup>29</sup> "Total non-hazardous waste to landfill" is the summation of "General waste to landfills (Exclude Hip Hing Group)", "C&D waste to landfills (Only Hip Hing Group)" and "C&D waste to sorting facility".

<sup>30</sup> "Total C&D waste generated" is the summation of "C&D waste to landfills (Only Hip Hing Group)", "C&D waste to sorting facility", "Inert C&D waste (to public fill facility)", "Inert C&D waste (reused by Material Management App)" and "Inert C&D materials (to alternate disposal ground)".

<sup>31</sup> Figure has been restated due to the alignment of calculation methodology.

<sup>32</sup> The decrease in total C&D waste generated was due to most projects were in the initial construction stage or the final construction stage, which is when fewer C&D waste was generated in a project lifecycle.

<sup>33</sup> The weight of cooking oil is converted by using the density figure 918.31kg/m<sup>3</sup> from EPA Mandatory Reporting Rule Subpart-C.

<sup>34</sup> The decrease in total materials recycled was due to the decrease in inert C&D materials (to public fill facility).

<sup>35</sup> Reuse of C&D waste is calculated as the summation of "Inert C&D materials (to public fill facility)", "Inert C&D materials (reused by Material Management App)", and "Inert C&D materials (to alternate disposal ground)", divided by the total C&D waste generated.

## SOCIAL DATA SUMMARY <sup>36</sup>

Parameter		Unit	FY2022	FY2023	FY2024
<b>Workforce</b>					
Total Number of Employees <sup>37</sup>		No. of employees	4,862	4,797	4,921 <sup>√</sup>
By Gender	Male	No. of employees	3,314	3,276	3,230 <sup>√</sup>
	Female	No. of employees	1,548	1,521	1,691 <sup>√</sup>
By Employment Type	Full-time employees	No. of employees	4,797	4,748	4,873 <sup>√</sup>
	Part-time employees	No. of employees	65	49	48 <sup>√</sup>
By Contract Type	Permanent employees	No. of employees	4,634	4,765	4,771 <sup>√</sup>
	Fixed-term/temporary employees	No. of employees	228	32	150 <sup>√</sup>
By Seniority	Operational Staff	No. of employees	3,419	3,468	3,516 <sup>√</sup>
	General Staff	No. of employees	605	449	478 <sup>√</sup>
	Assistant Manager	No. of employees	247	245	262 <sup>√</sup>
	Manager and Senior Manager	No. of employees	433	463	487 <sup>√</sup>
	Assistant General Manager and above <sup>38</sup>	No. of employees	158	172	178 <sup>√</sup>
By Age Group	Under 30 years old	No. of employees	949	846	821 <sup>√</sup>
	30-50 years old	No. of employees	2,538	2,562	2,677 <sup>√</sup>
	Over 50 years old	No. of employees	1,375	1,389	1,423 <sup>√</sup>
Total New Hires <sup>39</sup>		No. of employees	1,093	1,141	938 <sup>√</sup>
New Hires Rate <sup>40</sup>		%	22	24	19 <sup>√</sup>
Total Number of Leavers <sup>41</sup>		No. of employees	1,214	1,167	918 <sup>√</sup>
Turnover Rate <sup>42</sup>		%	25	24	19 <sup>√</sup>

<sup>36</sup> The social data for FY2022 and FY2023 excluded logistics operations. For FY2024, logistics operations are included in the scope.

<sup>37</sup> Total Number of Employees refers to the number of employees of the in-scope business units under the ESG Report as of 30 June of the respective year.

<sup>38</sup> Assistant General Manager and above includes remunerated directors from Board of Directors, CEOs and COO.

<sup>39</sup> The definition of Total New Hires covers permanent employees only.

<sup>40</sup> New Hires Rate is calculated as the Total New Hires divided by the Total Number of Employees.

<sup>41</sup> Total Number of Leavers covers permanent employees only and includes both voluntary and involuntary leavers as of 30 June of the respective year.

<sup>42</sup> Turnover Rate is calculated as the Total Number of Leavers divided by Total Number of Employees.

Parameter		Unit	FY2022	FY2023	FY2024
<b>Health and Safety</b>					
Total Hours Worked <sup>43</sup>	Employees	No. of hours	10,784,065	10,705,555	10,913,608 <sup>√</sup>
Work-related Lost-time injuries (Sick Leave > 0 day)	Employees	No. of case	27	33	34 <sup>√</sup>
Workday Lost due to Work-related Injuries <sup>44</sup>	Employees	No. of days	2,551.0	3,172.0	2,616.5 <sup>√</sup>
Lost-day Rate <sup>45</sup>	Employees	per 100 employees	47.3	59.3	47.9 <sup>√</sup>
Lost-time Injury Rate ("LTIR") <sup>46</sup>	Employees	per 100 employees	0.5	0.6	0.6 <sup>√</sup>
Work-related Fatalities	Employees	No. of cases	0	0	0 <sup>√</sup>
	Contractors	No. of cases	N/A	N/A	3 <sup>47</sup>
Work-related Fatality Rate <sup>48</sup>	Employees	%	0	0	0 <sup>√</sup>
Occupational Diseases	Employees	No. of cases	N/A	N/A	0
<b>Training</b>					
Average Training Hours per Employee <sup>49</sup>		No. of hours	11.6	11.8	11.2 <sup>√</sup>
Average Training Hours per Employee (by Gender) <sup>50</sup>	Male	No. of hours	11.2	12.0	10.3 <sup>√</sup>
	Female	No. of hours	12.3	11.4	13.1 <sup>√</sup>
By Type of Training	Anti-corruption	No. of hours	3,359	909	1,670 <sup>√</sup>
	Corporate culture	No. of hours	15,284	19,435	13,518 <sup>√</sup>
	Environmental protection	No. of hours	1,849	887	966 <sup>√</sup>
	Occupational health and safety	No. of hours	10,626	12,601	17,291 <sup>√</sup>
	Professional development	No. of hours	25,204	21,868	21,792 <sup>√</sup>
Average Training Hours	Operational Staff	No. of hours	8.6	8.5	9.6 <sup>√</sup>
Completed per Employees (By Seniority) <sup>51</sup>	General Staff	No. of hours	22.6	28.6	15.3 <sup>√</sup>
	Assistant Manager	No. of hours	15.5	20.8	15.9 <sup>√</sup>
	Manager	No. of hours	14.4	14.8	13.9 <sup>√</sup>
	Senior Manager	No. of hours	16.3	12.1	13.9 <sup>√</sup>
	Assistant General Manager and above	No. of hours	17.5	15.3	18.0 <sup>√</sup>

<sup>43</sup> Total Hours Worked is calculated by multiplying the Total Number of Employees by the number of paid working hours stipulated in their respective employment contracts.

<sup>44</sup> Number of Workday Lost due to Work-related Injuries is calculated based on the total calendar days (consecutive or otherwise) for which work-related injuries or work-related ill health occurred, excluding statutory holidays, which aligns with the Hong Kong Labour Department's definition and is also adopted for the business segments in Mainland China, including roads operations and logistics operations.

<sup>45</sup> Lost-day Rate represents the number of Workday Lost due to Work-related Injuries per 100 employees per year. It is calculated as the total number of Workday Lost due to Work-related Injuries divided by the Total Hours Worked and multiplied by 200,000. The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.

<sup>46</sup> Lost-time Injury Rate (LTIR) represents the number of work-related Lost-time injuries per 100 employees per year. It is calculated as the Number of Work-related Lost-time Injuries divided by the Total Hours Worked and multiplied by 200,000. The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.

<sup>47</sup> Two serious incidents occurred during construction operations, resulting in three fatalities. The first incident took place on 20 February 2024, at the Kai Tak Area 4C, Site 1 project, involving bamboo scaffolding, which resulted in two fatalities. The second incident occurred on 8 May 2024, at the Kai Tak Sports Park project, which claimed the life of one worker.

<sup>48</sup> Work-related Fatality Rate is calculated as the number of Work-related Fatalities divided by the Total Number of Employees.

<sup>49</sup> Average Training Hours per Employee for the year is calculated as the total number of training hours divided by the total number of employees.

<sup>50</sup> Average Training Hours per Employee by Gender for the year is calculated as the total number of training hours divided by the total number of employees by respective gender.

<sup>51</sup> Average Training Hours Completed per Employee by Seniority for the year is calculated as the total number of training hours completed by respective seniority divided by the total number of employees by respective seniority.

### Detailed Breakdown in FY2024

Parameter		Unit	Male	Female
<b>Workforce</b>				
By Employment Type and Gender	Full-time	No. of employees	3,215 <sup>↓</sup>	1,658 <sup>↓</sup>
	Part-time	No. of employees	15 <sup>↓</sup>	33 <sup>↓</sup>
By Contract Type and Gender	Permanent Contract	No. of employees	3,168 <sup>↓</sup>	1,603 <sup>↓</sup>
	Fixed-term or Temporary Contract	No. of employees	62 <sup>↓</sup>	88 <sup>↓</sup>
By Seniority and Gender	Operational Staff	No. of employees	2,418 <sup>↓</sup>	1,098 <sup>↓</sup>
	General Staff	No. of employees	223 <sup>↓</sup>	255 <sup>↓</sup>
	Assistant Manager	No. of employees	161 <sup>↓</sup>	101 <sup>↓</sup>
	Manager and Senior Manager	No. of employees	327 <sup>↓</sup>	160 <sup>↓</sup>
	Assistant General Manager and above	No. of employees	101 <sup>↓</sup>	77 <sup>↓</sup>
<b>New Hires</b>				
By Gender		No. of employees	664 <sup>↓</sup>	274 <sup>↓</sup>
Rate by Gender <sup>52</sup>		%	13.5 <sup>↓</sup>	5.6 <sup>↓</sup>
New Hires Rate by Geographical Region <sup>53</sup>	Hong Kong	%		17.6 <sup>↓</sup>
	Mainland China	%		1.5 <sup>↓</sup>
	Others	%		0 <sup>↓</sup>
<b>Turnover</b>				
Leavers By Gender		No. of employees	672 <sup>↓</sup>	246 <sup>↓</sup>
Turnover Rate by Gender <sup>54</sup>		%	13.7 <sup>↓</sup>	5.0 <sup>↓</sup>
Turnover Rate by Geographical Region <sup>55</sup>	Hong Kong	%		16.6 <sup>↓</sup>
	Mainland China	%		2.1 <sup>↓</sup>
	Others	%		0 <sup>↓</sup>
Turnover Rate by Age Group <sup>56</sup>	Under 30 years old	%		3.9 <sup>↓</sup>
	30-50 years	%		8.9 <sup>↓</sup>
	> 50 years old	%		5.9 <sup>↓</sup>
<b>Parental Leave</b>				
Employees who took Parental Leave		No. of employees	54 <sup>↓</sup>	35 <sup>↓</sup>
Employees returned to work after Parental Leave ended		No. of employees	54 <sup>↓</sup>	30 <sup>↓</sup>
Return-to-work Rate by Gender <sup>57</sup>		%	100 <sup>↓</sup>	85.7 <sup>↓</sup>

<sup>52</sup> New Hires Rate by Gender is calculated as the number of New Hires by respective gender divided by the Total Number of Employees.

<sup>53</sup> New Hires Rate by Geographical Region is calculated as the number of New Hires in the corresponding region divided by the Total Number of Employees.

<sup>54</sup> Turnover Rate by Gender is calculated as the number of Leavers by respective gender divided by the Total Number of Employees.

<sup>55</sup> Turnover Rate by Geographical Region is calculated as the number of Leavers in the corresponding region divided by the Total Number of Employees.

<sup>56</sup> Turnover Rate by Age Group is calculated as the number of Leavers of respective age group divided by the Total Number of Employees.

<sup>57</sup> Return-to-work Rate by Gender is calculated as the number of Employees returned to work after Parental Leave ended divided by the number of Employees who took Parental Leave by respective gender.

## GRI STANDARDS AND HKEX CONTENT INDEX

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

**Statement of use** NWS Holdings Limited has reported the information cited in this GRI content index for the period 1 July 2023 to 30 June 2024 with reference to the GRI Standards.

**GRI 1 version** GRI 1: Foundation 2021

### GRI 2: General Disclosure 2021

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



GRI		HKEX		
Standards	Description	ESG Guide		Report Section/Remarks
		Reference	Description	
Governance				
2-9	Governance structure and composition			Leadership: Accounting for Effective Controls; Annual Report 2024
2-10	Nomination and selection of the highest governance body			Annual Report 2024
2-11	Chair of the highest governance body			Annual Report 2024
2-12	Role of the highest governance body in overseeing the management of impacts			Leadership: Accounting for Effective Controls
2-13	Delegation of responsibility for managing impacts			Leadership: Accounting for Effective Controls
2-14	Role of the highest governance body in sustainability reporting			About this Report
2-15	Conflicts of interest			Annual Report 2024
2-16	Communication of critical concerns			Engagement: Integrating ESG Risks into Our Operations
2-17	Collective knowledge of the highest governance body			Engagement: Integrating ESG Risks into Our Operations
2-18	Evaluation of the performance of the highest governance body			Leadership: Accounting for Effective Controls
2-19	Remuneration policies			Annual Report 2024
2-20	Process to determine remuneration			Annual Report 2024
2-21	Annual total compensation ratio			Annual Report 2024

GRI		HKEX		Report Section/Remarks
Standards	Description	ESG Guide	Description	
		Reference		
Strategy, Policies and Practices				
2-22	Statement on sustainable development strategy			Message from the Group Co-Chief Executive Officer and Chairman of the Environment, Social and Governance Management Task Force
2-23	Policy commitments			Engagement: Integrating ESG Risks into Our Operations; Grow as One
2-24	Embedding policy commitments			Effectiveness: Ethical Business Approach
2-25	Processes to remediate negative impacts			Effectiveness: Ethical Business Approach
2-26	Mechanisms for seeking advice and raising concerns			Effectiveness: Ethical Business Approach
2-27	Compliance with laws and regulations			Effectiveness: Ethical Business Approach
2-28	Membership associations			Collaborating with Partners Along Our Value Chain; Memberships and Affiliations
Stakeholder Engagement				
2-29	Approach to stakeholder engagement			Stakeholder Engagement and Materiality Assessment
2-30	Collective bargaining agreements			Stakeholder Engagement and Materiality Assessment

### GRI 3: Material Topics 2021

GRI		HKEX ESG Guide		
Standards	Description	Reference	Description	Report Section/Remarks
3-1	Process to determine material topics			Stakeholder Engagement and Materiality Assessment
3-2	List of material topics			Stakeholder Engagement and Materiality Assessment
<b>HKEX Mandatory Disclosure Requirements</b>				
		Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG related goals and targets with an explanation of how they relate to the issuer's businesses.	Leadership: Accounting for Effective Controls
		Reporting Principles	(i) Materiality (ii) Quantitative (iii) Consistency	About this Report
		Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change	About this Report

GRI		HKEX		Report Section/Remarks
Standards	Description	ESG Guide Reference	Description	
Economic				
GRI 201: Economic Performance 2016				
3-3	Management of material topic	General Disclosure B7	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion	Effectiveness: Ethical Business Approach
201-1	Direct economic value generated and distributed	KPI B8.2	Resources contributed (e.g. money or time) to the focus area	Annual Report 2024; Fostering an Inclusive Community
201-2	Financial implications and other risks and opportunities due to climate change	KPI A4.1	Description of the significant climate- related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Accelerating to Net Zero
GRI 203: Indirect Economic Impacts 2016				
3-3	Management of material topic			Fostering an Inclusive Community
203-1	Infrastructure investments and services supported			Annual Report 2024; Fostering an Inclusive Community
203-2	Significant indirect economic impacts			Collaborating with Partners Along Our Value Chain; Fostering an Inclusive Community
GRI 204: Procurement Practices 2016				
3-3	Management of material topic			Collaborating with Partners Along Our Value Chain

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
GRI 205: Anti-corruption 2016				
3-3	Management of material topic	General Disclosure B7	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Effectiveness: Ethical Business Approach  There were no reported cases of non-compliance that had a material impact on the Group in FY2024.
205-1	Operations assessed for risks related to corruption			Effectiveness: Ethical Business Approach
205-2	Communication and training about anti-corruption policies and procedures	KPI B7.3	Description of anti-corruption training provided to directors and staff	Effectiveness: Ethical Business Approach
205-3	Confirmed incidents of corruption and actions taken	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Effectiveness: Ethical Business Approach
		KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	Effectiveness: Ethical Business Approach
Environment				
GRI 301: Materials 2016				
3-3	Management of material topic	General Disclosure A2, A3	Policies on the efficient use of resources, including energy, water and other raw materials.	Evolve Sustainably; Nature — Positive Resources Management
			Policies on minimizing the issuer’s significant impact on the environment and natural resources	
		KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	We did not collect this data. The use of packaging material is not material to the Group.

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
<b>GRI 302: Energy 2016</b>				
3-3	Management of material topic	General Disclosure A2, A3	<p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Policies on minimizing the issuer's significant impact on the environment and natural resources</p>	Evolve Sustainably; Nature — Positive Resources Management
302-1	Energy consumption within the organization	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Environmental Performance Data Summary
302-3	Energy intensity			Environmental Performance Data Summary
302-4	Reduction of energy consumption	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Charting Our Sustainability Progress; Evolve Sustainably; Environmental Performance Data Summary
<b>GRI 303: Water and Effluents 2018</b>				
3-3	Management of material topic	General Disclosure A2, A3	<p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Policies on minimizing the issuer's significant impact on the environment and natural resources</p>	Evolve Sustainably; Nature — Positive Resources Management
303-1	Interactions with water as a shared resource	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	<p>Evolve Sustainably</p> <p>There were no problems encountered in sourcing water in our operations in FY2024.</p> <p>Fresh water used by the Group's operations is sourced locally from the respective municipalities that are considered adequate and fit for purpose and we strive to conserve water consumption.</p>



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

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
GRI 305: Emissions 2016				
3-3	Management of material topic	General Disclosure A1, A3	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.  Policies on minimizing the issuer’s significant impact on the environment and natural resources	Evolve Sustainably; Nature — Positive Resources Management  There were no reported cases of non-compliance that had a significant impact on the Group in FY2024.
305-1	Direct (Scope 1) GHG emissions	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Environmental Performance Data Summary
305-2	Energy indirect (Scope 2) GHG emissions			
305-3	Other indirect (Scope 3) GHG emissions			Accelerating to Net Zero
305-4	GHG emissions intensity	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Environmental Performance Data Summary
305-5	Reduction of GHG emissions	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them	Our Sustainability Vision; Charting Our Sustainability Progress; Accelerating to Net Zero
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	KPI A1.1	The types of emissions and respective emissions data	Environmental Performance Data Summary

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
<b>GRI 305: Waste 2020</b>				
3-3	Management of material topic	General Disclosure A1, A3	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.  Policies on minimizing the issuer's significant impact on the environment and natural resources	Evolve Sustainably; Nature — Positive Resources Management  There were no reported cases of non-compliance that had a significant impact on the Group in FY2024.
306-1	Waste generation and significant waste-related impacts			Environmental Performance Data Summary
306-2	Management of significant waste-related impacts	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Charting Our Sustainability Progress; Nature — Positive Resources Management; Environmental Performance Data Summary
306-3	Waste generated	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Environmental Performance Data Summary
		KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Environmental Performance Data Summary
306-4	Waste diverted from disposal			Environmental Performance Data Summary
306-5	Waste directed to disposal			Environmental Performance Data Summary

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
<b>Social</b>				
<b>GRI 401: Employment 2016</b>				
3-3	Management of material topic	General Disclosure B1	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Grow as One  There were no reported cases of non-compliance related to employment that had a material impact on the Group in FY2024.
401-1	New employee hires and employee turnover	KPI B1.2	Employee turnover rate by gender, age group and geographical region	Social Data Summary
401-3	Parental leave			Social Data Summary
<b>GRI 403: Occupational Health and Safety 2018</b>				
3-3	Management of material topic	General Disclosure B2	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Grow as One  There were no reported cases of non-compliance related to health and safety that had a material impact on the Group in FY2024.
403-1	Occupational health and safety management system			Grow as One
403-2	Hazard identification, risk assessment, and incident investigation			Grow as One
403-3	Occupational health services			Grow as One
403-4	Worker participation, consultation, and communication on occupational health and safety			Grow as One

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

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



GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
<b>GRI 405: Diversity and Equal Opportunity 2016</b>				
3-3	Management of material topic	General Disclosure B1	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Grow as One  There were no reported cases of non-compliance related to employment that had a significant impact on the Group in FY2024.
405-1	Diversity of governance bodies and employees	KPI B1.1	Total workforce by gender, employment type, age group and geographical region	Social Data Summary
<b>GRI 406: Non-discrimination 2016</b>				
3-3	Management of material topic	General Disclosure B1	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Grow as One  There were no reported cases of non-compliance related to discrimination that had a significant impact on the Group in FY2024.
406-1	Incidents of discrimination and corrective actions taken			There were no reported cases of non-compliance related to discrimination that had a significant impact on the Group in FY2024.

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

GRI		HKEX		Report Section/Remarks
Standards	Description	ESG Guide Reference	Description	
GRI 413: Local Communities 2016				
3-3	Management of material topic	General Disclosure B8	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	Fostering an Inclusive Community
413-1	Operations with local community engagement, impact assessments, and development programs			Fostering an Inclusive Community
413-2	Operations with significant actual and potential negative impacts on local communities			Fostering an Inclusive Community
		KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Fostering an Inclusive Community
		KPI B8.2	Resources contributed (e.g. money or time) to the focus area	Fostering an Inclusive Community
GRI 416: Customer Health and Safety 2016				
3-3	Management of material topic			Striving For Continuous Improvement
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services			There were no concluded cases of regulatory non-compliance regarding health and safety impacts of products and services that had a material impact on the Group in FY2024.

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
<b>GRI 417: Marketing and Labeling 2016</b>				
3-3	Management of material topic	General Disclosure B6	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Collaborating With Partners Along Our Value Chain; Striving for Continuous Improvement  There were no concluded cases of regulatory non-compliance regarding product responsibility that had a material impact on the Group in FY2024.
417-1	Requirements for product and service information and labeling			We adhere to the Trade Descriptions Ordinance (Cap. 362) and relevant legislation. Our marketing and sales approach aligns with applicable laws and labelling mandates, with dedicated personnel reviewing marketing materials to ensure accuracy and prevent any misleading information.
417-2	Incidents of non-compliance concerning product and service information and labeling			There were no concluded cases of regulatory non-compliance regarding product and service information and labeling that had a material impact on the Group in FY2024.
417-3	Incidents of non-compliance concerning marketing communications			There were no concluded cases of regulatory non-compliance regarding marketing communications that had a material impact on the Group in FY2024.

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
<b>GRI 418: Customer Privacy 2016</b>				
3-3	Management of material topic	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Engagement: Integrating ESG Risks into Our Operations
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data			There were no concluded cases of regulatory non-compliance regarding customer privacy that had a material impact on the Group in FY2024.
<b>Supply Chain Management</b>				
		General Disclosure B5	Policies on managing environmental and social risks of the supply chain	Collaborating With Partners Along Our Value Chain; Striving for Continuous Improvement
		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	Collaborating With Partners Along Our Value Chain; Striving for Continuous Improvement
		KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Collaborating With Partners Along Our Value Chain; Striving for Continuous Improvement
		KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Collaborating With Partners Along Our Value Chain; Striving for Continuous Improvement

GRI		HKEX		
Standards	Description	ESG Guide Reference	Description	Report Section/Remarks
<b>Product Responsibility</b>				
		General Disclosure B6	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Collaborating With Partners Along Our Value Chain; Striving for Continuous Improvement  There were no concluded cases of regulatory non-compliance regarding product responsibility that had a material impact on the Group in FY2024.
		KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	There were no recalls concerning the provision and use of products and services for safety and health reasons in FY2024.
		KPI B6.2	Number of products and service related complaints received and how they are dealt with	The Group received a total of 876 complaints in relation to product and services during FY2024.  Customer complaints received are addressed through our feedback handling systems within each business unit. We offer customers contact details on our business units' respective websites and assigned dedicated teams to handle comments and complaints to ensure the efficacy of our complaint resolution.
		KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Engagement: Integrating ESG Risks into Our Operations
		KPI B6.4	Description of quality assurance process and recall procedures	Recall is not material to the Group's operations, yet recall procedures are in place for Free Duty to inform customers for refund when recall incidents are confirmed with manufacturers.  Free Duty purchase products from "Authorized Distributors" only. To ensure the quality of products, the Best Before Date of Free Duty's products are reviewed on monthly basis and the storage temperature is regularly checked internally



## IFRS S1 REFERENCE TABLE

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

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

### Governance

IFRS S1 Requirements	Description	Report Section/Remarks
<b>IFRS S1.27 Disclosure of information about the governance body (the Board and its associated committee charged with governance of governance) with oversight of sustainability-related risks and opportunities, and information about management's role in those processes.</b>		
IFRS S1.27(a)	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities. Specifically, NWS shall identify that body(s) or individual(s) and disclose information about:	
	(i) How responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body (s) or individual(s).	Environmental, Social and Governance (ESG) Structure
	(ii) How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability-related risks and opportunities.	We will be arranging relevant training materials in the coming years to help enhance the skills and competencies of the Board for the oversight of sustainability-related risks and opportunities.
	(iii) How and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities.	Environmental, Social and Governance (ESG) Structure
	(iv) How the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing NWS's strategy, our decisions on major transactions and our risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities.	

IFRS S1 Requirements	Description	Report Section/Remarks
	(v) How the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitor progress towards those targets (paragraph 51), including whether and how related performance metrics are included in remuneration policies.	
IFRS S1-27(b)	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities, including information about:	
	(i) Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee.	Environmental, Social and Governance (ESG) Structure
	(ii) Whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Accountability: NWS ESG Governance

## Strategy

IFRS S1 Requirements	Description	Report Section/Remarks
<b><i>Sustainability-related risks and opportunities</i></b>		
<b>IFRS S1-30 Disclosure of information on sustainability-related risks and opportunities that could reasonably be expected to affect NWS's prospects, over the short, medium or long term.</b>		
IFRS S1-30(a)	A description of sustainability-related risks and opportunities that could reasonably be expected to affect NWS's prospects.	Accelerating to Net Zero
IFRS S1-30(b)	The time horizons — short, medium or long term — over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur.	
IFRS S1-30(c)	How NWS defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by us for strategic decision-making.	
<b><i>Business model and value chain</i></b>		
<b>IFRS S1-32 Disclosure of information on NWS's assessment of the current and anticipated effects of sustainability-related risks and opportunities on our business model and value chain.</b>		
IFRS S1-32(a)	The current and anticipated effects of sustainability-related risks and opportunities on NWS's business model and value chain.	The high-level current and anticipated effects of sustainability-related risks and opportunities on our business model are disclosed in each section.
IFRS S1-32(b)	A description of where NWS's business model and value chain sustainability-related risks and opportunities are concentrated (for example, geographical areas, facilities or types of assets).	We are working closely with our value chain partners to assess and quantify the relevant risks and opportunities. We will continue enhancing our approach and assessment to improve these disclosures in future reports.

IFRS S1 Requirements	Description	Report Section/Remarks
<b>Strategy and decision making</b>		
<b>IFRS S1-33 Disclosure of information on the effects of sustainability-related risks and opportunities on NWS's strategy and decision-making.</b>		
IFRS S1.33(a)	How NWS has responded to, and plans to respond to, sustainability-related risks and opportunities in our strategy and decision-making.	Engagement: Integrating ESG Risks into Our Operations
IFRS S1.33(b)	The progress against plans NWS has disclosed in previous reporting periods, including quantitative and qualitative information.	N/A
IFRS S1.33(c)	What trade-offs between sustainability-related risks and opportunities that NWS considered (for example, in making a decision on the location of new operations, an entity might have considered the environmental impacts of those operations and the employment opportunities they would create in a community).	Investing for the Future
<b>Financial position, financial performance and cash flows</b>		
<b>IFRS S1-34 Disclosure of information on the effects of sustainability-related risks and opportunities on our financial position, financial performance and cash flows for the reporting period, and the anticipated effects over the short, medium and long term —including how sustainability-related risks and opportunities are included in our financial planning.</b>		
IFRS S1-34(a)	The effects of sustainability-related risks and opportunities on NWS's financial position, financial performance and cash flows for the reporting period (current financial effects).	We are in the process of exploring methodologies and internal processes to assess the current and anticipated financial effects of sustainability-related risks and opportunities over the short, medium and long term.
IFRS S1-34(b)	The anticipated effects of sustainability-related risks and opportunities on NWS's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how sustainability-related risks and opportunities are included in NWS's financial planning (anticipated financial effects).	

IFRS S1 Requirements	Description	Report Section/Remarks
<b>IFRS S1-35 Disclosure of quantitative and qualitative information about the financial effects of the sustainability-related risks and opportunities</b>		
IFRS S1-35(a)	Quantitative and qualitative information about how sustainability-related risks and opportunities have affected our financial position, financial performance and cash flows for the reporting period.	We are in the process of exploring methodologies and internal processes to assess the current and anticipated financial effects of sustainability-related risks and opportunities over the short, medium and long term.
IFRS S1-35(b)	Quantitative and qualitative information about the sustainability-related risks and opportunities identified in paragraph 35(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	
IFRS S1-35(c)	<p>Quantitative and qualitative information about how NWS expects our financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration:</p> <ul style="list-style-type: none"> <li>(i) Our investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans NWS is not contractually committed to.</li> <li>(ii) Our planned sources of funding to implement its strategy.</li> </ul>	
IFRS S1-35(d)	Quantitative and qualitative information about how NWS expects our financial performance and cash flows to change over the short, medium and long term, given our strategy to manage sustainability-related risks and opportunities.	

IFRS S1 Requirements	Description	Report Section/Remarks
<b>Resilience</b>		
IFRS S1-41	A qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon.	Qualitative assessment — Engagement: Integrating ESG Risks into Our Operations  Quantitative assessment: N/A
<b>Risk management</b>		
<b>IFRS S1-44 Disclosure of information on the processes, by which sustainability-related risks and opportunities, are identified, assessed, prioritized, monitored and managed.</b>		
IFRS S1-44(a)	<p>The processes and related policies NWS uses to identify, assess, prioritize and monitor sustainability-related risks, including information about:</p> <ul style="list-style-type: none"> <li>(i) The inputs and parameters NWS uses (for example, information about data sources and the scope of operations covered in the processes).</li> <li>(ii) Whether and how NWS uses scenario analysis to inform its identification of sustainability-related risks.</li> <li>(iii) How NWS assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria).</li> <li>(iv) Whether and how NWS prioritises sustainability-related risks relative to other types of risk.</li> <li>(v) How NWS monitors sustainability-related risks.</li> <li>(vi) Whether and how NWS has changed the processes we use compared with the previous reporting period.</li> </ul>	<p>Engagement: Integrating ESG Risks into Our Operations</p> <p>Accelerating to Net Zero</p> <p>Accelerating to Net Zero</p>
IFRS S1-44(b)	The processes NWS uses to identify, assess, prioritize and monitor sustainability-related opportunities.	Accelerating to Net Zero
IFRS S1-44(c)	The extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring sustainability-related risks and opportunities are integrated into and inform NWS's overall risk management process.	<p>Engagement: Integrating ESG Risks into Our Operations</p> <p>Accelerating to Net Zero</p>



IFRS S1 Requirements	Description	Report Section/Remarks
<b>Metrics and targets</b>		
<b>IFRS S1.46 Disclosure of information on how NWS measures, monitors and manages our sustainability-related risk and opportunity that could reasonably be expected to affect our prospects.</b>		
IFRS S1-46(a)	Metrics required by an applicable IFRS Sustainability Disclosure Standard.	Environmental Performance Data Summary, Social Data Summary
IFRS S1-46(b)	Metrics NWS uses to measure and monitor:	
	(i) That sustainability-related risk or opportunity.	We reported on key ESG metrics. Additional metrics will be included to enhance our disclosure in the future.
	(ii) Our performance in relation to that sustainability-related risk or opportunity, including progress towards any targets NWS has set, and any targets we are required to meet by law or regulation.	Our Sustainability Vision; Charting Our Sustainability Progress
<b>IFRS S1.50 Disclosure of information about metrics which have been developed by NWS.</b>		
IFRS S1-50(a)	How the metric is defined, including whether it is derived by adjusting a metric taken from a source other than IFRS Sustainability Disclosure Standards and, if so, which source and how the metric disclosed by NWS differs from the metric specified in that source.	Environmental Performance Data Summary, Social Data Summary
IFRS S1.50(b)	Whether the metric is an absolute measure, a measure expressed in relation to another metric or a qualitative measure (such as a red, amber, green — or RAG — status).	
IFRS S1.50(c)	Whether the metric is validated by a third party and, if so, which party.	The ESG performance was independently verified by a third party, PwC, which provides limited assurance. Some specific metrics are currently not validated by a third party. We will consider seeking third party validation in coming years.
IFRS S1.50(d)	The methods used to calculate the metric and the inputs to the calculation, including the limitations of the method used and the significant assumptions made	Environmental Performance Data Summary, Social Data Summary

IFRS S1 Requirements	Description	Report Section/Remarks
<b>IFRS S1.51 The quantitative and qualitative sustainability-related targets NWS has set to monitor progress towards achieving our strategic goals, and any targets we are required to meet by law or regulation.</b>		
IFRS S1.51(a)	The metric used to set the target and to monitor progress towards reaching the target;	Our Sustainability Vision; Charting Our Sustainability Progress
IFRS S1.51(b)	The specific quantitative or qualitative target NWS has set or is required to meet.	
IFRS S1.51(c)	The period over which the target applies.	
IFRS S1.51(d)	The base period from which progress is measured.	
IFRS S1.51(e)	Any milestones or interim targets.	
IFRS S1.51(f)	Performance against each target and an analysis of trends or changes in NWS's performance.	
IFRS S1.51(g)	Any revisions to the target and an explanation for those revisions.	

## IFRS S2 REFERENCE TABLE

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

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

### Governance

IFRS S2 Requirements	Description	Report Section/Remarks
<b>IFRS S2 6 Disclosure of information about the governance body (the Board and its associated committee charged with governance of ESG issues) with oversight of climate-related risks and opportunities, and information about management's role in those processes.</b>		
IFRS S2-6(a)	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities, including information about:	
	(i) How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions, and other related policies applicable to that body(s) or individuals(s).	Accelerating to Net Zero: Climate Governance
	(ii) How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities.	We will be arranging relevant training materials in the coming years to help enhance the skills and competencies of the Board for the oversight of climate-related risks and opportunities.
	(iii) How and how often the body(s) or individual(s) is informed about climate-related risks.	Accelerating to Net Zero: Climate Governance
	(iv) How the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing NWS's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities.	

IFRS S2 Requirements	Description	Report Section/Remarks
	(v) How the body(s) or individual(s) oversee the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.	
IFRS S2-6(b)	Management's role in the governance processes, controls and procedures used to monitor, manage, and oversee climate-related risks and opportunities, including information about:	
	(i) Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee.	Accelerating to Net Zero: Climate Governance
	(ii) Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	

## Strategy

IFRS S2 Requirements	Description	Report Section/Remarks
<b>IFRS S2 9 Disclosure of climate-related financial disclosures regarding NWS's strategy to understand our strategy for addressing significant climate-related risks and opportunities.</b>		
IFRS S2-9(a)	The climate-related risks and opportunities that could reasonably be expected to affect NWS's prospects.	Accelerating to Net Zero: Climate Strategy
IFRS S2-9(b)	The current and anticipated effects of those climate-related risks and opportunities on NWS's business model and value chain.	We are in process of assessing the current and anticipated effects on NWS's value chain
IFRS S2-9(c)	The effects of those climate-related risks and opportunities on NWS's strategy and decision-making, including information about its climate-related transition plan.	Accelerating to Net Zero: Climate Strategy
IFRS S2-9(d)	The effects of those climate-related risks and opportunities on NWS's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on NWS's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into NWS's financial planning.	The 1.5°C feasibility assessment of both construction and insurance segments has conducted a high-level financial implication analysis for net zero transition. We are still exploring methodologies and processes to assess the effects of climate-related risks and opportunities on NWS's financial position, financial performance and cash flows for future disclosure.
IFRS S2-9(e)	The climate resilience of NWS's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration NWS's identified climate-related risks and opportunities.	Accelerating to Net Zero: Climate Strategy  Engagement: Integrating ESG Risks into Our Operations

IFRS S2 Requirements	Description	Report Section/Remarks
<b><i>Climate-related risks and opportunities</i></b>		
<b>IFRS S2 10 Disclosure of information on significant climate-related risks and opportunities that could reasonably be expected to affect the NWS's business model, strategy and cash flows, our access to finance and our cost of capital, over the short, medium or long term.</b>		
IFRS S2-10(a)	Describe the climate-related risks and opportunities that could reasonably be expected to affect NWS's prospects.	Accelerating to Net Zero: Climate Strategy
IFRS S2-10(b)	For each climate-related risk NWS has identified, whether NWS considers the risk to be a climate-related physical risk or climate-related transition risk.	
IFRS S2-10(c)	For each climate-related risk and opportunity NWS has identified, over which time horizons — short, medium or long term — the effects of each climate-related risk and opportunity could reasonably be expected to occur.	
IFRS S2-10(d)	How NWS defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by NWS for strategic decision-making.	
<b><i>Business model and value chain</i></b>		
<b>IFRS S2 13 Disclosure of information on NWS's assessment of the current and anticipated effects of significant climate-related risks and opportunities on our business model.</b>		
IFRS S2-13(a)	A description of the current and anticipated effects of climate-related risks and opportunities on NWS's business model and value chain.	We are in process of assessing the current and anticipated effects on NWS's value chain
IFRS S2-13(b)	A description of where in NWS's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	



IFRS S2 Requirements	Description	Report Section/Remarks
<b>Strategy and decision making</b>		
<b>IFRS S2 14 Disclosure of information on the effects of significant climate-related risks and opportunities on our strategy and decision-making, including our transition plans.</b>		
IFRS S2-14(a)	<p>Information about how NWS has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how NWS plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, NWS shall disclose information about:</p> <ul style="list-style-type: none"> <li>(i) Current and anticipated changes to NWS's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments).</li> <li>(ii) Current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications).</li> <li>(iii) Current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains).</li> <li>(iv) Any climate-related transition plan NWS has, including information about key assumptions used in developing its transition plan, and dependencies on which NWS's transition plan relies.</li> <li>(v) How NWS plans to achieve any climate-related targets, including any greenhouse gas emissions targets.</li> </ul>	<p>Accelerating to Net Zero: Climate Strategy</p> <p>Accelerating to Net Zero: Climate Strategy — climate-related targets are only set for Hip Hing Group and CTF Life Insurance for this reporting year, we are in progress of setting targets for the remaining business units</p>
IFRS S2-14(b)	Information about how NWS is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).	Hip Hing Group and CTF Life Insurance are in progress of planning resources to achieve the set target
IFRS S2-14(c)	Quantitative and qualitative information about the progress of transition plans disclosed in previous reporting periods in accordance with paragraph 14(a).	N/A

IFRS S2 Requirements	Description	Report Section/Remarks
<b><i>Financial position, financial performance and cash flows</i></b>		
<b>IFRS S2 15 Disclosure of information on the effects of significant climate-related risks and opportunities on our financial position, financial performance and cash flows for the reporting period, and the anticipated effects over the short, medium and long term —including how climate-related risks and opportunities are included in our financial planning.</b>		
IFRS S2-15(a)	The effects of climate-related risks and opportunities on NWS's financial position, financial performance and cash flows for the reporting period (current financial effects).	We are still exploring methodologies and processes to assess the effects of climate-related risks and opportunities on NWS's financial position, financial performance and cash flows for future disclosure.
IFRS S2-15(b)	The anticipated effects of climate-related risks and opportunities on NWS's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in NWS's financial planning (anticipated financial effects).	

IFRS S2 Requirements	Description	Report Section/Remarks
<b>IFRS S2 16 Disclosure of quantitative and qualitative information on how climate-related risks and opportunities affect our financial position, financial performance and cash flows for the Reporting Period, and the anticipated effects in the next Reporting Period.</b>		
IFRS S2-16(a)	How climate-related risks and opportunities have affected our financial position, financial performance and cash flows for the reporting period.	We are still exploring methodologies and processes to assess the effects of climate-related risks and opportunities on NWS's financial position, financial performance and cash flows for future disclosure.
IFRS S2-16(b)	The climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	
IFRS S2-16(c)	<p>How NWS expects our financial position to change over the short, medium, and long term, given our strategy to manage climate-related risks and opportunities, taking into consideration:</p> <ul style="list-style-type: none"> <li>(i) Our investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans NWS is not contractually committed to.</li> <li>(ii) Our planned sources of funding to implement our strategy.</li> </ul>	
IFRS S2-16(d)	How NWS expects our financial performance and cash flows to change over the short, medium and long term, given our strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	

IFRS S2 Requirements	Description	Report Section/Remarks
<b>IFRS S2-21 Disclosure of quantitative information on the anticipated financial effects of climate-related risks or opportunities.</b>		
IFRS S2-21(a)	Explain why NWS has not provided quantitative information	We are currently in progress of assessing quantitative information on the anticipated financial effects of climate-related risks or opportunities.
IFRS S2-21(b)	The qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected; or have been affected, by that climate-related risk or opportunity.	Accelerating to Net Zero
IFRS S2-21(c)	The quantitative information about the combined financial effects of that climate-related risk or opportunity with other climate-related risks or opportunities and other factors unless the entity determines that quantitative information about the combined financial effects would not be useful.	We are currently in progress of assessing quantitative information on the anticipated financial effects of climate-related risks or opportunities.

IFRS S2 Requirements	Description	Report Section/Remarks
<b>Climate Resilience</b>		
<b>IFRS S2 22 Disclosure of analysis on the resilience of NWS's strategy and business model to climate-related changes, developments or uncertainties — taking into consideration our identified significant climate-related risks and opportunities and related uncertainties.</b>		
IFRS S2-22(a)	<p>An entity shall disclose information that enables users of general purpose financial reports to understand the resilience of NWS's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration NWS's identified climate-related risks and opportunities. NWS shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with NWS's circumstances. In providing quantitative information, NWS may disclose a single amount or a range. Specifically, NWS shall disclose:</p> <ul style="list-style-type: none"> <li>(i) The implications, if any, of NWS's assessment for its strategy and business model, including how NWS would need to respond to the effects identified in the climate-related scenario analysis.</li> <li>(ii) The significant areas of uncertainty considered in NWS's assessment of climate resilience.</li> <li>(iii) NWS's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including: <ul style="list-style-type: none"> <li>(1) The availability of, and flexibility in, NWS's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities.</li> <li>(2) NWS's ability to redeploy, repurpose, upgrade or decommission existing assets.</li> <li>(3) The effect of NWS's current and planned investments in climate-related mitigation, adaptation, and opportunities for climate resilience.</li> </ul> </li> </ul>	<p>Accelerating to Net Zero: Climate Strategy</p> <p>The most recent climate-related scenario analysis was conducted to provide a high-level overview of climate-related risks and opportunities. We are in progress of enhancing the scenario analysis in coming years.</p>

IFRS S2 Requirements	Description	Report Section/Remarks
IFRS S2-22(b)	How and when the climate-related scenario analysis was carried out, including:	
	<ul style="list-style-type: none"> <li>(i) Information about the inputs NWS used, including: <ul style="list-style-type: none"> <li>(1) Which climate-related scenarios NWS used for the analysis and the sources of those scenarios.</li> <li>(2) Whether the analysis included a diverse range of climate-related scenarios.</li> <li>(3) Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risk.</li> <li>(4) Whether NWS used, among, its scenarios, a climate-related scenario aligned with the latest international agreement on climate change.</li> <li>(5) Why NWS decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties.</li> <li>(6) The time horizons NWS used in the analysis.</li> <li>(7) What scope of operations NWS used in the analysis (for example, the operating locations and business units used in the analysis).</li> </ul> </li> <li>(ii) The key assumptions NWS made in the analysis, including assumptions about: <ul style="list-style-type: none"> <li>(1) Climate-related policies in the jurisdictions in which NWS operates.</li> <li>(2) Macroeconomic trends.</li> <li>(3) National- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources).</li> <li>(4) Energy usage and mix.</li> <li>(5) Developments in technology.</li> </ul> </li> <li>(iii) The reporting period in which the climate-related scenario analysis was carried out.</li> </ul>	<p>Climate Strategy</p> <p>The most recent climate-related scenario analysis was conducted to provide a high-level overview of climate-related risks and opportunities. We are in progress of enhancing the scenario analysis in coming years.</p> <p>We are in progress of enhancing our approach on climate-related scenario analysis and will incorporate these assumptions in future exercise.</p> <p>Accelerating to Net Zero: Climate Strategy</p>

## Risk Management

IFRS S2 Requirements	Description	Report Section/Remarks
<b>IFRS S2 25 Disclosure of information on the process, or processes, by which climate-related risks and opportunities are identified, assessed and managed.</b>		
IFRS S2-25(a)	<p>The processes and related policies NWS uses to identify, assess, prioritize and monitor climate-related risks, including information about:</p> <ul style="list-style-type: none"> <li>(i) The inputs and parameters NWS uses (for example, information about data sources and the scope of operations covered in the processes).</li> <li>(ii) Whether and how NWS uses climate-related scenario analysis to inform its identification of climate-related risks.</li> <li>(iii) How NWS assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether NWS considers qualitative factors, quantitative thresholds or other criteria).</li> <li>(iv) Whether and how NWS prioritizes climate-related risks relative to other types of risks.</li> <li>(v) How NWS monitors climate-related risks.</li> <li>(vi) Whether and how NWS has changed the processes it uses compared with the previous reporting period.</li> </ul>	<p>Accelerating to Net Zero: Climate Risk Management</p> <p>We are in progress of enhancing the scenario analysis in coming years</p> <p>Accelerating to Net Zero: Climate Risk Management</p> <p>N/A</p>
IFRS S2-25(b)	The processes NWS uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how NWS uses climate-related scenario analysis to inform its identification of climate-related opportunities.	We are in progress of enhancing the scenario analysis in coming years
IFRS S2-25(c)	The extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform NWS's overall risk management process.	Accelerating to Net Zero: Climate Risk Management



## Metrics and Targets

IFRS S2 Requirements	Description	Report Section/Remarks
<b>IFRS S2 28 Disclosure of information on how NWS measures, monitors and manages our significant climate-related risks and opportunities.</b>		
IFRS S2-28(a)	Information relevant to the cross-industry metric categories.	Accelerate to Net Zero: Metrics and Targets
IFRS S2-28(b)	Industry-based metrics that are associated with particular business models, activities or other common features that characterize participation in an industry.	
IFRS S2-28(c)	Targets set by NWS, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets	Our Sustainability Vision; Charting Our Sustainability Progress  Accelerating to Net Zero: Climate Strategy

IFRS S2 Requirements	Description	Report Section/Remarks
<b>Climate-related metrics</b>		
<b>IFRS S2 29 Disclosure of cross-industry metric categories.</b>		
IFRS S2-29(a)	<p>An entity shall disclose information relevant to the cross-industry metric categories of greenhouse gas emissions, including:</p> <ul style="list-style-type: none"> <li>(i) Disclose the absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO<sub>2</sub> equivalent, classified as: <ul style="list-style-type: none"> <li>(1) Scope 1 greenhouse gas emissions.</li> <li>(2) Scope 2 greenhouse gas emissions.</li> <li>(3) Scope 3 greenhouse gas emissions.</li> </ul> </li> <li>(ii) Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which NWS is listed to use a different method for measuring its greenhouse gas emissions.</li> <li>(iii) Disclose the approach it uses to measure its greenhouse gas emissions including: <ul style="list-style-type: none"> <li>(1) The measurement approach, inputs and assumptions NWS uses to measure its greenhouse gas emissions.</li> <li>(2) The reason why NWS has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions.</li> <li>(3) Any changes NWS made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes.</li> </ul> </li> <li>(iv) For Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)–(2), disaggregate emissions between: <ul style="list-style-type: none"> <li>(1) The consolidated accounting group (parent and its consolidated subsidiaries).</li> <li>(2) Other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries).</li> </ul> </li> </ul>	<p>Environmental Performance Data Summary</p> <p>We are still exploring the methodologies and processes to calculate disaggregated emissions for future disclosure.</p>

IFRS S2 Requirements	Description	Report Section/Remarks
	<ul style="list-style-type: none"> <li>(v) For Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of NWS's Scope 2 greenhouse gas emissions.</li> <li>(vi) For Scope 3 emissions disclosed in accordance with paragraph 29(a)(i)(3) and with reference to paragraphs B32-B57, disclose: <ul style="list-style-type: none"> <li>(1) The categories included within NWS's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).</li> <li>(2) Additional information about NWS's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if NWS's activities include asset management, commercial banking or insurance.</li> </ul> </li> </ul>	
IFRS S2-29(b)	Climate-related transition risks — the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	We will be enhancing our methodologies and processes to assess the financial effects of climate-related risks and opportunities for future reports.
IFRS S2-29(c)	Climate-related physical risks — the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
IFRS S2-29(d)	Climate-related opportunities — the amount and percentage of assets or business activities aligned with climate-related opportunities.	
IFRS S2-29(e)	Capital deployment — the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	

IFRS S2 Requirements	Description	Report Section/Remarks
IFRS S2-29(f)	Internal carbon prices — NWS shall disclose:	
	(i) An explanation of whether and how NWS is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis).	We are currently not applying a carbon price in decision-making and will explore the potential of adoption in the coming years.
	(ii) The price for each metric tonne of greenhouse gas emissions NWS uses to assess the costs of its greenhouse gas emissions.	
IFRS S2-29(g)	Remuneration — NWS shall disclose:	
	(i) A description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)).	We are currently not factoring climate-related considerations into executive remuneration and will explore the potential of adoption in the coming years.
	(ii) The percentage of executive management remuneration recognized in the current period that is linked to climate-related considerations.	
<b><i>Climate-related targets</i></b>		
<b>IFRS S2 33 The quantitative and qualitative climate-related targets NWS has set to monitor progress towards achieving our strategic goals, and any targets we are required to meet by law or regulation, including any greenhouse gas emissions targets.</b>		
IFRS S2-33(a)	The metric used to set the target.	Accelerating to Net Zero: Climate Strategy — climate-related targets are only set for Hip Hing Group and CTF Life Insurance for this reporting year, we are in progress of setting targets for other business units
IFRS S2-33(b)	The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives).	
IFRS S2-33(c)	The part of NWS to which the target applies (for example, whether the target applies to NWS in its entirety or only a part of NWS, such as a specific business unit or specific geographical region).	
IFRS S2-33(d)	The period over which the target applies.	
IFRS S2-33(e)	The base period from which progress is measured.	

IFRS S2 Requirements	Description	Report Section/Remarks
IFRS S2-33(f)	Any milestones and interim targets.	
IFRS S2-33(g)	If the target is quantitative, whether it is an absolute target or an intensity target.	
IFRS S2-33(h)	How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	
<b>IFRS S2 34 The approach to setting and reviewing each target, and how NWS monitors progress against each target.</b>		
IFRS S2-34(a)	Whether the target and the methodology for setting the target has been validated by a third party.	These are currently not validated by a third party. We will consider seeking third party validation in the coming years.
IFRS S2-34(b)	NWS's processes for reviewing the target.	This is the first year NWS sets climate-related targets.
IFRS S2-34(c)	The metrics used to monitor progress towards reaching the target.	
IFRS S2-34(d)	Any revisions to the target and an explanation for those revisions.	N/A

IFRS S2 Requirements	Description	Report Section/Remarks
<b>IFRS S2 36 For each greenhouse gas emissions target disclosed, some additional detail shall be disclosed.</b>		
IFRS S2-36(a)	Which greenhouse gases are covered by the target.	Climate Strategy
IFRS S2-36(b)	Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	
IFRS S2-36(c)	Whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If NWS discloses a net greenhouse gas emissions target, NWS is also required to separately disclose its associated gross greenhouse gas emissions target.	
IFRS S2-36(d)	Whether the target was derived using a sectoral decarbonization approach.	
IFRS S2-36(e)	<p>NWS's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits NWS shall disclose information including:</p> <ul style="list-style-type: none"> <li>(i) The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits.</li> <li>(ii) Which third-party scheme(s) will verify or certify the carbon credits.</li> <li>(iii) The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal.</li> <li>(iv) Any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits NWS plans to use (for example, assumptions regarding the permanence of the carbon offset).</li> </ul>	<p>There is currently no plan for NWS to use carbon credits to offset our greenhouse gas emissions.</p>

## AWARDS AND RECOGNITIONS

Organizers	Awards and Recognitions	Companies
Agency for Volunteer Service	Hong Kong Volunteer Award 2023 <ul style="list-style-type: none"> <li>Corporate &amp; Non-Commercial Organization (Volunteer Hours) — Bronze Award</li> </ul>	Hip Hing Group
Architectural Services Department	2023 ArchSD Annual Award — Merit Award 2023 Innovation & Technology Award — Merit Award	Hip Hing Group Hip Hing Group
BCI Asia	BCI Asia Awards 2024 — Top 10 Contractor Award	Hip Hing Group
Charitable Choice	Charitable Choice Awards 2024 — Corporate Gift Card Donor	HML
Christian Family Service Centre	Employees' Health Commitment — Commendation Certificate	HML
CTgoodjobs	Best HR Awards <ul style="list-style-type: none"> <li>Best Corporate Social Responsibility Award — Gold Award</li> <li>Best ESG Award — Gold Award</li> <li>Best Family-Friendly Employment Policy — Grand Award</li> </ul>	NWS Corporate Office
Environmental and Ecology Bureau	Charter on External Lighting — Diamond Award	CTF Life
Environmental Campaign Committee	Hong Kong Awards for Environmental Excellence Energywi\$e Certificate — Excellent Level Energywi\$e Certificate — Good Level IAQwi\$e Certificate — Good Level Wastewi\$e Certificate — Excellent Level  Wastewi\$e Certificate — Good Level	Free Duty CTF Life/HML Free Duty HML NWS Corporate Office/CTF Life/ HML Free Duty
Environmental Protection Department	Indoor Air Quality Certificate 2023-2024 — Good Class — Administration Office, Executive Office	HML
Food Angel	Food Angel Thanksgiving Luncheon 2023 — Our Heartfelt Gratitude for Your Continuous Support	HML



Organizers	Awards and Recognitions	Companies
Hong Kong Chapter of building SMART International	<p>Hong Kong openBIM/openGIS Awards 2024</p> <ul style="list-style-type: none"> <li>Grand Award in the Design for Buildings Category</li> <li>Grand Award in Facilities Management/Asset Management Category</li> <li>Grand Award in Construction for Buildings Category</li> </ul>	Hip Hing Group
Hong Kong Quality Assurance Agency	<p>Hong Kong Green and Sustainability Contribution Awards 2023</p> <ul style="list-style-type: none"> <li>Gold Seal for Contribution to Sustainable Property <ul style="list-style-type: none"> <li>Promote Barrier-free Facilities</li> <li>Promote Community Caring</li> <li>Promote Environmental Protection</li> <li>Promote Hygiene Measures for Epidemic Prevention</li> </ul> </li> <li>Management Award for Net-Zero Contribution <ul style="list-style-type: none"> <li>Visionary Blueprint towards Net-Zero</li> </ul> </li> </ul> <p>Hong Kong Green and Sustainability Contribution Awards 2024</p> <ul style="list-style-type: none"> <li>Gold Seal for Contribution to Sustainable Facilities <ul style="list-style-type: none"> <li>Promote Barrier-free Facilities</li> <li>Promote Barrier-free Services</li> <li>Promote Community Caring</li> <li>Promote Environmental Protection</li> </ul> </li> <li>Management Award for Net-Zero Contribution <ul style="list-style-type: none"> <li>Visionary Blueprint towards Net-Zero</li> </ul> </li> </ul> <p>Hong Kong Green and Sustainability Contribution Awards 2024</p> <ul style="list-style-type: none"> <li>Outstanding Award for Contribution to Livable City Construction <ul style="list-style-type: none"> <li>Promoting Efficient Building Supply Solutions</li> <li>Promote Eco-friendly Construction</li> <li>Promoting Efficient Property Management</li> </ul> </li> </ul>	<p>HML</p> <p>HML</p> <p>Hip Hing Group</p>
Hong Kong Cancer Fund	<p>Certification of Appreciation for being the Top Fundraising Company of Cancer Fund's Dress Pink Day 2023</p>	HML
Hong Kong Construction Association	<p>2023 HKCA Hong Kong Construction Environmental Awards</p> <ul style="list-style-type: none"> <li>Environmental Merit Award</li> </ul>	Hip Hing Group

Organizers	Awards and Recognitions	Companies
Human Resources Online	HR Distinction Awards <ul style="list-style-type: none"> <li>• Excellence in ESG Strategy — Gold Award</li> <li>• Excellence in Employee Engagement — Bronze Award</li> </ul>	NWS Corporate Office
JobMarket	Employer of Choice Award 2023 <ul style="list-style-type: none"> <li>• Corporate Social Responsibility (CSR) Award</li> <li>• Employer of Choice Award</li> <li>• ESG HR Strategy Award</li> </ul>	NWS Corporate Office
Ming Pao Newspaper Limited	Ming Pao ESG Award 2024 <ul style="list-style-type: none"> <li>• Excellent ESG Enterprise Award — Non-Listed Company (Exhibition)</li> <li>• Elite of Sustainability Performance Award</li> </ul>	HML
The Hong Kong Management Association	2023 HKMA Quality Award — Gold Certification	HML
UFI The Global Association of the Exhibition Industry	2023 Operations and Services Award	HML
U.S. Green Building Council	LEED Platinum Certification	Zhejiang NWS Expressway
	LEED for Existing Buildings Gold Certification	HML

## MEMBERSHIPS AND AFFILIATIONS

Organizers	Memberships and Affiliations	Companies
Department of Health	Mental Health Friendly Supreme Organisation	Free Duty
Department of Health & Occupational Safety & Health Council	Joyful@Healthy Workplace Charter Signatory	Free Duty
Department of Transport of Zhejiang Province	Five-Star Service Area of Zhejiang Province 2023	Zhejiang NWS Expressway
Electrical and Mechanical Services Department	Energy Saving Charter on “No ILB” Signatory	Free Duty
Environmental Campaign Committee	Hong Kong Green Organisation	NWS Corporate Office CTF Life HML
Environmental Protection Department	Food Wise Charter Signatory	Free Duty
Food and Health Bureau & Department of Health & Hospital Authority	Organ Donation Promotion Charter Signatory	Free Duty
Labour Department	Good Employer Charter Signatory	Free Duty
Mandatory Provident Fund Schemes Authority	Good MPF Employer 5 Years	Free Duty
Promoting Happiness Index Foundation	Happiness at Work Promotional Scheme 2024 — Happy Company 5 years+	NWS Corporate Office HML
The Chinese Manufacturers’ Association of Hong Kong	ESG Pledge Scheme 2023 Signatory	HML
The Equal Opportunities Commission	The Racial Diversity and Inclusion Charter for Employers Signatory	Free Duty/HML
The Hong Kong Council of Social Service	Caring Company 10 Years Plus	Free Duty
	Caring Company 20 Years Plus	HML
UNICEF Hong Kong	Breastfeeding Friendly Workplace	Free Duty

## **NWS Holdings Limited**

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