



# 高陽科技(中國)有限公司\*

## HI SUN TECHNOLOGY (CHINA) LIMITED

(於百慕達註冊成立之有限公司)

(Incorporated in Bermuda with limited liability)

(股份代號 Stock code: 00818)

Environmental, Social and  
Governance Report

環境、社會及管治報告

# 2025



\* For identification purpose only  
僅供識別

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## About This Report

### Purpose and Objective

This is the tenth Environmental, Social and Governance (“ESG”) Report (the “Report”) for Hi Sun Technology (China) Limited (“Hi Sun Technology” or “the Company”, together with its subsidiaries, collectively known as “the Group” or “We”). This Report aims to provide our key stakeholders with a disclosure and overview of the Group’s sustainability management approach, strategy, measures and performance.

### Reporting Period and Scope

Unless otherwise stated, the reporting scope of this Report covers the four core businesses operated by key subsidiaries of the Group situated in the People’s Republic of China (the “PRC”) from 1 January 2025 to 31 December 2025 (the “Reporting Period”) which is the same period covered in the Group’s Annual Report, accounting for approximately 82% of the total revenue for the Group, as listed below:

- (I) Payment and Digital Services - 隨行付支付有限公司 (“VBILL”);
- (II) Fintech Services - 南昌隨行付網絡小額貸款有限公司 (unofficial English translation being Nanchang VBill Internet Micro-Credit Co. Ltd.) (“Nanchang VBill”) and 北京隨行付商業保理有限公司 (unofficial English translation being Beijing VBill Commercial Factoring Co. Ltd.) (“Commercial Factoring”);
- (III) Platform Operation Solutions - 湖南高陽通聯信息技術有限公司 (Hunan Hisun Mobile Pay IT Limited) (“Hunan Hisun”); and
- (IV) Financial Solutions - 北京高陽金信信息技術有限公司 (Beijing Hi Sun Advanced Business Solutions Information Technology Limited) (“ABS”); and 深圳高陽寰球科技有限公司 (Shenzhen Hi Sun Fintech Global Company Limited) (“Hi Sun Global”).

The scope of this Report is determined based on the corresponding materiality of each operating business to our business and operation, as well as its sustainability impact.

## Reporting Standards

This Report is prepared in accordance with the provisions of the Environmental, Social and Governance Reporting Code ("ESG Reporting Code") in Appendix C2 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "HKEx").

## Reporting Principles

In the preparation of this Report, the Group has adhered to the four reporting principles set out in the ESG Reporting Code, to ensure that the content of this Report is material, quantitative, balanced and consistent, with significant matters on sustainability being covered.

Reporting Principle	Description	The Group's Application
Materiality	The issues covered in this Report should reflect the Group's significant impact to the environment, society and governance. Materiality represents the threshold at which ESG topics determined by the board are sufficiently important to investors and other stakeholders that they should be reported. In addition, under Part D of the ESG Reporting Code, the Group shall also provide relevant disclosures whenever climate-related risks and opportunities could reasonably be expected to affect the Group's cash flows, its access to finance or cost of capital over the short, medium or long term.	<p>The Group communicates with various stakeholders through different channels to understand their concerns and opinions.</p> <p>Materiality analysis and assessment are conducted on an annual basis to identify material sustainability topics relevant to the Group, investors and other stakeholders. The materiality of the topics is reviewed and confirmed by the Board of Directors of Hi Sun Technology (the "Board"), to ensure that relevant sustainability impact is disclosed in this Report. For details of the assessment process and results, please refer to the sections headed "Stakeholder Engagement" and "Double Materiality Assessment."</p>

<p>Quantitative</p>	<p>This Report should disclose measurable data in respect of the Group's historical key performance indicators ("KPIs"), calculate the relevant data in a quantitative manner and include comparable disclosures. The Group should set targets (which may be actual numerical figures or directional, forward-looking statement) to ensure that the effectiveness of ESG policies and management systems can be evaluated and validated. Quantitative information should be accompanied by a narrative, explaining its purpose, impacts, and giving comparative data where appropriate.</p>	<p>We disclose quantitative environmental and social KPIs, and where applicable, include historical annual performance comparison in this Report, enabling stakeholders to have a better understanding of our sustainability performance and progress in reducing a particular impact. By formulating four priority pillars in our sustainability strategy, corresponding goals and targets in environmental and social areas are set out for evaluating our ESG performance in a more effective manner. Relevant standards, methodologies, assumptions, and conversion factors are disclosed when reporting the Group's emissions and energy consumption.</p>
<p>Balance</p>	<p>This Report should provide an unbiased picture of the performance of the Group and the challenges it faces, for the purpose of avoiding selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the reader.</p>	<p>We present our environmental and social-related impacts and performance in a balanced manner. This Report makes a comprehensive disclosure of achievements, challenges and areas for improvements disclosed with comprehensive data and KPIs.</p>
<p>Consistency</p>	<p>The Group should use consistent methodologies to compile this Report to facilitate meaningful comparison of ESG data.</p>	<p>Unless otherwise stated, we adopt consistent methodologies for the calculations of environmental and social KPIs to allow a meaningful comparison of our performance over time, and include historical annual performance comparison in this Report.</p>

### Data Collection Method

The information cited in this Report is extracted from the official documents and statistical data of the Group. The Board has reviewed and approved this Report in March 2026.

### Access to This Report

This ESG Report is available in both Chinese and English versions on the websites of Hi Sun Technology and the HKEx. The Chinese version shall prevail in case of any discrepancies between the Chinese and English versions.

### Feedback

We welcome feedback and suggestions on this Report and the Group 's sustainability performance and approach. Please share your feedback at [ir@hisun.com.hk](mailto:ir@hisun.com.hk).



**Sustainability  
Approach and  
Highlights**

## Sustainability At A Glance 2025



### Sustainability Management Approach and Strategy

**First** adoption of double materiality, identifying **16 most material topics** across two dimensions: ESG impact materiality and financial materiality

**Strengthened** climate governance framework

- Optimized role allocation and oversight at the decision-making level to enhance overall governance effectiveness



### Environment

**First** climate scenario analysis

- Assessed NGFS Net Zero 2050 and Current Policies scenarios, strengthening climate resilience

Continued enhancement of the Scope 3 GHG emissions inventory, covering **7 emission categories**

Advanced the “2030 Climate Targets”, achieved a **12% reduction in GHG emissions intensity\***



### Employee

Average employee training hours

**2.4**  
**hours**

Male to female employee ratio

♂ ♀  
**5 : 3**



### Value Chain

Obtained

**11** **0**  
**Intellectual properties#** **Corruption cases**



### Community

Contributed

**820,000**  
RMB for **charitable donations**

\*Compared with the baseline year

#Including patents, copyrights, trademarks and R&D achievements. For further details, please refer to the "Sustainability Management Approach and Strategy" section.

## Our Sustainability Management Approach and Highlights

### Sustainability Management Approach and Strategy

Sustainability has been the core of our business and will continue to be integrated into our business operations, reflecting our unwavering commitment to creating long-term value for stakeholders. In pursuit of this vision, we have formulated and updated our sustainability framework throughout the Reporting Period. Built upon four priority pillars - **Environment**, **Employees**, **Value Chain** and **Community** - our sustainability framework sets specific goals and targets for each priority pillar in sustainability. The Board has approved our sustainability framework, guiding each stride in our sustainability journey towards a more promising and resilient future.

Guided by our sustainability vision and framework, we supported and joined the universal call of the United Nations Sustainable Development Goals (“UNSDGs”), to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030, during the Reporting Period. There are 17 UNSDGs which form a comprehensive set of objectives and targets for implementing sustainability initiatives. We have identified 11 out of the 17 UNSDGs to align with and for our business to contribute to. Details of our contribution towards specific UNSDGs will be disclosed in the corresponding sections of this Report.



## Environment – Pursuing decarbonisation for a greener future



Focus Area	Commitments	2025 Progress / Achievements	Progress
Climate Change and Resilience	Proactively address climate change and advance the Group's transition toward a low-carbon future	<ul style="list-style-type: none"> <li>Achieved 12% reduction in Scopes 1 &amp; 2 GHG emissions intensity against baseline year</li> <li>Optimised Scope 3 data collection procedures and disclosed on 7 categories</li> <li>Conducted climate scenario analysis</li> <li>Enhanced disclosures on the financial impacts of climate-related risks and opportunities</li> </ul>	   
Green Operations	Optimise equipment and operational processes to reduce resource consumption and waste, supporting more sustainable operations	<ul style="list-style-type: none"> <li>Achieved 14% reduction in total energy consumption intensity against baseline year</li> <li>Actively used video conferences instead of business trips</li> <li>Enhanced digital communication channels to minimise paper usage</li> <li>Implemented waste sorting and collection for food waste, paper, and other domestic waste</li> <li>Prioritised the procurement of electrical appliances with Grade 1 energy labels</li> </ul>	    
Green Procurement	Collaborate with suppliers to promote low-carbon procurement while ensuring product quality and environmental responsibility	<ul style="list-style-type: none"> <li>Promoted nature-positive and sustainable culture through the use of environmentally preferable products</li> <li>Prioritised local suppliers in operational regions to reduce carbon footprint</li> </ul>	 

Achieved    On Track



## Employees – Curating a decent and people-centric for our talents



Focus Area	Commitments	2025 Progress / Achievements	Progress
Talent Attraction and Retention	Create attractive working and development conditions to attract and retain high-potential talent	<ul style="list-style-type: none"> <li>Continued to implement flexible working arrangements to foster a more sustainable and inclusive workplace, while providing employee-friendly facilities such as lactation rooms to enhance the overall employee experience</li> <li>Developed a more comprehensive talent recruitment and training plans to attract individuals with strong potential</li> <li>Continued to organise various employee activities to enhance engagement and strengthen their sense of belonging</li> <li>Provided employees with a range of benefits and welfare programmes</li> </ul>	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 10px;"><input checked="" type="checkbox"/></div> <div style="margin-bottom: 10px;"><input type="checkbox"/></div> <div style="margin-bottom: 10px;"><input type="checkbox"/></div> <div style="margin-bottom: 10px;"><input type="checkbox"/></div> </div>
Workplace Diversity and Labour Rights	Strengthen employee rights protection and foster a diverse and respectful workplace culture	<ul style="list-style-type: none"> <li>Male-to-female employee ratio: 5:3</li> <li>Ensured fair and respectful treatment for all employees in accordance with the Group's established code of ethics and conduct</li> <li>Provided new hires with diversified onboarding training, emphasising the importance of respect and the prevention of discrimination</li> <li>Maintained sound labour-management relations and strictly complied with all applicable employment laws and regulations</li> </ul>	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 10px;"><input checked="" type="checkbox"/></div> <div style="margin-bottom: 10px;"><input checked="" type="checkbox"/></div> <div style="margin-bottom: 10px;"><input type="checkbox"/></div> <div style="margin-bottom: 10px;"><input type="checkbox"/></div> </div>
Occupational Health and Safety	Maintain a safe and healthy workplace by systematically managing operational risks and reducing potential safety hazards	<ul style="list-style-type: none"> <li>Maintained 0 work-related injury cases</li> <li>Established and continuously enhanced the occupational health and safety management system, ensuring full compliance with relevant guidelines and regulatory requirements</li> <li>Conducted regular fire drills and safety inspections to strengthen employees' safety awareness</li> <li>Arranged regular health check-ups and provided additional medical coverage to support employees' physical and mental well-being</li> </ul>	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 10px;"><input type="checkbox"/></div> <div style="margin-bottom: 10px;"><input type="checkbox"/></div> <div style="margin-bottom: 10px;"><input type="checkbox"/></div> <div style="margin-bottom: 10px;"><input type="checkbox"/></div> </div>
Training and Development	Establish comprehensive training and development mechanisms to support employees' long-term growth and career development	<ul style="list-style-type: none"> <li>Average training hours per employee: 2.4 hours</li> <li>Provided ESG-related training for directors and employees</li> <li>Implemented an annual training plan and provided diversified development opportunities to ensure employees possess the knowledge and skills required to perform their duties, while continuously enhancing professional capabilities</li> <li>Offered internship opportunities for students by engaging interns in departmental work and providing structured guidance to support future talent development</li> </ul>	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 10px;"><input type="checkbox"/></div> <div style="margin-bottom: 10px;"><input type="checkbox"/></div> <div style="margin-bottom: 10px;"><input type="checkbox"/></div> <div style="margin-bottom: 10px;"><input type="checkbox"/></div> </div>

Achieved

On Track



## Value Chain – Elevating customer experience by putting customers first



Focus Area	Commitments	2025 Progress / Achievements	Progress
Business Ethics and Compliance	Uphold high standards of ethics and compliance to ensure fair, transparent, and compliant operations	<ul style="list-style-type: none"> <li>Recorded 0 corruption-related litigation cases</li> <li>Implemented a comprehensive anti-corruption and compliance framework, including an anti-corruption policy and anti-money laundering (“AML”) internal control mechanisms</li> <li>Established a confidential whistleblowing mechanism, with the AML task force conducting ongoing monitoring of compliance risks and suspicious transactions</li> <li>Included anti-bribery, anti-corruption and business ethics content in induction training, and provided relevant training to Directors and employees during the Reporting Period</li> </ul>	    
Business Innovation and Expansion	Drive technological and product innovation to expand into new markets and explore diversified growth opportunities	<ul style="list-style-type: none"> <li>Obtained 7 software copyright registrations for financial solutions</li> <li>Obtained 1 software copyright registration for platform operation solutions</li> <li>Launched digital business operation solutions for the catering industry under the payment and digital services segment, covering more than 20 countries/regions</li> </ul>	  
Building a Sustainable Supply Chain	Promote responsible procurement practices that balance quality requirements and sustainability considerations	<ul style="list-style-type: none"> <li>Considered environmental, social and governance factors in procurement processes and actively encouraged suppliers to adopt sustainable procurement practices</li> <li>Conducted supplier and contractor audits and on-site inspections to ensure compliance with the Group’s quality and conduct requirements</li> <li>Required suppliers to comply with quality agreements and integrity and anti-corruption undertakings, as well as applicable codes of ethics and business conduct</li> <li>Carried out regular supplier assessments and on-site reviews to monitor environmental and social risk performance and ensure continued compliance with relevant requirements</li> </ul>	   
Delivering an Excellent Customer Experience	Deliver reliable, professional, and customer-centric service experiences while continuously enhancing service quality and customer satisfaction	<ul style="list-style-type: none"> <li>Engaged with customers through multiple channels, including mobile applications, websites and surveys, to collect feedback and maintain long-term trusted relationships</li> <li>Adopted a dual-track customer service model combining responsive support and proactive engagement, ensuring timely assistance and meeting diverse customer needs</li> </ul>	 

Achieved On Track



## Community

Enriching communities through care and nurture



Focus Area	Commitments	2025 Progress / Achievements	Progress
Promoting Quality Education Development	Promote quality education by supporting academic advancement and the cultivation of globally minded talent	<ul style="list-style-type: none"> <li>Donated RMB 200,000 to Peking University Education Foundation to support the development of the School of International Studies</li> <li>Contributed RMB 600,000 to the Center for Chinese &amp; Global Affairs to promote academic exchange and cooperation between China and the international community</li> </ul>	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 10px;"><span style="color: red;">●</span></div> <div><span style="color: red;">●</span></div> </div>
Poverty Alleviation and Emergency Support	Provide essential support to vulnerable groups to improve living conditions and promote sustainable community development	<ul style="list-style-type: none"> <li>Provided financial assistance of RMB 20,000 to the Poverty Alleviation Mutual Assistance Association of Qiugou Village, Wolong Town, Zhuanglang County to support local residents in improving their living conditions</li> </ul>	<div style="display: flex; flex-direction: column; align-items: center;"> <div><span style="color: red;">●</span></div> </div>
Raising Public Awareness of Anti-Corruption and Anti-Fraud	Enhance public awareness of anti-corruption and anti-fraud practices, promoting a culture of integrity and vigilance against fraud risks	<ul style="list-style-type: none"> <li>Continuously shared information on online fraud prevention, personal data protection and anti-money laundering through social media platforms to enhance community awareness of fraud risks</li> <li>Promoted anti-fraud, anti-bribery and law-abiding culture, and supported publicity initiatives in collaboration with law enforcement agencies and relevant authorities (e.g. financial literacy programmes and AML awareness campaigns)</li> <li>Worked with partner organisations and media outlets to disseminate anti-fraud information, strengthening public awareness and vigilance regarding fraudulent practices</li> </ul>	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 10px;"><span style="color: red;">●</span></div> <div style="margin-bottom: 10px;"><span style="color: red;">●</span></div> <div><span style="color: red;">●</span></div> </div>

● Achieved ○ On Track

### Our Awards and Recognitions

In our continuous pursuit of sustainability, we are delighted to announce that our ongoing efforts have been widely recognised in the industry, earning us many awards and recognitions during the Reporting Period.

**2024 UnionPay Jinxiu Action Outstanding Contribution Award (2024 年銀聯錦綉行動突出貢獻獎)**

- VBILL



**“Haidian Enterprise” Honorary Title (“海淀企業”榮譽稱號)**

- VBILL



**The PRC’s High and New Technology Enterprise (中國國家高新技術企業)**

- Hi Sun Global

**2024 Bo’ai Shijingshan Special Contribution Award (2024 年博愛石景山特殊貢獻獎)**

- VBILL



**Outstanding Acquiring Business Partner – VISA (收單業務傑出合作夥伴 – VISA)**

- VBILL



**2024 Mastercard Best Innovative Product Award (2024 年萬事達卡最佳創新產品獎)**

- VBILL




**2024 Collaborative Co-creation Pioneer Award – American Express (2024 協同共創先鋒獎 – 美國運通)**

- VBILL



**2025 Payment Scenario Co-creation Award (2025 支付場景共創獎 - 美國運通)**

- VBILL



**2025 Innovation Pioneer Award – American Express (2025 開拓創新先鋒獎– 美國運通)**

- VBILL



**2025 Best Partner Award for the Beijing Region – China UnionPay (2025 北京地區最佳合作夥伴獎– 中國銀聯)**

- VBILL



**China FinTech Excellence Award (中國金融科技卓越者)**

- VBILL



**Top 100 Private Enterprises in Social Responsibility, Hunan Xiangjiang New Area (湖南湘江新區民營企業社會責任百強)**

- Hunan Hisun



### Our Certificates and Accreditations

We have earned numerous certificates and accreditations in our business segments to integrate sustainability considerations in our product development practices and operations.

#### CMMI Level 5 Optimising Certification

- Hi Sun Global
- ABS
- Hunan Hisun



#### ISO9001 Quality Management System Certification

- Hi Sun Global
- ABS



#### Payment Card Industry Data Security Standard Certification

- VBILL



#### ISO45001 Occupational Health and Safety Management System

- Hunan Hisun



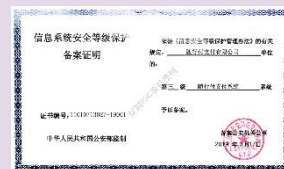
#### ISO 27001 Information Security Management System Certification

- Hi Sun Global
- Hunan Hisun



#### The PRC's Information System Security Protection Level 3 Certification

- VBILL



#### China Software Industry Association's "Software Enterprise Evaluation Standards" Certificate (中國軟件行業協會的《軟件企業評估標準》證書)

- Hunan Hisun



#### First-Level Capability Requirement certification of Communication Network Security Service Capability Assessment Certificate (中國通信企業協會的《通信網絡安全服務能力評定證書》一級能力要求認證)

- Hunan Hisun



### ISO 14001 Environmental Management System Certification

ABS



### China Electronics and Information Technology Industry Association's "Information System Construction and Service Capability Assessment System Capability Requirements" Good Level (CS3) certification (中國電子資訊行業聯會的《資訊系統建設和服務能力評估體系能力要求》良好級 (CS3) 認證)

- Hunan Hisun



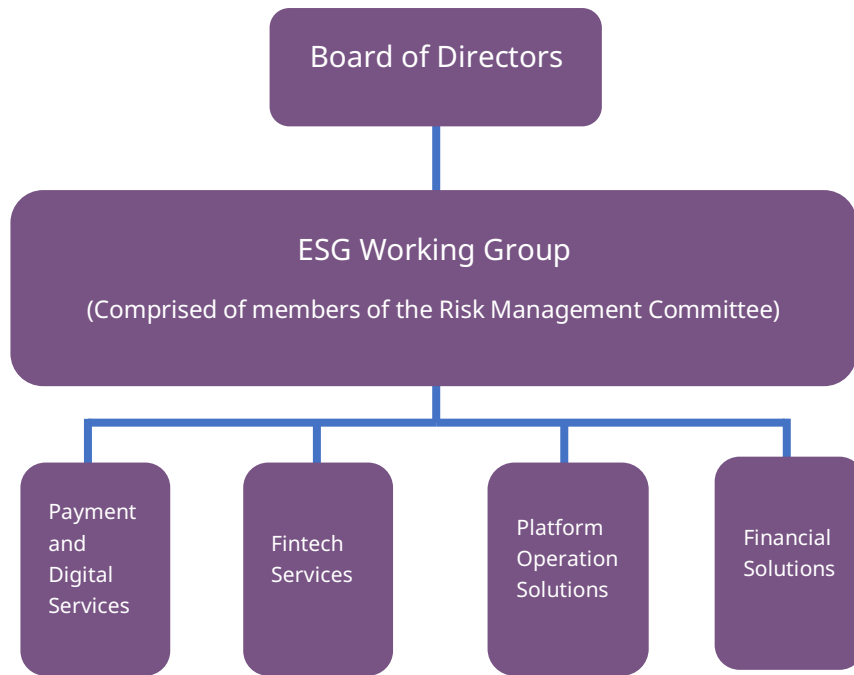
## Sustainability Governance and Board's Oversight

Sound sustainability governance is a key enabler of long-term business success. The Board bears ultimate responsibility for the Group's overall ESG (including but not limited to climate-related issues, risks and opportunities) strategy and reporting. The Board oversees all ESG-related matters across the Group, with a strong emphasis on supporting the Group's long-term development, and strategic positioning.

The ESG Working Group of the Group (the "ESG Working Group"), delegated by the Board and chaired by our Risk Management Committee, is responsible for overseeing and reviewing the Group's ESG management approach and strategy. It also drives and manages the planning and implementation of ESG matters related to the Group. The ESG Working Group advises the Board on matters including but not limited to the below on a regular basis:

- Formulation and review of the Group's ESG management approach, strategy and policies;
- Identification, prioritisation and management of ESG-related risks and opportunities (including but not limited to climate-related risks and opportunities, and environmental and social risks along the supply chain) and formulation of corresponding mitigation measures;
- Evaluation and prioritisation of sustainability issues for identifying material issues to the Group, and establishment of long-term ESG strategic direction;
- Formulation of ESG-related goals and targets based on material sustainability issues related to the Group's business nature, as well as review of the progress on a regular basis;
- Formulation and monitoring of the implementation of the Group's sustainability-related initiatives;
- Coordination with the management and employees of core businesses to integrate and implement ESG-related initiatives in daily operations; and
- Compilation of the Group's annual ESG report for approval by the Board.

### Our Sustainability Governance Structure



For details of the corporate governance of the Group, please refer to the section headed “Corporate Governance Report” in the Annual Report 2025 of the Group.

## Sustainability Risk and Opportunity Management

In response to the dynamic market environment and to advance our sustainability efforts, the Group has implemented a robust mechanism for managing sustainability risks and opportunities (including but not limited to climate-related issues, risks and opportunities). Our ESG Working Group, appointed by the Board, is responsible for monitoring the Group's sustainability risk and opportunity management, while the Board retains ultimate responsibility for oversight of the Group's sustainability risk and opportunity management. Our sustainability risk and opportunity management process primarily consists of the following four steps:

Step	Process
------	---------



### 1. Identification

We identify sustainability-related risks relevant to the Group's business based on the latest market developments, international ESG disclosure standards, and materiality maps developed by leading ESG rating agencies, including the Sustainability Accounting Standards Board ("SASB") Standards, IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information ("IFRS S1"), IFRS S2 – Climate-related Disclosures ("IFRS S2"), and MSCI's ESG Industry Materiality Map. This process has incorporated climate-related risks and opportunities, as well as environmental and social risks along the supply chain.

In response to the increasing concerns of stakeholders, we have identified and disclosed climate-related risks and opportunities in this Report. For further details, please refer to the "Climate Scenario Analysis" section.



### 2. Evaluation

We evaluate the potential impact and likelihood of sustainability risks and opportunities by considering both quantitative and qualitative factors. Quantitative inputs are informed by historical data, while qualitative considerations include industry trends, economic conditions, and recent major events and disasters.



### 3. Prioritisation

We prioritise significant sustainability risks and opportunities by considering their risk and opportunities levels in terms of potential impact and likelihood, ranking climate-related risks and opportunities together with other types of risks to ensure they are assessed on a comparable basis within the Group's overall risk and opportunity management framework.



### 4. Management

Our ESG Working Group assists the Board in managing and monitoring identified sustainability risks and opportunities, formulating corresponding response measures, and regularly submitting risk and opportunity reports to the Board for discussion. As part of its oversight responsibility, the Board regularly reviews the effectiveness of the response measures and provides recommendations for improvement when necessary.

## ESG Policy

The Group's ESG Policy reinforces our dedication to responsible operations, covering extensive issues such as operational practices, environmental protection, community engagement and corporate governance. This commitment facilitates the integration of sustainability and climate-related considerations into our business operations and decision-making processes, ensuring long-term sustainable growth and meeting stakeholder expectations.

We regularly review and update the ESG Policy as appropriate to align with shifts in operational dynamics and community needs, and will enhance our performance and management across key areas, including climate change, use of resources, employee well-being and community investment.

### Environment

- Climate Change
- Green Operations
- Green Procurement
- Use of Resources (including energy, water, etc.)
- Waste Management

### Employees

- Equal Opportunity and Diversity
- Occupational Health and Safety
- Training and Development
- Employment Practices and Labour Standards
- Freedom of Association
- Cybersecurity

### Value Chain

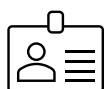
- Service and Product Quality
- Environmental and Social Risk Management in Supply Chain
- Business Ethics and Integrity

### Community

- Community Engagement and Investment

## Stakeholder Engagement

The Group highly values the opinions of stakeholders and consistently addresses their concerns. We actively engage in open communication with both internal and external stakeholders through diverse channels, seeking their input in the decision-making and strategy formulation processes. Below are the significant stakeholders we identified during the Reporting Period.



### Employees

- Social media platforms
- CEO mailbox and online message board
- Staff training
- Annual dinner and staff activities



### Customers

- Company website and mobile application
- Customer service hotline
- Face-to-face customer support



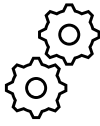
### Shareholders and Investors

- Shareholders' meetings and annual general meetings
- Investor relations website
- Investor conference and teleconference



### Suppliers and Business Partners

- Site visits
- Regular review
- Suppliers' websites



### Government and Regulatory Bodies

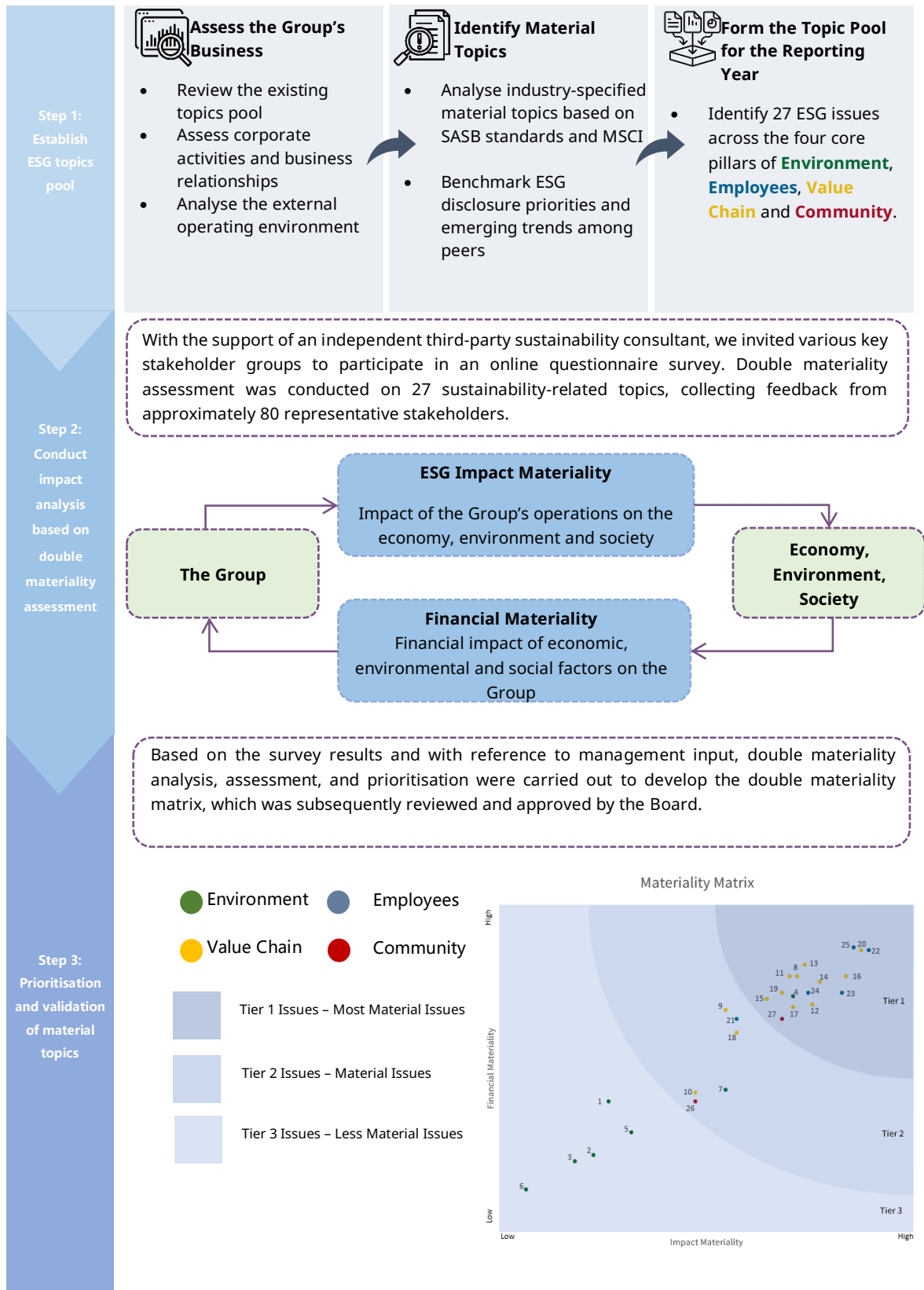
- Meetings and interviews
- Qualification assessment
- Disclosures and announcements



### Community and General Public

- The Group's official website
- Internet and traditional media
- Charity activities

## Double Materiality Assessment



	Material Issues	Section	Page
<b>First tier: most material topics</b>			
4	Responsible and green procurement	Green Procurement	P.50
8	Research and innovation capability	Value Chain	P.62-87
11	Product and service quality	Value Chain	P.62-87
12	Product and service compliance	Value Chain	P.62-87
13	Customer experience and satisfaction	Value Chain	P.62-87
14	Intellectual property protection	Observing and Protecting Intellectual Property Rights	P.87
15	Responsible marketing	Value Chain	P.62-87
16	Privacy, cybersecurity and data security	Value Chain	P.62-87
17	Emergency response planning	Value Chain	P.62-87
19	Business ethics and integrity	Business Ethics and Compliance	P.64-65
20	Compliance with laws and regulations	Significant Laws and Regulations	P.103-106
22	Employment practices and labour standards	Workplace Diversity and Labor Rights	P.56
23	Occupational health and safety	Occupational Health and Safety	P.57
24	Employee training and development	Training Activities and Development	P.58-60
25	Employee well-being and engagement	Attracting and Retaining Talents	P.54-55
27	Financial inclusion and education	Community	P.89-91
<b>Second tier: material topics</b>			
7	Climate resilience and adaptation		
9	Responsible supply chain management		
10	Environmental and social risk management in the supply chain		
18	Fair operations and fair competition		

	Material Issues	Section	Page
21	Diversity, equity, and inclusion		
26	Community engagement and investment		
<b>Third tier: less material topics</b>			
1	Energy efficiency and carbon emission management		
2	Water resource management		
3	Waste management		
5	Adoption of green and clean technologies		
6	Biodiversity		

## Connecting with our Stakeholders

By fostering an open dialogue with our stakeholders, the Group not only values their feedback but also turn it into meaningful action. Below are some examples of the feedback we have received.



### Stakeholder Feedback

Expect the Group to disclose various Scope 3 GHG emissions categories.



### Our Response

In addition to Scope 1 and Scope 2 emissions, we continue to improve our Scope 3 GHG inventory, covering 7 emission categories during the Reporting Period. For detailed information, please refer to the “Climate Change and Resilience – Metrics and Targets” and “Performance Data Summary” sections.



# About Hi Sun Technology

## About Hi Sun Technology Business Overview

As a leading integrated solutions provider for payment, finance and telecommunications in the PRC, the Group is principally engaged in four core business segments:



Leveraging our strong business presence, we endeavour to always provide diverse range of customers with innovative, convenient and high-quality products and services.



Below shows the summary and latest development of our current four core business segments:

### Payment and Digital Services

- Principally engaged in the provision of payment processing services and related digital products and solutions
- Continued to establish our capabilities in providing differentiated services overseas regions, such as South America, the Middle East and Southeast Asia, while increasing investment in services trading, thereby recording a growth of more than four times
- Successfully obtained CNP (Card-Not-Present) business licenses from the three major international payment card organizations. As an acquirer of these organizations, while focusing on serving overseas visitors coming to China, we also actively assisted domestic e-commerce platforms in serving their overseas customers.
- Continued to launch self-developed products to enhance our customers' digital business strategies. Our digital business products covered the retail industry, the used car dealership industry and the catering industry

### Fintech Services

- Principally engaged in the provision of micro-lending, supply chain financing, factoring business, credit assessment services and related products and solutions
- Upheld to the concept of "technology empowers finance, and finance drives industries", through deepening strategic cooperation with financial institutions and advancing innovation in financial products, we established a distinctive "dual-wheel drive" funding supply system, accurately solved the problems and difficulties faced by micro, small and medium-sized enterprises in securing financing
- Successfully obtained the no-objection letter from the Shanghai Stock Exchange for a RMB2 billion shelf-type bill ABS during the Reporting Period, and pioneered the first issuance of the "N+N" model bill ABS in China

## Platform Operation Solutions

- Principally engaged in the provision of telecommunication and mobile payment platform operation services and operation value-added services
- Continued to invest in maintaining the advancement and stability of our technologies, with sustained resource allocation in areas such as stablecoins, digital RMB and artificial intelligence. A number of applications have been developed and implemented as a result

## Financial Solutions

- Principally engaged in the provision of information system consultancy, integration and operation services and sales of information technology products to financial institutions and banks
- Promoted digital innovation for clients in key business areas, including asset management, cross-border payments, risk monitoring and compliance auditing
- Focused on the IT application innovation market, enabling customers in replacing key technologies in their business systems with domestic alternatives
- Collaborated with ecosystem partners to optimise IBS products on Loong Arch architecture servers and supported customers in launching core systems on Loongson servers, setting a pioneering benchmark in the industry



**Environment**



## Environment

*Pursuing decarbonisation for a greener future*

### Goal:

To accelerate climate action and reduce our environmental footprint for building a climate-resilient eco-operation

### UNSDGs addressed in this chapter:



### Most Material topics covered in this chapter:

- Responsible and green procurement

## Our Highlights of the Year:

### Enhancing Climate Risk Management and Forward-Looking Planning

We continued to strengthen our climate-related risk assessment and management mechanisms to enhance the Group's overall resilience to transition and physical climate risks.

During the Reporting Period, we deepened our climate analysis by conducting **climate risk and opportunity assessments** and **climate scenario analysis**, quantifying the potential impacts of different climate pathways on our business. By integrating industry trends and regional climate models, we strengthened the foundation for the Group's long-term climate strategy.

### Advancing Climate Targets and Emission Reduction Performance

We continued to implement the "2030 Climate Targets", with progress tracked against the 2019 baseline year. In 2025, **GHG emissions (Scopes 1 & 2) intensity decreased by 12%** against baseline year, while **energy consumption intensity also decreased by 14%** against baseline year, demonstrating sustained improvements in decarbonisation and energy efficiency.









### Strengthening Scope 3 Emissions Identification and Disclosure

We further strengthened Scope 3 emissions management to enhance the completeness and accuracy of our emissions inventory. We disclosed a total of **7 categories**, and **data collection processes were optimised** to improve calculation accuracy and comparability.

## Strategy and Management

Our dedication to reducing environmental footprint is centred around our sustainability strategy as a pathway to operational excellence. Our ESG Policy guides our efforts in improving environmental performance, efficient use of natural resources and energy efficiency, emission and waste reduction and raising stakeholders' environmental awareness. We strictly adhere to environmental laws and regulations that have significant impact to the Group<sup>1</sup>. During the Reporting Period, we were not aware of any non-compliance with environmental laws and regulations that have significant impact on the Group.

To foster a culture of green practices across all levels of our business and reduce the impact on environmental and natural resources, we have set specific green targets as detailed below. During the Reporting Period, we continue to advance toward our “2030 Climate Targets”. We will regularly review the progress made against these targets and implement corresponding measures<sup>2</sup> to achieve them.

Aspect	“2030 Climate Targets” and Green Target	Progress
Emissions 	<ul style="list-style-type: none"> <li>Actively reduce air emissions and GHG emission intensity arising from the daily operations</li> <li>Reduce 13% of our GHG emissions (Scopes 1 &amp; 2) intensity (compared to our 2019 baseline year) by 2030</li> </ul>	On track 
Waste 	Reduce the amount of hazardous and non-hazardous waste generated* by strengthening waste management	Achieved 
Energy use efficiency 	<ul style="list-style-type: none"> <li>Actively improve energy efficiency and reduce the energy consumption of our operations by implementing the Green Operation Measures</li> <li>Reduce 11% of our energy consumption intensity (compared to our 2019 baseline year) by 2030</li> </ul>	Achieved 
Water use efficiency 	Implement various water-saving measures to reduce the water consumption intensity of our offices	Achieved 

\*Calculated in absolute value.

<sup>1</sup> Please refer to the “Significant Laws and Regulations” section of the Report for the list of relevant environmental laws and regulations that are significant to the Group’s business operations.

<sup>2</sup> Please refer to the “Air Emissions and Greenhouse Gas Emissions”, “Waste” and “Water Resource Management” sections of this Report for detailed measures.

## Climate Change and Resilience

As climate change intensifies, we are accelerating to address climate-related challenges to build a sustainable future and safeguard the safety of our employees. During the Reporting Period, the Group reviewed its climate-related policies, encouraging stakeholders to implement emission reduction measures to enhance climate resilience.

### Mitigating Climate Change



- Implementing various environmental protection measures, actively achieving emission reduction targets and implementing low-carbon operations to achieve effective control and reduction of GHG emissions

### Adapting to Climate Change



- Strengthening climate risk response measures and integrating them into daily operations and future business development to improve the adaptability to climate change

Since 2023, the Group has prepared climate-related financial disclosures with reference to the framework recommended by the Task Force on Climate-related Financial Disclosures (“TCFD”). From this year onwards, the section on “Climate Change and Resilience” has been prepared based on the IFRS S2 standard in Part D of the ESG Reporting Code, introduces enhanced climate-related disclosure requirements. Below sets out the Group’s climate-related disclosures across the four core pillars of Governance, Strategy, Risk Management, and Metrics and Targets.



### Board's Role and Oversight

The Board takes ultimate responsibility for the oversight of climate-related risks and opportunities. The Board, with the assistance of the ESG Working Group (comprising members of the Risk Management Committee), is responsible for overseeing the Group's climate-related matters, including climate change policies, management of climate-related risks and opportunities, and the progress of "2030 Climate Targets". The ESG Working Group reports to the Board on sustainability-related matters through meetings at least once a year, and climate-related issues, risks and opportunities are considered as part of the Board's ongoing oversight of the Group's strategy and risk management. The scope of reporting covers climate-related issues, climate-related risks and opportunities. The Board considers trade-offs between climate factors in strategy formulation, major transaction decisions, and risk management processes, balancing them against other business, financial and operational priorities, as well as progress on the implementation of climate targets, thereby integrating climate considerations into the Board's overall decision making.

Both the Board and the ESG Working Group have sufficient knowledge of climate-related issues and the impacts of such issues on the Company's business and operations. To ensure that our Board and the ESG Working Group remain informed and that their knowledge is up to date, we provide regular training and materials on climate-related topics.

### Management's Role

Under the supervision of the ESG Working Group and delegated by the Board, the management of the Group is responsible for assessing and managing climate-related risks and opportunities, the design and implementation of climate-related measures, as well as reviewing climate-related policies. Management implements the strategic direction set by the Board by incorporating climate considerations into our daily operations.

For details, please refer to the "Sustainability Governance and Board's Oversight" section.

In response to the long-term challenges posed by climate change, the Group continues to strengthen its capabilities in identifying and managing climate-related risks and opportunities and integrates such considerations into its sustainability risk management mechanism. The Group identifies and manages physical and transition climate risks as well as climate-related opportunities through our sustainability risk and opportunity management mechanism. Through the established ESG Working Group, the Group maintains adequate resources to support relevant transition measures. During the Reporting Period, we enhanced the breadth and depth of our climate strategy planning by assessing the financial and non-financial impacts of climate change on the Group across multiple dimensions, including business operations, the supply chain and the market environment, thereby strengthening our climate resilience. A summary of the key identified climate-related risks and opportunities, their effects to our business and value chain, and our response actions and transition measures are presented in the table below. However, since data availability and quantification methods continue to develop or evolve, we will continue to monitor and, where feasible, describe the concentration of climate-related risks and opportunities across our business model and value chain. As research in this area continues to evolve, we expect to strengthen our understanding and further identify relevant risks and opportunities across our core operations.

To support a more robust and forward-looking strategy formulation, the Group conducted climate scenario analysis for the first time during the Reporting Period, adopting a forward-looking approach to assess transition and physical risks under different climate pathways. The assessment was based on multiple climate-related scenarios, including the Network for Greening the Financial System<sup>3</sup> ("NGFS") Net Zero 2050 scenario and the Current Policies scenario, with a focus on potential climate impacts from the present through to the mid-century. The assessment results then serve as the underlying assumption for formulating the response actions and transition measures.

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<sup>3</sup> NGFS is a group of central banks and supervisors who share best practices, contribute to developing climate and environment risk management in the financial sector, and mobilise mainstream finance to support the transition to a sustainable economy.

Climate-related Risks and Opportunities	Financial Impacts	Non- financial Impacts on Business Model and Value Chain	Response Actions and Transition Measures
<b>Physical Risks</b>			
<p><b>Acute Risks</b>                      Ⓢ Ⓜ Ⓛ                      Increasing frequency and intensity of extreme weather events, such as typhoons, flooding caused by heavy rainfall and extreme heat, may cause direct physical impacts on the Group's production activities, business model and supply chain.</p>	<p><u>Current Financial Impacts</u></p> <ul style="list-style-type: none"> <li>Increased operating costs for equipment repair and maintenance</li> <li>Temporary disruption to business operations or supply chains operations or delivery due to transportation interruptions, resulting in a reduction in revenue for the period</li> </ul> <p><u>Anticipated Financial Impacts</u></p> <ul style="list-style-type: none"> <li>Increased costs associated with preventive measures in the short to medium term (e.g. strengthening and maintaining infrastructure)</li> <li>Potential increases in property insurance premiums in the medium to long term as extreme weather events become more frequent</li> </ul>	<p><u>Current and Anticipated Non-financial Impacts</u></p> <ul style="list-style-type: none"> <li>Extreme weather events may increase risks to the workforce (e.g., employees' commuting safety) and service delivery</li> </ul>	<ul style="list-style-type: none"> <li>Establish an emergency response mechanism, including emergency plans and drills, such as conducting system failure drills to test and enhance system resilience and disaster recovery capabilities, to ensure that employees are aware of crisis management measures</li> <li>Arrange flexible working hours according to weather warnings to prevent accidents</li> <li>Maintain strong supplier relationships to manage delays caused by extreme weather</li> <li>Explore the feasibility of obtaining business interruption insurance to cover potential and actual losses</li> </ul>
<p><b>Chronic Risks</b>                      Ⓜ Ⓛ                      Long-term changes in climate patterns, such as sea-level rise, prolonged high temperatures and droughts, may lead to a deterioration of the operating environment.</p>	<p><u>Current Financial Impacts</u></p> <ul style="list-style-type: none"> <li>No significant financial impact at this stage</li> </ul> <p><u>Anticipated Financial Impacts</u></p> <ul style="list-style-type: none"> <li>Increased energy costs in the medium to long term due to higher demand for air-conditioning</li> <li>Increased equipment maintenance costs in the medium to long term due to wear and tear caused by prolonged high temperatures</li> <li>Potential power outages or water supply disruptions, which may result in operational disruption and revenue reduction in the medium to long term</li> </ul>	<p><u>Current and Anticipated Non-financial Impacts</u></p> <ul style="list-style-type: none"> <li>Prolonged high temperatures may increase the risk of heat-related illness among employees, raise equipment failure rates and affect supply chain stability, and may also increase compliance pressure due to water-use restrictions</li> </ul>	<ul style="list-style-type: none"> <li>Formulated ESG Policy, which includes a climate change policy, to enhance the Group's climate resilience and response capabilities</li> <li>Optimise the operational efficiency of heating, ventilation and air-conditioning systems to reduce electricity consumption amid rising temperatures</li> </ul>

Ⓢ Short-term (2030) Ⓜ Medium-term (2040) Ⓛ Long-term (2050)

Climate-related Risks and Opportunities	Financial Impacts	Non-financial Impacts on Business Model and Value Chain	Response Actions and Transition Measures
<b>Transition Risks</b>			
<p><b>Policy and Legal Risks</b>                      Ⓢ Ⓜ Ⓛ                      Regulators globally and across different jurisdictions are accelerating decarbonisation requirements, including the advancement of China’s “Dual Carbon” strategy, the introduction of carbon pricing mechanisms and the expansion of carbon markets. At the same time, The Stock Exchange of Hong Kong Limited has mandated climate-related disclosures, requiring companies to conduct target setting, climate scenario analysis and Scope 3 greenhouse gas emissions calculations. Overall, climate-related policies are becoming increasingly stringent, and enterprises are subject to higher transparency and emissions reduction requirements.</p>	<p><u>Current Financial Impacts</u></p> <ul style="list-style-type: none"> <li>Additional compliance costs arising from new climate-related disclosure requirements, such as Scope 3 emissions calculation and climate scenario analysis</li> </ul> <p><u>Anticipated Financial Impacts</u></p> <ul style="list-style-type: none"> <li>Increased operating costs in the medium to long term due to the implementation of carbon pricing mechanisms (e.g. purchase of carbon allowances)</li> </ul>	<p><u>Current and Anticipated Non-financial Impacts</u></p> <ul style="list-style-type: none"> <li>Failure to adapt to policy changes or to meet disclosure requirements may result in strategic misalignment, regulatory penalties and reputational damage</li> </ul>	<ul style="list-style-type: none"> <li>Continuously assess, monitor and manage climate transition risks</li> <li>Closely monitor changes in relevant laws and regulations, government policy directions, technological developments and market trends</li> <li>Proactively implement the Exchange’s enhanced climate-related disclosure requirements and progressively carry out related work plans, milestones and timelines</li> </ul>
<p><b>Reputation Risks</b>                      Ⓜ Ⓛ                      As customers, investors and other stakeholders place increasing emphasis on climate change, companies with relatively high carbon intensity or inadequate environmental management practices may face stakeholder scrutiny and negative feedback.</p>	<p><u>Current Financial Impacts</u></p> <ul style="list-style-type: none"> <li>No significant financial impact at this stage</li> </ul> <p><u>Anticipated Financial Impacts</u></p> <ul style="list-style-type: none"> <li>Potential reduction in revenue in the medium to long term due to reputational damage and/or loss of social licence</li> <li>High carbon emissions or non-compliance with sustainable development practices may lead to revenue decline and reputational loss in the medium to long term</li> </ul>	<p><u>Current and Anticipated Non-financial Impacts</u></p> <ul style="list-style-type: none"> <li>Persistently high carbon emissions may impair the Group’s reputation and result in reduced market competitiveness</li> </ul>	<ul style="list-style-type: none"> <li>Closely monitor market trends, customer satisfaction and the Group’s reputation</li> <li>Regularly monitor emissions and greenhouse gas emissions arising from purchased electricity and vehicle fuel consumption</li> </ul>

Ⓢ Short-term (2030) Ⓜ Medium-term (2040) Ⓛ Long-term (2050)

Climate-related Risks and Opportunities	Financial Impacts	Non-financial Impacts on Business Model and Value Chain	Response Actions and Transition Measures
<b>Climate-related Opportunities</b>			
<p><b>Energy Source</b>                      Ⓜ Ⓛ                      Against the backdrop of global decarbonisation trends, renewable energy is becoming increasingly cost-competitive and accessible, creating strategic opportunities for the Group's operations.</p>	<p><u>Current Financial Impacts</u></p> <ul style="list-style-type: none"> <li>Reduction in expenditure on purchased electricity</li> </ul> <p><u>Anticipated Financial Impacts</u></p> <ul style="list-style-type: none"> <li>Reducing energy consumption lower carbon emissions and related regulatory costs (e.g. carbon taxes and carbon allowances) in the medium to long term</li> </ul>	<p><u>Current and Anticipated Non-financial Impacts</u></p> <ul style="list-style-type: none"> <li>Reduced reliance on fossil fuels, enhancing energy independence, brand reputation and market competitiveness, while ensuring regulatory compliance and mitigating regulatory risks</li> </ul>	<ul style="list-style-type: none"> <li>Formulated "2030 Climate Targets", under which the Group plans to reduce greenhouse gas emissions intensity by 13% and energy consumption intensity by 11% by 2030</li> </ul>
<p><b>Resource Efficiency</b>                      Ⓢ Ⓜ</p> <p>By investing in high energy-efficiency equipment and optimising operational management, the Group can significantly reduce long-term operating costs.</p>	<p><u>Current Financial Impacts</u></p> <ul style="list-style-type: none"> <li>No significant direct financial losses have been identified at this stage</li> </ul> <p><u>Anticipated Financial Impacts</u></p> <ul style="list-style-type: none"> <li>Adoption of more energy-efficient equipment and improvements in resource efficiency in daily operations in the medium to long term help reduce operating costs</li> </ul>	<p><u>Current and Anticipated Non-financial Impacts</u></p> <ul style="list-style-type: none"> <li>Reduction of carbon emissions arising from operations to meet increasingly stringent carbon emission regulations and disclosure requirements, while enhancing brand reputation and market competitiveness</li> </ul>	<ul style="list-style-type: none"> <li>Adopt high energy-efficiency equipment and LED lighting to enhance energy efficiency</li> <li>Provide employees with regular training on resource efficiency topics</li> </ul>
<p><b>Products and Services</b>                      Ⓜ Ⓛ</p> <p>Climate change is driving growing demand for green finance and low-carbon transition solutions, fuelling market growth for payment and digital services, creating new market demand.</p>	<p><u>Current Financial Impacts</u></p> <ul style="list-style-type: none"> <li>No significant direct financial losses have been identified at this stage</li> </ul> <p><u>Anticipated Financial Impacts</u></p> <ul style="list-style-type: none"> <li>Expansion of digital finance and payment markets in the medium to long term, driving transaction volumes and revenue growth, and increasing market share and brand influence</li> </ul>	<p><u>Current and Anticipated Non-financial Impacts</u></p> <ul style="list-style-type: none"> <li>Enhancement of brand reputation and market competitiveness</li> <li>Reduce environmental footprint for our customers through solutions such as e-invoicing and inventory management</li> </ul>	<ul style="list-style-type: none"> <li>Continue investing in digital business products and promoting the adoption of efficient payment and digital services by global commercial clients to reduce operational carbon footprint</li> </ul>

Ⓢ Short-term (2030) Ⓜ Medium-term (2040) Ⓛ Long-term (2050)

## Climate Scenario Analysis

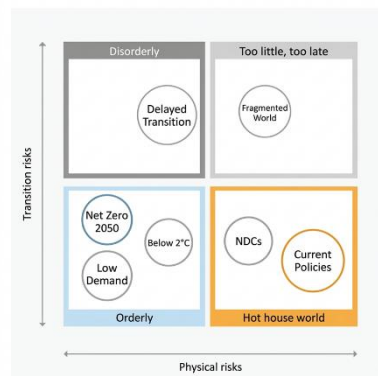
During the Reporting Period, the Group initiated its first climate scenario analysis to assess the resilience of its strategy and business model to a range of potential climate outcomes. The analysis was conducted across core operations in the PRC and Hong Kong at the Group level and was designed to inform strategic planning and risk management. The results informed our strategic planning, risk management and resource allocation for various time horizons.

### Scenario and Modelling Approach

We used the NGFS as the primary dataset and selected both low-carbon and high-carbon scenarios, namely Net Zero 2050 scenario and the Current Policies scenario as they are the internationally recognised, are among the publicly available scenario sources, and are directly relevant to the Group. The scenarios were not intended to be predictions of the future; rather, they sought to stress test our business against several plausible future states. The assessment is subject to uncertainties, including the current limitations in available literature and data in quantifying the influence of climate with a high degree of certainty. Our

current approach was based on a snapshot of our current situation and assumed no change in our major business operations, operating locations or carbon mitigation measures, and no correlation between different climate risk variables. Going forward, we will continue to refine our approach to climate scenario analysis as new credible data and methodologies become available.

In terms of analysis indicators, we integrated global climate models, regional climate data, and industry forecasts to evaluate physical and transition risks relevant to the Group's operations. The analysis considered physical risk indicators such as cyclones, floods, and heatwaves, as well as transition risk factors impacting operating costs and transition pressures, including carbon pricing. The results indicate that, across all assessed scenarios, identified risks remain low. Please refer to the tables below for an overview of the selected time horizons, climate scenarios, and analysis results.



Time Horizons and Climate Scenarios Selection

Risk Indicators/Variables		Time Horizons	NGFS Scenarios Selection
Physical Risk	<b>Acute Risk:</b> <ul style="list-style-type: none"> <li>Cyclones</li> <li>Floods</li> </ul>	<b>2030 (short-term)</b> <b>2040 (medium-term)</b> <b>2050 (long-term)</b>	<b>Net-Zero 2050 (Orderly):</b> <ul style="list-style-type: none"> <li>Assumes immediate, ambitious climate policies and rapid technological transition, achieving net zero CO<sub>2</sub> emissions around 2050, limiting warming to 1.5 °C with minimal overshoot, low physical risks, and high transition risks.</li> </ul>
	<b>Chronic Risk:</b> <ul style="list-style-type: none"> <li>Heatwaves</li> </ul>		
Transition Risk	<b>Policy and Legal Risk:</b> <ul style="list-style-type: none"> <li>Carbon Pricing</li> </ul>		<b>Current Policies (Hot House World):</b> <ul style="list-style-type: none"> <li>Assumes only existing policies are maintained, leading to emissions growth until 2080 and about 3 °C of warming, resulting in severe physical risks, including irreversible impacts like higher sea levels.</li> </ul>

Scenario Analysis Results

Risk level: ● High ● Moderate ● Low

Risk Indicators/Variables		Impact Level							
		The PRC	Hong Kong	Net-Zero 2050 Scenario			Current Policies Scenario		
				2030	2040	2050	2030	2040	2050
Physical Risk	Cyclones	✓	✓	●	●	●	●	●	●
	Floods	✓	✓	●	●	●	●	●	●
	Heatwaves	✓	✓	●	●	●	●	●	●
Transition Risk	Carbon Pricing	✓	✓	●	●	●	●	●	●

Climate Resilience and Adaptive Capacity

The results of the climate-related scenario analysis inform the Group’s assessment of the resilience of its strategy and business model under different scenarios and time horizons. The analysis supports an understanding of how climate-related changes could affect the Group’s operations and strategic positioning, and provides a basis for identifying areas where enhanced risk management, strategic adjustment or resource allocation may be required.

We maintain the capacity to adapt our strategy and business model over short-term, medium-term and long-term through existing risk management and strategic planning processes. Scenario analysis outcomes are incorporated into these processes to support timely decision-making, enabling the Group to respond proportionately to evolving climate-related risks and opportunities while supporting long-term resilience and sustainable value creation.

## Governance

## Strategy

Risk Management 

## Metrics and Targets

The Board acknowledges the overall responsibility for designing and implementing the risk management system. Supervised by the ESG Working Group, we have conducted sustainability risk and opportunity assessments on climate-related risks and opportunities to identify, assess and manage the risks and opportunities in terms of their potential impacts and likelihood, and prioritise them accordingly. Mitigation measures will be formulated based on the assessment results for better resilience planning.

For further details, please refer to the “Sustainability Risk and Opportunity Management” section.

## Governance

## Strategy

## Risk Management

Metrics and Targets 

In support of China’s 3060 goal, namely peaking carbon emissions by 2030 and achieving carbon neutrality by 2060, and taking into account the Paris Agreement, an international climate agreement aimed at limiting global warming to 1.5°C above pre-industrial levels, the Group has formulated a clear carbon reduction pathway based on its business characteristics and is steadily advancing its low-carbon transition. Within this framework, we disclose key climate-related metrics in our annual ESG Report, including Scopes 1, 2 and 3 GHG emissions and energy consumption, etc., and established the “2030 Climate Targets”<sup>4</sup>. We report the progress of these metrics and targets to the Board annually to continuously monitor and enhance our environmental performance.

- **Reduce 13% of our GHG emissions (Scopes 1 & 2) intensity (compared to our 2019 baseline year) by 2030**
- **Reduce 11% of our energy consumption intensity (compared to our 2019 baseline year) by 2030**

The “Environment – Air Emissions and Greenhouse Gas Emissions” section of this Report details the Group direct and indirect energy consumption as well as the corresponding GHG emissions. While the Group’s impact on certain Scope 3 categories is relatively

<sup>4</sup> Our GHG target applies to our core businesses. Details of the scope are set out in the section headed “Reporting Period and Scope”. We will consider the potential use of quality Renewable Energy Certificates (“RECs”) and carbon credits as part of our decarbonisation pathway and continue to monitor relevant guidance on carbon credits and offsets in relation to offsetting greenhouse gas emissions in achieving our GHG emissions targets.

limited, we will continue monitoring and are committed to further improving disclosures and reducing carbon emissions across the entire value chain in the near future.

## Decarbonisation Roadmap

Our decarbonisation roadmap is based on certain key assumptions and dependencies, including external factors beyond our control such as government policies, regional infrastructure and technological developments. Going forward, we will continue to refine our roadmap to reflect evolving methodologies, emerging insights and best practices.

We have established a 2030 GHG reduction target to reduce Scope 1 and 2 GHG emissions intensity by 13% by 2030 from the 2019 base year, supported by the key emission reduction levers set out below.

### Our Emission Reduction Levers



#### Energy Efficiency Improvement in Operations

Purchased electricity was the Group's primary source of energy consumption, accounting for over 90% in 2025. To optimise energy efficiency and promote energy conservation and emissions reduction, the Group has implemented various energy management measures, including: (i) maintaining the air-conditioning system within a designated temperature range to reduce electricity consumption arising from excessive cooling; (ii) adopting high-efficiency LED lighting to improve energy performance; (iii) actively replacing non-essential business travel with video conferencing to reduce emissions generated from transportation; (iv) promoting green procurement principles by prioritising electrical appliances with Grade 1 energy labels and actively supporting the use of green energy; and (v) giving priority to local suppliers to reduce the carbon footprint.

We also encourage employees to save energy and reduce emissions in their day-to-day office activities by raising awareness of energy conservation and promoting energy-saving practices, such as requiring employees to switch off electrical appliances before leaving and encouraging the use of public transport instead of private vehicles.



#### Transition to Electric Vehicles

Vehicles accounted for approximately 5% of our operational emissions in 2025, and the transition to electric vehicles ("EVs") therefore forms part of our decarbonisation strategy. This initiative focuses on the phased replacement of conventional combustion engine vehicles with EVs, having regard to operational requirements, infrastructure readiness and cost considerations. To support this transition, the Group is prioritising EV adoption where feasible. Through these efforts, the Group aims to reduce fuel consumption and associated greenhouse gas emissions while supporting the transition to low-carbon mobility.

 Renewable Energy

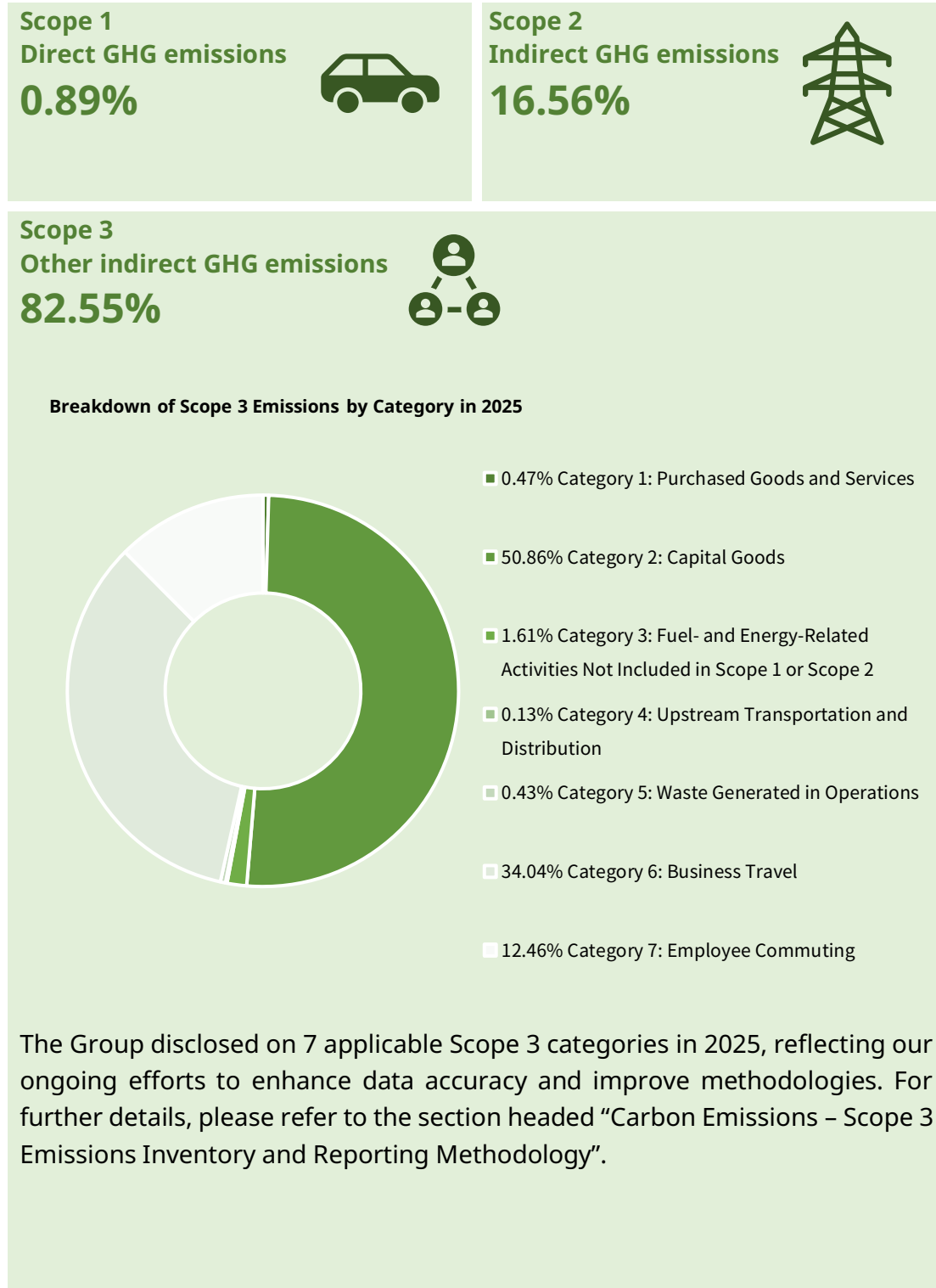
Renewable energy represents a flexible and scalable lever in support of our decarbonisation target. RECs are currently the most widely accessible renewable energy instrument across our operating locations. Based on our recent feasibility assessment, the current availability of RECs is sufficient to support the achievement of our targets. Looking ahead, continued availability will depend on the further development of renewable energy infrastructure in line with growing market demand. We will continue to explore suitable renewable energy sourcing opportunities, including the procurement of RECs and other feasible renewable energy solutions, in support of our decarbonisation pathway.

 Carbon Credits

A carbon credit is a transactable unit representing one tonne of carbon dioxide (“CO<sub>2</sub>”) or carbon dioxide equivalent (“CO<sub>2</sub>e”) avoided or removed from the atmosphere. In evaluating the potential use of carbon credits as part of our decarbonisation pathway, we will take into account a range of factors, including, but not limited to, the credibility of third-party schemes, the quality and integrity of the credits, and the nature of the underlying carbon credit projects. We will also continue to monitor relevant guidance and market developments relating to carbon credits and offsets, including HKEx guidance on the use of carbon credits to offset greenhouse gas emissions in achieving greenhouse gas emissions targets.

## GHG Emissions Overview

Distribution of the Group's 2025 GHG emissions is as below:



## Green operation

### Air Emissions and Greenhouse Gas Emissions

The Group's air emissions and GHG emissions are primarily derived from the use of purchased electricity and the fuel consumption by company vehicles. To mitigate the environmental impact, we conduct regular air emission tests to ensure compliance with regulatory requirements, and we have also implemented a range of green operation measures to enhance resource efficiency across our operations.



#### Green Operation Measures

- Encourage employees to take public transport instead of private vehicles
- Adopt electric vehicles for employee shuttle buses to reduce emissions
- Adopt LED lighting whenever possible to enhance energy efficiency
- Reduce daytime lighting and maximising the use of natural light
- Actively use video conferences instead of business trips
- Require employees to switch off electrical appliances when leaving
- Set air-conditioning at office at designated temperature to reduce electricity consumption
- Promote green procurement and prioritising appliances with Grade 1 energy label
- Actively support the use of green energy sources
- Prioritise local suppliers to reduce carbon footprint

## Waste

The non-hazardous waste we generate mainly includes general office refuse, waste papers and office supplies, we have engaged a third party to handle and dispose domestic waste. To reduce waste generation, we have implemented a series of waste management measures:

### Waste Separation

- Separate food waste, paper, and other domestic waste
- Collect non-hazardous waste including general office refuse and wasted office supplies, which will be disposed by authorised organisations

### Recycling and Reuse

- Adopt dual printing and reuse paper
- Place paper recycling boxes in office
- Use reusable bags instead of single-use plastic bags

### Source Reduction

- Reduce the use of single-use disposable items, such as plastic bags
- Adopt e-communications to replace paper where possible

## Water Resource Management

To conserve water resources, the Group has implemented various water management measures to actively reduce water consumption of our operations.



### Water Saving Measures

- Adopt dual and automatic flush system in toilets to conserve water
- Conduct regular maintenance of faucets, pipes and equipment such as valves and flush to improve water use efficiency
- Repair or replace damaged equipment in a timely manner to avoid water wastage
- Set up water conservation reminders in conspicuous locations and near equipment to raise employee awareness

During the Reporting Period, the Group did not encounter any issues in sourcing water.

## Natural Resources and Biodiversity

While the environmental and natural resource impacts arising from the Group's operations are relatively limited, we recognise our responsibilities as a corporate citizen and proactively integrate environmental protection and the sustainable use of resources into our day-to-day operations. By promoting initiatives that support the conservation of natural ecosystems and biodiversity, we are committed to fostering a sustainable future in harmony with nature.

## Green Procurement

To promote environmentally preferable products and services when selecting suppliers and during the procurement process, the Group's green procurement policy outlines green procurement principles for employees, as well as encourages suppliers to adopt sustainable procurement practices, including:

- Prioritising the use of environmentally friendly paper, such as FSC® paper
- Prioritising the procurement of electrical appliances with energy labels
- Prioritising products with less packaging or using environmentally friendly packaging materials
- Prioritising suppliers in neighbouring operating areas to reduce the carbon footprint

To ensure effective implementation, we have designated personnel responsible for implementing and monitoring these practices, ensuring compliance with our green procurement commitments.



# Employees



## Employees

*Curating a decent and people-centric for our talents*

### Goal:

To foster a workplace that embraces talent development, diversity and inclusion as well as employee health and well-being

UNSDGs addressed in this chapter:



Most Material topics covered in this chapter:

- Employment practices and labour standards
- Employee well-being and engagement
- Employee training and development
- Occupational health and safety

### Our Highlights of the Year:

#### Strengthening Safety Awareness through Training

During the Reporting Period, we conducted a variety of **fire safety training sessions and drills** to enhance our employees' awareness of safety.



#### Caring for Employee Well-being with Family-Friendly Arrangements

Our office is equipped with facilities such as a library, employee lounge, pool table, beverage and snack vending machines and a cafeteria. As part of our **family-friendly arrangements**, we offer amenities such as breastfeeding room, flexible working hours and parental leaves. During the Reporting Period, we organised events such as festival dinners, annual celebrations and Women's Day celebration to create a relaxed and enjoyable atmosphere for our employees.

## Strategy and Management

Employee well-being and safety are paramount to the success of our business. The Group continuously refines our compensation and benefits system, providing competitive benefits and work conditions to build an outstanding team. We adhere strictly to local laws and regulations relating to employment, health and safety and labour standards<sup>5</sup>. Our policies and commitments on topics such as compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, other benefits and welfare, as well as development and training, are detailed in our Employee Handbook, Human Resources Policies and other policies related to human resources. During the Reporting Period, we were not aware of any violations of laws and regulations that have significant impact on the Group relating to employment, labour standards, and related to providing a safe working environment and protecting employees from occupational hazards.

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<sup>5</sup> Please refer to the “Significant Laws and Regulations” section of this Report for the list of relevant laws and regulations significant to the Group’s business operations.

## Attracting and Retaining Talents

We are committed to attracting and retaining exceptional talent. We have developed a comprehensive talent recruitment and development programme that utilise various channels such as internal transfers, internal referrals, recruitment fairs, and online recruitment to recruit, attract, and retain diverse talents. We offer competitive compensation and benefits to our employees, and regularly review and adjust based on research reports, industry trends, etc., to ensure fair and preferential treatment for our employees in terms of salary and benefits. The following outlines the benefits we provide for our employees:



### Holiday Management

Annual leave, marriage leave, bereavement leave, maternity leave, paternity leave, parental leave



### Additional Allowance

Meal allowance, transportation allowance, telephone allowance, offsite allowance, shift allowance, computer allowance, additional meal allowance



### Recognition Award

Attendance award, excellent staff award, excellent supervisor award, excellent team award



### Caring Benefits

Provide festive gift cards, birthday gift cards, marriage and childbirth red packets, festive gifts, fruits, subsidies for high temperature, snacks and overtime meals, hand cream and warming packs, transportation services, etc.

Furthermore, we organise a variety of employee activities to demonstrate our care for our staff and promote their physical and mental well-being, including annual dinners, birthday parties, holiday celebrations, and team-building activities, etc.



### Caring for Employee Well-being and Mental Health

We are dedicated to creating a sustainable office environment. For instance, our VBILL office is equipped with facilities such as a library, employee lounge, pool table, beverage and snack vending machines and a cafeteria, providing employees with spaces to relax within the workplace.



To support female employees in taking care of their children, we offer flexible working arrangements during the breastfeeding period and provide lactation rooms in the office, ensuring a comfortable and private space for childcare.

To promote an open feedback culture to assist the continuous improvement of our management policies within the Group, we have established various communication channels to facilitate interaction between employees and the management. These channels include:



#### Communication channels

- Emails
- Bulletin boards
- Intranet message board
- Employee publications
- "CEO's Mailbox"

## Workplace Diversity and Labour Rights

Creating a diverse, caring and inclusive workplace is a priority for us. To ensure the well-being of our employees, we have implemented a series of measures, including but not limited to:



- In our pursuit of recruiting diverse talent and promoting workplace diversity, we make decisions regarding recruitment, promotions and compensation based on the competencies, performance and experience of candidates and employees
- We treat each employee equally and respect their rights. We have established a code of conduct that emphasises mutual respect and prohibits any form of discrimination based on gender, sexual orientation, age, marital status, family and pregnancy status, disability, race, nationality and religious beliefs
- We provide diversity-related training and guidance for new employees

To avoid and eliminate child labour and illegal labour practices, our Human Resources Department will conduct detailed verification of the age, employment records and identification documents of candidates. In cases where the employment of child labour is identified, we will promptly terminate the employee and escort them from the workplace. We will also initiate an investigation and report the incident to law enforcement authorities. Our human resources-related policies provide detailed guidelines on labour arrangements such as working hours, rest periods, overtime arrangements, holidays and dismissals to ensure that employees enjoy sufficient rest days to prevent instances of excessive or forced labour. Our Human Resources Department regularly reviews the effectiveness of the human resources management system and employment practices. During the Reporting Period, the Group was not aware of any instances of child labour or forced labour.

## Occupational Health and Safety

To ensure a safe and healthy work environment and protect employees from occupational hazards, we have established a comprehensive Occupational Health and Safety Management System, while ensuring strict compliance with all relevant laws and regulations<sup>6</sup>.

Additionally, we have established emergency response plans in our business segments for fire incidents and other workplace emergencies, enabling employees to analyse the degree of incidents and hazards according to relevant procedures, execute emergency procedures, and conduct thorough post-incident investigations in the event of an accident. The Group has implemented a series of occupational health and safety measures in our business segments and has assigned delegated staff to monitor the implementation effectiveness of these measures through regular review to reduce the risk of occupational injuries and safeguard the health of our employees:



### Safeguarding Employees' Health

- Arrange regular health check for employees to monitor their wellbeing
- Purchase additional medical insurance for employees that covers employees' family and children
- Cooperate with a gymnasium and subsidise employees to allow employees' access to designated gym rooms for fitness equipment to improve their physical and mental health



### Safety Supervision

- Conduct fire drills regularly and conduct safety inspections to ensure that all firefighting equipment is well-maintained

We have recorded no work-related fatalities in each of the past three years (including the Reporting Period).

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<sup>6</sup> Please refer to the "Significant Laws and Regulations" section of the Report for the list of relevant laws and regulations relating to health and safety that are significant to the Group's business operations.

## Training Activities and Development

The Group has introduced a series of training initiatives to ensure employees acquire essential knowledge and skills to discharge their duties, offering ample opportunities for their development and advancement. Our training framework involves formulating training plans and conducting regular assessments of their effectiveness to guarantee the delivery of sufficient and effective training for our workforce.



### Training System

- Provide orientation training, on-the-job training, specialised training, internal and external training, etc., to improve staff's knowledge and skills for discharging duties at work
- Business departments formulate annual training plans, including training objectives, course plans and processes, to enable staff from different positions and duties to fulfil their job requirements and career development
- Collect satisfaction scores and feedback from employees after the training, and provide training summary and recommendations to the management to assist them to improve the effectiveness of training courses
- Regularly summarise and review the annual training plan and provide recommendations, as well as incorporate improvement plans into the future training plan

During the Reporting Period, our business departments initiated and provided a variety of training activities and programmes to assist employees in realising their potential. The following are the training categories covered during the Reporting Period:

### Training Categories

- Data Security
- Occupational Health and Safety
- Business Knowledge
- Anti-Corruption
- AI Enablement
- Management Practices



### Management Trainee Programme: Building Talent for Sustainable Growth

The Management Trainee Programme aims to provide graduates with a comprehensive career development pathway, helping them to build a solid foundation in the early stages of their careers and prepare for future managerial roles. Through a structured learning framework, trainees gain exposure to the Group's key business units, including payments, supply chain finance and risk management, while developing an understanding of the Group's development history and corporate values. Cross-departmental rotations further enable trainees to experience diverse operational processes and enhance their professional knowledge and practical skills through hands-on learning.

The programme also includes workplace transition training modules focusing on structured thinking, business etiquette and risk management to strengthen trainees' adaptability in a dynamic working environment. In addition, trainees participate in value-driven activities centred on integrity, innovation, initiative and win-win collaboration, deepening their understanding of the Group's corporate culture and laying a strong foundation for future leadership roles. Trainees are encouraged to regularly share their learning outcomes and engage in career planning discussions, ensuring clear goal-setting and continuous progress throughout the programme.

Overall, the Management Trainee Programme supports graduates in strengthening their professional capabilities, deepening their understanding to the Group and the industry, and laying a solid foundation for long-term career development.

### Fostering Self-learning Culture

To promote a culture of self-learning, we have created online learning platforms for employees, featuring the establishment of “CoGoLinks Academy”. This platform provides diverse learning content and assessments, showcasing employees’ performance and rankings for an engaging and interactive learning experience.



### Our Mentorship Programmes For New Hires

We have implemented mentorship programmes for new employees to assist them in adapting their roles and the work environment. For example, at VBILL, every new hire is assigned a mentor who provides guidance and support throughout their onboarding process.

We conduct performance appraisals for employees every year on their work performance, achievements, skills, knowledge, management capability, communication skills, work attitude, interpersonal skills, discipline, etc., to determine their promotion opportunities and remuneration packages.



# Value Chain



## Value Chain

*Elevating customer experience by putting customers first*

### Goal:

To leverage innovation with quality and innovative products and services for customers

UNSDG addressed in this chapter



### Most Material topics covered in this chapter:

- Research and innovation capability
- Product and service quality
- Product and service compliance
- Customer experience and satisfaction
- Intellectual property protection
- Responsible marketing
- Privacy, cybersecurity and data security
- Emergency response planning
- Business ethics and integrity
- Compliance with laws and regulations

## Our Highlights of the Year:

### Participation in the 22nd China-ASEAN Expo Tourism Exhibition

During the Reporting Period, the Group showcased its “foreign card QR code payment” solution at the **22nd China-ASEAN Expo Tourism Exhibition**, addressing inbound tourists’ payment needs in China by providing an efficient and convenient cross-border payment solution.



### Authorised Acquirer for Three Major International Card Schemes

The Group **obtained business licences from three major international card schemes**, affirming its digital transformation capabilities and enabling domestic e-commerce platforms to better serve overseas customers.

### Core Banking System Transformation for Lao China Bank

The Group supported Lao China Bank in completing **a full-stack core banking system transformation**, enhancing operational efficiency and advancing the modernisation of financial services.



### Fintech Enablement in Cambodia

Through a **strategic partnership** with Chief Bank in Cambodia, the Group provided technical support for digital transformation, improving service efficiency and accelerating local market expansion.



### Driving Sustainability in the Supply Chain

During the Reporting Period, we conducted **an assessment of ESG risks in our supply chain** to ensure our alignment with sustainability approach.

## Strategy and Management

Ensuring exceptional value chain management is of paramount importance to the long-term strategy of the Group. Our dedication is centred on delivering customers high-quality, comprehensive and trustworthy payment, financial as well as communication solutions and services. We guarantee that our operations align with ethical and sustainability standards. The Group adheres to product responsibility and anti-corruption related laws and regulations <sup>7</sup>, ensuring compliance and product quality.

During the Reporting Period, the Group was not aware of any non-compliance of applicable laws and regulations that have significant impact relating to health and safety, advertising, labelling, privacy matters of its products and services, as well as laws and regulations relating to bribery, extortion, fraud and money laundering.

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<sup>7</sup> Please refer to the "Significant Laws and Regulations" section of this Report for the list of relevant laws and regulations relating to product responsibility and anti-corruption that are significant to the Group's business operations.

## Business Ethics and Compliance

### Anti-corruption

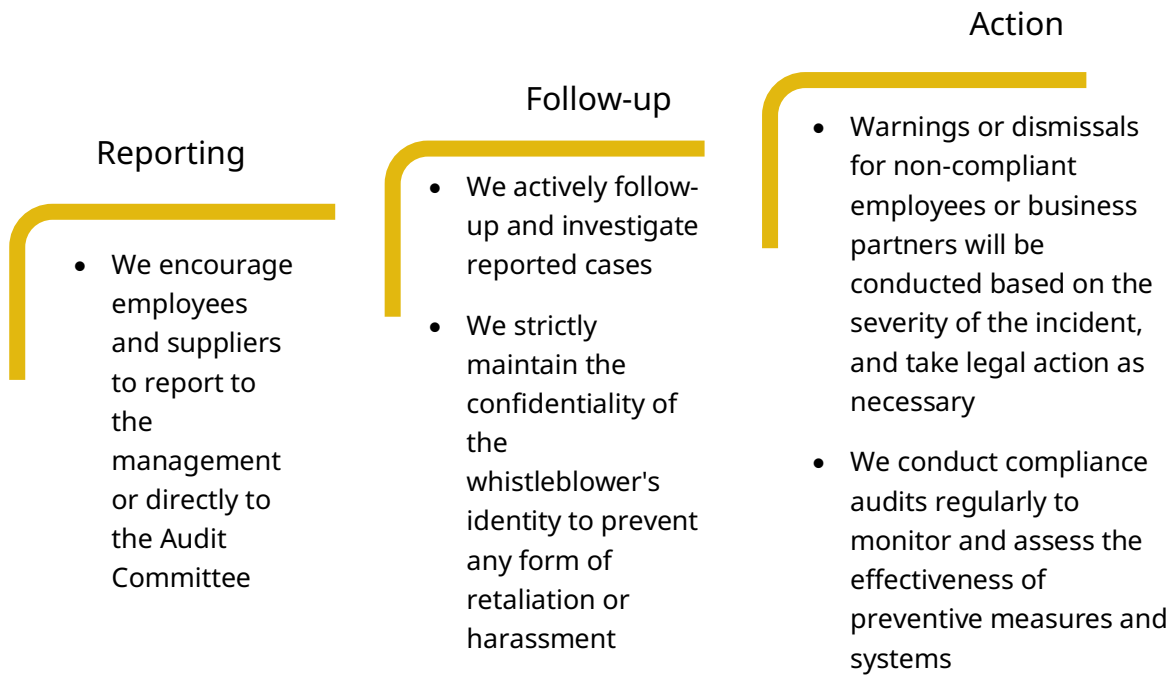
We have established a series of anti-corruption policies and systems in our business segments. We mandate employees and suppliers to adhere to the highest standards of business ethics when conducting business, prohibiting all forms of corruption, such as bribery and fraud. To mitigate the risk of money laundering in payment transactions, VBILL has set up an anti-money laundering working group and relevant internal control systems. These preventive measures ensure the effective implementation of procedures related to anti-money laundering, including the review and verification of customer information, regular investigation of suspicious transactions and timely reporting of any potential violations. These measures are monitored through relevant internal control systems, ongoing compliance checks and periodic internal audits.

To ensure that our employees have a comprehensive understanding of the Group's ethical standards and to enhance their awareness of anti-corruption measures, our orientation training covers content on anti-corruption and business ethics. We conducted anti-corruption training sessions for directors and employees during the Reporting Period, which covered topics such as business ethics, anti-corruption, fraud prevention and anti- money laundering.

During the Reporting Period, the Group was not aware of any concluded corruption lawsuits brought against the Group and its employees (2024: Nil).

## Whistleblower Mechanism

Our business segments have established a comprehensive whistle-blowing system to encourage employees and suppliers to report any suspected incidents of corruption or other violations:



### Fostering Public Awareness in Anti-money Laundering Efforts with Training

To promote knowledge exchange and capacity building in anti-money laundering (“AML”) practices within the payment industry, VBILL participated in a thematic training programme on the interpretation of Financial Action Task Force (“FATF”) international standards and the Anti-Money Laundering Law. Through focused training sessions and case studies, the programme enhanced industry participants’ understanding of FATF standards and AML regulatory requirements, contributing to the overall strengthening of AML practices across the payment sector. The event attracted a wide range of industry professionals and underscored the importance of continuous learning and strict compliance with AML requirements.



## Building a Sustainable Supply Chain

Building a sustainable supply chain plays a crucial role in implementing the Group's sustainability approach and strategy. Our procurement policies and the ESG Policy include policies related to responsible supply chain management. We also adhere to a series of supplier engagement practices, and continuously monitoring the implementation and effectiveness:

1. Supplier selection	<ul style="list-style-type: none"><li>• Prior to including suppliers and outsourced suppliers into the qualified supplier list, we conduct rigorous assessments and on-site inspections (where applicable). The evaluation includes, but is not limited to, the following criteria:<ul style="list-style-type: none"><li>➤ Company background, qualifications, and credit records</li><li>➤ Service capabilities</li><li>➤ Cooperation history</li><li>➤ Operational status</li><li>➤ Reputation</li></ul></li></ul>
2. Ensuring suppliers' sustainability performance	<ul style="list-style-type: none"><li>• Suppliers collaborating with us are required to establish quality agreements and ethical standards and business conduct agreements and fulfil ethical and business conduct requirements, including but not limited to the following requirements:<ul style="list-style-type: none"><li>➤ Provide products that meet environmental and safety standards</li><li>➤ Implement robust quality management measures</li><li>➤ Adhere to principles of openness, fairness and integrity, prohibiting all forms of corruption</li><li>➤ Comply with local laws and regulations as well as guidelines set by the Group</li><li>➤ Comply with local labour requirements, prohibit the illegal use of child labour and forced labour, and provide fair compensation, benefits and welfare for employees</li></ul></li></ul>

### 3. Continually monitoring suppliers' performance

- To ensure that existing suppliers and outsourced suppliers meet the Group's standards, we conduct regular assessments and on-site inspections of existing suppliers to ensure continual compliance with the Group's requirements, covering aspects such as company background and qualifications, service attitude and quality, and occupational health management
- We conduct regular environmental and social risk assessments on suppliers to monitor the performance of suppliers, identify environmental and social risks along the supply chain

During the Reporting Period, the Group engaged 38 suppliers and applied the aforementioned supplier engagement practices to all major suppliers.

## Excellent Customer Experience

We consistently adhere to the philosophy of satisfying our customers. Through four core business segments, we persistently bring long-term benefits to our customers and create shared value.

### Payment and Digital Services

Regarding payment as the portal to provide reliable smart payment solutions to small and micro enterprises

### Fintech Services

Launching diversified and efficient micro-lending, supply chain financing, factoring and credit assessment services

### Platform Operation Solutions

Providing system development and operational support services for telecommunication and mobile payment platforms

### Financial Solutions

Providing core bank system and relevant solutions for banks and financial institutions

During the Reporting Period, the Group did not receive any material complaints<sup>8</sup> about products and services (2024: 0).

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<sup>8</sup> Material complaints are defined as those that would result in long-term significant impact on our customers, or a failure to deliver agreed-upon service requirements.

## Payment and Digital Services

VBILL, a subsidiary of the Group responsible for the Payment and Digital Services business, is an offline smart payment platform in the PRC, providing small and micro enterprises with reliable payment and financial services, including offline acquiring, mobile payment, internet payment, cross-border payment, QR code payment, etc.



## Business Highlights

- Holds the National Bank Card Acquiring License, Internet Payment License, Mobile Phone Payment License and RMB Cross-border Payment License
- The technology of VBILL has received the Payment Card Industry Data Security Standard (“PCI DSS”) certification
- Continuously building upon four core capabilities: large-scale transaction handling and operation capabilities, data-driven intelligent application capabilities, comprehensive construction capabilities in offline scenarios and efficient channel sinking capabilities
- Successfully obtained CNP (Card-Not-Present) business licenses from the three major international payment card organizations. As an acquirer of these organizations, while focusing on serving overseas visitors coming to China, we also actively assisted domestic e-commerce platforms in serving their overseas customers

### Innovation and Development

To maintain a leading position in the payment industry in the PRC, the Group actively promotes innovation and development by continuously offering necessary support and resources to the research and development (“R&D”) team. The Fintech Services segment has an experienced R&D team dedicated to developing products and services that satisfy market demands. Our team is continually committed to enhancing data security and payment safety, ensuring the interests of all customers.

#### R&D Team



Demand Analysts



Data Analysts



Developers



Test Analyst

Robust Team of Over 300 Professionals

Team members include individuals with doctoral and master's degrees

### Payment Security

As a payment and digital services provider, safeguarding payment security and protecting consumers' benefits are our top priorities. To enhance the security of payment information, we continue to improve our products through innovation and development. Employees of VBILL are provided with internal systems related to risk management, emergency response and internet security management to enable them identify risks such as suspicious transactions, fraudulent transactions, bank errors, and warnings from external institutions, as well as implementing remedial measures and mechanisms in the event of an accident. We also regularly provide employees with data security evaluations and assessments to equip all employees with relevant response abilities.

### New Merchant Assessment

- Strict scrutiny of the operation, licensing status, and qualifications of new merchants
- Qualified merchants are required to sign service agreements, privacy policies, etc., ensuring their operations comply with payment security standards

### Merchant Training

- Conduct business training after signing contracts with merchants, and carry out regular continual training based on the operational characteristics of special merchants, covering areas such as bank card acceptance, risk prevention, and abnormal transactions handling

### Merchant Inspection

- Conduct regular on-site inspections to assess merchants' transactional and operational status, identifying any potential risks associated with abnormal transactions
- Classify merchants based on risk levels and conduct more frequent inspections for high-risk merchants, including merchants dealing in easily realisable products like jewellery, watches, computers, etc., merchants who have had suspicious transactions, suspected of fraudulent transactions or suspected of assisting card holders to cash out funds through transactions, etc.
- Upon discovering significant risks such as abnormal transactions, money laundering, or illegal business activities, relevant risk coordination procedures and actions will be initiated, including terminating the payment transaction function of accounts with capital loss or material risks, freezing the accounts of merchants, suspending transactions, withholding payments, deferring settlements and adjusting transaction limit, etc.

## Consumer Data Protection and Internet Security

To safeguard the interests of customers and consumers, VBILL has obtained the PRC's Information System Security Protection Level 3 certification (中國信息系統等級保護三級認證). We implement a series of data and internet security measures throughout our operations and payment processes:

### Protection and Storage of Customer and User Information

- General information and confidential information from customers would be stored separately. Confidential information would be encrypted to prevent leakage, and we employ technologies such as dedicated line transmission, encrypted transmission, secret key encryption and data medium isolation during data transmission
- In terms of the server room in operation locations, we only grant access rights to Internet Protocol Address ("IP Address") verified by our internal office network and block all external internet visitors
- In case of any catastrophic event that results in business disruption, we would synchronise the core data in the major server room to the core database in the disaster recovery centre in real time to back up the data and prevent the loss of important data
- A variety of data security devices and systems, including bank-level back-office support system, external network firewall, external network Distributed Denial of Service ("DDoS") device, Intrusion Prevention System ("IPS") device, Web Application Firewall ("WAF") device, database firewall, bank access zone firewall and other data security equipment have been set up
- We provide users with a privacy policy that outlines the collection, storage, and usage methods of information

### Online Payment Network Security

We have developed a set of "Capital Monitoring System" covering the functions of "prior warning notification", "verification in-between the event" and "post-notification", and equipped with the payment information interception and UnionPay abnormality call-back warning technology, which acts as a major barrier to hacking activities such as network attacks and payment information pampering. The main functions of the "Capital Monitoring System" include:

- Check for consistency of payment information on receipts and settlement bills;
- Cross-checking the information subsequent to a successful payment;
- Retrieval and cross-checking of the payment reconciliation documents from UnionPay every hour; and
- Establish payment limits and conduct aggregation and monitoring of transaction amounts.

### Merchant-oriented

As one of the most trusted financial and payment platforms for merchants, we have served more than 3 million merchants over the years. We devote efforts to build trusted and long-term relationships with customers, by communicating with and collecting feedback from them, through a variety of channels such as applications, websites and surveys.



VBILL Payment Application



Official Website of the Group



Online Customer Service



Telephone Hotline



Artificial Intelligence ("AI") Customer Service



Customer Survey

Upon receipt of the comments and feedback from customers, we would handle them by referring to the procedures and standards in the Customer Complaint Management System, and make improvements based on customer feedback to ensure customer satisfaction. We adopt both reactive and proactive customer service approaches to ensure the satisfaction of all customer needs.



Reactive Customer Service

Focused on solving customer service issues



Proactive Customer Service

Enhancing service quality to increase the number of returned customers

To safeguard the rights of financial consumers, VBILL has established the Regulations on the Protection of Financial Consumer Rights and Interests and has formed the Financial Consumer Protection Committee and the Personal Financial Information Protection Working Group. The committee and working group is established to ensure strict compliance with legal requirements in the collection, storage, and utilisation of personal financial information. Effective measures are also implemented to strengthen the protection of personal financial information.

### Fintech Services

The Group's "Fintech Services" segment primarily provides supply chain financial technology, micro-lending and factoring services to large banks, core corporate suppliers, corporate financial platforms and bill-holding enterprises, covering micro-lending, supply chain finance, factoring business, credit assessment services, etc.

#### Business Highlights

- Suixin Cloud Chain FinTech Service Platform continued to develop its two major business systems, namely corporate credit and data credit, enhancing its comprehensive service capabilities and product innovation
- Successfully obtained the no-objection letter from the Shanghai Stock Exchange for a RMB2 billion shelf-type bill ABS during the Reporting Period, and pioneered the first issuance of the "N+N" model bill ABS in China

#### Product and Service Management

To ensure compliance and enhance product and service standards, we have established a committee comprising multiple departments to review and manage risks within our operations. We have also implemented a series of business and risk management Policies and procedures, including the Credit Business Management Policy and the Supply Chain Financial Business Risk Review Policy to assist in identifying and addressing risks in our operations.

### Listening to Customers

Customer feedback is crucial for enhancing the quality of our fintech services. We collect customer feedback through customer service hotlines, emails, online groups and customer satisfaction surveys, etc. Upon receipt of customer complaints, we would take the initiative to contact the customer, and we will also conduct a thorough investigation and take remedies and rectifications to enhance customer satisfaction.

### Protecting Customer Personal Information and Data

Our fintech activities involve the collection of a substantial volume of customer data, such as personal information, identity card number, financial information, credit rating and other sensitive information. To protect customers' privacy and rights, our Fintech Services segment formulated personal information protection policies and privacy policies, etc. The policies clearly explain the purpose of personal data and collection details to customers. Meanwhile, we have established a data protection system and implemented data security measures that meet industry standards, including but not limited to:

- Conducting regular data reviews to monitor abnormalities of data
- Establishing an access authority mechanism to ensure that only authorised persons have access to customer information
- Using encryption technology to keep data confidential and store sensitive customer information in an encrypted way

Additionally, to prevent network security risks such as cyberattacks, our Fintech Services segment has formulated the Cybersecurity Emergency Response Plan to provide guidance for employees on the response procedures. We also regularly arrange training courses regarding security and customer privacy protection to enhance employees' awareness of data security. These measures are monitored regularly through internal audits/designated personnel with results reviewed by the senior management.

## Platform Operation Solutions

Hunan Hisun is a leading payment platform and telecommunications solutions provider in the PRC, principally engaged in providing professional services to support activities including business operation, product development, and system maintenance in areas ranging from third-party payment, mobile internet, internet finance, information security, risk control and beyond.



### Transportation

Subway, train, doctor  
consultation registration



### Payment

Paying electricity and water  
bills and social insurance



### Shopping

Online and offline shopping



### Communications

Paying phone bill, mobile top-  
up, money transfer



### Social Media

Social media



### Financial Services

Financial management  
services

## Business Highlights

- The PRC's High and New Technology Enterprise ("HNTE"), Software Enterprise of Hunan Province Economic and Information Technology Committee (湖南省經濟和信息化委員會), ISO 9001 Quality Management System certification, Capability Maturity Model Integration ("CMMI") Level 5 Optimising Certification, First-Level Capability Requirement certification of Communication Network Security Service Capability Assessment Certificate (通信網絡安全服務能力評定證書一級能力要求認證) issued by the China Association of Communications Enterprise and the Information Technology Service Operation and Maintenance Standard Compliance Certificate (信息技術服務運行維護標準符合性證書), etc.
- Continued to invest in maintaining the advancement and stability of our technologies, with sustained resource allocation in areas such as stablecoins, digital RMB and artificial intelligence. A number of applications have been developed and implemented as a result

## Project Quality

We have consistently improved the quality of our payment platform and telecommunications solutions through R&D and quality monitoring. Hunan Hisun obtained 1 new software copyrights and obtaining 3 patents during the Reporting Period, with a total of 89 software copyrights. We have developed a series of policies and project control procedures to ensure strict monitoring of all stages from product R&D to production.

### R&D Procedure

- Ensure strict assessment and procedures during demand analysis, design and development stages
- Perform unit testing, System Integration Testing ("SIT") and User Acceptance Testing ("UAT") to ensure that only projects that have met the standards can be put into production

### Assessment Procedure

- Established procedures and requirements for reviewing the source code, testing samples, detailed plan of the project, etc., during all stages of product development

### Quality Assurance Procedure

- Established a quality assurance procedure, incorporating processes such as reviews, inspections, issue resolution, etc.

In addition to ensuring product quality throughout the product development process, we address technical issues encountered during daily operations, such as system failure, abnormalities in voice payment and cash shortage. We follow the Daily Application and Maintenance Operation Manual in handling these issues. During the collaboration with China Mobile, we maintain close communication with our customers to meet their requirements in our joint operations and product development. We also conduct regular internal quality assessment under China Mobile's supervision, rating the platform stability, successful rate of transactions, handling of system failure, server room management, data security and system maintenance. During the Reporting Period, the review of the integrated mobile platform application software optimisation and improvement project of China Mobile reached an average score of 99, while the performance of the system maintenance service gained an average score of 100.

#### Data Security

To protect customer information, Hunan Hisun's Information Security Management System has obtained the ISO 27001 certification to ensure that data security risks in the development, operation and maintenance of software are effectively addressed. We have implemented a range of data security measures under our Information Security Management System, including:

- Routine network equipment inspection (including routers, firewalls, switches, etc.)
- Data back-up
- Access restriction of server room
- Scan on network security vulnerabilities
- Two-way authentication
- Three-level key management system and cryptographic device

## Financial Solutions

ABS is a subsidiary of the Group mainly engaged in solutions, products and services in the financial industry, focusing on the development of Innovative Banking Suite (“IBS”). ABS provides all-rounded financial solutions such as financial industry advisory services, solution design and implementation for its major customers (including large state-owned banks, commercial banks in the PRC, etc.).

### Business Highlights

- Boasting professional financial business experts, technical experts, and an R&D team equipped with professional techniques and innovative ideas
- Promoted digital innovation for clients in key business areas, including asset management, cross-border payments, risk monitoring and compliance auditing
- Focused on the IT application innovation market, enabling customers in replacing key technologies in their business systems with domestic alternatives
- Collaborated with ecosystem partners to optimise IBS products on Loong Arch architecture servers and supported customers in launching core systems on Loongson servers, setting a pioneering benchmark in the industry

As one of the Group’s major subsidiaries, Hi Sun Global focuses on financial technology and system implementation to deliver turn-key solutions and digital transformation services for the financial services industry, including providing core banking, e-banking, customer management, lending, payments, banking engines and other systems and solutions to retail banks, corporate banks, private banks, virtual banks, lending institutions, and payment providers and merchants.

## Business Highlights

- We have enjoyed many successful cases in the PRC and has developed over 30 overseas projects. Our remarkable achievements and long-term position as an industry leader have resulted in our consistent ranking amongst the top 100 leading IT solution providers in the PRC
- Actively engaged in market expansion and the R&D of new products and technologies, while enhancing overseas service capabilities
- We will focus on the business opportunity of overseas IBM mainframe migration, and carry out further technological research and development

During the Reporting Period, the Financial Solutions business segment obtained 7 new software copyrights, with a total of more than 143 software copyrights and innovation achievements.

## Product Quality Assurance and Safety

During the Reporting Period, ABS obtained Level 5 certification of CMMI. Furthermore, the Financial Solutions segment has established the Quality Manual based on the requirements of the international standard ISO 9001, specifying the stringent procedures including product requirement evaluation, design, development, and control of disqualified products. We have also formulated annual quality targets, including targets on customer satisfaction, etc.

### Set Quality Standards

- Define the requirements of business functions, technical indicators, project engineering evaluation, project testing, technical documents, etc.

### Product Testing and Assessment

- Conducted product reviews to ensure compliance with relevant requirements.
- Conduct technical tests such as safety tests, stress tests and system anomalies

### Rectification

- Rectify the problem in accordance with the Quality Improvement Management Procedures and conduct investigation to determine the cause of the problem

### Product Recall

- If the products are found to be below par after being provided to customers, we would recall and suspend the products, make corrections to the unqualified products and verify whether the products meet the quality standard

## Data Security

Hi Sun Global has established our Information Security Management System in accordance with the international ISO 27001 standard. To prevent data leakage and loss of customer information in our systems, we have formulated information security policies and implemented preventive measures, including but not limited to:

- Establishing an information network security team;
- Installing anti-virus software and firewalls on computer devices and servers;
- Setting access rights to servers and websites;
- Reviewing website data with senior management;
- Storing and backing up data on our internal servers;
- Providing cybersecurity training to employees; and
- Conducting regular Internet information security training and assessments for relevant personnel.

## Response to Clients' Opinions

We have formulated a series of customer satisfaction-related policies for our business segments to understand and respond to customer feedback. At ABS, we collect customer feedback through the Project Stage Acceptance Report and the Client Service Record Form. Clients from development projects and maintenance projects are also regularly invited to fill in the Customer Satisfaction Survey to evaluate their satisfaction with the work attitude of project personnel, technical level, project status, fault handling, etc. At the same time, we also collect customer feedback through face-to-face visits, telephone hotlines, emails, letters or websites. In response to customer complaints, our employees are instructed to follow up with the complaints in a professional and timely manner. Employees are required to report to the relevant departments and develop improvement plans in accordance with the Client Complaint Management Procedures. They are also required to report the progress and remedial measures adopted to the customer. Once the complaints are resolved, we will continue to follow up with the customers to ensure satisfaction.

## Protecting Customer Privacy

We have established privacy policies and procedures to ensure that all employees prudently handle sensitive information with care. Employees are forbidden to disclose any customer information to third parties without prior consent. We also require our business partners, outsourced suppliers and merchants to protect the privacy of client information and sign the Confidential Agreement to prevent data breaches.

## Observing and Protecting Intellectual Property Rights

The Group respects intellectual property rights and strives to safeguard our innovative R&D achievements. To prevent infringement of intellectual property rights, we strictly abide by the relevant laws and regulations<sup>9</sup>, and also apply and register for patents and software copyrights for our R&D achievements to protect the interests of the Group.

## Advertising

The Group ensures the authenticity and accuracy of advertising, promotional content to safeguard our reputation. In this regard, we strictly comply with relevant laws and regulations<sup>10</sup> and conduct rigorous reviews of our advertising content according to internal assessment processes. We ensure that the content does not contain any false information and statements to protect the rights and interests of consumers and enable consumers to make appropriate decisions.

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<sup>9</sup> Please refer to the “Significant Laws and Regulations” section of this Report for the list of relevant laws and regulations relating to product responsibility that are significant to the Group’s business operations.

<sup>10</sup> Please refer to the “Significant Laws and Regulations” section of this Report for the list of relevant laws and regulations relating to product responsibility that are significant to the Group’s business operations.



**Community**



## Community

*Enriching communities through care and nurture*

### Goal:

To spread love to the community through shouldering corporate social responsibilities and engaging ourselves in community contributions

Most Material topics covered in this chapter:

- Financial inclusion and education

### UNSDGs addressed in this chapter:



### Our Highlights of the Year:

#### Caring for the Community

During the Reporting Period, we focused on areas such as **promoting quality education development, poverty alleviation**, and **raising public awareness of anti-corruption and anti-fraud** in community contributions.

## Strategy and Management

Fulfilling social responsibility is an integral part of our sustainability strategy. In our ESG Policy, we encourage employees to participate in community activities. We consistently support the community through donations to assist those in need. During the Reporting Period, our community initiatives focused on promoting quality education, rural revitalisation, and raising public awareness of anti-corruption and anti-fraud, with a total of RMB 820,000 donated for charitable purposes.

### Promoting Quality Education Development

To support the advancement of quality education, the Group donated RMB 200,000 to the Peking University Education Foundation during the Reporting Period, providing support for the development of the School of International Studies. In addition, the Group contributed RMB 600,000 to the Center for Chinese & Global Affairs (中國與世界研究中心) to promote academic exchange and cooperation between China and the international community. Through these donations, the Group aims to support academic research and the cultivation of internationally minded talent, contributing to the sustainable development of the education sector.

### Poverty Alleviation and Emergency Support

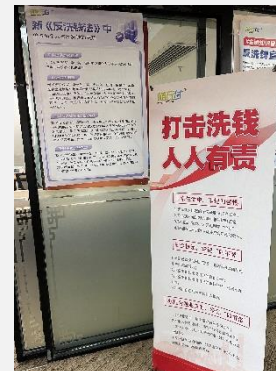
To promote rural economic revitalisation and improve the quality of life of underprivileged communities, the Group donated RMB 20,000 during the Reporting Period to the Poverty Alleviation Mutual Assistance Association of Qiugou Village, Wolong Town, Zhuanglang County. The donation was used to support local poverty alleviation initiatives, including the development of rural economic cooperatives, with a view to increasing residents' income levels and advancing local agricultural and industrial development, thereby improving living conditions for low-income households.

## Raising Public Awareness of Anti-corruption and Anti-fraud

As a responsible payment service provider, the Group is committed to leveraging its knowledge and experience to safeguard the interests of the public and consumers. Through social media platforms, we share educational content such as case studies, short videos and comics on topics including the prevention of telecommunications and online fraud, personal information security and anti-money laundering, with a view to enhancing consumers' awareness of payment security.



During the Reporting Period, VBILL actively participated in and promoted a range of awareness and training initiatives, including the "Financial Literacy Month - Anti-Money Laundering in Action" campaign, the thematic training programme on the interpretation of FATF international standards and the Anti-Money Laundering Law organised by the Sichuan Payment and Clearing Association, offline promotional activities, and the screening of anti-money laundering educational videos at service outlets. These initiatives aimed to promote anti-money laundering awareness and strengthen the public's risk prevention and security awareness.



## Looking Forward

The Group acknowledges the significance of sustainability for the long-term business operations. Aligned with our sustainability strategy and management approach, we are dedicated to empowering employees, enhancing customer well-being, advocating for low-carbon operations, increasing climate resilience, and embracing social responsibility. We remain committed to advancing sustainability, creating enduring value to the environment, employees, value chain and the community.

## Performance Data Summary<sup>11 12</sup>

### Environment<sup>13</sup>

	Unit	FY 2025	FY 2024
<b>Emissions</b>			
Nitrogen oxides (NO <sub>x</sub> )	kg	<b>6.87</b>	11.55
Sulphur oxides (SO <sub>x</sub> )	kg	<b>0.19</b>	0.26
Particulate matter (PM)	kg	<b>0.51</b>	0.85
Total GHG emissions (Scopes 1 and 2) <sup>14</sup>	tCO <sub>2</sub> e	<b>679.10</b>	725.21
Total GHG emissions (Scopes 1, 2, and 3)	tCO <sub>2</sub> e	<b>3,891.88</b>	4,700.23 <sup>15</sup>
– Scope 1: Direct emissions	tCO <sub>2</sub> e	<b>34.80</b>	51.46
– Scope 2: Energy indirect emissions (location-based)	tCO <sub>2</sub> e	<b>644.31</b>	673.75
– Scope 3: Other indirect emissions	tCO <sub>2</sub> e	<b>3,212.78</b>	3,975.02 <sup>15</sup>
Total GHG emissions (Scopes 1 and 2) intensity	kgCO <sub>2</sub> e/m <sup>2</sup>	<b>53.39</b>	55.82
Total GHG emissions (Scopes 1, 2, and 3) intensity	kgCO <sub>2</sub> e/m <sup>2</sup>	<b>306.00</b>	361.77 <sup>15</sup>

<sup>11</sup> The scope of environmental and social performance data does not cover Nanchang VBill.

<sup>12</sup> Totals may not be the sum of the figures shown in this section due to rounding.

<sup>13</sup> Unless otherwise specified, the intensity metrics in this chapter are calculated based on the gross floor area of the business operations within the reporting scope in the respective reporting year.

<sup>14</sup> Greenhouse gas emissions are measured in accordance with the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) issued by World Business Council for Sustainable Development and World Resources Institute, scope 1 direct emissions cover GHG emissions directly produced by businesses owned or controlled by the Group, scope 2 energy indirect emissions cover GHG emissions resulted from electricity (purchased or acquired), heating/cooling and steam internally consumed by the Group, while scope 3 indirect emissions cover all other indirect emissions occur across the Group's value chain.

<sup>15</sup> Figures have been adjusted to reflect the actual situation.

	Unit	FY 2025	FY 2024
<b>Energy</b>			
Total energy consumption	MWh	<b>1,234.41</b>	1,341.60
– Purchased electricity (indirect energy consumption)	MWh	<b>1,115.29</b>	1,181.40
– Unleaded petrol (direct energy consumption)	MWh	<b>119.12</b>	160.20
Total energy consumption intensity	kWh/m <sup>2</sup>	<b>97.06</b>	103.26
<b>Waste</b>			
Total non-hazardous waste generated	tonnes	<b>61.15</b>	85.29
– Total waste disposed of	tonnes	<b>59.95</b>	83.14
– Total waste recycled	tonnes	<b>1.20</b>	2.15
Total non-hazardous waste intensity	kg/m <sup>2</sup>	<b>6.48</b>	8.71
<b>Water <sup>16</sup></b>			
Total water consumption	m <sup>3</sup>	<b>1,220.30</b>	1,759.80
Total water consumption intensity	m <sup>3</sup> /m <sup>2</sup>	<b>0.21</b>	0.30

<sup>16</sup> As certain property management companies were not able to provide water consumption records of individual users, the total water consumption does not cover the headquarter of VBILL, the offices of 北京銀企融合技術開發有限公司, Commercial Factoring and ABS in Beijing, and the office of ABS in Shanghai.

Carbon Emissions - Scope 3 Emissions Inventory and Reporting Methodology<sup>17</sup>

Scope 3 Categories	Applicability	Methodology/Justification of Exclusion	FY2025 (tCO <sub>2</sub> e)	FY2024 (tCO <sub>2</sub> e)
1 Purchased goods and services	Yes	<b>Spend-based</b> The primary spend data related to purchased goods and services are multiplied by the corresponding Scope 3 GHG emission factors ("emission factors").	<b>15.06</b>	328.45
2 Capital goods	Yes	<b>Spend-based</b> The primary spend data related to fixed assets are multiplied by the corresponding emission factors.	<b>1,634.07</b>	2,253.24
3 Fuel- and energy related activities (not included in scope 1 or scope 2)	Yes	<b>Average data</b> Emissions for this category are calculated by multiplying electricity consumption by the corresponding emission factor derived from the national average transmission and distribution loss rate.	<b>51.88</b>	54.96

<sup>17</sup> Calculation standard and methodology for Scope 3 carbon emissions: GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard published by the WBCSD and the World Resources Institute are used for calculation and disclosure with available data.

Scope 3 Categories	Applicability	Methodology/Justification of Exclusion	FY2025 (tCO <sub>2</sub> e)	FY2024 (tCO <sub>2</sub> e)
4 Upstream transportation and distribution	Yes	<b>Spend-based</b> The spend data related to transportation and distribution of purchased goods are multiplied by the corresponding Scope 3 GHG emission factors.	<b>4.20</b>	9.28
5 Waste generated in operations	Yes	<b>Waste-type-specific</b> (i) The spend data related to waste management services are multiplied by the corresponding emission factors associated with general waste treatment services.  (ii) The weight of waste multiplied by the corresponding emission factors.	<b>13.66</b>	14.69
6 Business travel	Yes	<b>Spend-based</b> Emissions in this category are derived from the amount Hi Sun Technology's spend on "airplane", "train", "automobile", "accommodation", "food and beverages" are multiplied by the corresponding emission factors.	<b>1,093.74</b>	922.76

Scope 3 Categories	Applicability	Methodology/Justification of Exclusion	FY2025 (tCO <sub>2</sub> e)	FY2024 (tCO <sub>2</sub> e)
7 Employee commuting	Yes	<b>Average-data</b> Emissions in this category derived from Hi Sun Technology's number of employees multiplied by the corresponding emission factors.	<b>400.16</b>	391.50
8 Upstream leased assets	No	The emissions of leased offices are identified as Scope 2 emissions.	-	-
9 Downstream transportation and distribution	No	Hi Sun Technology's main business is to provide integrated solutions for payment, finance and telecommunications. There are no manufactured products and hence no emissions to report in this category.	-	-
10 Processing of sold products	No	Hi Sun Technology's main business is to provide integrated solutions for payment, finance and telecommunications. There are no manufactured products and hence no emissions to report in this category.	-	-
11 Use of sold products	No	Hi Sun Technology's main business is to provide integrated solutions for payment, finance and telecommunications. There are no manufactured products and hence no emissions to report in this category.	-	-
12 End-of-life treatment of sold products	No	Hi Sun Technology's main business is to provide integrated solutions for payment, finance and telecommunications. There are no manufactured products and hence no emissions to report in this category.	-	-
13 Downstream leased assets	No	Hi Sun Technology does not have any leased assets and hence no emissions to report in this category.	-	-

Scope 3 Categories	Applicability	Methodology/Justification of Exclusion	FY2025 (tCO <sub>2</sub> e)	FY2024 (tCO <sub>2</sub> e)
14 Franchises	No	Hi Sun Technology's main business is to provide integrated solutions for payment, finance and telecommunications. We do not own any franchises business and hence there are no emissions to report in this category.	-	-
15 Investments	Yes	<b>Investment-specific</b> Emission in this category is derived from the investee company scope 2 emission and adjusted based on equity share. No investment was made in 2025.	-	0.14

## Social

	Unit	FY 2025	FY 2024
Employee Overview <sup>18</sup>			
By Gender			
Male	Person	<b>1,559</b>	1,572
Female	Person	<b>935</b>	839
By Age Group			
Below 30	Person	<b>864</b>	906
31–40	Person	<b>1,258</b>	1,150
41–50	Person	<b>292</b>	277
51 or above	Person	<b>80</b>	78
By Employee Category			
Senior Management	Person	<b>85</b>	103
Middle Management	Person	<b>218</b>	248
General and Technical Staff	Person	<b>2,191</b>	2,060

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<sup>18</sup> Employee distribution covers the total number of employees of the Group.

	Unit	FY 2025	FY 2024
By Employment Type			
Full-time	Person	<b>2,490</b>	2,409
Part-time	Person	<b>4</b>	2
By Geographical Region			
The PRC	Person	<b>2,431</b>	2,370
Hong Kong	Person	<b>38</b>	40
Others	Person	<b>25</b>	1
Turnover rate <sup>19</sup>			
By Gender			
Male	%	<b>28</b>	31
Female	%	<b>25</b>	29
By Age Group			
Below 30	%	<b>46</b>	44
31–40	%	<b>16</b>	20
41–50	%	<b>17</b>	20
51 or above	%	<b>10</b>	11

<sup>19</sup>The employee turnover rate covers relevant data of the Group's major business segments in the PRC.

	Unit	FY 2025	FY 2024
By Geographical Region			
The PRC	%	<b>27</b>	29
Hong Kong	%	<b>67</b>	200
Others	%	<b>35</b>	83
Occupational Health and Safety			
Lost days due to work injury	days	<b>0</b>	0
Work-related fatalities	Case	<b>0</b>	0
Development and Training <sup>20,21</sup>			
Percentage of Employees Trained			
By Gender			
Male	%	<b>55</b>	55
Female	%	<b>45</b>	45

<sup>20</sup> The calculation of the number and percentage of employees trained by gender and employee category only included the number of employees trained in the Group's major business segments in the PRC (including the data on those who left during the Reporting Period), to present an accurate reflection of the percentage of employees trained by gender and employee category.

<sup>21</sup> The calculation of the average training hours by gender and employee category included the average training hours in the Group's major business segments in the PRC (including the data on those staff who left during the Reporting Period), to present an accurate reflection of the training resources invested by the Group.

	Unit	FY 2025	FY 2024
By Employee Category			
General and Technical Staff	%	<b>89</b>	86
Middle Management	%	<b>8</b>	13
Senior Management	%	<b>3</b>	1
Average Training Hours Completed per Employee			
By Gender			
Male	Hours	<b>2.10</b>	5.91
Female	Hours	<b>2.83</b>	3.77
By Employee Category			
General and Technical Staff	Hours	<b>2.23</b>	4.34
Middle Management	Hours	<b>3.24</b>	8.83
Senior Management	Hours	<b>4.03</b>	12.32
Number of Suppliers by Geographical Locations			
The PRC	Suppliers	<b>34</b>	97
Hong Kong and Taiwan	Suppliers	<b>4</b>	2

	Unit	FY 2025	FY 2024
Product Responsibility			
Material complaints about products and services	Case	0	0
Products sold or shipped subjected to recalls for safety and health reasons	%	0	0
Anti-corruption			
Concluded corruption lawsuits	Case	0	0
Community Investment			
Charitable donations	RMB	820,000	1,068,000

## Significant Laws and Regulations

Aspect	Significant Laws and Regulations
<b>Aspect A: Environmental</b>	<ul style="list-style-type: none"> <li>• Environmental Protection Law of PRC 《中華人民共和國環境保護法》</li> <li>• The Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste 《中華人民共和國固體廢物污染環境防治法》</li> <li>• The Law of the PRC on the Prevention and Control of Water Pollution 《中華人民共和國水污染防治法》</li> <li>• The Law of the PRC on the Prevention and Control of Atmospheric Pollution 《中華人民共和國大氣污染防治法》</li> <li>• The Law of the PRC on the Prevention and Control of Pollution from Environmental Noise 《中華人民共和國環境噪聲污染防治法》</li> </ul>

Aspect	Significant Laws and Regulations
<b>Aspect B1: Employment</b> <b>Aspect B4: Labour Standards</b>	<ul style="list-style-type: none"> <li>• Labour Law of the PRC 《中華人民共和國勞動法》</li> <li>• Labour Contract Law of the PRC 《中華人民共和國勞動合同法》</li> <li>• Social Insurance Law of the PRC 《中華人民共和國社會保險法》</li> <li>• Regulations on Prohibition of Child Labour 《禁止使用童工規定》</li> <li>• Regulation on the Administration of Housing Accumulation Funds 國務院 《住房公積金管理條例》</li> </ul>
<b>Aspect B2: Health and Safety</b>	<ul style="list-style-type: none"> <li>• Law of the PRC on Occupational Disease Prevention and Control (《中華人民共和國職業病防治法》)</li> </ul>

Aspect	Significant Laws and Regulations
<b>Aspect B6: Product Responsibility</b>	<ul style="list-style-type: none"> <li>• Civil Code of the PRC 《中華人民共和國民法典》</li> <li>• Advertising Law of the PRC 《中華人民共和國廣告法》</li> <li>• Patent Law of the PRC 《中華人民共和國專利法》</li> <li>• Copyright Law of the PRC 《中華人民共和國著作權法》</li> <li>• Law of the PRC on the People's Bank of China 《中華人民共和國中國人民銀行法》</li> <li>• Regulation on the Supervision and Administration of Non-Banking Payment Institutions 《非銀行支付機構監督管理條例》</li> <li>• Measures for the Administration of Bank Card Acquiring Business 《銀行卡收單業務管理辦法》</li> <li>• UnionPay Card Merchant Risk Management Rules 《銀聯卡收單機構商戶風險管理規則》</li> <li>• Law of the PRC on the Protection of Customer Rights and Interests 《中華人民共和國消費者權益保護法》</li> <li>• Personal Information Protection Law of the PRC 《中華人民共和國個人信息保護法》</li> <li>• Data Security Law of the PRC 《中華人民共和國數據安全法》</li> <li>• Regulation on Network Data Security Management 《網絡數據安全管理條例》</li> <li>• Metrology Law of the PRC 《中華人民共和國計量法》</li> </ul>

Aspect	Significant Laws and Regulations
<b>Aspect B7: Anti-corruption</b>	<ul style="list-style-type: none"> <li>• Anti-Unfair Competition Law of PRC 《中華人民共和國反不正當競爭法》</li> <li>• Criminal Laws of the PRC 《中華人民共和國刑法》</li> <li>• Interim Provisions on Prohibition of Commercial Bribery 《關於禁止商業賄賂行為的暫行規定》</li> <li>• Anti-money Laundering Law of the PRC 《中華人民共和國反洗錢法》</li> <li>• Regulation on the Supervision and Administration of Non-Banking Payment Institutions 《非銀行支付機構監督管理條例》</li> <li>• Administrative Measures for Anti-money Laundering and Anti-terrorist Financing of Payment Institutions 《支付機構反洗錢和反恐怖融資管理辦法》</li> </ul>

## HKEX ESG Reporting Code Content Index

Indicator		Chapter/Disclosure	Pages
<b>A. Environmental</b>			
<b>Aspect A1: Emissions</b>			
<b>General Disclosure</b>		Environment	P.33-50
<b>Information on:</b>		Significant Laws and Regulations	P.103
<b>(a) the policies; and</b>		Wastewater is not a material topic to Hi Sun Technology since our main business is to provide integrated solutions for payment, finance and telecommunications.	
<b>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</b>			
<b>relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</b>			
<b>Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations.</b>			
<b>Hazardous wastes are those defined by national regulations.</b>			
<b>KPI A1.1</b>	The types of emissions and respective emissions data.	Performance Data Summary- Environment	P.92

Indicator		Chapter/ Disclosure	Pages
<b>KPI A1.2</b>	Repealed 1 January 2025	N/A	N/A
<b>KPI A1.3</b>	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e. g. per unit of production volume, per facility).	Not a material topic to Hi Sun Technology since our main business is to provide integrated solutions for payment, finance and telecommunications.	N/A
<b>KPI A1.4</b>	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e. g. per unit of production volume, per facility).	Performance Data Summary –Environment	P.93
<b>KPI A1.5</b>	Description of emissions target(s) set and steps taken to achieve them.	Environment  Air Emissions and Greenhouse Gas Emissions	P.34  P.47
<b>KPI A1.6</b>	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environment  Waste	P.34  P.48

Indicator		Chapter/ Disclosure	Pages
<b>Aspect A2: Use of Resources</b>			
<b>General Disclosure</b>		Air Emissions and Greenhouse Gas Emissions	P.47
<b>Policies on the efficient use of resources, including energy, water and other raw materials.</b>		Water Resource Management	P.49
<b>Note: Resources can be used in production, storage, transportation, buildings, electronic equipment, etc.</b>			
<b>KPI A2.1</b>	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).	Performance Data Summary – Environment	P.93
<b>KPI A2.2</b>	Water consumption in total and intensity. (e.g. per unit of production volume, per facility).	Performance Data Summary – Environment	P.93
<b>KPI A2.3</b>	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environment	P.34
		Air Emissions and Greenhouse Gas Emissions	P.47

Indicator		Chapter/ Disclosure	Pages
<b>KPI A2.4</b>	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.	Environment  Water Resource Management	P.34  P.49
<b>KPI A2.5</b>	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Due to our business nature, the Group does not use significant quantities of packaging materials	N/A
<b>Aspect A3: The Environment and Natural Resources</b>			
<b>General Disclosure</b>  <b>Policies on minimizing the issuer's significant impact on the environment and natural resources.</b>		Natural Resources and Biodiversity	P.49
<b>KPI A3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Natural Resources and Biodiversity	P.49

Indicator		Chapter/ Disclosure	Pages
<b>B. Social</b>			
<b>Employment and Labour Practices</b>			
<b>Aspect B1: Employment</b>			
<b>General Disclosure Information on:</b>		Employees	P.52-60
<b>(a) the policies; and</b>		Significant Laws and Regulations	P.104
<b>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</b>			
<b>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</b>			
<b>KPI B1.1</b>	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Performance Data Summary – Social	P.98-99
<b>KPI B1.2</b>	Employee turnover rate by gender, age group and geographical region.	Performance Data Summary – Social	P.98-99

Indicator		Chapter/ Disclosure	Pages
<b>Aspect B2: Health and Safety</b>			
<b>General Disclosure Information on:</b>		Occupational Health and Safety	P.57
<b>(a) the policies; and</b>		Significant Laws and Regulations	P.104
<b>(b) compliance with relevant laws and regulations that have a significant impact on the issuer.</b>			
<b>relating to providing a safe working environment and protecting employees from occupational hazards.</b>			
<b>KPI B2.1</b>	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Occupational Health and Safety	P.57
		Performance Data Summary – Social	P.100
<b>KPI B2.2</b>	Lost days due to work injury.	Performance Data Summary – Social	P.100
<b>KPI B2.3</b>	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Occupational Health and Safety	P.57
<b>Aspect B3: Development and Training</b>			
<b>General Disclosure</b>		Training Activities and Development	P.58
<b>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</b>			
<b>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</b>			

Indicator		Chapter/ Disclosure	Pages
<b>KPI B3.1</b>	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Performance Data Summary – Social	P.100-101
<b>KPI B3.2</b>	The average training hours completed per employee by gender and employee category.	Performance Data Summary – Social	P.101
<b>Aspect B4: Labour Standards</b>			
<b>General Disclosure Information on:</b>		Workplace Diversity and Labour Rights	P.56
<b>(a) the policies; and</b>		Significant Laws and Regulations	P.104
<b>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.</b>			
<b>KPI B4.1</b>	Description of measures to review employment practices to avoid child and forced labour.	Workplace Diversity and Labour Rights	P.56
<b>KPI B4.2</b>	Description of steps taken to eliminate such practices when discovered.	Workplace Diversity and Labour Rights	P.56

Indicator		Chapter/ Disclosure	Pages
<b>Operating Practices</b>			
<b>Aspect B5: Supply Chain Management</b>			
<b>General Disclosure</b>		Green Procurement	P.50
<b>Policies on managing environmental and social risks of the supply chain.</b>		Building a Sustainable Supply Chain	P.66-67
<b>KPI B5.1</b>	Number of suppliers by geographical region.	Performance Data Summary – Social	P.101
<b>KPI B5.2</b>	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Building a Sustainable Supply Chain	P.66-67
<b>KPI B5.3</b>	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Sustainability Risk and Opportunity Management Building a Sustainable Supply Chain	P.20 P.66-67
<b>KPI B5.4</b>	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Green Procurement	P.50

Indicator		Chapter/ Disclosure	Pages
<b>Aspect B6: Product Responsibility</b>			
<b>General Disclosure Information on:</b>		Value Chain	P.62-87
<b>(a) the policies; and</b>		Significant Laws and Regulations	P.105
<b>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</b>			
<b>relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</b>			
<b>KPI B6.1</b>	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Due to the nature of our business, product recalls for safety and health reasons are not applicable to the Group.	N/A
<b>KPI B6.2</b>	Number of products and service-related complaints received and how they are dealt with.	Value Chain Performance Data Summary-social	P.68 P.102
<b>KPI B6.3</b>	Description of practices relating to observing and protecting intellectual property rights.	Observing and Protecting Intellectual Property Rights	P.87

Indicator		Chapter/ Disclosure	Pages
<b>KPI B6.4</b>	Description of quality assurance process and recall procedures.	Product Quality Assurance and Safety	P.85
<b>KPI B6.5</b>	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Protecting Customer Privacy	P.74,78,87

Indicator		Chapter/ Disclosure	Pages
<b>Aspect B7: Anti-corruption</b>			
<b>General Disclosure Information on:</b>			
<b>(a) the policies; and</b>		Business Ethics and Compliance	P.64-65
<b>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.</b>		Significant Laws and Regulations	P.106
<b>KPI B7.1</b>	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.	Business Ethics and Compliance	P.64
		Performance Data Summary – Social	P.102
<b>KPI B7.2</b>	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Business Ethics and Compliance	P.65
<b>KPI B7.3</b>	Description of anti-corruption training provided to directors and staff.	Business Ethics and Compliance	P.65

Indicator		Chapter/ Disclosure	Pages
<b>Community</b>			
<b>Aspect B8: Community Investment</b>			
<b>General Disclosure</b>		Community	P.89-91
<b>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.</b>			
<b>KPI B8.1</b>	Focus areas of contribution. (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Performance Data Summary – Social	P.89-91 P.102
<b>KPI B8.2</b>	Resources contributed (e.g. money or time) to the focus area.	Community Performance Data Summary – Social	P.89-91 P.102

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
<b>Climate-related Disclosures</b>			
<b>I. Governance</b>			
<b>19. An issuer shall disclose information about:</b>			
<b>(a)</b>	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:	Sustainability Governance and Board's Oversight  Climate Change and Resilience - Governance  The Group has not yet incorporated climate-related performance indicators into its remuneration policy. We will explore the feasibility of enhancing our remuneration policies.	P.18-19  P.36
<b>(i)</b>	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;		
<b>(ii)</b>	How and how often the body(s) or individual(s) is informed about climate related risks and opportunities;		
<b>(iii)</b>	How the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;		

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
(iv)	How the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities, including whether and how related performance metrics are included in remuneration policies; and		
(b)	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:		
(i)	Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and		
(ii)	Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions		
<b>II. Strategy</b>			
<b>20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:</b>			
(a)	Describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	Climate Change and Resilience - Strategy	P.37-40

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
(b)	Explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;		
(c)	Specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and		
(d)	Explain how the issuer defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.		
<b>Business model and value chain</b>			
<b>21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain. Specifically, the issuer shall disclose:</b>			
(a)	A description of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain; and	Climate Change and Resilience - Strategy	P.37-40
(b)	A description of where in the issuer’s business model and value chain climate related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Since data availability and quantification methods continue to develop or evolve, we will continue to monitor and, where feasible, describe the concentration of climate-related risks and opportunities across our business model and value chain.	

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
<b>Strategy and decision-making</b>			
<b>22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:</b>			
<b>(a)</b>	Information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	Climate Change and Resilience – Strategy  Climate Change and Resilience – Metrics and Target	P.37-40  P.43-45
<b>(i)</b>	Current and anticipated changes to the issuer’s business model, including its resource allocation, to address climate-related risks and opportunities;		
<b>(ii)</b>	Current and anticipated adaptation and mitigation efforts (whether direct or indirect);		
<b>(iii)</b>	Any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer’s transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and		
<b>(iv)</b>	How the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and		

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
<b>(b)</b>	Information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).		
<b>23.</b>	An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	Climate Change and Resilience – Strategy Climate Change and Resilience – Metrics and Target	P.37-40 P.44-45
<b>Financial position, financial performance and cash flows</b>			
<b>24. An issuer shall disclose qualitative and quantitative information about:</b>			
<b>(a)</b>	How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	Climate Change and Resilience - Strategy We have identified major climate-related risks and opportunities and disclosed their current and/or anticipated qualitative financial effects. Given the high level of measurement uncertainty arising from data limitations and evolving climate science and methodologies, the resulting quantitative financial effects may not provide meaningful insights. We will continue to review the feasibility of disclosing such data as our business operations evolve.	P.37-40

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
<b>(b)</b>	The climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	No significant risk of a material adjustment within the next annual reporting period.	N/A
<b>25. The issuer shall provide qualitative and quantitative disclosures about:</b>			
<b>(a)</b>	How the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	Climate Change and Resilience - Strategy  We have identified major climate-related risks and opportunities and disclosed their current and/or anticipated qualitative financial effects. Given the high level of measurement uncertainty arising from data limitations and evolving climate science and methodologies, the resulting quantitative financial effects may not provide meaningful insights. We will continue to review the feasibility of disclosing such data as our business operations evolve.	P.37-40
<b>(i)</b>	Its investment and disposal plans; and		
<b>(ii)</b>	Its planned sources of funding to implement its strategy; and		
<b>(b)</b>	How the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.		

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
<b>Climate resilience</b>			
<b>26. An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:</b>			
<b>(a)</b>	The issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:	Climate Change and Resilience - Strategy	P.41-42
<b>(i)</b>	The implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;		
<b>(ii)</b>	The significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and		
<b>(iii)</b>	The issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;		
<b>(b)</b>	How and when the climate-related scenario analysis was carried out, including:		

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
<b>(i)</b>	<p>Information about the inputs used, including:</p> <p>(1) Which climate-related scenarios the issuer used for the analysis and the sources of such scenarios;</p> <p>(2) Whether the analysis included a diverse range of climate-related scenarios;</p> <p>(3) Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;</p> <p>(4) Whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change;</p> <p>(5) Why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;</p> <p>(6) Time horizons the issuer used in the analysis; and</p> <p>(7) What scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis);</p>		
<b>(ii)</b>	The key assumptions the issuer made in the analysis; and		
<b>(iii)</b>	The reporting period in which the climate-related scenario analysis was carried out.		

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
<b>III. Risk Management</b>			
<b>27. An issuer shall disclose information about:</b>			
<b>(a)</b>	The processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:	Sustainability Risk and Opportunity Management	P.20
<b>(i)</b>	The inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	Climate Change and Resilience – Risk Management	P.43
<b>(ii)</b>	Whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;		
<b>(iii)</b>	How the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);		
<b>(iv)</b>	Whether and how the issuer prioritises climate-related risks relative to other types of risks;		
<b>(v)</b>	how the issuer monitors climate-related risks; and		
<b>(vi)</b>	Whether and how the issuer has changed the processes it uses compared with the previous reporting period;		

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
(b)	The processes the issuer uses to identify, assess, prioritise and monitor climate related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and		
(c)	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.		
<b>IV. Metrics and Targets</b>			
<b>Greenhouse gas emissions</b>			
<b>28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as:</b>			
(a)	Scope 1 greenhouse gas emissions;	Climate Change and Resilience – Metrics and Target	P.43-46
(b)	Scope 2 greenhouse gas emissions; and		
(c)	Scope 3 greenhouse gas emissions.	Performance Data Summary – Environment	P.92
		Performance Data Summary – Carbon Emissions - Scope 3 Emissions Inventory and Reporting Methodology	P.94-97

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
<b>29. An issuer shall:</b>			
<b>(a)</b>	Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	Reporting Principles	P.5
<b>(b)</b>	Disclose the approach it uses to measure its greenhouse gas emissions including:	Climate Change and Resilience – Metrics and Target	P.43-46
<b>(i)</b>	The measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;	Performance Data Summary – Environment	P.92
<b>(ii)</b>	The reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	Performance Data Summary – Carbon Emissions - Scope 3 Emissions Inventory and Reporting Methodology	P.94-97
<b>(iii)</b>	Any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	We will explore the feasibility of purchasing quality RECs and carbon credits to offset GHG emissions in our operations.	
<b>(c)</b>	For Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer’s Scope 2 greenhouse gas emissions; and		

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
(d)	For Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).		
<b>Climate-related transition risks</b>			
<b>30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.</b>		Reasonable and supportable information was not available at the reporting date without undue cost or effort. We will explore the feasibility of disclosing such metrics in the future.	N/A
<b>Climate-related physical risks</b>			
<b>31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.</b>		Reasonable and supportable information was not available at the reporting date without undue cost or effort. We will explore the feasibility of disclosing such metrics in the future.	N/A
<b>Climate-related opportunities</b>			
<b>32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.</b>		Reasonable and supportable information was not available at the reporting date without undue cost or effort. We will explore the feasibility of disclosing such metrics in the future.	N/A

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
<b>33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.</b>		Reasonable and supportable information was not available at the reporting date without undue cost or effort. We will explore the feasibility of disclosing such metrics in the future.	N/A
<b>Internal carbon prices</b>			
<b>34. An issuer shall disclose:</b>			
<b>(a)</b>	An explanation of whether and how the issuer is applying a carbon price in decisionmaking (for example, investment decisions, transfer pricing, and scenario analysis); and	Internal carbon pricing is currently not a part of our decision-making. We will explore the use of internal carbon pricing in the future.	N/A
<b>(b)</b>	The price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;		
<b>Remuneration</b>		The Group has not yet incorporated climate-related performance indicators into its remuneration policy. We will explore the feasibility of enhancing our remuneration policies.	N/A
<b>35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).</b>			

Main Aspects, Levels, General Disclosures and KPIs	Chapter/Disclosure	Pages						
<p><b>Industry-based metrics</b></p> <p><b>36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.</b></p>	N/A	N/A						
<p><b>Climate-related targets</b></p> <p><b>37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:</b></p> <table border="1" data-bbox="194 1018 1317 1315"> <tbody> <tr> <td data-bbox="194 1018 488 1098"><b>(a)</b></td> <td data-bbox="488 1018 1317 1098">The metric used to set the target;</td> </tr> <tr> <td data-bbox="194 1098 488 1193"><b>(b)</b></td> <td data-bbox="488 1098 1317 1193">The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);</td> </tr> <tr> <td data-bbox="194 1193 488 1315"><b>(c)</b></td> <td data-bbox="488 1193 1317 1315">The part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);</td> </tr> </tbody> </table>	<b>(a)</b>	The metric used to set the target;	<b>(b)</b>	The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	<b>(c)</b>	The part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);	Climate Change and Resilience – Metrics and Targets	P.43-46
<b>(a)</b>	The metric used to set the target;							
<b>(b)</b>	The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);							
<b>(c)</b>	The part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);							

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
(d)	The period over which the target applies;		
(e)	The base period from which progress is measured;		
(f)	Milestones or interim targets (if any);		
(g)	If the target is quantitative, whether the target is an absolute target or an intensity target; and		
(h)	How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.		
<b>38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:</b>		Climate Change and Resilience – Metrics and Targets  We will explore the feasibility of having our targets validated by a third party.	P.43-46
(a)	Whether the target and the methodology for setting the target has been validated by a third party;		
(b)	The issuer's processes for reviewing the target;		
(c)	The metrics used to monitor progress towards reaching the target; and		

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
(d)	Any revisions to the target and an explanation for those revisions.	No revisions have been made during the reporting period.	N/A
<b>39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.</b>		Our Sustainability Management Approach and Highlights - Environment	P.10
		Climate Change and Resilience – Metrics and Targets	P.43-46
<b>40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:</b>			
(a)	Which greenhouse gases are covered by the target;	Climate Change and Resilience – Metrics and Targets	P.43-46
(b)	Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;		
(c)	Whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;		
(d)	Whether the target was derived using a sectoral decarbonisation approach; and	At present, the targets were not derived using a sectoral decarbonisation approach for target setting.	N/A

Main Aspects, Levels, General Disclosures and KPIs		Chapter/Disclosure	Pages
(e)	The issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:	We will explore the feasibility of purchasing quality RECs and carbon credits to offset GHG emissions in our operations.	
(i)	The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;		
(ii)	Which third-party scheme(s) will verify or certify the carbon credits;		
(iii)	The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and		
(iv)	Any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).		
<b>Applicability of cross-industry metrics and industry-based metrics</b>		Climate Change and Resilience - Metrics and Targets	P. 43-46
<b>41. In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).</b>		Performance Data Summary – Environment	P.92

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