



利記控股有限公司
LEE KEE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
Stock code : 637

2024/2025

**ENVIRONMENTAL,
SOCIAL & GOVERNANCE
REPORT**





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MESSAGE FROM CEO

As we present our 2024/25 ESG Report, I am pleased to share Lee Kee Group's continuing journey toward creating sustainable value beyond metals. Since our founding in 1947, Lee Kee has evolved from a metals trading company to a comprehensive solutions provider with a commitment to responsible business practices across our operations in Greater China, Southeast Asia, and beyond.

Today, we operate in an era of rapidly evolving technology and deep global economic integration, alongside growing challenges of resource scarcity and increasing environmental pressures. Society rightfully holds high expectations for green and sustainable development. As a provider of alloys - critical materials widely used across numerous sectors - we are dedicated to fostering responsible and forward-thinking approaches to material production and use. Through our innovative solutions and operational strategies, we strive to be a pioneering leader, demonstrating how the industry can contribute to a greener tomorrow.

Our sustainability vision is to "Create Sustainable Value Beyond Metals" guides our strategy through three strategic pillars that frame our achievements and ongoing commitments:

Responsible Supply Chain Management

With the help of Industry 4.0, we have enhanced supply chain transparency by adding traceability features to our products and labels, significantly reducing business risks across our operations. Our recent partnership with The Copper Mark demonstrates our commitment to responsible practices across the metals value chain, setting industry standards for ethical sourcing and transparency.

Since last year, we have implemented a digital carbon data management platform to track greenhouse gas ("GHG") emissions throughout our supply chain, making our carbon data more transparent and accessible. This initiative not only supports our customers' sustainability reporting needs but positions us ahead of evolving market expectations.

This year, we conducted a comprehensive evaluation of our Scope 3 emissions, which accounted for more than 99% of our total GHG emissions, with the majority stemming from purchased goods and services. Moving forward, we will focus on addressing these emissions and minimising our environmental impact across the supply chain.

Sustainable Manufacturing

Our commitment to sustainable operations has earned us the EcoVadis Bronze Medal, placing us in the top 35% of companies assessed globally, as well as the Certificate of Merit at the Hong Kong Awards for Environmental Excellence. We've obtained ISO 14064-1 verification statement for GHG emissions management at the organization level and ISO 14067 verification statement for the product carbon footprints of our flagship products, MASTERCASE (MC3) and Genesis (GZ5) - critical steps in our carbon reduction journey.

Innovative Products and Services

Innovation remains at the heart of our approach to sustainability. We continue to develop advanced alloy solutions that help our customers meet their sustainability goals, including improved resource efficiency and reduced carbon footprints.

Responding to growing demand for circular economy solutions, we now provide Recycling as a Service ("RaaS"), in which we collect and recycle scrap materials generated in our customers' production processes, reducing the need for virgin resources. This service exemplifies our commitment to creating sustainable value beyond simply supplying metals, transforming our business model to better serve a changing marketplace while reducing environmental impact.

Our innovative online die casting defect diagnosis platform is another testament to our commitment to excellence. Designed to assist Mainland China and overseas manufacturers, particularly those with limited experience in die casting, this platform enables users to identify potential causes of defects by inputting basic parameters about the die casting processes and the images of the defect. Advanced services, such as laboratory diagnostics for die casting process defects and filling simulations, are also available to offer deeper insights and effective solutions, supporting high-quality production and fostering continuous improvement in the manufacturing industry.

The metals sector stands at a critical juncture where sustainability innovation can create significant competitive advantages. By embedding ESG principles into our corporate culture and business operations, we are creating lasting value for our shareholders, customers, employees, and communities.

Together, we can build a more sustainable and prosperous future for generations to come.

Thank you for your continued support on this important journey.

CHAN Yuen Shan Clara

Vice-Chairman, Chief Executive Officer, and Executive Director

23 May 2025



**WE CREATE
VALUE SOLUTIONS
BEYOND METALS**



ABOUT THE REPORT

Lee Kee Group (“Lee Kee” or “the Group”, which includes Lee Kee Holdings Limited and its subsidiaries) is dedicated to enhancing our business practices in order to attain our environmental, social and governance (“ESG”) objectives. This annual ESG report (this “Report”) provides an overview of our approach to ESG, which includes our ESG Strategy Framework, policies, initiatives and performance.

1. Reporting Scope and Boundary

This Report covers the ESG performance of the Group’s operations in Greater China (i.e., offices, warehouses, production plants, and laboratory) and Southeast Asia (i.e., offices) during the period from 1 April 2024 to 31 March 2025 (the “reporting period”), unless otherwise stated. The scope and boundaries of reporting remained the same compared to the previous reporting period.

2. Reporting Standard and Principles

This Report has been prepared in accordance with the “mandatory disclosure requirements” and the “comply or explain” provisions of the ESG Reporting Guide (the “ESG Guide”) set out in Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“SEHK”).

The Group has followed the four reporting principles set out in the ESG Guide in preparing this Report to ensure the quality of information disclosed in this Report, they include:



CONSISTENCY

The approach to preparing this Report is substantially consistent with the previous reporting period. Any changes to the reporting scope and calculation methodologies will be disclosed where applicable.

MATERIALITY

The Group has identified ESG issues material to the Group through a materiality assessment. Senior management and the Sustainability Sub-Committee have reviewed and finalised these identified material aspects. For further details, please refer to the section entitled “Materiality Assessment” in this Report.

QUANTITATIVE

The Group has recorded and disclosed key performance indicators (“KPIs”) in quantitative terms whenever possible. Information on the standards, methodologies, assumptions, and sources of conversion factors used for calculating environmental data is also provided in this Report.

BALANCE

Both positive and negative performances are disclosed in this Report in an impartial manner to ensure that the content and data remain unbiased.


3. Feedback

The Group welcomes feedback on this Report, its approach to sustainability, and its performance. Please share your views and email us at ir@leekeegroup.com.

4. Independent Verification

This Report has been verified by an independent third party, the Hong Kong Quality Assurance Agency (“HKQAA”), in accordance with the International Standard on Assurance Engagement 3000 (“ISAE 3000”), as issued by the Internal Auditing and Assurance Standard Board (“IAASB”). This verification ensures the Report’s accuracy and completeness, as well as its adherence to the reporting guidelines. The scope of work undertaken by HKQAA is set out in the verification statement which has been appended to this Report.


2024/25 ESG HIGHLIGHTS

Scope 3 

>99% of total GHG emissions

Carbon Intensity ↓13.49%* 


0.109 tonnes of CO₂e per tonne of production volume

Renewable Energy 


377,691 kWh

Scrap Metal Recovery 

71,736 kg

Customer Satisfaction 

95.5%

Gender Diversity 


♂ 1: ♀ 1.11

Global Sports Event 

Sponsored premium-quality metals for the production of the event's medals

EcoVadis 

BRONZE

The Copper Mark 

Partnership

Work-related Injuries and Fatalities 

ZERO

SUSTAINABLE FUTURE
We Create Value Solutions
Beyond Metals



RESPONSIBLE SUPPLY CHAIN MANAGEMENT

 **Global Recycled Standard (GRS) Certification**

 **Reference to ISO 20400**

 **Beyond Metals**

Co-established the Applied Technology Research Institute for Advanced Materials Metal

 **Science and Technology Enterprise**

accredited by Zhejiang Provincial Department of Science and Technology

 **Digital Carbon Management and Reporting Platform**

 **Solar Power Generation Facility**

 **Specified Processes ("SP") Licence**

 **Tier 2 Authorized Economic Operator**

 **Supplier ESG Audit**

 **Industry 4.0**

 **Product Traceability**


 **Online Diagnosis Platform**

DefectDiagnosis.Prometlab.com

 **Emissions Data Collection**

 **Certification ISO 9001 ISO 14001 ISO 45001**

 **Verification Statement ISO 14064 ISO 14067**

 **Clean Energy**

by E-forklifts & EV

* compared with FY2023/24

OUR ACHIEVEMENTS

- 
Environmental Campaign Committee
 Hong Kong Green Organization
- 
Hong Kong Awards for Environmental Excellence ("HKAEE")
 2023 Certificate of Merit (Awarded in Dec 2024)
 (Manufacturing and Industrial Services)
- 
Hong Kong Quality Assurance Agency ("HKQAA")
 Hong Kong Green and Sustainability Contribution Awards
- 
Caring Company Recognition
 The Hong Kong Council of Social Service (HKCSS)



SUSTAINABLE FUTURE



TALENT DEVELOPMENT

- 
Comprehensive Safety Training
- 
Anti-Corruption and Ethics Training
- 
Anti-Discrimination Ordinance Training
- 
Competition Ordinance Training
- 
Personal Data (Privacy) Ordinance Training

COMMUNITY ENGAGEMENT

- 
Sustainable Culture
- 
Education
- 
Youth Development
- 
T.R.E.E. Foundation
- 
ESG Practices Sharing

CORPORATE GOVERNANCE

- 
Employee Diversity
- 
Board Support
- 
Stakeholders Engagement
- 
Top Down and Bottom Up Approach

COMMITMENT TO WORLD-CLASS STANDARDS

Various subsidiaries were recognised by different world class organizations and standards:

- First company in Greater China to be admitted as a Category 5 Associate Trade Member of the London Metal Exchange
- London Metal Exchange Listed Sampler and Assayer
- Global Recycled Standard (“GRS”) Certification
- The EcoVadis Bronze
- ISO 9001:2015 Quality Management Systems Certification
- IATF 16949:2016 Automotive Quality Management Systems Certification
- ISO 14001:2015 Environmental Management Systems Certification
- GB/T 24001-2016/ISO 14001:2015 Environmental Management Systems Certification
- ISO 45001:2018 Occupational Health and Safety Management Systems Certification
- GB/T 45001-2020/ISO 45001:2018 Occupational Health and Safety Management Systems Certification
- HOKLAS Accredited Laboratory under ISO/IEC 17025:2017
- Reference to ISO 20400:2017 Sustainable Procurement Guidance
- ISO 14064 Verification: Demonstrating rigorous measurement, reporting, and verification of GHG emissions across our operations
- ISO 14067 Verification: Providing transparent and accurate carbon footprint assessments for our two key products, MASTERCAS (MC3) and Genesis (GZ5)



SINCE 1947

LEE KEE GROUP

YOUR TRUSTED
SUSTAINABILITY PARTNER

OTHER ACCREDITATIONS & COMMITMENTS

BEC Net-zero Carbon Charter

Green Council - Sustainable Procurement Charter

CarbonCare® Star Label

CarbonCare® Label

CarbonCare® ESG Label

Commendation Scheme on Source Separation of Commercial and Industrial Waste - Silver Award (Industrial/Office)

WE THINK BIG
LEARN AND BE CURIOUS
ACT FAST THINK HARD
LESS IS MORE
TRUST AND INTEGRITY
EMPOWER POTENTIALS

COMPANY PROFILE

1. Background Information about Lee Kee

Established in 1947, Lee Kee is a leading metals solutions provider that provides premium quality, professional, and reliable value-added products and services to our customers. We are one of the major zinc alloy importers to Mainland China, while our business network extends to multiple regions, including Greater China and Southeast Asia (such as Malaysia, Thailand and Singapore). Lee Kee Holdings Limited is a limited liability company headquartered in Hong Kong and listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 637).

The principal activities of the Group include trading zinc, zinc alloy, nickel, nickel-related products, aluminium, aluminium alloy, stainless steel and other electroplating chemical products. Additionally, the Group provides metal testing and consultancy services, and engages in alloy production in Hong Kong and Mainland China. In line with its mission beyond metal, the Group has expanded its services to include water testing.

2. Core Activities and Operations

Business Profiles

Premium Metal



Our Group offers a broad portfolio of quality metals, including commodities zinc, aluminium, nickel, copper as well as zinc alloy, aluminium alloy, stainless steel and electroplating chemicals. Apart from distributing top-quality products around the globe, Lee Kee has her own branded metal products - MASTERCASE, GZ, SA and LMP - which represent premium quality and reliability, years of experience and product expertise.

Research & Development



The Group's cross-disciplinary R&D team has strong experience in collaborating with manufacturers, engineers and product designers. By discussing their desired product features and performance specifications, the team comes up with a wide array of new alloys that meet not only their requirements but also international industry standards.

Quality Assurance & Testing



Promet Metals Testing Laboratory is a highly accredited and reliable laboratory in Hong Kong that has gained recognition for its professionalism and competence. Its accreditations include ISO/IEC 17025 and The Hong Kong Laboratory Accreditation Scheme ("HOKLAS"). Promet is also an approved LME Listed Sampler and Assayer ("LSA") for pure zinc, aluminium, and aluminium alloys, which affirm its credibility and reliability. It is also qualified to conduct CS2 tests for construction industry. The laboratory's expertise includes composition test, water quality test and failure analysis, making it a reliable partner for companies across industries.

Technical Consultancy



With their rich experience tackling technical challenges across different industries, Promet Consultancy brings the latest knowledge and expertise to both die-casters and manufacturers. Promet's technical team has the necessary expertise to investigate the root cause of defective components, conduct operational audits to improve quality and cost-effectiveness, or develop custom alloys tailored to specific applications, helping businesses achieve their goals.

Contribution to Sustainability

Premium Metal



Our own branded metal products represent not only premium quality and reliability but also our commitment to sustainable sourcing and responsible production. By distributing top-quality products globally, we contribute to the development of sustainable infrastructure and support our clients in creating long-lasting, eco-friendly solutions across various industries.

Research & Development



By developing new materials and technologies, we empower our customers to create more sustainable products, reduce environmental impact, and contribute to the global transition towards a circular economy.

Quality Assurance & Testing



Promet sets the benchmark for sustainability by providing reliable, insightful, and professional testing services and ensuring the quality and sustainability of materials used across various industries. Our commitment to accurate testing and analysis supports responsible production, waste reduction, and overall industry sustainability.

Technical Consultancy



Our Technical Consultancy, Promet Consultancy, leverages its extensive experience and expertise to support die-casters and manufacturers in achieving their sustainability goals. Through collaboration and knowledge sharing, our consultancy services contribute to the continuous improvement and adoption of environmentally responsible strategies, driving sustainable growth for our clients and the industry as a whole.

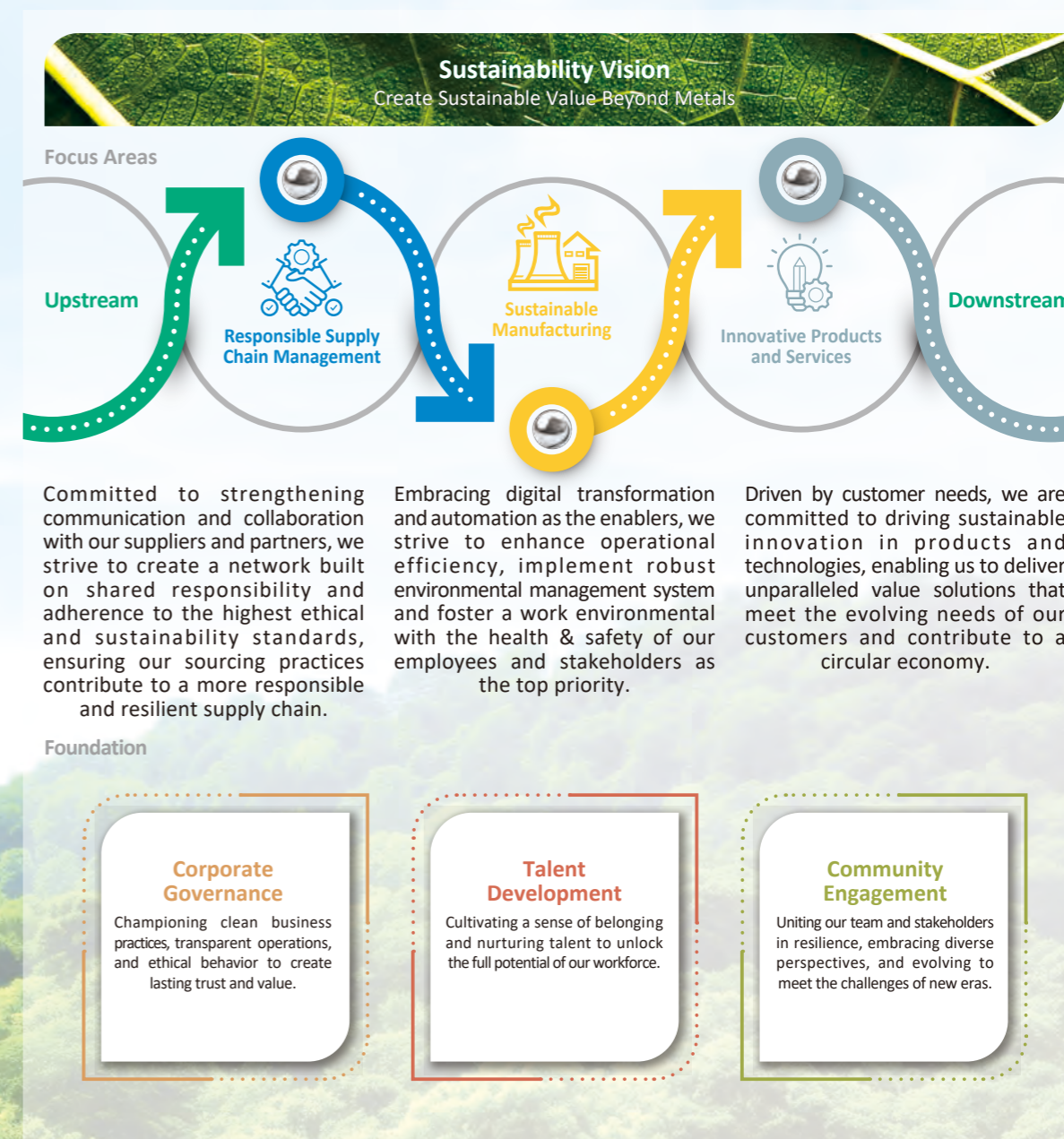
As a leading metals solutions provider, we are dedicated to sustainability and creating value beyond metals. We recognise that responsibly managing ESG risks and opportunities along the value chain is integral to long-term business success.



SUSTAINABILITY STRATEGY AND GOVERNANCE

1. Overview of the ESG Strategy Framework

We strive to create sustainable value beyond metals through our ESG strategy. Guided by our corporate mission of “We Create Value Solutions Beyond Metals”, our sustainability vision leverages strategic focus on three areas - “Responsible Supply Chain Management”, “Sustainable Manufacturing”, and “Innovative Products and Services”. Our ESG strategy framework directs us to create a real impact and maximise long-term opportunities across the value chain. With sound corporate governance, talent development and community engagement as the foundation, we ensure our business activities are conducted sustainably, ethically and responsibly within the broader context of our communities and the environment, creating shared value for all our stakeholders.



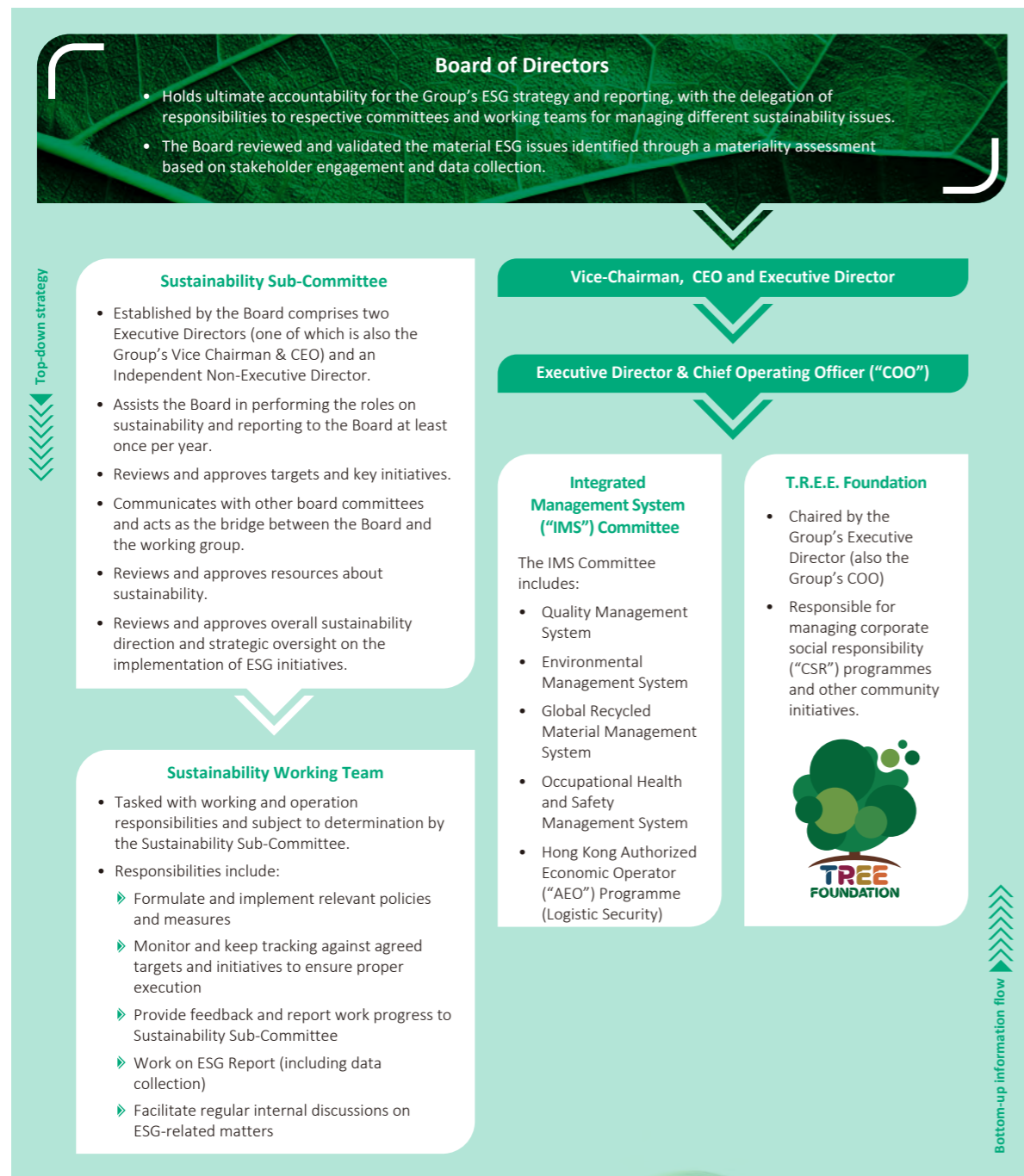
Committed to strengthening communication and collaboration with our suppliers and partners, we strive to create a network built on shared responsibility and adherence to the highest ethical and sustainability standards, ensuring our sourcing practices contribute to a more responsible and resilient supply chain.

Embracing digital transformation and automation as the enablers, we strive to enhance operational efficiency, implement robust environmental management system and foster a work environment with the health & safety of our employees and stakeholders as the top priority.

Driven by customer needs, we are committed to driving sustainable innovation in products and technologies, enabling us to deliver unparalleled value solutions that meet the evolving needs of our customers and contribute to a circular economy.

2. Sustainability Governance Structure

A sound governance structure is essential to effectively manage ESG-related risks and opportunities. Our sustainability governance structure underpins a solid basis for embedding sustainability throughout the organisation and delivering our commitment towards sustainability.



3. Stakeholder Engagement and Materiality Assessment

Stakeholder Engagement

Engaging in open and effective communication with our stakeholders is essential to gain a deeper understanding of their changing expectations. Such interactions inform the Group’s decision-making process, guiding our sustainability practices, initiatives, and disclosures. Through this ongoing dialogue, we collect valuable insights into the ESG dimensions of our business and translate these insights into definitive actions, reaffirming our commitment to sustainable growth and responsible operations.

Stakeholders		Our Engagement Channels
Employees		<ul style="list-style-type: none"> • Inductions • Training and development programs • Performance appraisals
Suppliers		<ul style="list-style-type: none"> • Supplier pre-qualification questionnaire • Regular supplier meetings and performance reviews • Supplier sustainability assessments and audits
Customers		<ul style="list-style-type: none"> • Customer service and support channels • Customer visit • Customer surveys and feedback mechanisms • Industry events and trade shows • Dedicated customer relationship managers
Shareholders and investors		<ul style="list-style-type: none"> • Annual General Meetings • Annual reports and announcements • Website
NGOs and community partners		<ul style="list-style-type: none"> • Collaborative projects and partnerships with local organisations • Sponsorship of local events and initiatives • Volunteering
Government and regulatory Authorities		<ul style="list-style-type: none"> • Statutory filings and announcements • Annual reports • Direct engagement with relevant government departments

Materiality Assessment

We recognise the importance of conducting materiality assessments to identify and prioritise the most relevant sustainability topics raised by our stakeholders. This, in turn, leads us to focus our sustainability efforts on the areas where we can make the most significant positive impact and address the expectations of our diverse stakeholder groups, ultimately strengthening our commitment to sustainable growth and responsible operations.

Our approach to materiality assessment

1

Identification

- Reviewed the list of material issues from previous materiality assessment exercises.
- Benchmarked our ESG approach against peers.
- Incorporated updates from sustainability trends and reporting standards and guidelines.
- Conducted one-on-one interviews with internal and external stakeholders, including senior management, department heads, customers, and suppliers.

2

Prioritisation

- Assessed the importance of issues based on internal policies and procedures related to sustainability, stakeholder concerns, benchmarking industry peers, and regulator expectations.
- Prioritised issues that have a significant impact on Lee Kee's ability to create long-term and sustainable value for stakeholders.

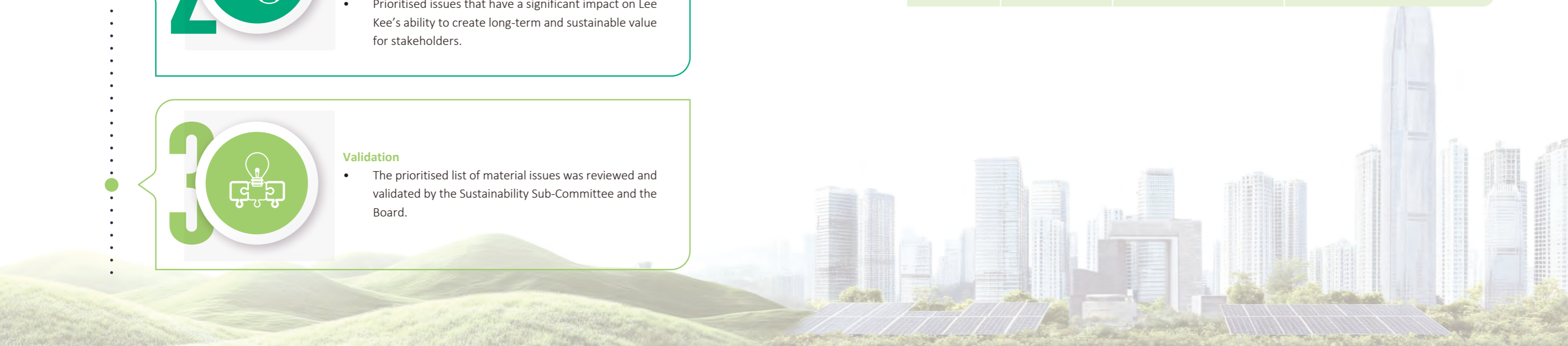
3

Validation

- The prioritised list of material issues was reviewed and validated by the Sustainability Sub-Committee and the Board.

The material issues identified were:

ESG Strategy Framework	Materials Topics	UNSDGs Alignment
Focus Areas	Innovative Products & Services	<ul style="list-style-type: none"> Sustainable Products & Services
	Sustainable Manufacturing	<ul style="list-style-type: none"> Climate Change & Energy Efficiency Waste & Effluent Management Occupational Health & Safety
		Responsible Supply Chain Management
Foundation	Business Ethics	<ul style="list-style-type: none"> Business Ethics
	Talent Development	<ul style="list-style-type: none"> Human capital development
	Community Engagement	<ul style="list-style-type: none"> Corporate Engagement



Contribution to UNSDGs

In our continued efforts to contribute to the United Nations Sustainable Development Goals (“SDGs”), we have identified SDGs that are most closely aligned with our sustainability strategy and where we can make a meaningful impact. We remain dedicated to these goals as they represent the core areas where business operations, initiatives, and innovations can drive positive change. By integrating these SDGs into our strategic planning and decision-making, we demonstrate our unwavering responsibility towards fostering a sustainable future for all stakeholders and the global community.



SDG 8 Decent work and economic growth

We are committed to fostering inclusive and sustainable economic growth within our operations while ensuring safe and healthy working conditions for our employees. We put significant efforts into creating quality employment opportunities, investing in skills development, and implementing robust labour standards throughout our value chain.



SDG 9 Industry, innovation and infrastructure

By investing in state-of-the-art technologies, enhancing resource efficiency, reducing environmental impacts, and supporting research and development initiatives, we work to build resilient infrastructure, promote new industrialisation, and foster innovation within our operations.



SDG 12 Responsible consumption and production

We contribute to SDG12 by promoting sustainable sourcing practices, optimising resource use, minimising waste and implementing circular economy principles throughout our operations.



SDG 13 Climate action

Our commitment to SDG13 is reflected in our endeavours to reduce GHG emissions across our operations. By implementing energy-efficient technologies and setting ambitious emissions reduction targets, we strive to minimise our carbon footprint and support global efforts towards building a more climate-resilient and sustainable future for all.



SDG 17 Partnership for the goals

We are committed to fostering collaborative relationships with diverse stakeholders, including governments, industry peers, NGOs, and local communities. By sharing knowledge, resources, and best practices and participating in joint initiatives to tackle global sustainability challenges, we demonstrate our dedication to collective progress towards a more sustainable and prosperous future for all.

Customer needs are one of the key drivers in promoting sustainability throughout the value chain. We adopt a forward-thinking approach in developing advanced materials, cutting-edge technologies, and innovative solutions, enhancing our offerings while furthering efforts to drive change toward a more responsible industry and contribute to a circular economy.

1. Research and Development

Research and development is a crucial component of our endeavour to promote sustainability. We have invested in the establishment of a cross-disciplinary R&D team, comprising experienced professionals from various fields, including manufacturing, engineering, and product design. Through collaborative efforts, we develop advanced materials and processes to minimise the environmental impact.

At every stage of the development process, our structured R&D approach incorporates sustainability considerations. By working closely with our customers, we aim to design new alloys that satisfy technical performance specifications while also conforming to our environmental objectives. These include the reduction of GHG emissions and the enhancement of resource efficiency. Our holistic and sustainability-centred approach ensures that our solutions generate shared value, fostering long-term economic and environmental benefits across our sector.



INNOVATIVE PRODUCTS AND SERVICES

In our pursuit of sustainable product innovation, we have strategically invested in state-of-the-art laboratory equipment and digital systems to optimise the R&D process and minimise the environmental impact of our operations. These advanced technologies have significantly enhanced our ability to analyse data and monitor performance metrics throughout the development cycle, thus improving our capability to implement ongoing enhancements at each phase, from initial concept testing to commercial manufacturing.

In 2014, Lee Kee distinguished itself among prominent international metal entities by becoming the first company in Greater China to be granted Category 5 Associate Trade Membership of the London Metal Exchange (“LME”). Beyond metal production and distribution, the Lee Kee Group’s business activities extend to testing and technical consultancy as well as collaborative research and development, offering comprehensive solutions along the metal value chain.

Promet-Advancing Testing Excellence for Public Health and Safety

Promet Metals Testing Laboratory Limited (“Promet”), a subsidiary of Lee Kee Group, provides specialised testing services with accreditation from the Hong Kong Accreditation Service for chemical testing, construction materials testing and drinking water testing. Established as the first laboratory in Hong Kong accredited in the Metals and Metallic Alloys category by The Hong Kong Laboratory Accreditation Scheme (“HOKLAS”), Promet has developed capabilities in water quality analysis alongside its core metal testing services. In 2016, Promet gained recognition as an approved London Metal Exchange (“LME”) Listed Sampler and Assayer (“LSA”) for pure zinc, aluminium, and aluminium alloys, positioning it among a select group of globally recognized testing facilities.

During the reporting period, Promet initiated a water safety program offering complimentary drinking water testing services to local primary and secondary schools. This program aims to support educational institutions in monitoring water quality on their premises. The initiative operates alongside public education campaigns designed to enhance awareness about household water quality and its potential health implications. Through these activities, Promet contributes to community well-being by applying its technical expertise in water quality assessment to address public health considerations.

Development of Recycled Alloys

The development of recycled alloys has been one of our key focuses in recent years, supporting our sustainability objectives by lowering GHG emissions and reducing reliance on virgin materials.

As part of the initiative, we have pursued the Global Recycled Standard (“GRS”) certification to recognise the use of recycled materials. Lee Fung Metal Company Ltd. and LKG Elite (Shenzhen) Company Ltd. hold the certification, with LKG Elite (Ningbo) Company Limited and Genesis Alloys (Ningbo) Ltd. obtaining it, affirming our dedication to sustainable materials and encouraging industry-wide adoption of recycled content.



Diagnosing Die Casting Defects with Our Innovative Platform

Our innovative online die casting defect diagnosis platform supports Mainland China and overseas manufacturers, particularly those with limited die casting experience, to identify and resolve production defects efficiently. By analysing process parameters and defect images, the platform pinpoints root causes, such as issues with metal flow, trapped air, filling efficiency, gas expulsion, and temperature control—critical factors for producing high-quality castings. The platform is designed with a user-friendly interface and offers advanced services for further analysis, including laboratory diagnostics and filling simulations, to provide deeper insights into the manufacturing process. Over time, it leverages a comprehensive database to improve diagnostic accuracy, enabling manufacturers to optimise their processes and reduce waste. By addressing defects at their source, our platform not only enhances product quality but also fosters continuous improvement in the industry.

Through our commitment to research and development, we strive to maintain Lee Kee as a leader in sustainable innovation within the non-ferrous metals sector. Our R&D efforts are central to our commitment to driving positive change across the value chain and fostering a more sustainable future.

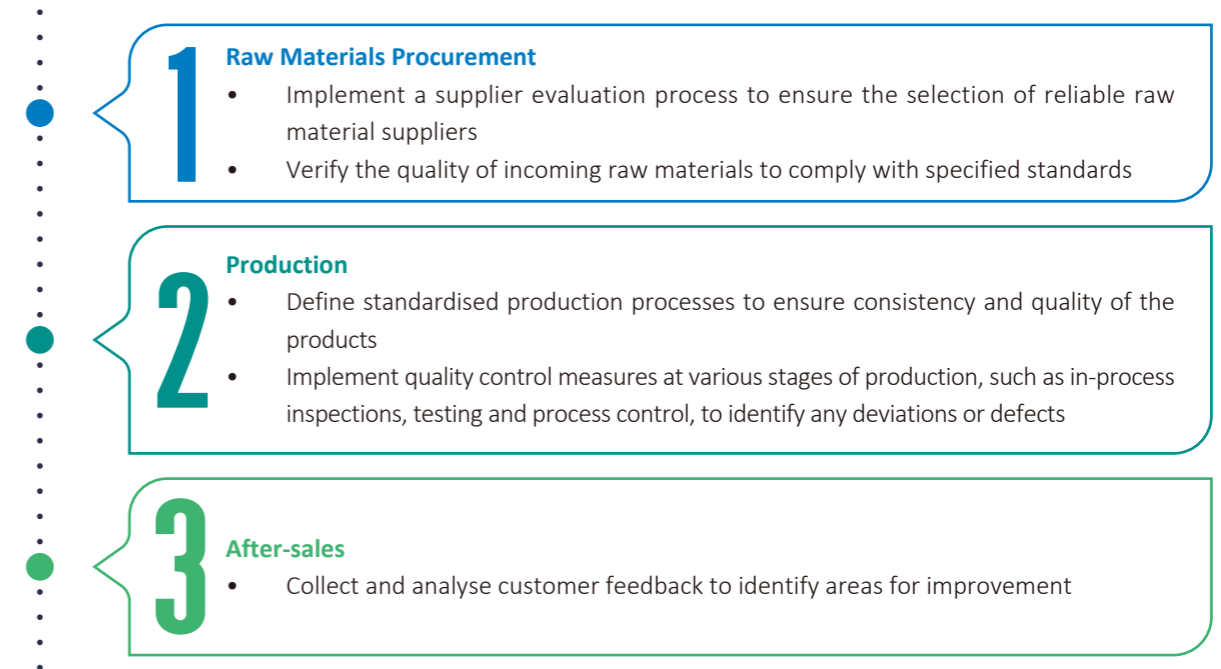
2. Product Responsibility

We implement rigorous quality control measures from raw material procurement to production and after-sales support, ensuring reliability and excellence at every stage. Transparency and accountability are integral to our operations and supply chain, reflecting our responsibility to uphold ethical practices. Our dedication to these principles has been recognised by the EcoVadis Bronze Medal, which evaluates four key areas: environment, ethics, labour and human rights, and sustainable procurement. This achievement places us among the top 35% of companies assessed globally, demonstrating our commitment to sustainable and responsible business practices that align with our customers' values and expectations.

Quality Policy & Management System

Our vision, "We Create Value Solutions Beyond Metals", reflects our commitment to delivering high-quality products and integrated services. Central to this mission is our robust Quality Policy and the continuous improvement of our comprehensive Quality Management System ("QMS"). Our QMS, certified to ISO 9001 and IATF 16949, ensures that we consistently meet and exceed customer expectations across all aspects of our operations—from product design and manufacturing to supply chain management and customer support.

Quality control measures at major stages:



To achieve our Quality Objectives, we set targets for the following:



The Quality Objectives serve as performance indicators to guide our efforts towards continuous improvement and ensuring alignment with our overall business strategy.

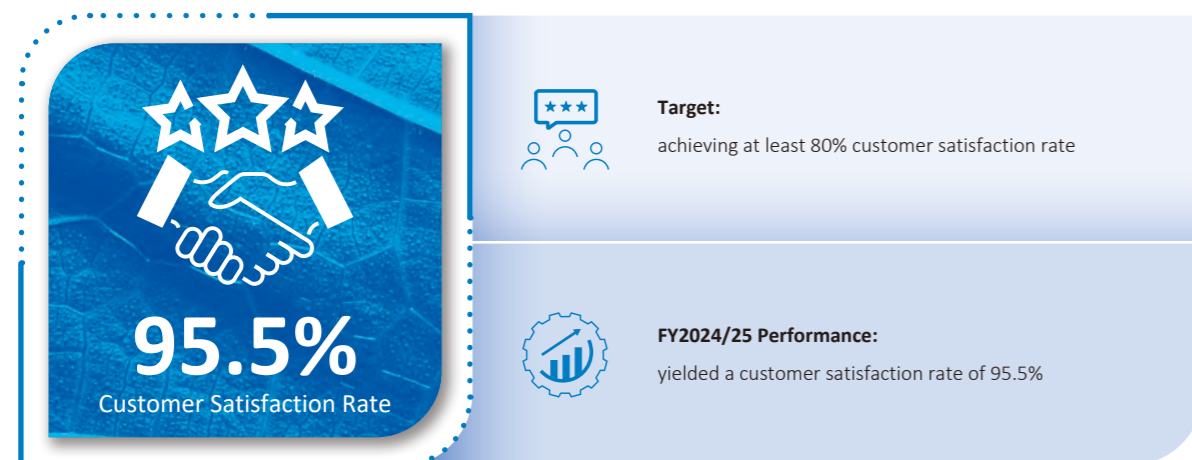
Promet is an ISO/IEC 17025:2017 Accredited Laboratory, further emphasising our commitment to quality assurance and reinforcing our ability to provide reliable testing services to our clients. Our products comply with applicable international standards regulating product specifications, ensuring that our clients' expectations are not only met but exceeded.

Quality Assurance

The Group has a robust quality assurance process that integrates monitoring of supplier performance, implementing quality control measures, fostering employee training and development, analysing customer feedback, and executing corrective and preventative actions. We inspect suppliers' test reports, conformity certificates, and materials declarations to ensure that all raw materials meet product specifications, such as EN71, RoHS 2.0, and REACH requirements.

Our quality assurance process includes specific procedures for addressing customer complaints. Our Technical Team carefully evaluates customer feedback and promptly implements effective corrective actions. Insights from complaints are shared with relevant department to identify the root cause and implement corrective measures. If the customer is not satisfied with the outcome, the complaint will be escalated to our Complaint Handling Committee, which is comprised of the COO and senior management. If the customer remains dissatisfied after review by the Complaint Handling Committee, the complaint will then be escalated to the CEO for a final decision.

Our annual customer satisfaction surveys have achieved a satisfaction rate of 95.5%. We remain committed to collaborating with stakeholders to drive continuous improvement and uphold the highest standards of quality and service.



Product Traceability

We uphold stringent standards for precise marking and labelling, ensuring the accountability, transparency, and integrity of our products, from raw materials to finished goods.

Our comprehensive product traceability system encompasses the following key elements:

Supplier Selection and Monitoring:

- Evaluate and select suppliers based on their ability to provide high-quality raw materials that meet our requirements.
- Conduct ongoing supplier monitoring through regular audits, assessments, and performance reviews to ensure consistent adherence to our quality and traceability standards.

Raw Material Tracking:

- Assign a unique identifier to each batch of raw materials to trace its origin, composition, and quality.
- Maintain detailed records of all material transactions, including purchase orders, delivery notes, and test reports.

Production Process Monitoring:

- Employ advanced technologies and stringent quality control measures to monitor and record critical product parameters, such as chemical composition.
- Link the data to each product's unique identifier to provide a comprehensive history of its manufacturing journey.

Identification and Labelling

- Utilise state-of-the-art marking and labelling techniques to identify our major zinc alloy brands, MASTERCAS, and Genesis.
- Mark each ingot with a laser-marked product lot number for our major zinc alloy brands, MASTERCAS and Genesis.
- Feature QR codes on product labels of our major zinc alloy brands, disclosing information, such as the end product's chemical composition and the associated GHG emissions per ton of the product.

Storage and Distribution:

- Track product location and movement throughout our storage and distribution network using our inventory management system.
- Maintain full visibility and streamline order fulfilment to rapidly respond to inquiries or issues.

Customer Support and Feedback:

- Equip the customer support team with the tools and information to address product-related inquiries, trace specific product batches, and provide prompt assistance in the event of quality concerns.
- Actively solicit customer feedback to continuously improve our products, services, and traceability system.

Responsible supply chain management is essential for the long-term sustainability of our operations. We are committed to ethical procurement practices, ensuring that raw materials and products are responsibly sourced. Through close collaboration with suppliers who share our sustainability values, we promote transparency and accountability in our operations. Regular engagement allows us to reinforce our expectations, monitor their performance, and work collectively to address challenges, fostering a more responsible and resilient supply chain.

1. Supply Chain Management

We recognise the integral role that suppliers play as partners in enabling the success of our business operations. Through maintaining fair and transparent cooperative partnerships built on shared values of responsibility and trust, we seek to foster mutually beneficial relationships and ensure the resilience of our supply chain. To ensure that our suppliers meet our standards, we have established protocols to monitor and evaluate their environmental and social management practices, in addition to assessing the quality of their products and services.

Our supply chain management framework is a comprehensive approach to promote sustainability across our supply chain. This framework allows us to evaluate potential risks in our supply chain, ensure their compliance throughout the process, and establish collaborative partnerships for continuous improvement. Our objective in implementing this framework is to minimise the environmental and social impact of our activities and promote ethical practices within our supply chain.

Partnership

Develop strong partnerships with suppliers to improve performance



Performance monitoring and control

Monitor suppliers' compliance throughout the process

Selection

Evaluate supplier's previous performance and select suitable supplier for our business

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

Supplier Selection and Evaluation Process

With the mission of being a leader in the metals industry, we recognise the importance of sustainability impacts across our value chain. Below is the summary of the new supplier selection and evaluation process for our suppliers in raw materials and products for Hong Kong, Shenzhen, Wuxi and Ningbo operations:

1. Supplier Evaluation

- 1** Request the suppliers to fill in the Supplier Questionnaire Checklist to provide ESG-related information.
- 2** Review the suppliers' documentation, such as licenses, permits and relevant certifications (e.g. ISO 9001, ISO/IEC 17025, ISO14001 and ISO 45001 certifications).
- 3** Assess and score the suppliers based on quality of goods/services, compliance with regulations, management system, environmental practices, etc.
- 4** Arrange annual on-site visits for shortlisted suppliers to assess their facilities, operations, and adherence to controls over materials received, production, finished goods, equipment use and delivery.

2. Onboarding

- 1** Highly consider suppliers that have obtained ISO 14001 certification or have signed the Supplier Environmental Support Statement.
- 2** Prioritise suppliers either with relevant ISO certificates and other documents pertaining to quality.
- 3** Award the contract based on the overall scoring and evaluation of the suppliers.

The Supplier Questionnaire Checklist outlines responsible procurement practices that supports our environmental, social and business objectives in the following areas:



Business Ethics



Legal Compliance



Marketplace Activities



Quality and Safety



Environmental Management



Labour Practices



Diversity and Inclusion



Human Rights



We will continue implementing the same supplier evaluation approach for our suppliers in raw materials and products throughout our operations. This will enable us to establish a consistent approach to supplier management, further strengthening our ability to mitigate risks and ensure the ethical production of our products and services.

Supplier Performance Monitoring and Assessment

We recognise the importance of continually monitoring our supply chain to ensure the suppliers meet our expectations. Supplier review is conducted on an annual basis to ensure their compliance with our standards for quality, pricing, service delivery, legal and regulatory compliance, environmental and occupational health and safety management, as well as relevant certifications. Our review process is designed to identify and mitigate any regulatory, environmental, or social risks that may arise in our supply chain.

In 2024, we conducted an audit for a critical supplier to evaluate compliance with our operational standards and sustainability commitments. The supplier was required to complete a self-assessment checklist covering 14 key categories:

Planning of Quality Management	Engineering Technology and Change Management
Suppliers Management and IQC	Process Control
Control of Finished Product	Control of Nonconforming Product
Production and measuring equipment management	Continual Improvement
Storage and Delivery	Customer Service
Environment	Labor & Human Rights
Ethics	Sustainable Procurement

Based on the findings of the audit, we were able to assess the performance of the supplier, enabling targeted engagement to address risks and drive improvements. With the Group’s prioritisation on ethically produced products and services, any supplier failing to meet these standards will be expected to provide a remedial plan or face termination.

Training and Development

We provide regular training sessions to ensure that our employees are knowledgeable about our supply chain management criteria. Our staff are trained to identify and understand the risks associated with supplier interaction, such as the exploitation of child labour and compliance to labour laws. This equips our employees with the knowledge to make informed decisions when dealing with suppliers and to mitigate potential risks.

In addition to our focus on employee training, we emphasise the development of our suppliers’ quality management systems (QMS). We require suppliers of automotive finished products for our Hong Kong production site, implement, and maintain a quality management system certified to ISO 9001, with the ultimate objective of achieving certification to the IATF 16949 Automotive QMS standard.

2. Conflict Minerals

The Group is committed to responsible mineral sourcing, adhering to the Organisation for Economic Cooperation and Development (“OECD”) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. We recognise the risks associated with conflict minerals and are dedicated to achieve a conflict-free supply chain. Our policy explicitly prohibits the use of conflict metals such as gold, tantalum, tungsten, and tin from mines in conflict regions, particularly those in the Democratic Republic of Congo under the control of non-government military factions or unlawful groups.

To maintain the integrity of our supply chain, we conduct rigorous assessments of our suppliers to ensure that all materials are ethically sourced and free from conflict and human rights violations. Raw material suppliers are required to sign a conflict minerals declaration, and a stringent screening process is in place to prevent the procurement of materials from affected regions. We have developed a Supplier Questionnaire Checklist that outlines conflict minerals requirements, obliging raw material suppliers to attest to the non-involvement of conflict minerals in their products. This comprehensive approach reflects our commitment to ethical sourcing and protecting human rights throughout our supply chain.

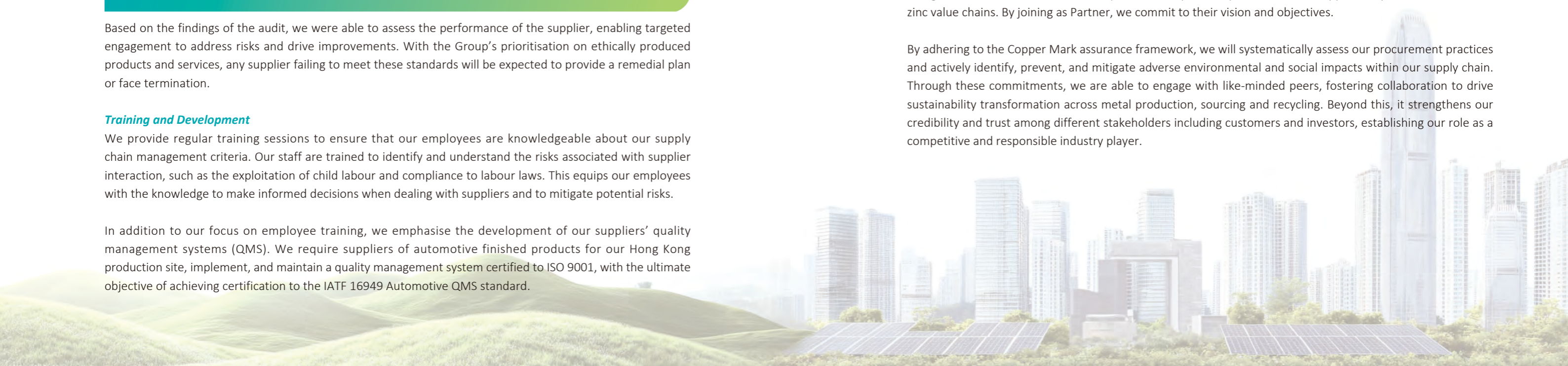
3. Engagement with Industry Association

Lee Kee is dedicated to driving sustainable development and responsible sourcing practices through active engagement with industry partners. By participating in industry association events and conferences, the Group contributes to industry-wide advancements, while sharing and adopting best practices across the sector.

Since 2021, Lee Kee has been an Established Member of the Green Council’s Sustainable Procurement Charter, pledging to implement sustainable procurement procedures with reference to ISO 20400 Sustainable Procurement standard.

This reporting year, we have signed a commitment to become a Partner in the Copper Mark, a globally recognised assurance framework that promotes responsible practices across copper, molybdenum, nickel, and zinc value chains. By joining as Partner, we commit to their vision and objectives.

By adhering to the Copper Mark assurance framework, we will systematically assess our procurement practices and actively identify, prevent, and mitigate adverse environmental and social impacts within our supply chain. Through these commitments, we are able to engage with like-minded peers, fostering collaboration to drive sustainability transformation across metal production, sourcing and recycling. Beyond this, it strengthens our credibility and trust among different stakeholders including customers and investors, establishing our role as a competitive and responsible industry player.



In response to the global challenges posed by environmental issues, we have embedded different sustainable practices into all aspects of our business. Our efforts focus on reducing our GHG emissions and enhancing preparedness for climate-related risks through the adoption of digital transformation and automation. These initiatives not only improve operational efficiency but also support the implementation of robust environmental management systems and foster a culture prioritising the health and safety of our employees.

To ensure the safety, security and environmental responsibility of our operations, we have established an environmental management system and an occupational health and safety management system in compliance with ISO 14001 and ISO 45001 standards respectively. Building on these efforts, we further strengthened our commitment to transparency and accountability by obtaining the verification statements of ISO 14064-1 and ISO 14067.

These achievements underscore our dedication to measuring, managing, and reporting emissions, while also ensuring the traceability and sustainability of our products throughout their lifecycle.



1. Operational Efficiency and Environmental Management

To reinforce sustainability in our operations, we have a number of internal policies and documents in place to effectively address and manage our environmental responsibilities, which include the following:

Environmental Policy	<ul style="list-style-type: none"> • Defines our commitment to safeguarding the environment, optimising resource utilisation and reducing emissions and waste
Environmental Aspects Operating Procedures	<ul style="list-style-type: none"> • Provide a systematic framework for identifying, evaluating, and managing significant environmental aspects and their associated impacts
Environmental Aspects Assessment Form	<ul style="list-style-type: none"> • Records each identified Environmental Aspect and its corresponding Environmental Impact

SUSTAINABLE MANUFACTURING

We diligently adhere to all pertinent environmental protection laws and regulations across various jurisdictions where we operate and continually strive to enhance our environmental performance.

Specified Processes (“SP”) Licence

The Air Pollution Control Ordinance regulates industrial activities which involve certain polluting industrial processes known as “specified processes”. Our operations fall under this category, requiring regulatory oversight to monitor and control potential air pollution. In compliance with these requirements, we applied for and successfully obtained the SP licence. Through this licence, we are committed to implementing the best practicable means to prevent air pollution as required by the terms and conditions set forth.

Our specialised environmental management team is entrusted with the responsibility of examining our Group’s activities, products, and services under normal, abnormal, and reasonably foreseeable emergencies, taking into account past, present, and future considerations. The responsible departments are required to review the environmental aspects annually or if any of the following conditions arise:

Climate-related Risks and Opportunities

2024 has been a year of heightened awareness regarding the urgency of climate action. This year marked the warmest on record, with global temperatures exceeding 1.5°C of warming - a sobering reminder of the increasing risks to ecosystems, economies and societies. Over the course of 2024, oceans continued to warm, sea levels rose further, and extreme weather events resulted in severe consequences worldwide. These trends underscore the importance of adaptive strategies and progress toward carbon neutrality. Mainland China and Hong Kong are moving towards a low-carbon future, which presents both risks and opportunities for businesses. An analysis of climate risks and opportunities associated with this transition has revealed significant issues that could impact our operations. In response, we have developed short-term and long-term action plans to adapt and mitigate these risks. These plans enable us to strengthen our position in a changing environment and build resilience against the impacts of climate change.

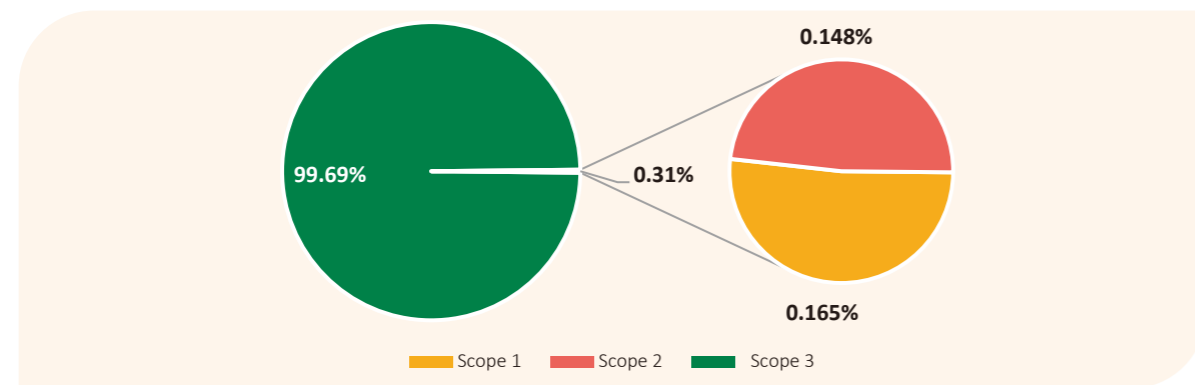
Climate Risks	Potential Impacts	Mitigation Measures
Physical Risks		
A prolonged period of extremely hot weather	<ul style="list-style-type: none"> Reduced operation efficiency 	<ul style="list-style-type: none"> Install sensors to identify high temperature and adjust work allocation Enhance automation to reduce manpower in certain processes
Increased frequency and severity of inclement weather events	<ul style="list-style-type: none"> Work sites closure Delay in Delivery Damages to buildings and premises 	<ul style="list-style-type: none"> Set up a delegated team to monitor the weather and work out contingency plans Typhoon and rainstorm instructions outlined in the Employee Handbook, which includes specific handling arrangement for severe weather conditions Establish communication platforms to ensure all relevant staff are kept informed about the weather forecast and work sites situation Maintain sufficient inventory Purchase insurance coverage Allocate professional standby to ensure building safety in case of emergency
Transition Risks		
Enactment of more stringent laws and regulations related to climate change	<ul style="list-style-type: none"> Additional investment costs to comply with regulation changes 	<ul style="list-style-type: none"> Monitor regulatory trends Consult professional opinions Adopt renewable energy in operations Reduce carbon emissions

GHG Emissions and Energy Targets

We utilise a carbon management and reporting platform, which enables us to monitor, analyse, and report our carbon emissions levels in real time, providing valuable insights to support our sustainability efforts. This year, we evaluated our scope 3 emissions, which accounted for more than 99% of total GHG emissions. The majority of scope 3 emissions stem from Category 1 - Purchased Goods and Services. Given this significant contribution, we are committed to reducing emissions on our purchased goods and services to reduce our environmental impact across the supply chain.

Looking ahead, we recognise that green product certification, product carbon footprint measurements, and other sustainability initiatives will require increasingly transparent and accessible carbon data, positioning our current digital approach as a foundation for future compliance and environmental leadership.

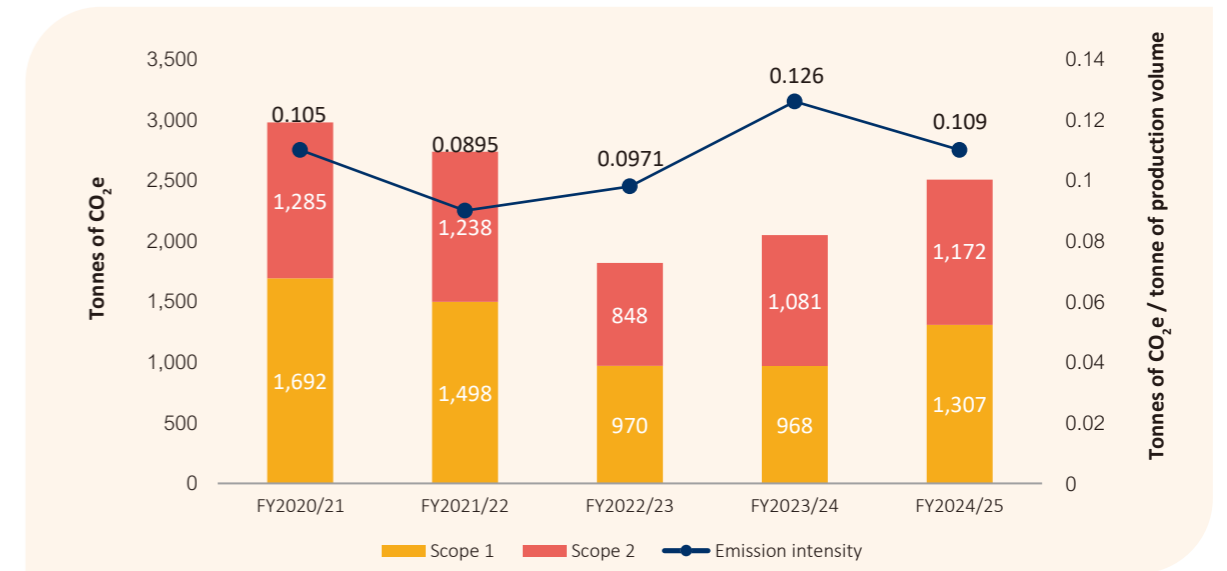
Scope 1, 2 and 3 in FY2024/25



We have been actively enhancing our energy efficiency practices, monitoring energy usage, and raising environmental consciousness among our staff. Our Board of Directors or its delegated committee conducts annual assessments of our progress towards achieving our reduction targets, analysing the sources of GHG emissions and energy consumption, as well as identifying areas for improvement in various operations. In the FY2020/21, we established GHG emission targets that encompass all our Group operations, with a base year of FY2020/21. We will continue to track of our progress in achieving our environmental targets.

Aspect	Base year	Progress as of FY2024/25	Compare with FY2023/24	Long-term Targets (by FY2030/31)
GHG emissions intensity (per tonne of production volume)	2020/21	↑3.81%	↓13.49%	↓20%

GHG Emissions by Scope in FY2024/25



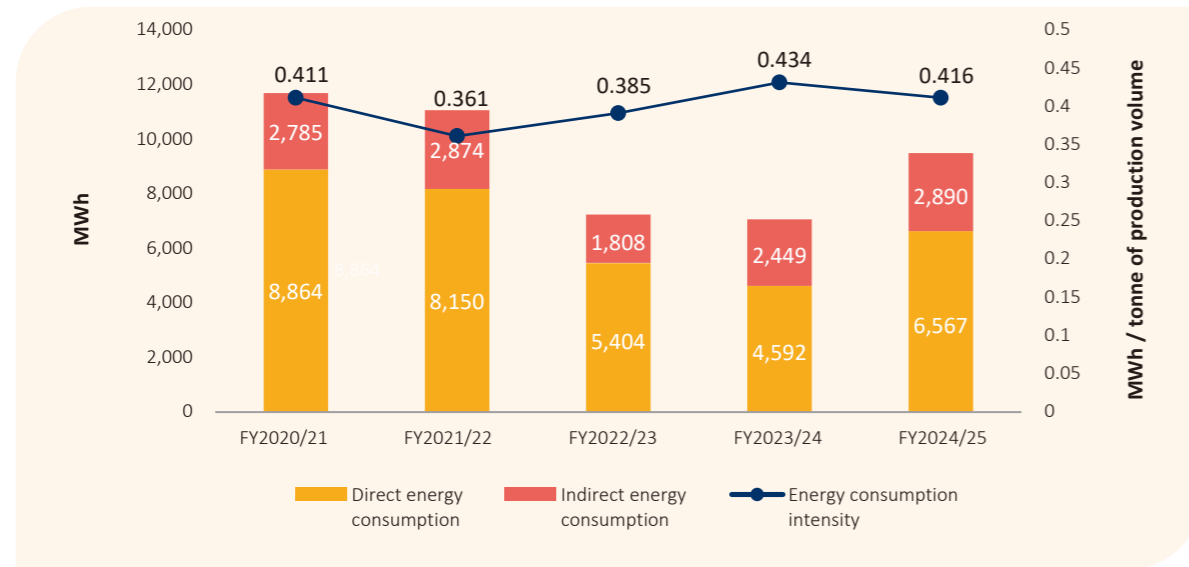
This year, we have reduced our GHG emissions intensity by approximately 13.49% compared to FY2023/24. This achievement is the result of several strategic initiatives we have implemented. A key driver of this reduction is the expansion of solar energy usage at our Headquarters and Ningbo Factory, which has significantly lowered our reliance on fossil fuels and reduced our carbon footprint. Additionally, we have implemented rational production planning, such as maximising furnace loading, to optimise resource allocation and improve energy efficiency across our operations. Moving forward, we remain committed to enhancing our environmental performance by exploring innovative production methods and alternative energy sources to reducing our GHG emissions.

In the FY2020/21, we also established energy consumption targets that encompass all our Group operations, with a base year of FY2020/21.

Aspect	Base year	Progress as of FY2024/25	Compare with FY2023/24	Medium-term Targets (by FY2025/26)
Energy consumption intensity (per tonne of production volume)	2020/21	↑1.22%	↓4.15%	↓15%



Energy Consumption in FY2024/25



In FY2024/25, we achieved a decrease in energy consumption intensity, with a reduction of 4.15% compared to the previous year. This progress is a result of our focus on optimising production processes, particularly through maximising furnace loading, which has enhanced our energy efficiency. To achieve our medium-term targets, we will continue to prioritise investments in energy-efficient technologies, optimise our production processes, and enhance equipment maintenance procedures.

During the reporting period, we have obtained ISO 14064-1 verification statement for the Group and ISO 14067 verification statement for our zinc alloy brands, MASTERCAS and Genesis. These achievements demonstrate our commitment to transparency and accountability in our environmental practices. Moreover, they provide a robust framework for tracking and reporting our GHG emissions, enabling us to identify areas for improvement and implement effective strategies to reduce our carbon footprint.

Energy and Water Efficiency Initiatives

We recognise the significant impact of our operations on GHG emissions and the resulting effects on climate change. To address this, we have implemented a range of targeted measures aimed at reducing both our direct and indirect GHG emissions across all facets of our business, including production facilities and office operations. Our strategic approach focuses on enhancing infrastructure, establishing robust control mechanisms, adopting renewable energy sources, investing in energy-efficient technologies, and optimising our production processes. To achieve our sustainability goals, we have implemented the following measures:

- **Waste heat recovery:** This initiative was implemented at the Ningbo facility to recover heat from furnace flue gas, reducing energy consumption in the production process.
- **Variable-speed cooling technology:** Our process cooling system utilise dynamic speed adjustment based on load and ambient conditions, resulting in approximately 18% fewer GHG emissions compared to conventional fixed-speed systems.
- **LED lighting replacement:** We are progressively replacing fluorescent lighting with energy-efficient LED fixtures in our offices to reduce energy consumption.
- **Routine equipment maintenance:** Regular inspections, maintenance and cleaning of fan coil units and filters are conducted to improve operational efficiency.
- **Periodic leak checks:** Periodic leak checks on air conditioning units and inspections of air conditioning systems and company vehicles are performed to minimise energy usage and emissions.
- **Solar energy:** We equipped the rooftops of our headquarters with a capacity of 200kW solar panels.
- **Electric vehicles and e-forklifts:** We are transitioning to electric vehicles and e-forklifts in our Hong Kong and Ningbo operations to reduce fuel consumption and lower emissions.



New Initiative During the Year
Renewable Energy Generation

In 2024/25, we expanded our renewable energy capacity through solar power installations. At our Ningbo factory, we installed a rooftop solar power system with a capacity of 303kW. With the existing solar panels at our headquarters, these measures generated 377,691kWh of clean energy during the reporting period, which is estimated to avoid 165 tCO₂e emission¹.

To further reduce our reliance on grid electricity, we newly installed 10 solar-powered exhaust fans at our headquarters.

Energy Efficiency Improvements

At our Ningbo facility, we installed an oxyhydrogen generator in October 2024, with testing commencing in November. This innovative system uses tap water to produce a hydrogen-oxygen mixture that improves combustion efficiency when used alongside natural gas in our zinc alloy furnaces. The system is designed to reduce natural gas consumption by creating cleaner, more efficient burning conditions, with the potential to decrease fuel usage by up to 30%.



Process Optimisation

We also upgraded our manufacturing processes in our Ningbo facility through several technical enhancements:

- Waste heat recovery systems to capture and reuse thermal energy
- Furnace nozzle upgrades to improve combustion efficiency
- Thermal storage ball application technique is used for achieving energy conservation and efficiency improvement by storing and releasing heat.

Initial measurements show these improvements have reduced natural gas usage in Master Alloy production by approximately 33% compared to previous levels. The enhanced efficiency also allowed us to deactivate one dust collection unit, further decreasing electricity consumption while creating a better working environment in our production areas.

We are dedicated to conserving natural resources across all aspects of our business. Furthermore, we encourage our contractors, suppliers, and customers to adopt resource-efficient practices. Recognising that access to clean water is an ongoing global challenge, we strive to use freshwater resources responsibly and implementing sound water management practices. Notably, the Group does not operate in water-stressed regions and therefore faces no issue with water sourcing.

The Group’s primary use of water resources is for metal cooling processes. In 2024, we continued to work on water conservation and efficiency in our operations. We have adopted a closed loop system that employs a water bath for cooling processes. This system eliminates water waste and reduces mist generation compared to previous methods. Additionally, closed-loop systems can be automated to achieve greater precision and consistency in the cooling process.

¹ The GHG emissions are calculated based on the average emission factor of the national grid in 2022 announced by the Ministry of Ecology and Environment of the People’s Republic of China and the latest available emission factor provided by CLP.



Waste Management Practices

Our waste management strategy is based on the “5R” framework, which includes Replace, Reduce, Reuse, Recover and Recycle. We collaborate with employees, contractors, and suppliers to encourage waste minimisation at the source and the adoption of recycled materials. The Group endeavours to reduce the amount of waste we produce and maximise the adoption of reuse or recycling methods. We strictly comply with local regulations governing the treatment and disposal of hazardous waste. Furthermore, we conduct regular monitoring of our waste generation, including both solid and liquid waste, and track the recycling process at our facilities.

Replace, Reduce, Reuse, Recover, Recycle			
Non-hazardous waste		Hazardous waste	
Non-recyclable	Recyclables	Non-recyclable	Recyclables
e.g. general refuse	e.g. wastepaper, used plastic bottles, waste glass	e.g. waste oil, chemical waste, waste batteries	e.g. empty toner cartridge
Collected by the government’s sanitary division	Collected by qualified handlers for recycling	Collected by qualified handlers for disposal	Collected by the manufacturer for remanufacturing

Reduce	Recycle	Proper Handling of Hazardous and Non-hazardous Waste
Minimising material consumption and waste generation at every stage of the production process	Emphasising the importance of promoting a circular economy within our organisation	Minimising harm to the environment and avoiding land pollution
<ul style="list-style-type: none"> Precision Material Management: We have implemented advanced systems for calculating material requirements and optimising tool arrangement and usage. These measures improve material processing quality, reduce waste generation, and enhance overall production efficiency. Innovative Die Casting Technology: Our zinc die casting technology is designed to reduce material consumption and waste generation throughout the production process. This technology enables significant material savings and contributes to carbon emissions reductions. 	<ul style="list-style-type: none"> Scrap Metal Recycling: We collect and recycle any scrap metal generated during production. During the reporting period, we recovered a total of 71,736 kg of metals, contributing to a more sustainable use of resources. Industrial Waste Recycling: We collect and recycle used lubricant oil generated from production equipment through licensed waste management providers, ensuring the waste is handled responsibly and in compliance with environmental regulations. Office Waste Recycling: To minimise waste in our office environments, we recycle materials such as paper, plastic, metal cans, glass, beverage cartons, and toner cartridges, and participate in recycling programmes to reduce our waste footprint and promote sustainability across all aspects of our operations. 	<ul style="list-style-type: none"> Spent Acid Disposal: All spent acid is properly packaged, labelled and stored following chemical analysis. Licensed waste handlers are engaged for collection and treatment to ensure safe disposal. Microbiological Waste Management: Labware contaminated with microbiological waste, including expired or contaminated items, undergoes sterilisation via autoclaving for 30 minutes at 121°C before disposal to avoid environmental exposure to potentially harmful microorganisms. Compliance and Accountability: All waste management activities are conducted in strict compliance with applicable laws and regulations.



2. Digital Transformation and Automation

We place a strong emphasis on promoting sustainability and environmental stewardship. We adopt digital technologies and automation. These transformative tools are shaping the future of manufacturing and management, and we incorporate them into our operations. By doing so, we actively reduce our environmental impact, optimise resource utilisation, and cultivate a sustainable work environment.

Digital transformation empowers us to utilise data analytics effectively, streamlining operations and facilitating informed decision-making. We enhance supply chain visibility, optimise manufacturing processes, and uncover opportunities for greater efficiency and sustainability by leveraging these technologies.

Embracing Automation: Automated Visual Inspection and Ingot Robot Stacker Systems

Automated Visual Inspection:

We have implemented an automated visual inspection system to streamline quality control processes, and it has supported the inspection of ingots produced on the new casting line. The system utilises computer vision and optical character recognition (“OCR”) technologies to analyse images of ingots on our casting line. By leveraging these digital image analysis capabilities, the inspection system is able to automatically identify any defects, anomalies, or quality issues present in the ingots rather than relying on human inspectors.

Ingot Robot Stacker Systems:

To further streamline our production process and enhance workplace safety, we have integrated Ingot Robot Stacker Systems and Automatic Strapping Machines into our operations. The Stacker Systems automatically stack ingots in an organised fashion for further processing, and the Automatic Strapping Machines apply polypropylene materials to bundle stacked ingots securely. By leveraging these machines, we are able to package ingots through coordinated automated sequences, eliminating the need for manual labour in completing these tasks and reducing ergonomic risks for employees.

Automation, through the adoption of advanced technologies like robotics and computer-aided manufacturing, significantly contributes to our sustainability initiatives. By replacing repetitive, time-consuming, or hazardous tasks, this transition not only improves efficiency and precision but also enhances worker safety and job satisfaction, creating a more sustainable work environment.

Automated Casting Line & Industry 4.0 Integration:

Our state-of-the-art casting line now features auto-skimming and auto-stacking robotic arms, significantly enhancing worker safety by minimising exposure to hazardous tasks. Moreover, this automation technology not only enhances process stability but also elevates the overall quality of our products. In addition, our casting line is fully integrated into the Industry 4.0 system, enabling real-time data collection and analysis of process parameters. In line with our production expansion during the reporting period, Industry 4.0 principles were also adopted into the new production line, integrating OEE function to measure manufacturing productivity and enhance efficiency. This advanced connectivity and data-driven decision-making facilitate ongoing performance monitoring, early identification of abnormalities, and timely warnings, empowering us to proactively address potential issues.

The automation integration into our casting line processes during the reporting period has further streamlined operations, enhanced productivity, and significantly contributed to our production expansion efforts. These technological advancements and process optimisations have enabled us to meet growing demands, increase production capacity, and effectively scale up our manufacturing while upholding sustainability principles.

3. Occupational Health and Safety

Occupational Health and Safety (“OHS”) Targets



OHS Performance

0	Work-related fatalities in the past three years
0	Work-related injuries
0	Lost days due to work injuries

Health and Safety Management

Lee Kee places employee safety and wellbeing at the forefront of its operational priorities, recognising that workforce welfare forms the foundation of sustainable business success. The Group implements a robust health and safety management framework based on ISO 45001:2018 that ensures workplace security across all operations.

Our OHS Policy establishes clear commitments to maintaining high occupational health and safety standards in accordance with relevant laws and regulations. Senior leadership takes direct responsibility for the OHS management system, focusing on preventing work-related injuries, establishing safety objectives, eliminating hazards, and minimising occupational risks.

Regular monthly health and safety inspections form a key component of the management system. These assessments identify potential safety hazards, environmental concerns, and 5S issues that might pose risks to workers. When issues are identified, responsible departments must implement corrective actions according to risk-based timelines.



Voluntary External Safety Audit

Building on our commitment to safety excellence, our headquarter conducted a voluntary external safety audit in June 2024. An independent safety auditor completed this assessment, providing valuable observations and recommendations for improvement that have helped guide our subsequent safety management initiatives.

Safety Committee

A dedicated Safety Committee oversees Hong Kong operations under the leadership of the Associate Production Director. The committee holds monthly meetings to review accidents, discuss safety reporting, evaluate inspection findings, assess contractor safety agreements, and share critical safety information. Frontline employee representatives and outsourced employees are also invited to become members of the Safety Committee. Their participation enables bottom-up input on safety measures, fostering comprehensive improvements in workplace safety.



Forklift Safety

Following the recommendations from the safety committee, we enhanced forklift safety by installing prominent three-sided warning lights on all vehicles during the year. This improvement increases visibility and helps prevent workplace accidents by providing clearer visual alerts to nearby personnel.



Emergency Preparedness Protocols

Recognising the importance of emergency readiness throughout its value chain, Lee Kee maintains comprehensive contingency planning and conducts regular emergency drills, such as first aid and fire drill. The Contingency Plan provides guidelines for effective emergency management and response to potential occupational health and safety incidents. These protocols are communicated to employees, contractors, visitors, emergency service providers, government authorities, and local communities as appropriate.



Responsible departments conduct regular testing of contingency plans and maintain thorough testing records to identify areas for improvement. Most plans undergo annual effectiveness testing, while cybersecurity plans are assessed every three years. Regular performance evaluations ensure contingency procedures remain effective, with revisions implemented following testing or actual emergency situations. Also, all operations conduct regular emergency preparedness exercises to ensure staff readiness for potential incidents.

As part of ongoing safety initiatives, the company joined the “AED Anywhere for Anyone” (“AAA”) Programme of the Hong Kong Fire Services Department to provide access to automated external defibrillator devices at its facilities. AED units were strategically placed throughout factory premises, and employees received training on administering immediate treatment during cardiac emergencies.

Fire Safety

To further enhance fire safety measures, we initiated a trial installation of independent fire detectors at our headquarter. These detectors have been placed in high-risk areas including the canteen, kitchen, and pantry. The system provides early warning alerts during the initial stages of a fire, allowing personnel to evacuate promptly.



Comprehensive Safety Training

We provide various safety training programmes across all operations to equip employees with the necessary skills for safe workplace practices.

Employee Orientation	Safety orientation sessions are now mandatory for all new employees joining the Hong Kong operations, ensuring that safety protocols are understood from day one of employment.
Specialised Training	We deliver specialised training for specific operational risks, including forklift operations and chemical handling. Additionally, the Wuxi facility implemented targeted safety programmes focusing on elevator safety protocols and self-rescue techniques for employees who might be trapped in elevators.



Employee Wellbeing Initiatives

As part of our ongoing commitment to occupational health & safety, we have implemented several workplace enhancements during the year:

Heat Stress Prevention

To address heat-related challenges in the workplace, we introduced various personal heat prevention equipment including fan vests, neck fans, and portable fans, while providing new heat-resistant work uniforms for our staff.



Rest Area Improvements

A new employee rest area has been set up, equipped with air conditioning, refrigerator, and drinking water facilities. This space provides employees with a comfortable environment for breaks during the workday.



Occupational Health and Safety Resource Hub

We set up an occupational health and safety resource hub within the employee rest area. This space features workplace safety protocols, informational posters, and safety alerts that employees can reference. This helps maintain safety awareness even during break periods and ensures easy access to important safety information throughout the workday.



Supply Chain Safety Standards

To maintain consistent OHS standards throughout the value chain, Lee Kee implements a pre-screening process for suppliers that evaluates their safety performance through structured questionnaires. Contractors must sign safety agreements before beginning work with the organisation.





Responsible business operations form the fundamental basis of our sustainability strategy framework at Lee Kee. They serve as the driving force behind our achievements in key areas such as innovative products and services, sustainable manufacturing, and responsible supply chain management. As a leading non-ferrous metal company, we are dedicated to fostering a culture of business ethics, investing in talent development, and actively engaging with our communities. These three dimensions of responsible business operations are interlinked and mutually reinforce our dedication to achieving ESG excellence. By upholding these principles, we ensure our long-term success while making a positive and enduring impact on society and the environment.

RESPONSIBLE BUSINESS OPERATIONS

1. Business Ethics

To guarantee the implementation of responsible business operations, the Group places a strong emphasis on business ethics and maintains rigorous supervision over its business processes. We remain dedicated to integrating business ethics across every level of the Group's structure, fostering a culture of high ethical standards from within. From our employees to our suppliers, we employ diverse methods to ensure the active participation of all individuals in our monitoring procedures.

Anti-corruption: Upholding Ethical Conduct and Fostering Transparency

Lee Kee remains committed to maintaining high standards of ethical conduct throughout our operations and value chain. Our Code of Conduct and Employee Handbook serve as comprehensive guides outlining our anti-corruption policies, which all employees must adhere to. To ensure that all employees are aware of these policies and our expectations for ethical conduct, our Human Resources Department conducts mandatory internal training for all new employees in headquarters.

Furthermore, we support ongoing education and awareness by inviting external parties to deliver annual anti-corruption training sessions. During the reporting period, we invited the Independent Commission Against Corruption to deliver anti-corruption training for all our employees in Hong Kong. In addition to fostering a culture of integrity within our organisation, we extend this commitment to our suppliers. We assess their compliance through a supplier questionnaire checklist, enhancing transparency and accountability within our value chain.

During the reporting period, there was no reported cases of non-compliance relating to bribery, extortion, fraud, or money laundering.

Safeguarding Intellectual Property and Ensuring Information Security

To remain competitive, our Group recognises the importance of intellectual property ("IP") protection and information security. Our Employee Handbook outlines the IP policies requiring employees to comply with relevant copyright laws, appropriate use of computer software for business purposes, and taking necessary security precautions when accessing the company network.

To provide additional guidance to our employees, we strictly follow the "Code of Practice for the Use of Company Computers" and the "Software Use Policy". These policies ensure that company resources are used responsibly and securely. Furthermore, we maintain stringent control over intellectual property and confidential information, requiring suppliers to sign Non-Disclosure Agreements ("NDAs") before collaborating on projects, including the creation of Promet's Online Defect Diagnosis website and other promotional materials.

Whistleblowing: Fostering Transparency and Accountability

Our Group acknowledges the importance of whistleblowing in fostering transparency, accountability, and ethical behaviour within the company. We have implemented a clear whistleblowing policy that provides employees and external parties a confidential avenue to report any suspected case of malpractice or impropriety to our senior management or the Audit Committee.

We allow anonymous reporting and treat all disclosures with sensitivity and confidentiality. This policy encourages open communication and cooperation among employees, external parties, and management, enabling us to effectively address and resolve any concerns and prevent misconduct.

2. Talent Development

Lee Kee adheres to a people-oriented approach and values our employees as our important human resources. We have developed a thorough Employee Handbook, which aims to protect the basic rights and interests of our employees. We have established guidelines for our employees and have implemented a comprehensive training system to support their professional growth. During the reporting period, the Group did not have any labour violations or employment cases in breach of labour guidelines.

Talent Recruitment and Management: Ensuring Equality, Fairness, and Employee Growth

Our Group is dedicated to offering equal opportunities and fair treatment to all our employees and job candidates, fostering a diverse and inclusive work environment. As outlined in our Employee Handbook, we extend equal opportunities to all, regardless of race, gender, religion, age, marital status, disability, or nationality, throughout the recruitment and employment process.

To maintain our commitment to equitable employment practices, we have implemented a robust recruitment screening process. When it comes to promotions, we offer employees opportunities to showcase their capabilities and recognise their achievements. Our Employee Handbook outlines the criteria for promotions, which includes meeting specific goals and objectives, as well as demonstrating the aptitude to handle elevated roles and increased responsibilities. All promotions require recommendations from the employee's department head and approval from senior management. To ensure fairness and uniformity, our Human Resources and Admin Department reviews and endorses all promotion and salary recommendations.

In our Employee Handbook, we provide guidelines on terminating employment contracts, including the conditions and procedures, to protect our employees' rights and interests. We actively assess and incorporate employee feedback to improve our employment practices.

Our Group values open dialogue within our organisation and encourages transparent communication between employees and management. Performance appraisals play a crucial role in the process, serving as a means to measure and evaluate employee performance. Additionally, they provide a platform for two-way communication, enabling employees to gain an understanding of performance expectations and plan their career development. The results of these appraisals contribute to bonus sharing, salary adjustments, promotions, transfers, and the overall career development of our employees.

Training and Development

The development and growth of employees are indispensable to the continuous development of our business. Therefore, we continuously deploy resources and provide employees with training opportunities to keep our people abreast of the latest developments in the industry and enhance their knowledge and performance.

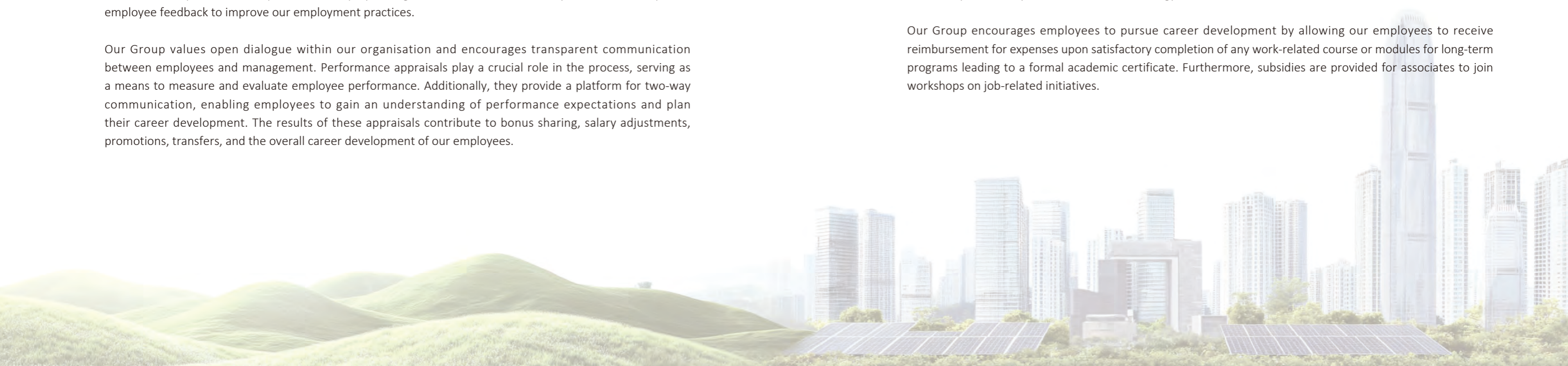
We have set out six guiding principles in the General Training and Development Policy in our Employee Handbook to guide the implementation of training and development programmes:

- Provide induction training for new employees and for those newly transferred to different departments;
- Ensure appropriate in-house and external training, enabling individuals to keep up with satisfactory job performance;
- Encourage staff to join external courses for employees' career development;
- Provide training required by those selected for promotion so that they are appropriately prepared for their new responsibilities;
- Provide sponsorship/subsidy to encourage employees to further study and well-equip themselves to take challenges ahead; and
- Encourage learning and sharing among Lee Kee members.

Job-specific training and support on employees' career advancement

A wide variety of training programmes are provided to employees at different levels and positions according to their needs and our development requirements. For instance, all new joiners are required to attend the New Hire Orientation covering topics such as corporate culture, general policies and office rules, confidentiality and anti-corruption, safety and information technology.

Our Group encourages employees to pursue career development by allowing our employees to receive reimbursement for expenses upon satisfactory completion of any work-related course or modules for long-term programs leading to a formal academic certificate. Furthermore, subsidies are provided for associates to join workshops on job-related initiatives.



Diversity, Equal Opportunity, and Non-discrimination: Fostering an Inclusive and Respectful Workplace

Our Group recognises the value of a diverse workforce in driving our business operations and success. We are committed to creating and maintaining a workplace that is free from discrimination and harassment, ensuring equal opportunities for all our employees. As outlined in our Code of Conduct, we strictly prohibit any form of discrimination, harassment, or vilification and require our employees to comply with all relevant laws and regulations.

To support this commitment, we conduct seminars to educate our employees and ensure their familiarity with the rules and regulations outlined in our Code of Conduct. Within our Group, we strictly enforce a zero-tolerance policy towards workplace discrimination or harassment.

We continuously review our policies, welcoming suggestions or questions from our employees at any time. Employees are encouraged to report any suspected discrimination to the Human Resources and Administration Department through our internal grievance procedure. All complaints are treated with strict confidentiality, and any violations of laws, regulations, or our Group's policies will be subject to disciplinary actions or dismissal.

Employee Benefits and Wellbeing: Valuing Our Workforce and Supporting Their Needs

We maintain a commitment to the wellbeing and satisfaction of our employees. We are guided by three key principles - Fairness and Consistency, Pay for Performance, and Market Competitiveness - to provide equitable remuneration that reflects the responsibility and performance of our employees, thereby attracting and retaining talent. Our Employee Handbook outlines the principles and structure of our remuneration policy.

To ensure that our salary offerings align with market standards, we conduct annual reviews of pay adjustments, taking into account the performance of our business, current market trends, economic conditions, and the performance and potential of our employees. We offer competitive remuneration packages that recognise our employees' contributions. All regular full-time employees who have completed a full year of service are eligible for a discretionary performance bonus according to our policy.

In addition to statutory holidays, we provide a range of leaves, including annual, sick, marriage, maternity, bereavement, paternity, and examination leaves, to accommodate our employees' diverse needs.

Once employees have successfully completed their probationary period, they become eligible to participate in our Group Medical Scheme, which provides coverage for both outpatient and inpatient services. Additionally, we offer travel insurance to employees during authorised business trips conducted outside of their regular workplace, providing them with added protection. Furthermore, our Long Service Award program serves to acknowledge and appreciate employees for their dedication, commitment, and loyalty to our Group.

Our Employee Handbook stipulates working hour requirements, and eligible employees are entitled to overtime allowance with prior authorisation from their supervisors. We also offer compensatory leave for eligible employees who work on rest days, holidays, or during inclement weather, ensuring their efforts are rewarded. Furthermore, we provide flexible office options, allowing employees to work remotely from home during the pandemic or in cases of adverse weather conditions.

Respect for Human Rights

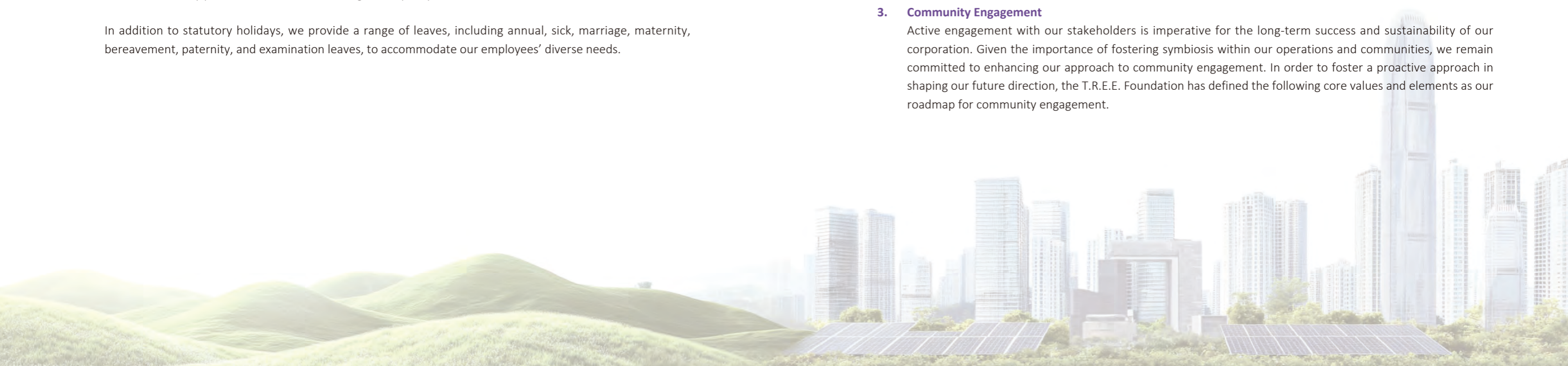
The Group maintains a commitment to safeguarding the rights and interests of our employees, ensuring that our business operations uphold the ethical labour standards. We have a strict policy in place that prohibits the utilisation of child labour and forced labour, complying with all relevant laws and regulations aimed at preventing such practices.

Our internal recruitment regulations and procedures, overseen by the HR & Admin Department, reflect our commitment to upholding human rights. We diligently inspect the identification documents of job applicants to confirm they are of legal working age, thereby preventing the employment of underage workers.

Our approach to ethical labour practices extends beyond our organisation and encompasses our supply chain. We integrate our standards into our supplier evaluation criteria, making it a requirement for our suppliers to uphold the same labour practices. This aims to prevent instances of child labour or forced labour within our supply chain.

3. Community Engagement

Active engagement with our stakeholders is imperative for the long-term success and sustainability of our corporation. Given the importance of fostering symbiosis within our operations and communities, we remain committed to enhancing our approach to community engagement. In order to foster a proactive approach in shaping our future direction, the T.R.E.E. Foundation has defined the following core values and elements as our roadmap for community engagement.



The primary objective of the T.R.E.E. Foundation is to promote corporate social responsibility and advocate for a proactive stance on sustainable development. The foundation is rooted in core values like teamwork, resilience, embracing change, and continual evolution, all of which drive progress towards a brighter future. By pooling our collective endeavours, we strive to make a meaningful contribution to combating climate change and addressing the diverse challenges faced by our society. Our foundation fully aligns with the SDGs, as demonstrated by our logo, which incorporates distinct colours corresponding to different goals. The interlocking branches depicted in our logo signify the interconnected nature of our efforts towards sustainable development.

 <p>T.R.E.E. Foundation Combined effort to bring attention and contribute to climate action. Together we build a better future</p>	 <p>SDG 13 Climate action</p>
 <p>Team Including Lee Kee and our stakeholders</p>	 <p>SDG 17 Partnership for the goals</p>
 <p>Resilience Taking on different challenges with a strong sense of purpose</p>	 <p>SDG 8 Decent work and economic growth</p>
 <p>Embrace Being inclusive of different cultures, experiences and wisdom</p>	 <p>SDG 12 Responsible consumption and production</p>
 <p>Evolve Developing towards new eras</p>	 <p>SDG 9 Industry, innovation and infrastructure</p>

Crafting Excellence: Sponsored premium-quality metals for the Medals Production of a global sports event

We recently contributed to a global sports event and are excited to support a worldwide for non-Olympic sports. For example, crafting all medals by using premium zinc alloy under our MASTERCRAFT brand. This celebrates athletes’ achievements while highlighting sustainable practices, which is aligned with IWGA’s values of sustainability, creating a lasting positive impact by embracing the host city’s unique characteristics and promoting environmental sustainability.



Helping Disadvantaged Groups: Strengthening Community Ties and Promoting Inclusivity

We recognise the importance of supporting disadvantaged groups within our society and actively engage in initiatives that contribute to their wellbeing and empowerment.

- **Support in charity concerts:** We collaborated with the Society for Community Organisation (“SoCO”) and made donations to their charity concert titled “Ode to the Yellow River Charity Concert 2024” held at the Hong Kong Cultural Centre in September 2024. This helped raise funds for a worthy cause and promote inclusivity.
- **Empowering the visually impaired through sports:** In partnership with the Hong Kong Blind Sports Federation, we sponsored the “Heart-to-Heart Charity Bowling Tournament” in September 2024. This event offered visual impaired individuals the chance to participate in sports, helping them build confidence and resilience. Beyond the competition, it promoted social inclusion and broke barriers, emphasizing that everyone has the potential to excel.



- **Transforming lives through football:** In August 2024, we sponsored the “Jockey Club Homeless World Cup (Hong Kong Zone) Fundraising Match” organised by Hong Kong Street Football. This event raised funds for the Hong Kong team’s participation in the “Homeless World Cup”, held in Seoul in September 2024. The team, representing socially excluded individuals, achieved an impressive first runner-up position. Through this initiative, we support underserved communities, helping them build self-determination, regain confidence, and integrate into society.



Education and Youth Development: Investing in the Future and Fostering Talent

We hold a strong belief in the importance of education and youth development as fundamental pillars for building a sustainable and prosperous society. We are deeply committed to actively participating in initiatives that foster the growth of young minds. By investing in the potential of the next generation, we hope to contribute to their personal development and inspire them to pursue their passions and dreams.

- **Supporting education for low-income students:** We donated to the Hong Kong Seagull Scholarship Limited to sponsor two students from Northwest Normal University in Mainland China for the 2024/25 academic year. Both students successfully completed their year-long course, marking a significant achievement in their educational journey.
- **Supporting artists with special educational needs:** Through a partnership with Learning Bridge Association, the T.R.E.E. Foundation supported individuals with special educational needs (SEN) by providing them with opportunities to showcase their artistic talents. Two SEN artists contributed unique designs for our products, demonstrating their creativity and vision. Additionally, we allocated funds to sponsor the “Employment Program for SEN Artists”, aiming to advance their career development.
- **Fostering holistic development in the young generation:** This year, Lee Kee continued its commitment to youth development by sponsoring various educational programs led by NGOs through the Hong Kong Seagull Scholarship Limited. These initiatives aim to foster holistic growth among students. For example, the “Leadership Training Programme” at Lok Sin Tong Wong Chung Ming Secondary School empowers students to discover their unique strengths and develop leadership skills. Meanwhile, the “Lovexpress SEN Youth Vocational Training Programme” supports students with SEN in exploring career paths and acquiring essential skills for the workforce. Additionally, the “Joyful Journey Together - Perseverance Is My Stepping Stone Version 2.0” at Mission Covenant Church Holm Glad No.2 Primary School provides a supportive environment to help students build resilience and improve interpersonal skills.

Employee Volunteering: Building Teamwork and Community Spirit

We actively encourage our staff to engage in volunteer activities that demonstrate our commitment to environmental stewardship and foster a sense of community involvement.

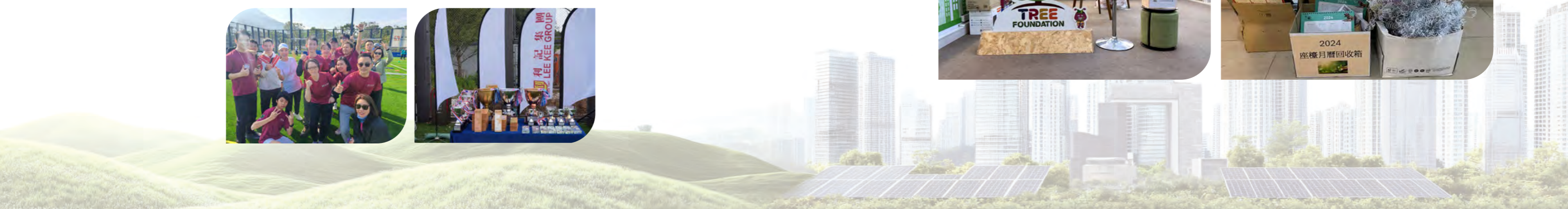
- **Creating a socialising platform for employees:** In December 2024, twelve of our employees take part in the Outward Bound Corporate Challenge organised by Outward Bound Hong Kong and Lingnan University. This initiative aimed to create a platform for employees to connect and collaborate outside the office. Our team successfully completed the activities, showcasing exceptional teamwork and a strong commitment to personal and professional development. This experience not only strengthened relationships among colleagues but also reinforced our dedication to building a supportive and engaged workplace culture.



Environmental Protection: Supporting Sustainable Practices

We are committed to environmental protection and have taken steps to support sustainable practices. Our initiatives are designed to reduce waste and promote recycling.

- **“I Love...Earth” staff activity:** To promote environmental protection and resource sharing, T.R.E.E. Foundation organised a sharing market where employees can donate unused new or second-hand items to designated locations for other colleagues to take for free. All donations are donated to the World Wide Fund for Nature. We also participated in the Earth Hour 2025 to raise awareness about climate change and the importance of sustainable living.
- **Recycling old desk calendars:** In collaboration with the Environmental Protection Department and the Taipo District Community Green Station, we implemented a recycling initiative for old desk calendars. A collection box was set up in our office pantry for a month, and the materials collected were properly recycled.
- **Recycling peach blossom trees:** After the Chinese New Year celebrations, we participated in a recycling program organized by the Environmental Association. The initiative involved collecting and recycling peach blossom trees.





APPENDIX

1 Environmental and Social Performance Data Table

SEHK KPI ²	Unit	FY2024/25	FY2023/24	FY2022/23
A. Environmental^{3,4}				
Emission				
Air emissions⁵				
Nitrogen oxides (“NO _x ”)	Tonnes	1,348	1,479	1,116
Sulphur oxides (“SO _x ”)	Tonnes	6.70	7.37	5.56
Respirable suspended particulates	Tonnes	0.0727	0.0543	0.0690
Greenhouse gas emissions in total and intensity				
Scope 1 emissions ⁶	Tonnes of CO ₂ e	1,307	968	970
Scope 2 emissions ⁷	Tonnes of CO ₂ e	1,172	1,081 ⁸	848
Total (Scope 1 and 2 emissions)	Tonnes of CO ₂ e	2,479	2,048	1,817
- Intensity (Scope 1 and 2 emissions)	Tonnes of CO ₂ e/tonnes of production volume	0.109	0.126	0.097
Total Scope 3 emissions ⁹	Tonnes of CO ₂ e	787,381	—	—
- Category 1 - Purchased goods and services ¹⁰	Tonnes of CO ₂ e	784,082	—	—
- Category 2 - Capital goods ¹¹	Tonnes of CO ₂ e	716	—	—
- Category 3 - Fuel-and energy-related activities ¹²	Tonnes of CO ₂ e	602	—	—
- Category 4 - Upstream transportation and distribution ¹³	Tonnes of CO ₂ e	1,516	—	—
- Category 5 - Waste generated in operations ¹⁴	Tonnes of CO ₂ e	46	—	—
- Category 6 - Business travel ¹⁵	Tonnes of CO ₂ e	101	—	—
- Category 7 - Employee commuting ¹⁶	Tonnes of CO ₂ e	116	—	—
- Category 13 - Downstream leased assets ¹⁷	Tonnes of CO ₂ e	202	—	—
Total hazardous waste produced				
Mix of hydrochloric acid and nitric acid				
- Total	Litres of waste produced	120.0	100.0	80.0
- Intensity	Litres of waste produced/tonnes of production volume	0.00528	0.00616	0.00427
Hydrofluoric acid				
- Total	Litres of waste produced	20.0	20.0	20.0
- Intensity	Litres of waste produced/tonnes of production volume	0.000880	0.00123	0.00107
Waste lead-acid battery				
- Total	Kg of waste produced	0.0	0.0	0.0
- Intensity	Kg of waste produced/tonnes of production volume	0.000	0.000	0.000

² Any discrepancies between (i) totals provided and the sum of the numbers presented; and (ii) percentages provided and the associated numbers throughout the Report are due to rounding.

³ The cut-off date of production volume is based on the manufacturing site’s ERP system.

⁴ Figures below 1 are rounded to three significant figures.

⁵ Air emissions include nitrogen oxides, sulphur oxides and respirable suspended particulates resulting from fuel combustion in company vehicles, cooking equipment, and manufacturing equipment. The emission data was calculated based on emission factors adopted from “How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs” published by SEHK and Compilation of Air Pollutant Emissions Factors from Stationary Sources (AP-42) from United States Environmental Protection Agency and EMEP/EEA air pollutant emission inventory guidebook from European Environment Agency.

⁶ Scope 1 emissions include direct GHG emissions from fuel combustion. The emissions data was calculated based on emission factors adopted from “How to prepare an ESG Report - Appendix 2: Reporting Guidance on Environmental KPIs” published by SEHK.

⁷ Scope 2 emissions include indirect GHG emissions from purchased electricity and town gas. The emission data was calculated based on the latest available emissions factors provided by the utility companies.

⁸ The scope 2 emissions increase in FY2023/24 as a result of the inclusion of electricity usage from a new production line that commenced operations in Hong Kong during the fiscal year.

⁹ We evaluated our Scope 3 emissions this year. Scope 3 categories disclosed are relevant to the Group and for which data is available.

¹⁰ Category 1 emissions include upstream emissions from purchased metal materials. Emissions are calculated based on the quantities of materials purchased and emission factors from relevant industry associations andecoinvent.

¹¹ Category 2 emissions include upstream emissions from purchased capital goods. Emissions are calculated based on the financial spend on the purchase of capital goods and emission factors from the environmentally-extended input-output (“EEIO”) database EXIOBASE3.

¹² Category 3 emissions include upstream emissions of purchased fuels and electricity. Emissions are calculated by multiplying the consumption amounts of fuel and electricity by respective emission factors related to well-to-tank (“WTT”), transmission and distribution (“T&D”) losses, as specified in the 2024 UK Government GHG Conversion Factors for Company Reporting, utility providers, and the International Energy Agency (“IEA”).

¹³ Category 4 emissions include emissions from inbound and outbound logistics services purchased by the Group. Emissions from inbound logistics are calculated based on the financial spend on the logistics services and emission factors from the EEIO database EXIOBASE3. Emissions from outbound logistics are calculated based on the distance transported and emission factors from the 2024 UK Government GHG Conversion Factors for Company Reporting.

¹⁴ Category 5 emissions include emissions from third-party disposal and treatment of non-hazardous waste generated by the Group. Emissions are calculated based on the quantities of waste generated and emission factors from the 2024 UK Government GHG Conversion Factors for Company Reporting.

¹⁵ Category 6 emissions include emissions from business air and railway travel by employees in Hong Kong. Emissions from air travel are calculated based on the distance travelled and emission factors from the 2024 UK Government GHG Conversion Factors for Company Reporting. Emissions from railway travel are calculated based on the financial spend on railway travel and emission factors from the EEIO database EXIOBASE3.

¹⁶ Category 7 emissions include emissions of the Group’s employees in commuting between their homes and worksites. We conducted surveys on employee commuting habits and calculated emissions using emission factors from the 2024 UK Government GHG Conversion Factors for Company Reporting.

¹⁷ Category 13 emissions include emissions from the properties leased out by the Group. Emissions are calculated based on the energy utilisation index from the Electrical and Mechanical Services Department (Hong Kong) and emission factors provided by power companies.

SEHK KPI ²	Unit	FY2024/25	FY2023/24	FY2022/23
Total hazardous waste recycled				
Empty toner cartridges				
- Total	Pieces of waste recycled	12	23 ¹⁸	5
- Intensity	Pieces of waste recycled/tonnes of production volume	0.000528	0.00142	0.000267
Light tube ¹⁹				
- Total	Kg of waste recycled	31.0	66.1 ²⁰	0.0
- Intensity	Kg of waste recycled/tonnes of production volume	0.00136	0.00407	0.000
Total non-hazardous waste produced				
General waste ²¹				
- Total	Tonnes of waste produced	47.6	54.9	45.1
- Intensity	Tonnes of waste produced/tonnes of production volume	0.00209	0.00338	0.00241
Total non-hazardous waste recycled				
Paper waste				
- Total	Kg of waste recycled	6,936 ²²	1,172	896
- Intensity	Kg of waste recycled/tonnes of production volume	0.305	0.0722	0.0479
Aluminium cans				
- Total	Kg of waste recycled	37.2	26.5	48.3
- Intensity	Kg of waste recycled/tonnes of production volume	0.00164	0.00163	0.00258
Plastic				
- Total	Kg of waste recycled	564	83	217
- Intensity	Kg of waste recycled/tonnes of production volume	0.0248	0.00514	0.0116
Glass				
- Total	Kg of waste recycled	12.5	34.3	43.6
- Intensity	Kg of waste recycled/tonnes of production volume	0.000550	0.00211	0.00233
Scrap metal				
- Total	Kg of waste recycled	71,736	69,110 ²³	35,742
- Intensity	Kg of waste recycled/tonnes of production volume	3.155	4.256	1.909

¹⁸ The amount of recycled empty toner cartridges increases in FY2023/24 due to access to more comprehensive data through collaborating with the recyclers.
¹⁹ Light tube data includes fluorescent tubes and light bulbs.
²⁰ The number of light tubes recycled increased in FY2023/24 since no recycling took place the prior year as the used light tubes were stockpiled instead of being sent to a certified handler, which the stockpile was sent for recycling in FY2023/24.
²¹ General waste data includes the municipal waste disposed of at landfills in Hong Kong operations.
²² Paper disposal increased in FY2024/25 due to confidential documents destruction in Aug 2024.
²³ Scrap metal data increased in FY2023/24 due to Promet starting a new project in September 2022 to conduct steel reinforcing bar testing at prefabrication yards, leading to additional scrap volumes in our operation.

SEHK KPI ²	Unit	FY2024/25	FY2023/24	FY2022/23
Use of Resources				
Energy consumption²⁴				
Direct energy consumption (Fuel consumed)				
- Total	'000 kWh	6,347	4,436	5,240
- Intensity	'000 kWh/tonnes of production volume	0.279	0.273	0.280
Direct energy consumption (Solar energy) ²⁵				
- Total	'000 kWh	220	156	164
- Intensity	'000 kWh / tonnes of production volume	0.00966	0.00963	0.00876
Indirect energy consumption (Purchased electricity)				
- Total	'000 kWh	2,890	2,449	1,808
- Intensity	'000 kWh/tonnes of production volume	0.127	0.151	0.0966
Total energy consumption				
- Total	'000 kWh	9,457	7,042	7,212
- Intensity	'000 kWh/tonnes of production volume	0.416	0.434	0.385
Water Consumption²⁶				
- Total	m ³	9,031	6,358	7,393
- Intensity	m ³ /tonnes of production volume	0.397	0.556	0.395
B. Social				
Employment				
Total workforce				
	No. of people	192	184	193
By employment type				
- Full-time	No. of people	185	178	187
- Part-time	No. of people	7	6	6
By gender				
- Male	No. of people	91	89	99
- Female	No. of people	101	95	94
By age group				
- Under 30	No. of people	25	22	20
- 30 to 50	No. of people	112	103	116
- Over 50	No. of people	55	59	57
By geographical region				
- Hong Kong	No. of people	106	103	112
- Greater China (other than Hong Kong)	No. of people	75	70	73
- Southeast Asia	No. of people	11	11	8

²⁴ We have updated our energy consumption data to incorporate direct energy consumption from solar energy, providing a more comprehensive account of our environmental performance.
²⁵ Direct energy consumption from solar energy includes energy consumed onsite generated by the solar energy facilities at our headquarters and Ningbo factory.
²⁶ Water consumption data covers our operations in Hong Kong, Mainland China and Thailand.

SEHK KPI ²	Unit	FY2024/25	FY2023/24	FY2022/23
Overall turnover rate²⁷	%	29.7	32.1	17.6
By gender				
- Male	%	28.6	47.2	17.2
- Female	%	30.7	17.9	18.1
By age group				
- Under 30	%	24.0	31.8	35.0
- 30 to 50	%	27.7	32.0	12.9
- Over 50	%	36.4	32.2	21.1
By geographical region				
- Hong Kong	%	38.7	42.7	18.8
- Greater China (other than Hong Kong)	%	12.0	11.4	12.3
- Southeast Asia	%	63.6	63.6	50.0
Health and Safety				
Work-related fatalities				
- Number	No. of people	0	0	0
- Rate	%	0	0	0
Lost days due to work injury	No. of days	0	512 ²⁸	201
Development and Training				
Percentage of employee trained²⁹	%	91.1	90.2	90.2
By gender				
- Male	%	89.0	88.8	87.9
- Female	%	93.1	91.6	92.6
By employee category				
- General staff	%	88.7	86.8	89.6
- Middle manager	%	100.0	97.8	89.3
- Senior manager	%	92.9	100.0	100.0
Average training hours per employee	Hours	14.9	19.4	17.3
By gender				
- Male	Hours	20.4	27.1	22.3
- Female	Hours	9.9	12.3	12.1
By employee category				
- General staff	Hours	17.8	22.8	17.3
- Middle manager	Hours	7.7	13.1	19.9
- Senior manager	Hours	4.0	4.8	6.0

²⁷ It is calculated as the "total number of employees leaving employment during the reporting period divided by the total number of employees during the reporting period and then multiplied by 100%".

²⁸ The number of lost days due to work injury reported in FY23/24 substantially increased compared to previous years due to one injury from FY2022/23, where the employee is still on leave, in addition to two injuries during FY23/24 resulting from machinery and a fall.

²⁹ Including employees who were still working in the Group as of 31 March 2025 only. It is calculated as the "total number of employees who received training divided by the total number of employees as of 31 March 2025 and then multiplied by 100%".

SEHK KPI ²	Unit	FY2024/25	FY2023/24	FY2022/23
Supply Chain Management				
Number of suppliers by geographical region				
- Greater China	No. of suppliers	59	64	55
- Asia (Other than Greater China)	No. of suppliers	17	11	15
- Rest of the world	No. of suppliers	6	4	6
Product Responsibility				
Percentage of total products sold or shipped subject to recalls for safety and health reasons	%	0	0	0
Number of products and service-related complaints received	No. of complaints	0	7	4
Anti-corruption				
Number of concluded legal cases regarding corrupt practices brought against the Group	No. of cases	2	0	0
Number of anti-corruption training conducted	No. of training sessions	6	7	4
Total number of participants who attended the anti-corruption training				
- Employees	No. of people	114	118	117
- Directors	No. of people	3	3	3



2 Membership

Lee Kee is a member of the following organisations during the reporting period which we share knowledge and remain up to date on the latest industry trends and best practices.

Organisations	
Aluminium Stewardship Initiative	Hong Kong Medical and Healthcare Device Industries Association
International Zinc Association	The Toys Manufacturers' Association of Hong Kong
London Metal Exchange	Hong Kong Auto Parts Industry Association
Business Environment Council	Hong Kong Mould and Product Technology Association
Federation of Hong Kong Industries (Groups 2, 4, 7, 19 and 26)	Hong Kong Plumbing & Sanitary Ware Trade Association
The Chamber of Hong Kong Listed Companies	Hong Kong Surface Finishing Society
The Hong Kong General Chamber of Commerce	Hong Kong Watch Manufacturers Association
Association of Construction Materials Laboratories Ltd. (ACML)	Thai — Hong Kong Trade Association
Hong Kong Association for Testing, Inspection and Certification	The Hong Kong Management Association
The Chinese General Chamber of Commerce	The N.T. North District Manufacturers' Association of Hong Kong
Hong Kong Chinese Importers' & Exporters' Association	Singapore Metal and Machinery Association
The Chinese Manufacturers' Association of Hong Kong	上海市壓鑄技術協會
The Hong Kong Metals Manufacturers Association	中國國際貿易促進委員會中國對外貿易理事會
Hong Kong Foundry Association	中國有色金屬理事會
Hong Kong Metal Merchants Association	中山市鎖業協會
Hong Kong Construction Materials Association	台灣鎖業暨五金發展協會
Hong Kong Electrical Appliance Industries Association	廣東省家電商會
Hong Kong Electro-Plating Merchants Association	廣東省拉鏈商會
Hong Kong General Building Contractors Association	廣東省鑄造行業協會
Hong Kong Institution of Certified Auditors	彰化縣水五金產業發展協會

3 SEHK ESG Reporting Code Content Index

Mandatory Disclosure Requirements	Section/Remarks
<p>Governance Structure</p> <p>A statement from the board containing the following elements:</p> <ul style="list-style-type: none"> (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses. 	Sustainability Governance Structure
<p>Reporting Principles - Materiality</p> <p>The ESG report should disclose:</p> <ul style="list-style-type: none"> (i) the process to identify and the criteria for the selection of material ESG factors; and (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. 	Reporting Standard and Principles
<p>Reporting Principles - Quantitative</p> <p>Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p>	Reporting Standard and Principles
<p>Reporting Principles - Consistency</p> <p>The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	Reporting Standard and Principles
<p>Reporting Boundary</p> <p>A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.</p>	Reporting Scope and Boundary

Subject Areas, Aspects, General Disclosures and KPIs		Section/Remarks
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste ³⁰ .	Operational Efficiency and Environmental Management
KPI A1.1	The types of emissions and respective emissions data.	Operational Efficiency and Environmental Management Environmental and Social Performance Data Table
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Operational Efficiency and Environmental Management Environmental and Social Performance Data Table
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental and Social Performance Data Table
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental and Social Performance Data Table

Subject Areas, Aspects, General Disclosures and KPIs		Section/Remarks
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Operational Efficiency and Environmental Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Operational Efficiency and Environmental Management
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Operational Efficiency and Environmental Management
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Operational Efficiency and Environmental Management Environmental and Social Performance Data Table
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Operational Efficiency and Environmental Management Environmental and Social Performance Data Table
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Operational Efficiency and Environmental Management
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Operational Efficiency and Environmental Management

³⁰ There is no non-compliance case against laws and regulations identified during the reporting period.



Subject Areas, Aspects, General Disclosures and KPIs		Section/Remarks
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Due to the business nature of Lee Kee, this KPI is considered not material and thus is not disclosed.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Operational Efficiency and Environmental Management
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Operational Efficiency and Environmental Management
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Operational Efficiency and Environmental Management
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Operational Efficiency and Environmental Management
B. Social		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare ³¹ .	Talent Development
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Environmental and Social Performance Data Table
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Environmental and Social Performance Data Table

³¹ There is no non-compliance case against laws and regulations identified during the reporting period.

Subject Areas, Aspects, General Disclosures and KPIs		Section/Remarks
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Occupational Health and Safety Environmental and Social Performance Data Table
KPI B2.2	Lost days due to work injury.	Occupational Health and Safety Environmental and Social Performance Data Table
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Talent Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Environmental and Social Performance Data Table
KPI B3.2	The average training hours completed per employee by gender and employee category.	Environmental and Social Performance Data Table
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour ³² .	Talent Development

³² There is no non-compliance case against laws and regulations identified during the reporting period.

Subject Areas, Aspects, General Disclosures and KPIs		Section/Remarks
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Talent Development
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Talent Development
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Responsible Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Environmental and Social Performance Data Table
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Responsible Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Responsible Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Responsible Supply Chain Management
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress ³³ .	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Environmental and Social Performance Data Table

³³ There is no non-compliance case against laws and regulations identified during the reporting period.

Subject Areas, Aspects, General Disclosures and KPIs		Section/Remarks
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Product Responsibility Environmental and Social Performance Data Table
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Business Ethics
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Business Ethics
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering ³⁴ .	Business Ethics
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Environmental and Social Performance Data Table
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Business Ethics Environmental and Social Performance Data Table
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Engagement
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Engagement
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Engagement

³⁴ There is no non-compliance case against laws and regulations identified during the reporting period.

Assurance Statement

VERIFICATION STATEMENT

Scope and Objective

Hong Kong Quality Assurance Agency (“HKQAA”) has been engaged by Lee Kee Group (hereinafter referred to as “Lee Kee”) to conduct an independent verification of “Environmental, Social and Governance Report 2024/2025” (“the Report”) for Lee Kee Holdings Limited (Stock Code: 637). The scope of HKQAA’s verification covers the data and information associated to the ESG performance (the “ESG performance”) of Lee Kee Group and its subsidiaries in the period of 1st April 2024 to 31st March 2025 for its major operations in Greater China (i.e., offices, warehouses, production plants, and (laboratory) and Southeast Asia (i.e., offices), as disclosed in the Report.

The objective of this verification is to provide an independent opinion with a reasonable level of assurance on whether the ESG performance are prepared in accordance with the following reporting criteria:

- the Environmental, Social and Governance Reporting Guide (“ESG Guide”) set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited (version effective from 31 December 2023, which remains applicable to annual reports for financial years commencing before 1 January 2025).

Level of Assurance and Methodology

HKQAA’s verification procedure has been conducted with reference to the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (“ISAE 3000”) issued by the International Auditing and Assurance Standards Board. The evidence gathering process was designed to obtain a reasonable level of assurance as set out in the ISAE 3000 by using a risk-based approach.

Our verification procedure included, but not limited to:

- Sampling the ESG information stated in the Report, e.g. claims and performance data for detail verification, stakeholder engagement methods and result, and materiality assessment processes;
- Verifying the raw data and supporting information of the selected samples of the ESG information;
- Interviewing responsible personnel;
- Checking the internal control mechanism; and
- System and process for collecting, collating and reporting ESG performance data.

Roles and Responsibilities

Lee Kee is responsible for the organization’s information system, the development and maintenance of records and reporting procedures in accordance with the system, including the calculation and determination of ESG information and performance. HKQAA verification team is responsible for providing an independent verification opinion on the ESG performance provided by Lee Kee for the reporting period. The verification was based on the verification scope, objectives and criteria as agreed between the Lee Kee and HKQAA.

Independence

HKQAA did not involve in collecting and calculating data or compiling the reporting contents. Our verification activities were entirely independent and there was no relationship between HKQAA and Lee Kee that would affect the impartiality of the verification.

Limitation and Exclusion

The following limitations and exclusions were applied to this verification due to the service scope, nature of verification criteria, and characteristics of the verification methodology.

- Our verification scope is limited to verifying the transcription/transformation of the raw data or information into the ESG performance, e.g., Claims and Performance Data stated in the Report. This ESG Information may be subject to inherent uncertainty.
- Evaluating the quality of execution and implementation effectiveness of the ESG practices, the appropriateness of the assumptions made, and the estimation techniques applied are outside the scope of our verification.
- The verification of raw data or information is based on the use of a sampling approach and reliance on the client’s representation. As a result, errors or irregularities may occur and remain undetected.
- Any information outside the established verification period has been excluded.

Conclusion

Based on the evidence obtained and the results of the verification process, it is the opinion of the verification team, with a reasonable level of assurance, that the Report has been prepared, in all material respects, in accordance with the ESG Guide set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited (former version, which remains applicable to annual reports for financial years commencing before 1 January 2025).

Signed on behalf of Hong Kong Quality Assurance Agency



KT Ting

Chief Operating Officer

May 2025

Ref: 14958848 -VER