

Towards Carbon Neutrality

Climate Management for Low-Carbon Advancement

- Total Scope 1 and Scope 2 greenhouse gas emissions decreased by **20%** from 2020 baseline (Target in 2025: Achieved)

Green-Driven Energy Development

- Launched the **first** integrated hydrogen power generator in Hong Kong
- Completed the **first** large-scale bunkering of green methanol produced on the Chinese mainland
- New sustainable aviation fuel (SAF) plant in Malaysia commenced operations, **doubling** annual production capacity of renewable fuels
- Achieved a distributed photovoltaic grid-connected installed capacity of **2.8 GW** (accumulative)

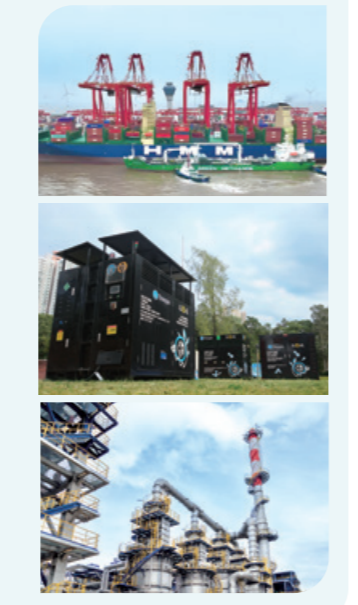
Intelligence-Empowered Low-Carbon Technologies

- The fourth TERA-Award Smart Energy Innovation Competition attracted **785** projects from **76** countries and regions

i For further details, please refer to the "Towards Carbon Neutrality – Advancing the Transition to a Low-Carbon Energy Future" chapter in the ESG Report 2025.

Decarbonising: A Multi-Faceted Approach across Sea, Land and Air

The Group actively promotes clean energy, including green methanol, hydrogen and SAF, which are respectively applicable to sea, land, and air transport, enabling clients to achieve low-carbon transition. This approach enhances the Group's operational resilience, mitigates climate risks, and underpins long-term sustainable development.



Environmental Stewardship

Co-Creating Value through Energy Efficiency Management

- "Gas+" business achieved energy sales of **2.87 billion kWh**

Exceptional Energy Efficiency

- Electricity consumption in the North Point Headquarters building reduced by **17%** from 2015 baseline (Target in 2025: Achieved)

Biodiversity Education: Raising Public Awareness

Through various initiatives, including Towngas Green Flame "Exploring Our Natural World" Parent-Child Comic Strip Competition, Ocean Park "Conservation Journey" and "Plantation Enrichment Programme", we aimed to enhance public understanding of biodiversity and encourage active community participation in nature conservation.



i For further details, please refer to the "Environmental Stewardship – Upholding Environmental Responsibility and Harmony with Nature" chapter in the ESG Report 2025.

People-Centric

Robust Safety Management

- 0** employees and contractors fatalities¹
- Completed over **18.33 million** household safety inspections (Chinese Mainland)

Diversity and Equity in Employee Development

- Average training hours per employee: approximately **64.8 hours**
- Gender pay ratio (base salary): **1:1** (Hong Kong)

In-Depth and Integrated Community Relationships

- Towngas Community Relations Focus Team marked its **25th anniversary**

¹ Refers to the number of fatalities as a result of work-related injury.

i For further details, please refer to the "People-Centric – Empowering People to Build a Sustainable Future" chapter in the ESG Report 2025.

"Towngas Green Flame" : Igniting the Dreams of Future Innovators

The "Towngas Green Flame Energy Scientist Programme" partnered for the first time with the Hong Kong original character B.Duck to host a four-day "Towngas Green Flame STEAM Summer Camp". Combining lectures, workshops, site visits, and expert sharing, the camp aimed to inspire students' interest in STEAM and nurture a next generation with a sustainable development perspective.



Stakeholders Partnership

Customer Service with Excellence in Quality and Efficiency

- 100%** achievement of targets under the Towngas Service Pledge (Hong Kong)

ESG-Oriented Supplier Management

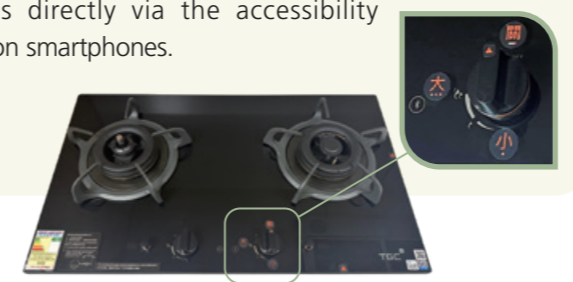
- 100%** integration of environmental and social standards into the new supplier screening mechanism²
- 20** suppliers participated in the "Towngas Green Supply Chain Finance Programme", with an annual total purchase amount of approximately **HK\$150 million**

² Reporting scope includes Mainland City-Gas Business and Renewable Energy Business.

i For further details, please refer to the "Stakeholders Partnership – Strengthening Value Chain Resilience" chapter in the ESG Report 2025.

Accessibility Innovation: Advancing a Visually Impaired-Friendly Experience

Towngas has introduced tactile Cooking Safety Stickers specially designed for visually impaired users. Featuring dual designs of tactile elements with high-contrast colours, these stickers effectively assist visually impaired customers in operating open flame appliances safely and independently. Also, the latest smart meters are integrated with Internet of Things technology, enabling visually impaired users and the elderly to perform meter reading, enquiries and other operations directly via the accessibility functions on smartphones.



香港中華煤氣有限公司
The Hong Kong and China Gas Company Limited
 (Stock Code: 3)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT **2025**



Please scan the QR code to read the full report.

Green Energy
 for a Brighter Future

ABOUT TOWNGAS

Established in 1862, the Hong Kong and China Gas Company Limited (Towngas, the Group, we) is the longest-standing public utility in Hong Kong. To drive the Group's long-term development in a low-carbon transition and sustainable growth, the Group has categorised its activities into two strategic business segments: the "Utility Businesses" (including Hong Kong Gas Business, Mainland Gas Business, and Water and Environmental Businesses) and the "Growth Businesses" (including Renewable Energy, Sustainable Aviation Fuel, Green Methanol, Hydrogen, and Extended Businesses). By the end of 2025, the Group has a portfolio comprising 1,180 projects in 29 provincial regions on the Chinese mainland and overseas.



ABOUT THE ESG REPORT

This year's Report is prepared in accordance with international and local disclosure standards and centres around five strategic priorities, namely "Operational Resilience", "Towards Carbon Neutrality", "Environmental Stewardship", "People-Centric" and "Stakeholders Partnership", with the purpose of providing our stakeholders with transparent and intuitive access to relevant information.

ESG Recognitions

Best Corporate Governance and ESG Awards

- ESG Award (Elite Past Winners section)

The Hong Kong Institute of Certified Public Accountants



ESG Leading Enterprise Award

- ESG Leading Enterprise

Bloomberg Businessweek Chinese Edition



BOCHK Corporate Low-Carbon Environmental Leadership Awards

- Manufacturing Sector – Gold Award
- Guangdong-Hong Kong-Macao Greater Bay Area Environmental Leadership Recognition Award
- Outstanding Sustainability Corporate Award 10+

Federation of Hong Kong Industries



Sustainability Yearbook (China Edition) 2025

- Yearbook Member
- "Top 1%" S&P Global CSA Scores among Chinese Companies (Gas Utilities)

S&P Global



ESG Ratings



Operational Resilience



Stable and Reliable Energy Supply

- Gas supply reliability reached **99.993%** (Hong Kong)
- A cumulative total of **1,363 km** of ageing pipelines were replaced (Chinese Mainland)



Comprehensive Compliance Management

- **100%** of employees completed anti-corruption training (Hong Kong)



Safe and Reliable Information Management

- Conducted the **first** cross-departmental joint review covering bulk data retrieval of Hong Kong customers

Driving Digital Transformation: Ensuring Gas Supply Security through Smart Operations and Maintenance

The Group has been actively driving digital transformation by integrating artificial intelligence (AI) and automation technologies into daily operations to enhance asset integrity management and further strengthen gas supply security. In Hong Kong, an uninterruptible power supply battery monitoring system has been installed in the Tai Po Gas Production Plant to provide real-time monitoring and timely alerts for potential faults. In terms of pipeline networks, we have developed a number of innovative technologies to ensure pipeline safety. A pipeline inspection drone has been deployed at the Chuen Lung West Pigging Station, enabling rapid and precise monitoring of pipeline conditions while reducing risks to personnel. On the Chinese mainland, the Group has implemented digital management of construction processes through smart construction site applications, and utilised the Towngas Operation Platform to perform image recognition and analysis.



For further details, please refer to the "Operational Resilience – Ensuring Stability and Reliability at All Times" chapter in the ESG Report 2025.

