



China Aircraft Leasing Group Holdings Limited

(Incorporated under the laws of the Cayman Islands with limited liability)

Stock code: 01848

Resilient Growth Future in Motion



2024

ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT



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ABOUT THIS REPORT

This report is the 11th Environmental, Social and Governance (“**ESG**”) Report (“**Report**”) published by China Aircraft Leasing Group Holdings Limited (“**CALC**” or the “**Company**”, together with its subsidiaries, “**Group**”). We are pleased to publish this Report, which highlights our achievements and progress in advancing environmental and social sustainability as we work toward a more sustainable future.

This Report is available in both Chinese and English, and can be accessed on the websites of the Company and the Hong Kong Exchanges and Clearing Limited. In case of any conflict or inconsistency between the Chinese and English versions, the English version shall prevail.

We appreciate your valuable comments and suggestions on this Report and our sustainability performance. Please send your comments to us at ir@calc.aero.

REPORTING PRINCIPLES

This Report has been prepared in accordance with Reporting Principles as set out in the Appendix C2 Environmental, Social and Governance Reporting Guide (“**ESG Reporting Guide**”) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“**Listing Rules**”), for the delineation of reporting boundary. The report also makes reference to selected disclosures, or parts of their content, from the GRI Sustainability Reporting Standards (“**GRI Reporting Guide**”).

We have followed the four reporting principles below in the preparation of this Report:

Materiality	We identify the environmental, social, and governance-related topics, that are most material to us and our stakeholders, through a materiality assessment, which is reliably reflected in this Report.
Quantitative	We commit to quantifying the data accurately with clarification as far as practicable.
Balance	We present the positive and negative aspects of our business in a transparent manner.
Consistency	We maintain the same reporting approach as the previous year, where appropriate, to ensure clarity and comparability for our readers.

REPORTING SCOPE, BOUNDARY AND FREQUENCY

This Report covers the sustainability performances of our operations in which we have controlling interests¹, including our Hong Kong headquarters, Mainland China offices, and Ireland office during the period from 1 January 2024 to 31 December 2024 (“**Reporting Period**”). To facilitate meaningful comparisons of the Group’s annual performance over time, the structure of this Report is compiled as similar as possible to the previous report. Other differences in scope will be explained in the report. There is no significant difference between the reporting scope of this Report and the Environmental, Social and Governance Report 2023.

¹ Sub-contractors and outsourced services are excluded. Information of associate companies and joint ventures are excluded.

ABOUT THIS REPORT

DATA SOURCE

All information and data in the Report are extracted from the official documents provided by the Company or publicly available information. Information about the standards, methodologies, assumptions and/or calculation references, and sources of key emission factors used for the disclosed KPIs are stated in the accompanying footnotes where applicable.

REFERENCED GUIDELINES

This Report is prepared in accordance with the Rule 13.91 of the Listing Rules, the ESG Reporting Guide and with reference to the GRI Reporting Guide.

The greenhouse gas ("**GHG**") emissions analysis of this Report made reference to the guidelines published by GHG Protocol, the Hong Kong Environmental Protection Department, the Ministry of Ecology and Environment of the People's Republic of China ("**PRC**"), and International Civil Aviation Organisation ("**ICAO**"), to ensure the credibility and accuracy of the data presented.

BOARD OVERSIGHT OF ESG AND CLIMATE-RELATED MATTERS

The Sustainability Steering Committee ("**SSC**") is responsible for assessing, managing, monitoring and reporting key ESG issues, including climate-related matters, to the board of directors (the "**Directors**") of the Company (the "**Board**") on a regular basis. Chaired by the Chief Executive Officer ("**CEO**"), the SSC comprises four members from the Board and the senior management team. The Board is responsible for overseeing the duties of SSC, the Group's ESG performance, risks and opportunities, as well as the progress of ESG initiatives implemented by the SSC. The Board holds the ultimate authority to endorse ESG-related decisions, including the review and approval of this Report, with a view to ensuring that it presents an unbiased view of the Company's ESG performance, and supports the Company's aim of fully integrates ESG considerations into the Company's business direction and strategy.

As outlined in the terms of reference of the SSC, the Board delegates the following authorities to the SSC:

- Formulate and review the Company's ESG vision, strategy, and climate-related policies;
- Oversee, review, evaluate and make recommendations regarding (i) the annual plan for ESG functions and activities; (ii) the adequacy and effectiveness of actions taken by the Company based on its corporate responsibility and sustainability plans, strategies, priorities, policies and frameworks, and recommend improvements; (iii) the Company's performance against the appropriate international or national standards (if any) on sustainability;
- Prepare and advise on the annual ESG report and any related public documents; and
- Monitor the evolving legal and regulatory landscape, as well as emerging ESG issues, and make necessary operational and policy adjustments to ensure compliance with all legal and regulatory requirements.

2024 HIGHLIGHTS



Persistently promoting **Sustainable Aviation Fuels ("SAF")** for new aircraft deliveries advances sustainable aviation

Engaged in the third **Aircraft Leasing Ireland Association ("ALI")** Aviation Sustainability Day as council member



Appointed **9** female executives, comprising **34.62%** of the leadership level

Employees cumulatively received **1,459** hours of training



Male-to-female employee ratio is **1:0.96**

The group recycled **659** kg of paper



Employees spent **2,535** cumulative hours in charity work

MESSAGE FROM CEO

In 2024, CALC celebrated the milestone of its tenth anniversary of listing on the Main Board of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). On behalf of the Company’s Board of Directors, I would like to express our gratitude to all partners and stakeholders. Your support and care have been the cornerstone of CALC’s journey thus far. In 2024, CALC also recorded eighteen straight years of profitability. The Company continues to leverage on its core strengths as a full-chain aircraft solutions provider, supporting the aviation industry in achieving efficient and sustainable development goals. Over the past year, we have actively responded to market demands, with a sufficient new generation aircraft on backlog, by assisting airlines in optimising their fleet portfolio and improving the levels of energy savings and emission reduction. On the other hand, we are also committed to innovating our aviation finance business. By securing our first international investment-grade rating and continuously exploring diversified financing channels, we have demonstrated CALC’s dedication to achieving strategic growth and sustainable development.

Embracing Green and Sustainable Business Operations

In line with the new industry trend in the context of “green aviation”, CALC continued to cooperate with aviation partners to promote a low-carbon transition in the aviation industry. In 2024, the Company provided new-generation fuel-efficient aircraft models to the airline customers from its order book to help them upgrade their fleet and reduce energy and emission. A total of 17 new aircraft were delivered during the year. As at 31 December 2024, CALC had a total of 124 aircraft on backlog, including 97 Airbus and 27 COMAC aircraft, demonstrating its commitment to investing in new-generation fuel-efficient models while supporting the development of China-made aircraft. In 2024, CALC entered into a purchase agreement with CFM International to purchase 40 LEAP-1A engine sets, reinforcing the Group’s dedication to its fleet efficiency and sustainability. According to CFM research data, the Leap engine family reduces fuel consumption by 15% to 20%, contributing to lower CO₂ emissions.

Innovative Financing Channels and Improved Credit Profile

In 2024, CALC continued to make innovative breakthroughs in financing and actively promoted the development of green investment and financing. This included the successful issuance of its first perpetual medium-term notes in the PRC market, which was also the first sustainability-linked medium-term notes. This achievement highlighted the Company’s overall market competitiveness which has been widely recognised and consistently supported by investors in the PRC market, while also reflected CALC’s commitment to advancing green investment and financing. In 2024, CALC closed its inaugural warehouse facility for aircraft project financing in the international market. This marked the first warehouse facility closed by an Asian aircraft lessor since 2015, adding another pioneering financing channel for the Company. The project was awarded “Asia-Pacific Structured Finance Deal of the Year” by Airline Economics, an authoritative media in aviation industry. The proceeds will be used for financing its modern next-generation aircraft deliveries, refinancing existing aircraft and bolstering other growth initiatives. As CALC has embarked on a new phase of high-quality development where upgrading its international credit rating has become one of the key targets in this stage of its development. In December 2024, CALC received its first investment-grade international rating of Ag- with stable outlook from China Chengxin (Asia Pacific) Credit Ratings Company Limited, marking a significant step in improving the Company’s overall credit profile and becoming an international investment-grade issuer.

MESSAGE FROM CEO

Serving the National Civil Aviation Strategy

In 2024, the Group continued to facilitate the overseas operation of China-made aircraft through its associated company, PT Transnusa Aviation Mandiri ("**TransNusa**") in Indonesia, by delivering the third COMAC C909 aircraft (formerly known as "**ARJ21**") to TransNusa and achieved China's first cross-border leasing of a China-made aircraft settled in offshore Chinese Yuan. The Group aims to leverage TransNusa's influence in the Southeast Asian market to promote China-made aircraft globally while enhancing the international competitiveness of the Chinese Yuan. During the year, TransNusa's C909 launched its first commercial route between Manado, Indonesia and Guangzhou, China, which is the longest commercial route operated by the C909 aircraft, marking an acceleration in the internationalisation of the China-made aircraft. CALC expects to keep supporting TransNusa to connect more international regions while serving the national strategy, and become an important vehicle for national and regional cooperation, building a bridge to strengthen China's friendly ties with more countries.

Forging Talents through Creating a Diverse and Friendly Workplace Environment

In 2024, CALC has been recognised by the World Green Organisation (WGO) as a "Green Office and Eco-Healthy Workplace" for ten consecutive years. As a global enterprise, employees are the Company's most valuable assets. In addition to ensuring occupational health and safety, CALC is committed to continuously enhancing the sense of career fulfilment and well-being by attracting talents, providing regular vocational training, and implementing good HR management practices to fully unleash employees' potential to support their growth and career development. In 2024, CALC was honoured with the "Supportive Family-friendly Good Employer" by the Good Employer Charter of the Labour Department of the Hong Kong SAR Government, recognising the Company's positive efforts in creating a caring and diversified workplace environment for our employees and our implementation of management practices in four major areas: Employment practices to care for employees, Practices to promote work-family / work-life balance, Employee benefits that are better than statutory requirements as well as Good communication with employees or their organisation(s). We strive to provide every member of CALC with a safe and pleasant environment where they can embrace challenges, receive support, and feel inspired. This helps to motivate employees, improve work efficiency, and enhance the Company's overall competitiveness.

MESSAGE FROM CEO

Giving Back to the Community

Beyond our business objectives, CALC remains resolute in its dedication to giving back to the communities we serve. In 2024, our employees participated in charitable activities for over 2,500 hours, bolstering education, nature conservation, and social welfare initiatives. Moving forward, we will continue to champion corporate social responsibility and nurture harmony and prosperity within our communities.

CALC is proud to strive for a better society as we lay our business strategy foundation with long-term sustainability and value creation in mind. As a pioneer in aviation value chain, promoting capacity in sustainable development and becoming a role model in corporate responsibility aligns with the Group's development goal. Looking ahead, CALC will take its tenth anniversary of listing as a new beginning to continue leveraging its advantages and exploring business value in the aviation value chain and join hands with the industry to build a more innovative and resilient aviation sector.

POON Ho Man

Executive Director and Chief Executive Officer

Hong Kong, 18 March 2025

ABOUT CALC

Established in 2006 and headquartered in Hong Kong, CALC was Asia's first listed aircraft lessor under stock code 01848.HK in July 2014. As the first aircraft operating lessor in China, CALC has become currently the largest independent lessor in China. As at 31 December 2024, the Group's fleet totalled 189 aircraft, including 159 owned aircraft and 30 managed aircraft. By offering comprehensive, one-stop aircraft solutions and maintaining a in-demand quality fleet portfolio, CALC has successfully positioned itself as a key player in the global aircraft leasing market. The Group has a diverse client base. As at 31 December 2024, the Group's owned and managed aircraft were leased to 40 airlines widely spread over 21 countries and regions globally.

CALC is the founder and the largest shareholder of Aircraft Recycling International Limited ("**ARI**"), which is a multi-strategy aviation company providing asset management services and comprehensive solutions for mid to-end-of-life aircraft. Its comprehensive service offerings include aircraft and engine leasing, direct purchases and portfolio trades, aircraft purchase and leaseback, supply of serviceable aircraft components, disassembly and recycling, MRO, aircraft conversion and more. A vital part of CALC's complete value chain operations, China Aviation Aftermarket Holdings Limited ("**CAAM**") and Universal Asset Management ("**UAM**") – ARI's wholly-owned subsidiaries – strive to maximise synergies across different business segments such as aircraft sales, engine solutions, MRO, and stub-life leasing. With the full operation in two recycling bases in China and the US, CALC continues working in synergy to expand its technical know-how in the aircraft recycling business, to ensure the maximised value has been extracted from the aircraft when it is inducted into end-of-life program.

The Group's maintenance, repair and overhaul ("**MRO**") joint venture unit, FL ARI Aircraft Maintenance & Engineering Co., Ltd ("**FL ARI**") received the Civil Aviation Administration of China ("**CAAC**") Part 145 maintenance approval certificate, recognising FL ARI's ability to provide line maintenance support for Boeing 737 NG series and Airbus A320 series aircraft. Building on this, FL ARI was awarded the Part 145 maintenance approval certificate for A320 series aircraft by CAAC, our aircraft recycling facility in Harbin has been approved to be included in the flight zone of Harbin Taiping International Airport, further enhancing its capability in servicing aircraft.

Being one of the few companies that provide one-stop aircraft full-lifecycle services, CALC and its associated companies have obtained a wide spectrum of licences across the PRC and the US, including aircraft maintenance, aircraft disassembly and recycling, and aircraft component sales.

ABOUT CALC

OUR BUSINESS

The Group provides one-stop aircraft full life cycle solutions for the global aviation industry. The Group offers services at every stage of an aircraft life cycle, from new aircraft, mid-aged aircraft to retired aircraft, capturing the asset value of its fleet through proactive asset management. The Group's scope of business includes regular operations such as aircraft leasing, purchase and leaseback, structured finance and asset management, as well as value-added services including fleet planning, fleet upgrades, aircraft MRO, aircraft disassembly and recycling, as well as aircraft components trading.



Aircraft Procurement

The Group procures new and used aircraft as well as engines from aircraft manufacturers and international secondary aircraft markets. Direct purchases of aircraft and engines from Original Equipment Manufacturers ("**OEMs**") enable us to manage our aircraft portfolio better in measures of aircraft model, aircraft age mix and residual value extraction.

The Group continued to provide new-generation fuel-efficient aircraft models to airline customers from its order book to help them upgrade their fleet and reduce energy and emissions. As at 31 December 2024, the Group had delivered a total of 17 new aircraft from its order book to airline customers and purchased 2 used aircraft, and successfully completed the sale of 25 owned aircraft and 2 managed aircraft. The deliveries of the new-generation fuel-efficient aircraft from our order book and portfolio trading further optimised the Group's fleet portfolio. As at 31 December 2024, the Group had 124 aircraft on backlog, including 97 Airbus and 27 COMAC aircraft. As at 31 December 2024, the number of aircraft on backlog exceeded 70% of the Group's owned fleet size, providing strong support for future growth.

ABOUT CALC

Case Study

CALC Orders 40 CFM LEAP-1A Engines Sets to Power Airbus A320neo Family Aircraft

On 20 February 2024, during the Singapore Airshow, the Group entered into an agreement with CFM International to purchase 40 LEAP-1A engines for its Airbus A320neo family aircraft portfolio. This order reinforces CALC's dedication to its fleet efficiency and sustainability.

As of February 2024, CALC maintained a quality portfolio of 93 CFM56-5B/7B engines powered aircraft leased to 20 operators, and 38 LEAP-powered aircraft leased to 10 operators. With this new order, along with the aircraft to be delivered in 2024, will bring CALC's accumulated order for LEAP-1A powered A320neo & A321neo up to 66 aircraft.



This partnership with CFM marks a continuation of CALC's investment in advanced technology to support sustainable aviation. The LEAP engine family provides 15% to 20% better fuel consumption and lower CO₂ emissions. Since its entry into service in 2016, the LEAP engine has enabled customers to save over 35 million tons of CO₂*.

* Compared to the same flights powered by CFM56 engines.

ABOUT CALC

Aircraft Leasing

CALC maintains close contact with its existing airline customers and explores leasing opportunities with prospective airline customers. Our aircraft leasing business is conducted via direct aircraft purchase and lease or aircraft purchase-and-leaseback transactions, both under long-term leases. We would also customise applicable transaction structures in response to airlines' demand.

Case Study

CALC and Lufthansa Embark on First Collaboration

CALC delivered two Boeing 787 Dreamliners to the Lufthansa group. It was the first deal between CALC and the Lufthansa group, showcasing CALC's dedication to fostering collaboration with one of the world's most respected airline groups.

The four-year-old 787-9 aircraft were previously leased to a Southeast Asian airline and were swiftly remarketed and delivered to Lufthansa group. The transition of remarketing and redelivery to a new customer, combined with the initiation of a new lease collaboration, underscores CALC's distinguished proficiency in the global leasing and trading of used aircraft.

Case Study

CALC-SAA Partnership – Delivery of the First A320CEO to South African Airways ("SAA")

CALC delivered the first of three Airbus A320CEO aircraft to SAA, in the carrier's 90th year of operations. This milestone highlights CALC's strategic expansion into the African aviation market.

The 2016-vintage Airbus A320CEO, equipped with IAE V2527-A5 engines, was previously part of Pacific Airlines' fleet before being quickly redelivered to SAA. By initiating a partnership with South Africa's flag carrier as a new client, the delivery showcases CALC's dedication to broadening its presence across the African continent and illustrates a globalised business, especially within the southern hemisphere.



ABOUT CALC

Case Study

CALC Delivered Third COMAC C909 Aircraft (formerly known as “ARJ21”) to TransNusa – First Cross-border Leasing of a China-made Aircraft Settled in Offshore RMB

CALC delivered its third China-made COMAC C909 aircraft (formerly known as “**ARJ21**”) to TransNusa by way of export lease. This transaction marks CALC’s first aircraft export lease denominated in Renminbi (“**RMB**”) and represents first cross-border leasing of a China-made aircraft settled in offshore RMB.

TransNusa is the first overseas operator of COMAC C909 aircraft (formerly known as “**ARJ21**”).

**Fleet Upgrade**

CALC offers fleet upgrade services via trading in old aircraft while leasing new ones from our order book. With our diversified trading channels and strong remarketing capability to place used aircraft in global market, CALC is one of the few lessors in China that offers fleet upgrades to meet the increasing demand for flexible fleet planning from airline clients.

Purchase and Leaseback

CALC purchases aircraft or accepts transfer of relevant purchase commitments from airline operators and leases the aircraft back to them. The airline operators select the suitable aircraft, and we provide leasing services to them. It allows lessor to enlarge its owned fleet size while deepening its long-term cooperative relationship with the airline and providing support to their financial status.

Aircraft Trading

CALC is also engaged in trading of either a standalone aircraft or a lease-attached aircraft when suitable opportunities arise. We are therefore able to take into account various metrics of our aircraft portfolio, such as aircraft type, age and mix, as well as client portfolio in terms of airline type and geographic presence.

Aircraft Recycling

Disassembly of retired aircraft and subsequent reuse of the high-value second-hand components after undergoing appropriate inspection and restoration procedures are already common practices amongst major reputable airlines, bringing down their maintenance costs. CALC, together with CAAM, owns and operates two fully licensed aircraft recycling and disassembly facilities, which cumulatively disassembled more than 408 aircraft and transacted more than 109 engines in total. One of these facilities is in Mississippi, the US, (“**Mississippi Base**”) held under Universal Assent Management Inc. (“**UAM**”), a subsidiary of CAAM, which provides aftermarket services for all kinds of commercial aircraft. The other one located in Harbin, the PRC (“**Harbin Base**”) is one of the first large scale aircraft recycling facility in Asia. Leverage on our experienced aircraft trading and asset management capabilities, we can provide win-win solutions that fully utilise the aircraft’s remaining life and realise the residual value with sustainable development and low carbon economy with “Diamond Status” aircraft recycling services.

ABOUT CALC

Case Study

UAM's Collaboration with United Airlines Training Department to Enhance Technical Operations Training

UAM collaborated with United Airlines training department in enhancing their technical operations training by incorporating actual components from end-of-life commercial aircraft.

A key aspect of this collaboration is the use of large L-cut sections from Boeing 737 aircraft and Airbus aircraft, encompassing the flight deck and L1 and R1 doors. These sections will be instrumental in the training programmes, allowing to introduce door training for new hires as part of their induction process, as well as to develop advanced door rigging training for existing technicians. This hands-on approach provides experience of working within the confines of an aircraft fuselage.

UAM will also supply landing gear and pylons for practical exercises, facilitating the teaching of safe practices for tyre changes and engine work in confined spaces.



"Large L cut sections from Boeing 737 aircraft used for technical training programmes"

ABOUT CALC

Case Study

Sustainable Airframe Recycling at UAM

In 2024, UAM undertook an initiative to promote sustainability through the demolition and recycling of multiple airframes. The disassembly process adhered to the “KPI Level - Diamond” of the Aircraft Fleet Recycling Association (“**AFRA**”) KPI recognition programme, aligning with industry best practices for parts reuse, reusability rates, energy recovery, and the disposal of hazardous waste.

Once the airframes have been demolished, the scrap metal was transported to UAM’s recycling partner, where valuable metals such as steel, aluminium, and titanium were sorted. From the last 5 recycled airframes, UAM processed 310,060 pounds of scrap material, which were sold to facilities across Mississippi for new product fabrication.

This initiative not only minimises environmental impact but also stimulates the local economy, highlighting UAM’s contribution to sustainable practices and resource efficiency in the aviation industry.



Recycling facility operated by UAM’s partner



Scrap metal to be transported to UAM’s recycling partner for recycling

ABOUT CALC

Case Study

Equipment Purchase to Enhance Disassembly Efficiency

UAM purchased a JCB telehandler and a Skyjack scissor lift to enhance the efficiency and safety of its aircraft disassembly operations.

The JCB telehandler is used to extend to, lift, and remove heavy objects from the airframe such as flight controls. In comparison to cranes, which require longer setup times, the JCB telehandler provides improved efficiency and greater flexibility, allowing disassembly technicians to operate more easily around adjacent airframes.



Additionally, a Skyjack Scissor Lift has been introduced by UAM to facilitate access to the aircraft's interior and the underside of wing structures. Compared with UAM's existing electric lift, which accommodates only two technicians and is limited to even surfaces, the new Skyjack model offers enhanced functionality. It supports up to 4 technicians and operate safely on uneven surfaces.

Case Study

Successful Dismantling of an Airbus A319 aircraft by FL ARI

FL ARI completed the dismantling an Airbus A319 aircraft at Nanchang Changbei International Airport in the PRC. This marked FL ARI's 14th aircraft dismantling projects and its first off-site operation.

Upon receiving the client's request, FL ARI promptly initiated the application process for off-site dismantling permits, undertook a comprehensive review and revision of internal procedures, and arranged staff training while ensuring compliance with applicable airworthiness standards. Over the course of approximately 30 days, the team faced and overcame various challenges, including limited site conditions and adverse weather conditions, to dismantle over 1,300 components.

This project not only earned the trust of the client but also further enhanced in FL ARI's off-site dismantling capabilities.



ABOUT CALC

Component Supply

Through establishing logistics partnerships and a global MRO network, we have set up component warehouses in locations around the world to fulfil any critical component requirements for different aircraft models with our inventory of over 1 million types of components.

Aircraft Investment Platform and Asset Management

Through aircraft investment and asset management platforms, CALC strives to offer aviation financial products and diversified financing patterns with stable returns, enriching product variety among capital markets.

Case Study

CALC (Tianjin) issued RMB 1 Billion Sustainability-Linked Perpetual Medium-term Notes

CALC's wholly-owned subsidiary, China Asset Leasing Company Limited ("CALC (Tianjin)"), successfully issued RMB 1 billion sustainability-linked medium-term notes with a term of 2+N years, achieving a record-low coupon rate of 2.7% compared with the company's last bond issuance in the first half of 2024. The offering attracted a subscription application of 1.58 times, highlighting CALC (Tianjin)'s robust fundraising capabilities in China's aviation finance market and its dedication to sustainable investment.

CALC (Tianjin) received AAA ratings from both China Chengxin International Credit Rating Co., Ltd. and Dagong Global Credit Rating Co., Ltd, affirming its sound asset quality and operational excellence. The favourable market response reflects solid investor confidence.

This funding establishes a solid foundation for CALC (Tianjin)'s sustainable operations and positions it to seize opportunities presented by China's "14th Five-Year Plan" for civil aviation development.



The graphic features a blue background with a city skyline and an airplane. It includes the CALC logo and the following details:

Code	Ratings	Tenor
24中飞股债 MTN002 (可转换债券) (1024004257.00)	AAA/AAA	2+n yrs
Size	Coupon Rate	Subscription
RMB1 bn	2.70%	1.58x

Lead underwriter & Bookrunner: 中信建投证券 (CHINA SECURITIES)

Joint lead underwriters: 国泰君安 (GUOTAI JUNAN) and 渤海银行 (BOHAI BANK)

ABOUT CALC

Aviation Finance

CALC explores aviation finance products with stable return profiles, enriching product varieties in the capital market. CALC's primary objective in the green finance aspect is to mobilise capital and accelerate the transition to a sustainable, low carbon economy.

Case Study

CALC Closes Inaugural US\$400 million Warehouse Facility for Supporting the Group's Procurement of New-generation Fuel-efficient Aircraft Models

CALC secured a US\$400 million warehouse facility, with an option to increase the amount. This facility is designated to finance CALC's modern next-generation aircraft deliveries, refinance existing aircraft, and support various growth initiatives.

The transaction utilises a sustainability-linked deposit account, with interest rates indexed to CALC's ESG score issued by S&P Global Ratings.

With a five-year term, this facility marks the first warehouse facility closed by an Asian-based lessor since 2015, providing CALC with enhanced operational flexibility for acquiring, selling, and leasing next-generation aircraft.

The successful closing of this facility underscores CALC's resilience and positions the Group to capitalise on renewed optimism in the aviation sector, enabling it to pursue strategic goals.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

STAKEHOLDER ENGAGEMENT

CALC values an active and transparent relationship with its stakeholders, recognising their vital role in shaping the Group's strategic direction and sustainability vision. We maintain open dialogue through various communication channels to keep stakeholders informed and engaged. Their insights are integral to both the formulation of this report and our decision-making processes. These interactions provide valuable opportunities to understand stakeholders' expectations and concerns while sharing our progress in sustainable development. By integrating stakeholder feedback into our strategies, we aim to align with their priorities, build long-term trust, and advance sustainability and value creation collaboratively.

Major Stakeholders	Expectations	Communication and Responses
Board of Directors	<ul style="list-style-type: none"> Align business growth with the company's long-term visions and missions Ensure compliance with the evolving regulatory landscape 	<ul style="list-style-type: none"> Provide regular updates on performance and compliance Actively deliberate on internal and external factors affecting the organisation and make appropriate changes to strategies and policies
Senior/Middle Management	<ul style="list-style-type: none"> Clearly defined roles and responsibilities Effective risk management and operational efficiency 	<ul style="list-style-type: none"> Deliver regular performance reports and strategic updates Foster open communication channels for upward/downward feedback and collaboration
Employees	<ul style="list-style-type: none"> Safeguard fundamental rights and benefits of employees Offer opportunities for career development and training Prioritise occupational health and safety 	<ul style="list-style-type: none"> Enhance employee benefits and protective measures Cultivate a supportive environment that encourages collaboration and growth Provide capacity-building opportunities to enhance employee skills Build a safe and healthy working environment
Shareholders/Investors	<ul style="list-style-type: none"> Sustainable value and wealth creation Maintain strong risk management controls and procedures Timely and transparent financial disclosure for informed risk decision-making 	<ul style="list-style-type: none"> Proactive engagement with shareholders and investors Regularly publish financial reports, performance reports, and other disclosure documents
Customers	<ul style="list-style-type: none"> Safeguard information security and privacy Improve service and satisfaction 	<ul style="list-style-type: none"> Improve information security and network security Provide safe and reliable products

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Major Stakeholders	Expectations	Communication and Responses
Financiers/Bankers	<ul style="list-style-type: none"> Timely and transparent financial disclosure for informed risk decision-making Robust financial stability and growth 	<ul style="list-style-type: none"> Publish financial reports promptly Address risks and explore prospective business opportunities
Suppliers/Contractors	<ul style="list-style-type: none"> Equitable contractual terms for mutual benefit in business Predictable purchasing patterns and volume commitments 	<ul style="list-style-type: none"> Transparent bidding information and evaluation criteria Constructive feedback on performance Support for continuous improvement initiatives
Government and Regulators	<ul style="list-style-type: none"> Operation under laws and regulations Create job opportunities Support industry development 	<ul style="list-style-type: none"> Ensure compliant operations Actively create equal employment opportunities Engage in business activities that align with global megatrends and sustainable development
NGOs	<ul style="list-style-type: none"> Transparency and accountability in business operations Sustainable business practices that bring positive impact on the environment and society 	<ul style="list-style-type: none"> Explore collaborative opportunities with NGOs to address social and environmental concerns Uphold high standards of business ethic
Media	<ul style="list-style-type: none"> Deliver timely and accurate business updates 	<ul style="list-style-type: none"> Maintain open communication channels with media outlets Address inquiries promptly and transparently to foster trust

MATERIALITY ASSESSMENT

This year, we conducted a comprehensive materiality assessment to deepen our understanding of stakeholder concerns. This process involved systematically gathering, organising, and analysing feedback through detailed questionnaire surveys. By aligning our findings with industry trends, operational strategies, and the ESG policy, we identified 21 material topics that are highly relevant to both our organisation and our stakeholders.

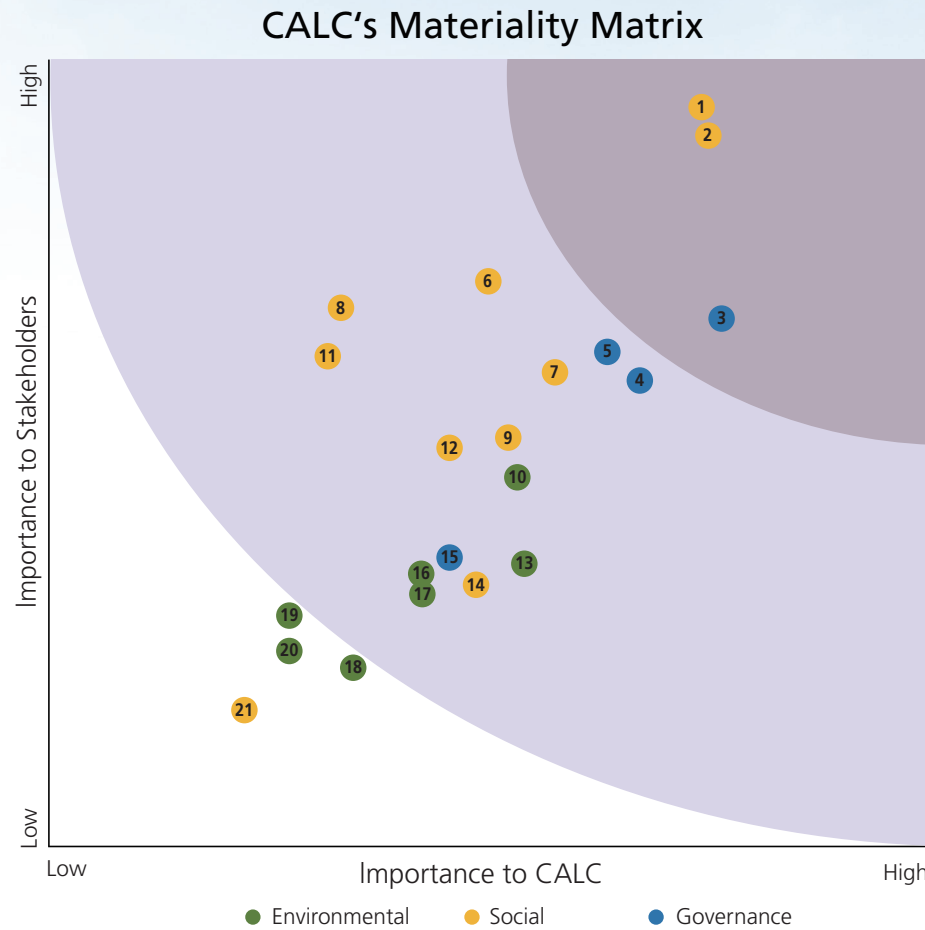
STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

DETERMINATION OF MATERIALITY

1. Identifying Material Topics	In the identification phase, we adopted a holistic approach to capture diverse perspectives within the ESG landscape. We referenced pertinent national policies, analysed industry benchmarks, and integrated feedback from stakeholders to ensure inclusivity and relevance. By aligning these insights with the Group's strategic development plans, we effectively identified the key ESG topics for this year. This alignment reflects stakeholder expectations while supporting our organisational objectives, fostering a cohesive and strategic approach to sustainability.
2. Prioritising Relative Importance of Material Topics	We distributed well-structured questionnaires to different stakeholders to ensure comprehensive representation. Our quantitative analysis of the survey results allowed us to rank the material topics according to stakeholder interest, from highest to lowest priority. This systematic approach not only highlights the topics of greatest significance to our stakeholders but also establishes a clear framework for prioritising our ESG initiatives going forward.
3. Confirmation and Validation	The materiality matrix was finalised based on two key dimensions: "Importance to CALC" and "Importance to Stakeholders." Following a thorough review by our management team, we confirmed and validated the most critical topics that emerged from this analysis.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

MATERIALITY MATRIX



Importance	Rank	Material Topic
Highly Important	1	Employee Compensation and Benefits
	2	Employee Training and Development
	3	Corporate Governance
Important	4	Risk Management and Compliance Management
	5	Anti-Corruption and Business Ethics
	6	Labour Standard
	7	Customer Service and Communication
	8	Occupational Health and Safety
	9	Information Security and Customer Privacy Protection
	10	Addressing Climate Change

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

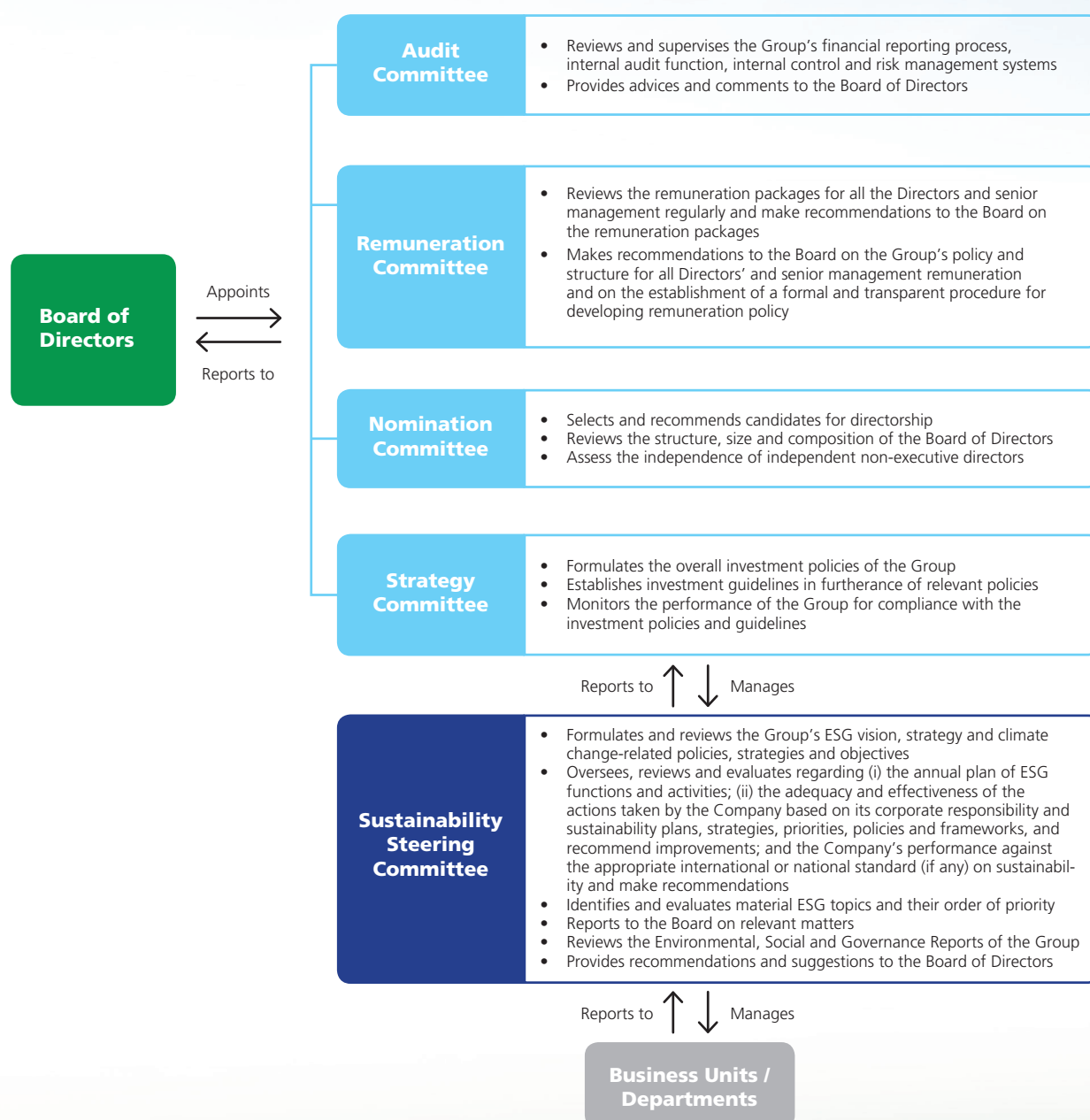
Importance	Rank	Material Topic
More Important	11	Equal and Diverse Employment
	12	Green Leasing/Green Finance
	13	Greenhouse Gas Emissions Management
	14	Supplier Management
	15	Investor Relations Management
	16	Material Management
	17	Energy Management
	18	Waste Management
	19	Water Management
	20	Biodiversity Conservation
Less Important	21	Local Community

CORPORATE GOVERNANCE

GOVERNANCE

The SSC, chaired by the Chief Executive Officer of the Company (the “CEO”) concurrently, is responsible for allocating time and resources to be invested in the sustainability aspect of the Group’s operations; as well as identifying and managing ESG-related risks and issues that are material to the Group; and reviewing the Group’s ESG performance in due course.

For further details of our corporate governance structure and practices, please refer to the Corporate Governance Report included in the 2024 Annual Report of the Company.



CORPORATE GOVERNANCE

The Board reviews reports, offers input on key matters, oversees and assesses ESG management progress, and suggests enhancements. This structure ensures thorough discussion and effective management of ESG issues, proper implementation of strategies, and demonstrates the Group's external responsibilities, thereby advancing ESG management in the aviation industry.

OUR COMMITMENT ON ESG

The Group's ESG policy (the "**ESG Policy**"), established in 2015 and updated in 2017, outlines our principles and objectives regarding key environmental and social topics, providing guidance to the Group's daily operations.

Our Commitment to the Environment

- Promote environmental protection among the Group's business activities and within the community.
- Establish management practices and measures to achieve environmental objectives including pollution prevention, reduction of emissions and carbon footprint, reduction of waste and resources use, and increase in recycling.
- Comply with applicable legal requirements regarding environmental protection and sustainability.
- Educate the Group's employees to become environmentally responsible.

Our Commitment to the Supply Chain

- Maintain and develop long-term strategic partnerships with suppliers who provide high-quality products, are environmentally compliant and socially responsible.
- Promote good ESG practices among our suppliers and business partners.
- Develop a comprehensive sustainable procurement system and strengthen relevant trainings of the procurement staff.

Our Commitment to the People

- Provide a quality working environment by upholding labour laws and regulations.
- Ensure a healthy and safe workplace.
- Treat employees fairly and equitably.
- Safeguard employees' rights and benefits.
- Provide employees with training and career development opportunities.
- Comply with legal requirements regarding business operations, labour protection and employment practices.
- Support and participate in local community, charitable and educational activities.
- Encourage the Group's employees to volunteer for community activities.

CORPORATE GOVERNANCE

SUPPORT INDUSTRY-WIDE STRATEGY

As a member of ALI, which represents owners of over half the global fleet, CALC is dedicated to actively pursuing ALI's carbon neutrality goals for 2050. On 12 November 2024, CALC participated in the third ALI Global Aviation Sustainability Day in Dublin. This event gathered senior leaders and experts from across the aviation sector, including lessors, airlines, regulators, fuel producers, manufacturers, and financiers.

Together with representatives from 37 ALI-member aircraft leasing companies, the conference highlighted key developments in SAF, advancements in new aircraft technologies by OEMs, and the evolving regulatory landscape. CALC values opportunities to engage with industry partners to explore strategies for achieving shared climate objectives and contributing to the aviation industry's efforts to reach net-zero emissions.

BOARD DIVERSITY

The Group has adopted a policy on diversity of the Board members (the "**Diversity Policy**") since August 2014 and amended in June 2023, which sets out the approach by the Company to achieve diversity on the Board. The Group recognises the importance and the benefits of having a diverse Board that fits its own business model and specific needs in order to achieve its corporate goals and strategies. The Board will be chosen based on their abilities to help the Group achieve its goals and objectives. Concurrently, the Board will be made up of members from different backgrounds. These include ages, genders, cultures, education, experience, skills, knowledge and length of services.

The Group welcomes diversity at all levels, with a view to further contributing to the attainment of its strategic objectives and its sustainable development. Please refer to our Corporate Governance Report 2024 for details.

ANTI-BRIBERY, CORRUPTION AND ANTI-MONEY LAUNDERING

Honesty, integrity and fair play are the core values that all Directors and employees of the Group must uphold. We strictly comply with the Anti-Corruption Law of the PRC, the Prevention of Bribery Ordinance of Hong Kong, and the Criminal Justice (Corruption Offences) Act 2018 of Ireland. The code of conduct of the Group ("**Code of Conduct**") includes anti-bribery and corruption policy and procedures designed to prevent bribery, corruption, fraud, extortion, money laundering and any other unethical practices. No staff shall accept advantages, gifts or entertainment from our business partners, suppliers, or contractors.

To ensure adherence to the Group's ethical standards, any suspected instances of corruption, money laundering and other unethical practices will be reported to the relevant regulatory authorities and law enforcement agencies without delay. Directors and employees found in violation of the Code of Conduct will face disciplinary actions, including potential immediate termination. A reporting mechanism has also been established to safeguard whistleblowers against any form of retaliation. Upon receiving a report, the Group will engage with the whistleblower, assess whether an investigation should be initiated, and allocate appropriate independent resources commensurate with the significance of the case. A written investigation report will be prepared, and confidentiality will be maintained throughout the process. Employees with access to such information are required to strictly observe confidentiality obligations. The Head of Internal Audit and Corporate Compliance is responsible for ensuring witness protection and fair treatment throughout the process.

CORPORATE GOVERNANCE

CALC will continue to promote corporate governance practices that are appropriate to the conduct and growth of its business, and will review and evaluate such practices from time to time to ensure compliance with the Corporate Governance Code and alignment with evolving regulatory and market expectations. During the Reporting Period, the Group engaged external legal professionals to deliver anti-bribery and anti-corruption training to all directors and employees. This training covered the anti-bribery laws across various different jurisdictions, including Hong Kong, the United States, the United Kingdom, and Ireland, and addressed key areas such as the Code of Conduct, business hospitality and entertainment expenditure guidelines, and whistleblowing policy. During the Reporting Period, there were no legal cases involving corrupt practices against the Group or its employees.



Staff attending anti-corruption and bribery training provided by legal experts

SUPPLY CHAIN MANAGEMENT

We aim to establish a more fair and sustainable partnership with suppliers. The Group has established a fair and transparent Supplier Selection and Management Procedure to select and manage suppliers, aiming to minimise potential risks related to sustainable development in the supply chain. Among these measures, we utilise a supplier evaluation matrix and provide recommendations to suppliers, including environmental compliance and social responsibility. Additionally, we designate multiple professional teams to supervise and review the entire procurement process. We provide a preliminary procurement plan, with the budget and proposals prepared internally and reviewed by senior management before submission to the Strategy Committee of the Group. Moreover, we conduct regular evaluations of suppliers on a periodic basis and prioritise the use of suppliers and contractors with outstanding environmental and social performance to ensure compliance and enhance sustainable development.

CORPORATE GOVERNANCE

In collaboration with our key suppliers across the value chain, the Group continues to enhance its approach to sustainable supply chain management. This includes monitoring the certification status of suppliers against internationally recognised standards from the International Organization for Standardization (“ISO”) and the International Aerospace Quality Group (“IAQG”). Our focus is on certifications such as ISO 9001 / AS 9100 (Quality Management), ISO 14001 (Environmental Management), ISO 45001 (Occupational Health and Safety Management) and ISO 50001 (Energy Management), all of which are integral to our ongoing supplier monitoring programme.

By the end of the Reporting Period, CALC’s top 3 OEMs² achieved a certification rate of 100% for ISO 9001 / AS 9100, ISO 14001 and ISO 45001, with 33% certified for ISO 50001.

This year, we extended our monitoring scheme to include non-OEM suppliers, further enhancing our approach to a more comprehensive and sustainable supply chain. The case study below highlights the certification status of our major non-OEM suppliers, categorised by region.

Case Study

Table: Statistics of CALC’s Major Non-OEM Suppliers with ISO Certifications by Regions

	Hong Kong	Mainland China	Other Asian Regions	Outside Asia
Number of non-OEM suppliers	28	36	0	14
Percentage of non-OEM suppliers with ISO9001 quality management system certification	25%	6%	0%	86%
Percentage of non-OEM suppliers with ISO14001 environmental management system certification	32%	11%	0%	79%
Percentage of non-OEM suppliers with ISO45001 occupational health and safety management system certification	11%	6%	0%	29%
Percentage of non-OEM suppliers with ISO50001 energy management system certification	4%	3%	0%	14%

² Any subsidiary of an OEM that holds a valid ISO certification is counted toward the OEMs’ certification rate, meaning that the certification of individual subsidiaries counts toward the overall certification status of the OEMs’ group company.

CORPORATE GOVERNANCE

RISK MANAGEMENT AND CONTROL

The Group has implemented a robust risk management system designed to identify, assess, and monitor categorised risks, ensuring the sustainable development of the business. The Board is responsible for overseeing the design, implementation and monitoring of the internal control systems to maintain operational integrity. To support this framework, the Group has developed and enacted various policies, including those addressing credit risk, credit scoring, Know Your Customers etc.

The Group has developed the Risk Analysis Database (“**RAD**”) to capture and manage data related to aircraft, customer airlines, leasing conditions, providing credit analysis of customers, as well as analysis of asset risks and concentration risks.

Building on the features of the RAD 2.0 control system, launched in December 2023 and equipped with a risk rating model for airline customers, we introduced the concentration model this year. This model enables us to monitor the concentration of aircraft from both existing and potential airline customers within our fleet portfolio on the RAD system. Additionally, it suggests concentration limits based on the airline’s credit rating, indicating an exposure percentage that we aim to keep at or below a comfortable threshold.

The Audit Committee plays a crucial role in supervising the risk management and internal control processes, ensuring high standards of financial reporting, risk management, and internal controls. The internal audit department operates independently to execute the Group’s internal control system. It also conducts annual assessment of overall internal control system and operational audits to evaluate the effectiveness and sufficiency of internal controls, providing recommendations for enhancements as needed.

LEGAL COMPLIANCE

The Group ensures that all business activities comply with local regulations through a robust compliance system. During the Reporting Period, we are pleased to report that no compliance violations were identified.

In addition, we established a dedicated policy department, responsible for liaising with Chinese government agencies and understanding the policy changes. For internal collaboration, our offices in different regions actively monitor updates on relevant regulations and the changes in business conditions to ensure alignment and compliance across the organisation.

TRANSPARENT TAX MANAGEMENT

CALC makes every effort to fulfil our tax obligations and recognises the importance of compliance with tax management laws and regulations across various jurisdictions. The Group ensures compliance with all tax declaration requirements, operates within the legal framework, and continually enhances the quality and effectiveness of tax management practices.

The Group regularly reviews and discusses reports on tax-related matters. These reports encompass a range of topics, including updates on significant domestic and international tax developments, global tax audits, international tax structures, tax policies, and legislative developments related to taxation.

CORPORATE GOVERNANCE

PRODUCT RESPONSIBILITY

CALC places a strong emphasis on product responsibility. We recognise the importance of producing and delivering products and services with high standards of quality, safety, and environmental sustainability. The Group's commitment to product responsibility is deeply ingrained in our core values and permeates every aspect of our operations.

The Group implements stringent quality control measures to ensure product excellence, strictly adhering to The Measures for the Administration of Foreign-funded Lease Industry and The Contract Law of the PRC. Our goal is to provide reliable and responsible services that not only meet but exceed customer expectations.

Annually, we assess key product risks and establish monitoring and mitigation measures for each. Our professional teams regularly review the delivery progress of aircraft, focusing on aviation financing, client readiness, delivery completion, legal documentation, and manufacturing progress. A comprehensive checklist ensures that all processes are managed effectively and completed on time.

During the Reporting Period, we had no violation record on relevant laws and regulations that have a significant impact on the Group relating to product responsibility issues.

CUSTOMER SAFETY AND COMMUNICATIONS

As a full value-chain solutions provider, CALC places aircraft safety as a top priority. The Group recognises the importance of maintaining high safety standards and implements measures to safeguard airline customers throughout the entire value chain.

We have established Standard Operating Procedures ("**SOPs**") and checklists to inspect every aircraft at different stages, including pre-purchase, pre-delivery, during operation under lease, and lease return. These thorough inspections are designed to identify and address any safety concerns, ensuring that each aircraft meets our stringent safety criteria before being handed over to our customers.

CORPORATE GOVERNANCE

Stringent Aircraft Selection Process:

CALC has a rigorous process for selecting aircraft to join its fleet. We carefully evaluate the airworthiness, safety records, maintenance history, utilisation rate and overall operational performance of each aircraft before making any leasing decisions.

Comprehensive Maintenance and Inspections:

CALC ensures that all leased aircraft receive regular maintenance and inspections, adhering to strict schedules to address safety issues promptly. Qualified independent third-party aviation surveyors examine each aircraft before and after delivery. We also conduct regular physical and documentation inspections, with major aircraft modification requiring our prior consent.



Safety Management Systems:

CALC has a proactive safety management system to identify and mitigate risks. With experienced engineers and strong procedural controls, we prevent aviation engineering and aircraft configuration risks. Our team continuously monitors safety data for leased aircraft, implementing preventive measures while also focusing on corrective maintenance to address any identified concerns. This approach reinforces our contribution to safety and reliability.

Compliance with Regulatory Standards:

CALC strictly adheres to all relevant aviation regulations and guidelines set forth by aviation authorities such as the Federal Aviation Administration ("FAA") and the ICAO. The Group maintains a robust and up-to-date knowledge of regulatory and technical requirements to ensure our leased aircraft meet or exceed the mandated safety standards. We also promote continuing professional development for our staff to keep them updated on the latest regulations and best practices.

Additionally, we value customer complaints as essential feedback for enhancing our services. To ensure a systematic approach to complaint handling, we have established and enhanced the formal Complaint Response Guidelines that outline comprehensive procedures for addressing various customer concerns. Customers can easily reach out with enquiries and complaints via email, telephone or through the marketing department. During the Reporting Period, the Group did not receive any formal complaints regarding its services.

CORPORATE GOVERNANCE

CUSTOMER DATA PROTECTION

CALC places a high priority on protecting customer data privacy and cybersecurity. We recognise the critical importance of safeguarding customer information and have implemented a comprehensive suite of practices, policies, and technologies to ensure data security. Our Group employs industry-leading encryption methods, firewalls, intrusion detection systems, and other security protocols to maintain the confidentiality and integrity of customer data.

We have established clear and transparent data privacy policies that inform customers about how their information is collected, used, and stored, as well as the purposes for which it is utilised. CALC regularly monitors these policies through internal audits to assess compliance across various departments and systems. These audits help us identify gaps and areas for improvement.

To further ensure confidentiality, employment agreements with our employees include non-disclosure of business information and non-competitive clauses. We have instituted a set of policies and procedures that comply with all relevant laws and regulations, particularly our Customer Data (Privacy) Policy, which governs the collection and use of customer data. During the Reporting Period, we found no incidents related to customer privacy breaches.

INFORMATION TECHNOLOGY SYSTEM INNOVATION AND IMPROVEMENT

The Group recognises the critical role of science and technology in driving business competitiveness. In 2024, we focused on advancing our information technology (“IT”) systems to improve productivity, streamline operations, and enhance customer experiences.

We have developed and implemented two new proprietary IT systems: a unified aircraft asset management platform and a project management system. The aircraft asset management platform incorporates essential financial functions, including but not limited to invoicing, cash flow management, and letters of credit. In contrast, the project management system focuses on automating the deal process, facilitating project team collaboration, and enhancing overall project management capabilities. It includes tools for tracking timelines, milestones, and cost control, ensuring that projects are completed on time and within budget.

Training sessions were provided to ensure that all staff members could fully leverage these systems, helping them familiarise themselves with the features and maximise their potential. Through these initiatives, we are determined to continuously improve our IT systems, ensuring that our team is well-equipped to meet the evolving demands of the industry and deliver exceptional service to our clients.

SUSTAINABILITY

CLIMATE RISK MANAGEMENT

In 2019, CALC initiated a climate risk assessment to understand the potential impacts of climate change on our daily operations. This strategic approach allows us to identify and evaluate both long-term and short-term physical and transition risks associated with climate change. Following an in-depth analysis of climate-related risks and potential mitigation measures in 2020, the Group's climate change policy (the "**Climate Change Policy**") took effect on 1 January 2022, after being reviewed and approved by the SSC in 2021.

Our Climate Change Policy serves as a foundational framework that provides general guidance for the development of tailored strategies to assess and mitigate climate-related risks across all business units and subsidiaries. The implementation of relevant policies is expected to strengthen the Group's ability to address climate-related challenges effectively. This policy also outlines a roadmap for action and supports relevant departments in executing appropriate mitigation and adaptation measures.

This year, we continued to enhance our climate-related risks assessment by leveraging a variety of resources, including sustainability reporting guidelines, the recommendations from the Task Force on Climate-Related Financial Disclosures ("**TCFD**"), International Financial Reporting Standards ("**IFRS**") S2 Climate-related Disclosures and industry benchmarking practices. This ongoing assessment process ensures that we remain aligned with best practices and can adapt to evolving climate realities while promoting sustainable business practices.

ABOUT TCFD

We recognise the urgent need to address climate change and the crucial role that the aviation sector plays in this global challenge. Our Group is dedicated to leading the way in promoting sustainability and reducing our environmental impact.

The climate-related financial information disclosure as recommended by TCFD mainly covers four pillars: governance, strategy, risk management, metrics and targets. Key recommendations for the four disclosure areas are shown in the table below:

Governance	Strategy
<ul style="list-style-type: none"> Board's oversight of climate-related risks and opportunities Management's role in assessing and managing climate-related risks and opportunities 	<ul style="list-style-type: none"> Climate-related risks and opportunities over the short, medium, and long term Impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning Resilience of the organisation's strategy under different climate scenarios
Risk Management	Metrics and Targets
<ul style="list-style-type: none"> Processes for identifying, assessing and managing climate-related risks and how they are integrated into the overall risk management 	<ul style="list-style-type: none"> Metrics used to assess climate-related risks and opportunities in line with the organisation's strategy and risk management process Scope 1, 2 and if appropriate, Scope 3 emissions Targets used to manage climate-related risks and opportunities and performance against targets

SUSTAINABILITY

Governance

We acknowledge that the aviation industry is one of the hard-to-abate sectors, remaining heavily reliant on fossil fuels in the near future. This reality heightens the urgency of addressing carbon emissions and the associated environmental challenges. At CALC, the Board has primary responsibility for the oversight of the Group's climate-related risks and opportunities, ensuring that appropriate resources are allocated to support our climate strategy. The SSC, chaired by the CEO, is delegated the authority to manage the Group's performance and progress in sustainable development. The SSC is responsible for identifying and managing climate-related risks and opportunities, as well as implementing CALC's Climate Change Policy across various lines of business. Each department is tasked with identifying its own climate risks and impacts, while regularly reporting status and progress to the SSC.

During the Reporting Period, we adhered closely to CALC's Climate Change Policy, which serves as a critical framework for our daily governance. Recognising the importance of climate change and its associated risks, the Group established this internal policy in 2015. Over the years, we have continuously revised and updated the policy to reflect changes in our internal operations and external market conditions, benchmarking against international guidelines to ensure its relevance and effectiveness.

CALC's Climate Change Policy aims to provide general guidance for developing better strategies to assess and mitigate climate risks for various business units and subsidiaries. This policy aligns with the guidance provided by TCFD and standardises the processes for identifying, assessing, and mitigating risks within the Group. Relevant content will also be disclosed in the Strategy, Risk Management, Metrics and Targets sections accordingly.

Strategy

Climate-related risks and opportunities span extended timeframes and are characterised by considerable uncertainty regarding future climate trends, policies, and socio-economic factors. At CALC, we are actively enhancing our risk assessments to better identify and grasp these climate-related risks and opportunities, as well as their potential impacts. In line with our Climate Change Policy, we have refined our approach to the impacts and responses concerning climate-related risks and opportunities faced by the Group in 2024. Please refer to the table below for a detailed overview of the identified climate risks, opportunities and impacts.

Risks Brought by Climate Change

Risk Type	Impact pathway	Potential financial and/or operational impact	Our response
Policy and Legal	More stringent emissions standards for the aviation industry	<ul style="list-style-type: none"> Increased capital expenditure for purchasing energy-efficient and low-emission aircraft models to meet emissions requirements Certain aircraft may become non-compliant due to emissions restrictions, limiting operational capabilities 	<ul style="list-style-type: none"> Invest and prioritise the selection of energy-efficient aircraft Collaborate with policymakers and industry groups to optimise operational strategy for various types of aircraft Regularly train staff on new regulations and operational standards to ensure compliance
	More stringent public disclosure requirements including emissions data and climate-related information	<ul style="list-style-type: none"> Increased compliance costs for monitoring and reporting emissions data and climate-related information 	<ul style="list-style-type: none"> Allocate sufficient resources to monitor emissions and climate-related information

SUSTAINABILITY

Risk Type	Impact pathway	Potential financial and/or operational impact	Our response
Technology	Advancements in aircraft technology may render older, energy-inefficient aircraft models less desirable	<ul style="list-style-type: none"> Significant capital outlay may be necessary to rebalance the fleet portfolio and ensure competitiveness 	<ul style="list-style-type: none"> Allocate sufficient resources to monitor emissions and climate-related information Collaborate with industry organisations to share knowledge, resources, and best practices for technology adoption
Market	Shift in demand for more energy-efficient aircraft	<ul style="list-style-type: none"> Increased capital expenditure for purchasing energy-efficient and low-emission aircraft models to adapt to evolving customer preferences 	<ul style="list-style-type: none"> Invest and prioritise the selection of energy-efficient aircraft Promote the benefits of leasing energy-efficient aircraft and highlight fuel efficiency Adapt leasing agreements with sustainability-related clauses
	Growing public awareness of environmental issues may lead to a decline in air travel, particularly for non-essential business trips, affecting overall demand for leased aircraft	<ul style="list-style-type: none"> Reduction in overall air travel can lead to decreased demand for leased aircraft, impacting revenue streams 	<ul style="list-style-type: none"> Diversify revenue streams by offering other services, such as MRO, aircraft disassembly and recycling
Reputation	Failures to meet sustainability expectations can tarnish the organisation's image, leading to a loss of trust among stakeholders	<ul style="list-style-type: none"> Loss of trust from customers and investors could lead to client attrition and divestment, significantly impact revenue streams and access to finance 	<ul style="list-style-type: none"> Develop comprehensive stakeholder engagement strategy to foster open, 2-way communication
	Heightened scrutiny from investors regarding ESG criteria may affect funding and investment opportunities		<ul style="list-style-type: none"> Implement a robust climate transition plan
Physical (Acute)	Increased severity and frequency of extreme climate events such as typhoon and floods	<ul style="list-style-type: none"> Increased project delays/downtime Man-hours lost due to climate-related injuries and accidents Supply chain disruption 	<ul style="list-style-type: none"> Integrate climate considerations into business continuity plan ("BCP") Explore options to broaden the supply chain to reduce single sourcing risk

SUSTAINABILITY

Opportunities Brought by Climate Change

Opportunity Type	Potential benefits	Potential financial and/or operational impact	Our response
Resource efficiency	Eco-friendly practices could streamline operations and reduce waste	<ul style="list-style-type: none"> Reduced energy consumption and waste disposal could lead to cost savings Improved efficiency could lead to higher profit margins 	<ul style="list-style-type: none"> Invest in systems and equipment that reduce energy consumption and improve efficiency Adopt practices that minimise waste generate and promote recycling within operations
Energy Source	Attract companies focused on sustainability by offering SAF-compatible aircraft	<ul style="list-style-type: none"> Increased demand for low-emission SAF-compatible leased aircraft 	<ul style="list-style-type: none"> Engage with industry groups and policymakers to support the development and popularisation of SAF in the aviation industry Stay informed about evolving regulations regarding SAF usage and ensure compliance to maintain competitive advantage
Products/Services	Offer full-value-chain services, such as MRO, aircraft disassembly and recycling to meet emerging market needs	<ul style="list-style-type: none"> Additional services could create new income opportunities and enhance profitability 	<ul style="list-style-type: none"> Collaborate with industry associations to integrate tools that monitor aircraft's fuel efficiency and environmental impact
Markets	Target regions with increasing demand for green aviation solutions could lead to new business opportunities	<ul style="list-style-type: none"> Entering new markets could diversify income and reduce reliance on traditional leasing business 	<ul style="list-style-type: none"> Identify regions with high potential for sustainable aviation growth and tailor offerings to meet local needs
Resilience	Enhance infrastructure and operational resilience to protect against climate-related disruptions	<ul style="list-style-type: none"> Resilient infrastructure and operational planning could lower the risk of downtime and value chain disruption during extreme climate events 	<ul style="list-style-type: none"> Invest in modernising infrastructure to withstand extreme weather conditions Integrate climate considerations into BCP

SUSTAINABILITY

Risk Management

To identify and address climate change risks and opportunities, we engaged external consultants and stakeholders through workshops and surveys during the Reporting Period. These sessions facilitated in-depth discussions, gathering diverse insights essential for pinpointing potential impacts on the Group.

After identifying and assessing these risks and opportunities, we communicated key findings to our senior management. This ensured informed decision-making and streamlined reporting to the SSC, allowing for strategic adjustments in our overall ESG approach and proactive management of climate-related risks.

Our response measures include optimising our fleet portfolio, prioritising sustainable suppliers to reduce our carbon footprint, and enhancing technological solutions for sustainability. Together, these initiatives demonstrate our contributions to understanding and mitigating climate risks while embedding sustainable practices into our core business strategy.

The response measures, whether already implemented or in the planning stage, encompass a range of initiatives, such as fleet upgrades, the adoption of sustainable suppliers, the implementation of additional ESG-related policies, and the enhancement of technological solutions. These approaches underscore our dedication to not only understanding and addressing climate-related risks but also integrating sustainable practices into our business strategy and operations.

Metrics and Targets

CALC, as a member of ALI, is dedicated to conducting thorough research and implementing diverse solutions that align with the aviation industry's overarching objective of attaining net zero carbon emissions by 2050. At the organisational level, our commitment to advancing performance across environmental, social, and governance dimensions is exemplified by the formulation of an internal ESG Policy. This policy has been developed with the primary aim of elucidating the Group's enduring ESG objectives. In accordance with the stipulations of the ESG Policy, the Group has identified and articulated three specific targets, thereby establishing a clear framework for our long-term sustainability goals.

Case Study

Our approach to climate-related performance

- Promote environmental protection for the Group's business activities and in the community.
- Establish management practices and measures to achieve environmental objectives including prevent pollution, reduce emissions and carbon footprint, minimise waste, increase recycling and minimise use of resources.
- Comply with applicable legal requirements regarding environmental protection and sustainability issues.

GREENHOUSE GAS EMISSIONS

CALC monitors and measures its GHG emissions in line with our green policies and the methodologies outlined by the GHG Protocol. We are dedicated to reducing our emissions and regularly assess our impact on the environment. During the Reporting Period, our total GHG emissions amounted to 308.69 tonnes CO₂e. Specifically, the average emission intensity was 1.65 tonnes CO₂e per employee at our Hong Kong headquarters; 2.40 tonnes CO₂e per employee in our Mainland China offices; and 0.84 tonnes CO₂e per employee at our Ireland office.

SUSTAINABILITY

Table: GHG emissions in 2023 and 2024 (tonnes of carbon dioxide equivalent)^{3, 4, 5}

	Hong Kong Headquarters		Mainland China Offices		Ireland Office	
	2024	2023	2024	2023	2024	2023
Greenhouse gas emissions						
Scope 1 (tonnes of CO ₂ equivalent) ⁶	2.79	3.89	6.79	6.11	0.00	0.00
Scope 2 (tonnes of CO ₂ equivalent) ⁷	45.81	47.47	42.83	46.08	20.84	18.21
Scope 3 (tonnes of CO ₂ equivalent)	73.64	70.50	115.89	132.44	0.10	1.49
Sum (tonnes of CO₂ equivalent)	122.24	121.86	165.51	49.65	20.94	129.91
Emission Intensity (tonnes of CO ₂ equivalent/employee)	1.65	1.67	2.40	2.49	0.84	0.86

Table: Scope 3 Greenhouse Gas Emissions Source Breakdown⁸

	2024	2023
Category 6 – Business travel⁹		
Air travel (tonnes of CO ₂ equivalent)	188.73	181.34
Rail travel (tonnes of CO ₂ equivalent)	0.90	0.82
Sum (tonnes of CO₂ equivalent)	189.63	182.16

We have implemented a Green Office Programme to inspire employees across all locations to embrace sustainable practices and reduce electricity consumption. To enhance energy efficiency, all office equipment is configured to energy-saving mode, and segmented lighting systems have been installed in every office. Additionally, we promote the use of virtual meetings to minimise carbon emissions associated with travel.

³ Given that CALC's operations within the reporting scope are primarily office-based, its major GHG emissions are primarily Scope 2 and Scope 3 indirect emissions.

⁴ This table includes non-financial metrics that are subject to measurement uncertainties resulting from limitations inherent in the nature and the methodologies used for determining GHG accounting. The selection of different but acceptable measurement techniques, including estimation, can result in materially different measurements. The precision of different measurement and estimation techniques may also vary. Moreover, the GHG accounting landscape is rapidly evolving, and as more high-quality data becomes available, CALC's understanding of emissions impacts continues to improve.

⁵ CALC's GHG emissions data is presented in carbon dioxide equivalent and was calculated based on the reporting requirements including but not limited to the "Appendix 2: Reporting Guidance on Environmental KPIs" issued by the HKEx and the "GHG Protocol Corporate Accounting and Reporting Standard" (GHG Protocol) issued by the World Resources Institute and the World Business Council for Sustainable Development.

⁶ Scope 1 emissions encompass direct GHG emissions resulting from owned or controlled sources, primarily attributable to fuel combustion, excluding biomass.

⁷ Scope 2 emissions refer to indirect GHG emissions from purchased electricity consumed by the organisation. For the Hong Kong headquarters, Mainland China offices and Ireland office, calculations were based on emission factors from the HK Electric Investments Sustainability Report 2023, the "Notice on Doing a Good Job in 2023-2025 Reporting and Management of Greenhouse Gas Emissions of Power Generation Enterprises" issued by the Ministry of Ecology and Environment of the PRC, and the "Energy in Ireland 2024 Report" issued by the Sustainable Energy Authority of Ireland, respectively.

⁸ Scope 3 emissions include other indirect GHG emissions for which data is available. During the Reporting Period, only Category 6 – Business Travel emissions were identified as relevant to CALC's operations.

⁹ This includes emissions relating to CALC's directors and employees travelling for business including commercial air and rail travel from the Hong Kong headquarters, Mainland China offices, and the Ireland office. Offices outside these regions were excluded due to their limited operational scale and negligible environmental impact, rendering them immaterial to this assessment. Air travel emissions were calculated via the ICAO Carbon Emissions Calculator, while rail travel emissions were derived by applying distance-based emission factor from the study "Future Energy Use and CO₂ Emissions of Urban Passenger Transport in China." authored by Peilin Li, Pengjun Zhao and Christian Brand.

SUSTAINABILITY

FACILITATING CIRCULARITY IN AVIATION INDUSTRY THROUGH AIRCRAFT SALES

CALC facilitated the dismantling of an Airbus A330-200 aircraft in Chengdu, marking China's first aircraft dismantling and recycling initiative. This project followed CALC's sale of the aircraft to Hengqin Winglet Aircraft Technology Company Ltd. on 27 June 2024.

The dismantling process, led by Airbus Aircraft Lifecycle Services Centre in Chengdu, Airbus China Innovation Centre and Jiangsu Hengrui Carbon Fibre Technology Co., Ltd., focuses on improving material recovery and reducing environmental impact.

CALC is playing a key role in advancing sustainability in aviation through its strategic aircraft sales. The successful dismantling of the A330-200 not only demonstrates effective recycling practices but also sets a benchmark for future aerospace initiatives. By supporting this project, CALC shows its contributions to a more sustainable future for aviation, encouraging industry stakeholders to embrace eco-friendly practices and innovations.



A330-200 aircraft to be dismantled for the recovery of valuable components

EMPOWERING AIRLINES TO REDUCE CARBON EMISSIONS WITH AIRCRAFT DELIVERIES ADOPTING SAF

CALC recognises sustainability as a core consideration in the aviation industry. We assist airlines in reducing carbon emissions by facilitating aircraft deliveries that utilise SAF, particularly through our partnership with Airbus, one of our key suppliers. By working alongside industry leaders, we aim to promote eco-friendly practices that contribute to a greener future in aviation.

In 2023, Airbus used over 11 million litres of SAF — doubling its 2022 volume and surpassing its target of 10% SAF fuel usage. This accounted for 2% of global SAF production, resulting in a CO₂ emissions reduction of 23,587 tonnes¹⁰. Notably, in 2024, more than 80% of aircraft delivered from Airbus for CALC have SAF on board for the ferry flight, reinforcing our contribution to sustainable practices. Since offering SAF to customers in 2016, Airbus has taken significant strides, including providing airlines with up to 5% pure SAF at no extra cost to support their decarbonisation efforts.

At CALC, we prioritise collaboration with manufacturers who excel in fuel efficiency and SAF utilisation. Our focus is on delivering solutions that enhance operational efficiency while minimising environmental impact. By supporting advancements in sustainable aviation, including the adoption of SAF, CALC reinforces its role in fostering a greener aviation future.



¹⁰ Data extracted from "Airbus is raising the bar for sustainable aviation fuel". Airbus. (2024, February 16). <https://www.airbus.com/en/newsroom/stories/2024-02-airbus-is-raising-the-bar-for-sustainable-aviation-fuel>

SUSTAINABILITY

RESOURCE MANAGEMENT

Since 2018, we have initiated the Green Office Programme to foster optimal resource use and enhance environmental awareness among our employees. Our management-backed Green Office Guide offers practical tips for conserving energy, water, and office materials, promoting eco-friendly practices and sustainable living. Below, we outline the Group's initiatives aimed at improving resource efficiency.

Resource Management at CALC

Efficient Water Management:

The Group employs efficient water management practices, including monitoring consumption, identifying high-usage areas, and implementing strategies to reduce waste. This includes regular maintenance to prevent leaks and optimise water usage.

Recycling and Reuse:

The Group explores opportunities for recycling and reusing wherever feasible. The Group has recycling boxes for paper collection and actively contribute to paper recycling.

Water Conservation Measures:

The Group actively promotes water conservation measures within our operations and facilities. We have invested in technologies, such as water-efficient fixtures and appliances to minimise water usage.

Resource Usage

The Group routinely conduct inspections and maintenance for all electronic equipment to ensure optimal performance and enhance the energy efficiency of its offices. Meanwhile, the IT department has implemented energy-saving modes for all computers to minimise non-essential energy consumption. To further promote energy conservation, we have placed reminders throughout the office, encouraging employees to turn off electrical appliances when not in use to avoid unnecessary energy waste. Additionally, the use of hand dryers has been promoted in the restrooms as a means to reduce paper waste.



SUSTAINABILITY

Water Usage

The Group prioritises water conservation. To support this goal, we have installed sensor-activated faucet and water saving devices in all offices. During the Reporting Period, the water consumption¹¹ of the Group was 17.726 m³, averaging 0.096 m³ per employee.

At our Harbin base, all effluents, including waste oil, hazardous chemicals, and municipal sewage, are managed by licensed contractors. All handling procedures strictly comply with the “Measures for the Administration of Permit for Operation of Dangerous Wastes” and other relevant local regulations.

Material Usage

We are actively exploring diverse measures to reduce material consumption. We strive to continuously reduce waste generation by adopting a holistic and sustainable approach to waste management, which includes avoiding the use of unnecessary resources, opting for sustainable alternatives and reusing materials.

In our offices, we utilise electronic means to read documents, encourage duplex printing, reduce disposable usage, and reuse office equipment and resources. Recycling boxes are placed next to printers to collect single-sided paper for reuse and double-sided paper for recycling. In 2024, we recycled a total of 659 kg of paper, an increase from 611 kg in 2023. Additionally, we recycled 15 computer monitors through licensed recyclers, in compliance with government regulations. Last but not least, most of the paper used for financial printing is certified by responsibly sourced forest resources.

¹¹ The data presented accounts solely for bottled water consumption at our Hong Kong headquarters and offices in Mainland China and Ireland. The limited staff activities in other offices are not material to our overall environmental impact. Fresh water consumption data is not available, as all offices are rented properties where water utilities are centrally shared among tenants.

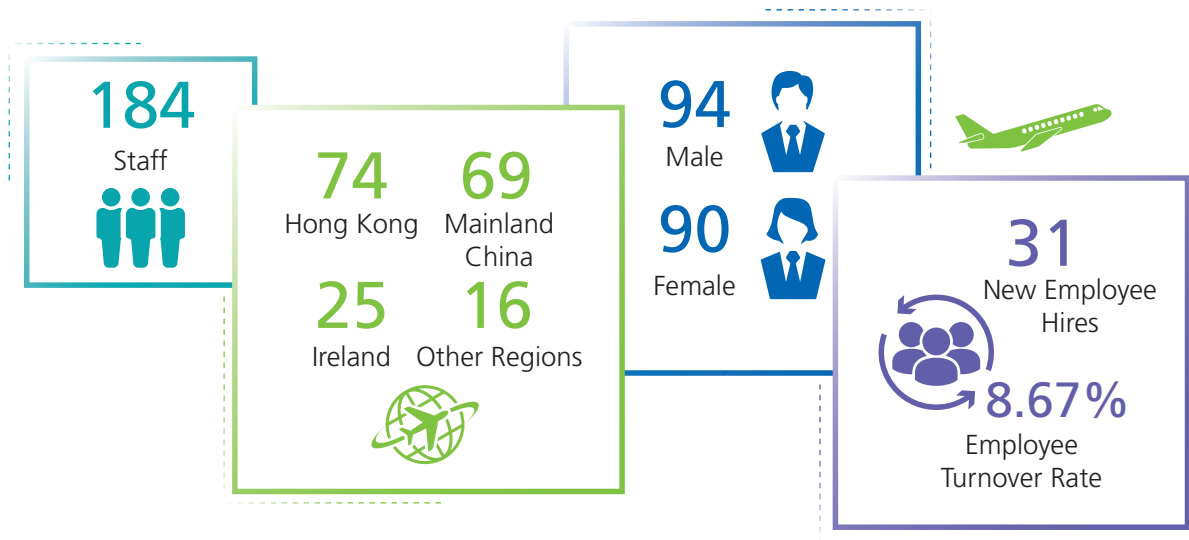
WORKFORCE AND LABOUR PRACTICES

Investing in our workforce and fostering a strong organisational culture are essential to our success. The support from our people has helped establish a solid business foundation. To cultivate a high-performing team driven by enthusiasm, we focus on employee training and career development, offer competitive remuneration and benefits, ensure equal opportunities, diversity and inclusion, maintain a strong occupational health and safety framework, and promote a healthy work-life balance. We actively uphold responsible workforce practices, and our Employee Handbook serves as a comprehensive guide to these procedures.

A FAIR AND INCLUSIVE WORKING ENVIRONMENT

Promoting equality and career development opportunities for all staff, regardless of their background, is a fundamental aspect of CALC. As of the end of the Reporting Period, there were 184 full-time staff in our Hong Kong headquarters and offices in Mainland China, Ireland, France, Singapore, and Malaysia, with a male to female ratio of 1:0.96.

The Group strives to cultivate a diverse and inclusive culture, ensuring that all talents have the opportunity to reach their full potential in the workplace. Currently, 9 women hold executive or departmental leadership positions, such as President and Chief Commercial Officer. This representation constitutes 34.62% of our Chief Level Executives and Senior Management, underscoring our effort to strive for diversity in leadership.



WORKFORCE AND LABOUR PRACTICES

To promote equality of opportunities and foster an inclusive work environment, we have established an Equal Opportunities and Anti-Discrimination Policy. We firmly oppose discrimination, harassment, and vilification in employment based on sex, pregnancy, marital status, family status, disability, or race. Employees who encounter any form of discrimination, harassment or vilification are encouraged to raise their concerns directly with their department head or human resources department.

Aligned with the code of practice issued by the Equal Opportunities Commission in Hong Kong, we believe that equality in employment allows all qualified individuals to compete fairly based on their abilities, free from discrimination or harassment. Over the years, CALC has adhered to the “people-oriented” management and operation philosophy and strictly complied with relevant labour laws and regulations. We respect the rights of our employees, protect their legitimate rights and interests in accordance with the law, and provide a comprehensive welfare protection system. We uphold an equal and non-discriminatory employment policy, firmly oppose forced labour and child labour, and are committed to creating a safe, healthy and comfortable working environment, as well as actively understanding and responding to the diverse needs of our employees in their work and life. The Group firmly believes that employees are the key to business development. We continue to provide regular on-the-job training and optimise human resources management measures to incentivise potential, support personal growth and career development, and enhance employees’ sense of career fulfilment.

We adhere to key local legislations, including the Sex Discrimination Ordinance (Cap. 480), Disability Discrimination Ordinance (Cap. 487), Family Status Discrimination Ordinance (Cap. 527), Race Discrimination Ordinance (Cap. 602) and others, enforcing a zero-tolerance policy towards discrimination, harassment, and forced labour. This ensures a professional workplace where every employee is treated with dignity and respect. Disciplinary actions may result from any violations, and individuals have the right to lodge complaints and provide evidence. We handle all complaints efficiently, striving to maintain confidentiality for whistleblowers to protect them from unfair treatment. Upholding these principles is essential to maintaining a respectful and inclusive work environment for all.

During the Reporting Period, we fully complied with the applicable labour standards across all office regions (including Hong Kong, Mainland China, Ireland, France, Singapore and Malaysia), and the Group recorded no incidents of child or forced labour.

DEVELOPMENT AND TRAINING

The Group is committed to supporting every employee’s full potential through regular and comprehensive training, crucial for our sustainable development. Our Training and Development Policy defines the training categories and provides a framework on the training application and reimbursement procedures as well as the training evaluation process. The performance appraisals will be carried out during the relevant appraisal period by the department head and management to evaluate employees’ abilities and performance, with the purpose of enhancing the necessary skills, knowledge and qualifications in support of our business needs.

The Group regularly conducts assessments to identify skill gaps and training needs across different departments and job roles. We offer our employees internal training programmes, external training courses, and subsidies for professional membership fees to ensure they are well-equipped with the skills and knowledge necessary to drive the Group forward. Below are several examples of the training and workshops we hosted this year.

WORKFORCE AND LABOUR PRACTICES

Training Workshop

Aviation Training Workshop in Collaboration with Airbus

On 6 May 2024, CALC invited Airbus to host a training seminar at its Hong Kong headquarters. This event provided a valuable opportunity for CALC to learn from the global leaders in aircraft manufacturing, reinforcing its focus on excellence and sustainability in the aviation sector.

By fostering collaboration and innovation, this event highlighted CALC's efforts to enhance its operational practices and align with broader ESG goals. The knowledge exchange exemplified how industry partnerships can drive sustainable growth and advancement in the aviation industry.



Training Workshop

Legal Training on Listing Rules Disclosure Requirements

On 13 December 2024, the Group organised a legal training session titled "continuing obligations of listed companies and new ESG disclosure requirements", conducted by an international law firm. Directors, senior management and other general staff attended the training. The session covered key topics including disclosure obligations of inside information, notifiable and connected transactions, and new ESG disclosure requirements under the Listing Rules.

Participants gained insights into the importance of timely and accurate disclosures to maintain stakeholder trust, mitigating regulatory and reputational risks, and supporting sound corporate governance. The training also emphasised the growing importance of ESG initiatives in attracting investors and ensuring regulatory compliance, thereby promoting a culture of transparency and accountability within the organisation.

WORKFORCE AND LABOUR PRACTICES

When allocating training resources, the Group consistently upholds the principle of “Fair and Equal Opportunities”. We prioritise providing development and training resources based on the relevant skills and knowledge required for staff to effectively carry out their duties. Below is a record of the Group’s quantified achievements in this area.

Training Record

Our achievements in employee development

In 2024, we provided 1,459 hours of trainings to our employees among the Group. Below presents a detailed break-down of the training hours across the employment categories and gender.

Table – 2024 Training Hours Characterised by Level of Employment Worldwide

	Total training hours (hrs)	Proportion
Chief Level Executives	42.00	2.88%
Senior Management	126.75	8.69%
Middle Management	536.25	36.75%
General Staff	754.00	51.68%

Table – 2024 Training Hours Characterised by Gender Worldwide

	Total training hours (hrs)	Proportion
Male employees	669.25	45.87%
Female employees	789.75	54.13%

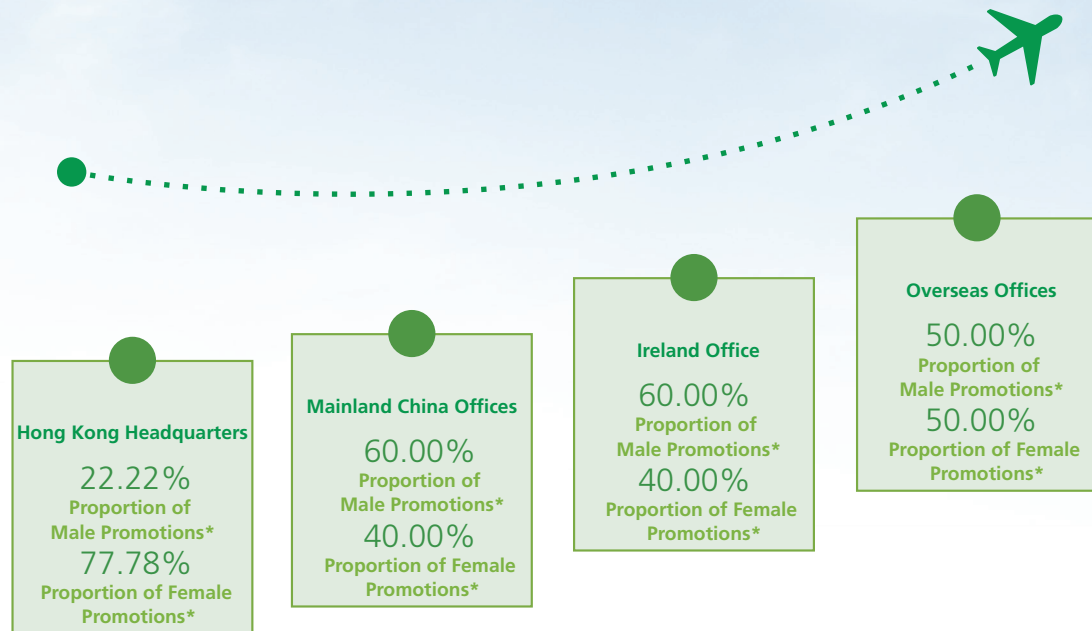
EMPLOYEE PROMOTION

The Group has established a comprehensive mechanism for employee promotion and development, along with a detailed Promotion Guideline. This framework adheres to fundamental principles of objectivity and fairness, ensuring that promotions are free from discrimination, bribery, or any other forms of inducement, favouritism, lobbying, friendship, or social alliances. Promotions are based on a combination of employees’ job performance, contributions, qualifications, experience, professional knowledge, and their overall fit and proper alignment with the organisation’s values.

The promotion cycle within the Group encompasses both annual promotions and opportunities outside the regular cycle. Eligible employees are ultimately selected through thorough interview assessments. This year, a total of 21 employees worldwide have been promoted through the internal promotion policy mechanism, representing 11.38% of the total workforce.

In terms of regional performance, the promotion rate was 12.24% in the Hong Kong office, 6.99% in the Mainland China offices, 20.83% in the Ireland office, and 12.90% across other offices, including Singapore, France, and Malaysia. Below, we present the Group’s 2024 promotion statistics, categorised by gender for the Hong Kong, Mainland China, Ireland and other overseas offices.

WORKFORCE AND LABOUR PRACTICES



* Number of male/female promotions divided by total number of promotions in each office

EMPLOYEE WELFARE

We consider our employees to be one of the most valuable assets of our business, and their well-being is our foremost concern. We always strive to enhance employees' well-being and adopt family-friendly employment practices. To foster a sustainable team, we offer all-rounded staff welfare package that encompasses various initiatives and benefits to support the physical, mental and well-being of employees. These benefits include volunteer service leave, marriage leave, parental leave as well as an employee counselling hotline (EAP Service). All employees are insured against work-related injuries, and they have access to a group medical scheme covering outpatient visits and hospitalisation. Additionally, employees travelling for business are protected by travel insurance.



Employee Assistance Program

Thank you for choosing Ascendo Health's Employee Assistance Program (EAP). We are glad to provide a friendly, trusting and caring environment for you to freely talk to our qualified counsellors about your issues and concerns. You can contact us directly anytime and anywhere through our 24-hour hotline. Our professional team of psychologists and counsellors, is dedicated to providing quality services for you.

This program provides support to employees on personal or work-related issues. While counselling is short-term and solution-focused, it helps employees to find strategies or solutions to better deal with problems in life and at work.

All contacts and conversations will be treated with strict confidentiality. Unless you have signed the Consent to Release of Information, we shall not disclose any information to your employer or third parties.

Initial assessment will be conducted via the phone by experienced counsellor. Face to face or online consultation can be arranged to work with employees on solutions and recommend the most suitable treatment if necessary.

Counselling hotline as part of the Employee Assistance Programme



WORKFORCE AND LABOUR PRACTICES

EMPLOYEE WELL-BEING

To promote a balanced lifestyle and enhance employee engagement, the Group organises outings, festive parties, team-building activities, and charity initiatives. These events offer employees a chance to enjoy life outside of work while also contributing positively to the community. We also support our employees with annual trip reimbursements for eligible individuals and wellness programmes that include fitness and mental health support. We also set up a cosy space in Hong Kong office that provides an ideal space for employees to relax, collaborate, or take a break. To further prioritise wellbeing, we regularly organise wellness workshop and encourage employees to participate in regular health check. During the flu season, we provide fresh fruits to our employees. We always support our employees to effectively manage stress, enhance health awareness and maintain overall wellbeing.



Fruits and drinks to boost employees' immunity



Various parties for employees

FAMILY-FRIENDLY WORKING ENVIRONMENT

As a caring employer, we prioritise creating a family-friendly working environment for our employees. This year, we launched several initiatives to support our working parents. We offer parental leave for child-related matters and provide a nursing room to create a breastfeeding-friendly office space for working mothers. Additionally, we continue to adopt flexible work arrangements, such as work from home when necessary, strive to balance employee needs with business viability and continuity.

These initiatives reflect our dedication to promoting employee welfare, and we assure our effort to prioritising our employees' well-being in every aspect of our business as we move forward.

HEALTH AND SAFETY

Fostering a culture of health and safety is fundamental to our organisation. We strive to adhere to applicable government regulations while aligning with industry standards and best practices.

To ensure preparedness, we conduct regular emergency evacuation drills across all offices and organise safety training sessions that enhance employee awareness. Our Employee Handbook includes comprehensive guidelines on safety management, covering essential areas such as ventilation, lighting, housekeeping, security, the safe use and maintenance of electrical equipment, and fire prevention. These initiatives aim to create an accident-free workplace and minimise the risk of occupational injuries.

In the event of an incident, we comply with all relevant laws and regulations and report all injuries according to the accident reporting requirements. Additionally, we will implement follow-up actions to enhance workplace safety and prevent the recurrence of similar incidents.

During the reporting period, there was no major health and safety-related incident.

Our contribution to both health and safety reflects our belief that a thriving workplace is essential for individual and organisational success.

GIVING BACK

CALC firmly believes in the power of corporate responsibility to create meaningful impacts beyond business operations. Guided by our ESG Policy, we weave giving back into our long-term strategy, fostering a culture of social contribution across the Group. Over the past 18 years, we have maintained a consistent focus on supporting local communities and collaborating with diverse stakeholders to build a better and more sustainable society.

In 2024, we continued to strengthen our efforts in giving back, encouraging employees across our global offices to engage in charitable initiatives and community activities. Together, we contributed a total of 2,535 volunteer hours, making tangible contributions to a harmonious society and sustainable development. Through these efforts, we aim to drive awareness of pressing social and environmental issues while creating shared value for the community and all our stakeholders.

	Hong Kong office	Mainland China office	Ireland office	Total
Number of public welfare activities	6	2	2	10
Number of participants in public welfare activities	116	103	17	236
Total hours spent in participating public welfare activities	1,740	774	21	2,535

GIVING BACK

COMMUNITY ENGAGEMENT

CALC is always dedicated to fulfilling corporate social responsibility and has taken the commitment to organise events that highly adhere to the Group's strategy in environmental protection and community engagement. In 2024, we partnered with Orbis, World Green Organisation ("WGO"), World Wide Fund for Nature Hong Kong ("WWF-Hong Kong"), Irish Cancer Society and Children's Health Foundation, raising over HK\$140,000 for their corporate responsibility programmes. In the future, we will continue engaging in various philanthropic activities, persistently promoting sustainable development, and contributing to society and the environment. Below are the key highlights of the community engagement in 2024.

Hong Kong Office

Case Study

Nature and Culture Unveiled: CALC x WGO Explore the Woodside Biodiversity Education Centre

On May 26th 2024, around 25 CALC-HK team and their families embarked on an enriching visit to the Woodside Biodiversity Education Centre. This extraordinary establishment, which opened in 2012, is the first of its kind in Hong Kong, combining biodiversity education with the revitalization of natural and heritage architecture.

As our first Corporate Social Responsibility event of 2024, WGO docent led our colleagues on a tour of this century-old cultural heritage site, allowing them to immerse themselves in its unique historical ambiance while gaining insights into Hong Kong's natural environment and ecological conservation efforts. The docent also shared detailed introductions on biodiversity and examples of ecological studies and nature conservation work in Hong Kong. Through display panels, video clips and interactive games, we deepened our understanding of the close relationship between habitats and species diversity and had the incredible opportunity to closely observe native species, including Romer's tree frog, the Hong Kong newt, fiddler crab and mudskipper.

CALC is committed to promoting sustainable development and environmental protection. Since 2015, we have established a close partnership with WGO, providing support through donations, volunteer activities, and community engagement. Together, we strive to make a difference and create a sustainable world.



GIVING BACK

Hong Kong Office

Case Study

Guardians of Green: Tree Survey Volunteering by CALC & WWF-HK

On June 8th 2024, CALC-HK volunteer team conducted a survey of the trees in WWF-HK Mai Po Nature Reserve.

Under the expert guidance of the ecological surveyor from Mai Po, our colleagues received specialised training on tree identification, assessing their health conditions, and recording essential information. It not only fostered a profound connection with nature but also deepened our understanding of biodiversity and raised awareness about environmental protection. Moreover, it provided valuable data for the Mai Po, aiding subsequent research and management efforts.

As a long-term partner of WWF-HK, CALC has been actively involving with the Mai Po Nature Reserve, recognised as a “Wetland of International Importance” for three consecutive years. Through donations and volunteer activities, we have made a positive impact on wetland conservation. Moving forward, CALC is committed to practising sustainable lifestyles and working towards a future where humans and nature coexist harmoniously.



GIVING BACK

Hong Kong Office

Case Study

From Waste to Wonder: The Rebirth of Plastic Bottles at the CALC x WGO Workshop

Every year, the world produces over 400 million tonnes of plastic waste, but only 9% is successfully recycled. Shockingly, more than half of this plastic ends up in our oceans, harming marine life and entering our bodies, even being detected in newborns.

To mark the 51st anniversary of World Environment Day, CALC and WGO co-hosted a Plastic Upcycling Workshop on 27 July 2024, attended by around 30 passionate CALC-HK colleagues. Team gained insights into the environmental impact of plastic and learned to identify, recycle, and regenerate PET plastic bottles. Guided by mentors, colleagues also got hands-on experience using 3D printer to recreate plastic into “rebirth planters”, filling them with soil and vibrant succulents. These unique “replastic” potted plants not only extend the lifecycle of plastic bottles but also embody the concept of environmental reuse.

CALC has always been advocating for environmental protection. The workshop inspired team to pay more attention to proper recycling, change current recycling habits, and encouraged everyone to explore opportunities for upcycling while embracing a low-carbon, green lifestyle.



GIVING BACK

Hong Kong Office

Case Study

CALC & WWF-HK Create a Whimsical Indoor Urban Oasis

On October 5th 2024, the CALC team from the Hong Kong office took a delightful break from their busy schedules to immerse themselves in the art of Japanese-style Kokedama. This traditional technique involves creating moss-covered soil balls to grow plants. During the Urban Oasis DIY Kokedama Workshop organised by WWF-HK, the team also gained valuable insights into local plant species. It was a refreshing experience that not only embraced green living but also contributed positively to the environment.

Caring for indoor plants and adopting eco-friendly practices are small yet significant steps towards a more sustainable future. It's also a fantastic way to bring natural beauty and freshness into the workplace!



GIVING BACK

Hong Kong Office

Case Study

Bridging Generations: CALC x WGO Unite to Visit Elderly Residents

On November 16th 2024, over 20 employees from CALC's HK office, in partnership with the World Green Organisation (WGO), visited a local elderly care home in Kowloon Tong, sharing a heartwarming time with the residents.

Throughout the visit, we engaged in meaningful conversations with the elderly while crafting festive Christmas hats together. The team gained valuable life insights from the seniors and shared small gifts and heartfelt wishes, spreading warmth and joy among the residents.

This visit not only brought comfort and companionship to the elderly but also strengthened intergenerational bonds and reinforced the team's commitment to community involvement. Looking ahead, CALC remains dedicated to supporting vulnerable groups through ongoing outreach initiatives.



GIVING BACK

Hong Kong Office

Case Study

Promoting Sustainability: CALC Donates Notebooks to Community Programme

CALC HK office donated a box of notebooks to the So Uk Estate Property Services Management Office in HK to support their community's eco-friendly barter initiative. This programme encourages residents to exchange recyclable items for useful goods, promoting environmental awareness and sustainable living within the community. By contributing to this meaningful activity, CALC hopes to inspire more individuals to adopt greener habits and foster a stronger sense of community responsibility.



GIVING BACK

Mainland China Offices

Case Study

Building a Cleaner Future · CALC Partners with “Pick up China” for Environmental Change

CALC is a strong advocate for ESG initiatives, and this summer, we teamed up with the “Pick up China” charity to organise four “Earthwalk Earth Hour” events. More than 50 colleagues, along with their families, participated in activities across Beijing, Tianjin, Shanghai, and Shenzhen, showcasing CALC’s dedication to corporate social responsibility.

Despite the scorching heat, our teams worked together to clean streets, parks, and beaches, collecting nearly 30 bags, over 160 kg of waste. These efforts not only helped improve local environments but also raised awareness of the importance of environmental protection.

Looking forward, CALC will continue to promote green offices and low-carbon living as part of our long-term commitment to building a more sustainable future. We remain dedicated to influencing the next generation by passing on these environmental values through action.



GIVING BACK

Mainland China Offices

Case Study

CALC Recognises as a “Caring Charity Company” for Cloth Donating

In October 2024, CALC partnered with the “White Whale Environmental Charity Platform” to launch “Used Clothing Donation” across its offices in mainland China. For the second consecutive year, the initiative provided over 594kg of clothing—double the target—to underdeveloped regions such as Tibet, Xinjiang, Yunnan, and Qinghai. Harbin office contributed over 260kg, Tianjin had the highest participation with more than 110kg, and Shanghai, Beijing, and Shenzhen collectively donated over 196kg. For these efforts, CALC was awarded the “Caring Charity Company” and fulfilled the wishes of four children.

This initiative reinforces CALC’s commitment to corporate social responsibility and its dedication to ESG practices. We will continue our efforts to support sustainability and contribute to both society and the environment.



GIVING BACK

Ireland Office

Case Study

CSR Family & Friends Day in Support of the Irish Cancer Society

CALC Dublin office hosted a CSR Family and Friends Day in support of the Irish Cancer Society, bringing together our employees, their families, and friends to make a difference. The event fostered a sense of community and generosity, raising €600 to support the Society's vital work in cancer research, patient care, and awareness.

This gathering showcased CALC's community spirit and compassion, making a positive impact while reaffirming our support for important causes.

Case Study

Social Charity Contribution to a Local Children's Hospital for Christmas

In December 2024, a generous Christmas donation of toys, cosy pyjamas, warm socks, sleepers, and soft blankets was made to bring comfort and joy to children and teenagers at the children's hospital. This heartfelt gesture aimed to brighten their holidays, offering both practical support and emotional warmth during a challenging time.



GIVING BACK

Other Associate Companies

Case Study

Back-to-School Giveaway for Low-income Families in Miami and Memphis

In August 2024, UAM donated school supplies worth \$100 each to the Miami ABF Learning Centre and Memphis Rising Inc., supporting children from low-income families as they prepared for the new school year. This donation helped ease the financial burden on these families and reflected our commitment to promoting equal access to education.



GIVING BACK

Other Associate Companies

Case Study

UAM Honours Veterans with Appreciation Lunch

UAM showed its support for veterans by providing lunch for retired service members, expressing gratitude for their dedication and sacrifices. This meaningful gesture aimed to honour their service while fostering a sense of community and appreciation.






AWARDS, ACCOLADES AND MEMBERSHIP





AWARDS AND ACCOLADES

During the Reporting Period, CALC has been awarded by the Airline Economics with the Asia-Pacific Lease Deal of The Year for remarketing five A320CEOs and three new A320NEOs delivered to LATAM Airlines, and the Asia-Pacific Structured Finance Deal of the Year for its inaugural US\$400 million warehouse aircraft facility. Both awards are part of the Airline Economics Aviation 100 Awards, acknowledging the Group's market-leading initiatives in delivering full life cycle fleet solutions to airline customers and diversifying financing channels to ensure sufficient liquidity.

During the Reporting Period, CALC also received several ESG awards, highlighting our innovation and breakthroughs in aviation ESG practices. We extend our sincere gratitude to our airline customers and financial partners for their vital role in supporting our strategic growth and financial innovation. Below are the key awards and accolades CALC achieved in 2024.

Awards	Description
	<p>"The Asia-Pacific Lease Deal of The Year" by Airline Economics</p> <p>The Aviation 100 Asia Pacific Awards honours excellence in aviation finance and leasing, spotlighting top companies, individuals, and transactions of the year. This year, CALC is awarded for remarketing five A320CEOs and three new A320NEOs.</p>
	<p>"The Asia-Pacific Structured Finance Deal of the Year" by Airline Economics</p> <p>The Aviation 100 Asia Pacific Awards honours excellence in aviation finance and leasing, spotlighting top companies, individuals, and transactions of the year. This year, CALC is awarded for successfully completing a US\$400 million warehouse facility to finance its next-generation order book, refinance aircraft, and support growth initiatives</p>
	<p>"Best Innovative Financing Deal" — China Financing Lease Industry 2023 Innovative Financing Awards (Jinquan Awards)</p> <p>The "Golden Spring Award" is the first authoritative official award in the national financing (financial) leasing industry. This award specifically honours the COMAC C909 aircraft (formerly known as "ARJ21") export project, showcasing the importance of innovative financing solutions, promoting international cooperation, and marking the progress of China's aviation industry in the global market.</p>

AWARDS, ACCOLADES AND MEMBERSHIP

	Awards	Description
	<p>“Innovation Award — China Air Finance Wan Hoo Awards” by the Administrative Committee of Tianjin Dongjiang Free Trade Zone</p>	<p>The China Air Finance Wan Hoo Awards recognises outstanding achievements, innovations, and contributions that drive sustainable growth and sector development. CAAM, an associate company of CALC, won the Innovation Award for its leadership in sustainable aviation and the circular economy.</p>
	<p>“Green Office Label” and “Eco-Healthy Workplace Label” 2024-2025 by World Green Organisation</p>	<p>The GOALS is initiated to support offices and retailers to go Green in 8 stipulated aspects of operations. CALC’s offices is awarded for demonstrating sufficient achievements in green workplace practices.</p>
	<p>“Outstanding Sustainability Reporting Award” by Hong Kong ESG Reporting Awards (“HERA”)</p>	<p>The HERA recognises outstanding corporate sustainability practices in Hong Kong, judged by an independent panel of experts. CALC was recognised for its transparency and consistency in ESG and sustainability disclosures, as well as its outstanding performance in sustainable business practices.</p>
	<p>“Caring Company Logo 2015-2024” by Hong Kong Council of Social Service</p>	<p>The Caring Company Scheme promotes corporate social responsibility and fosters partnerships between businesses and social service sectors to create a more inclusive society. CALC is awarded for demonstrating good corporate citizenship for more than 5 consecutive years.</p>

AWARDS, ACCOLADES AND MEMBERSHIP

Awards	Description
	<p>“Good Employer Charter 2024” by The Labour Department of Hong Kong</p> <p>The Good Employer Charter 2024, themed “Supportive Family-friendly Good Employer”, promotes the development of family-friendly policies that address employees’ diverse family responsibilities, helping them balance work and family needs to create a harmonious workplace.</p>
	<p>“ESG Pioneer of the Year” by Gelonghui</p> <p>The ESG Pioneer of the Year Award aims to recognise green and advanced enterprises that balance economic efficiency with social responsibility. The award is presented to CALC in recognition of its outstanding contributions to ESG particularly in promoting ESG principles and striving for high-quality sustainable development.</p>
	<p>“WWF Silver Member 2024-2025” under the Corporate Membership Programme held by WWF — Hong Kong</p> <p>WWF’s Corporate Membership Programme (“CMP”) is dedicated to partnering with companies that lead the way in sustainable business practices. CALC has steadfastly shown its dedication to protecting the environment since 2016.</p>
	<p>“Orbis Corporate Partner 2024-2025” by Orbis</p> <p>Orbis has awarded CALC the Corporate Partner of Sight-saving programme, recognising its outstanding contribution to combating preventable eye diseases and supporting sustainable ophthalmic healthcare.</p>

AWARDS, ACCOLADES AND MEMBERSHIP

MEMBERSHIP

Hong Kong Aircraft Leasing and Aviation Finance Association

Rooted in Hong Kong, CALC leverages its extensive expertise in the Chinese and global leasing markets to drive the growth of the aircraft leasing and aviation financing sector. In June 2017, as a founding member of the Hong Kong Aircraft Leasing and Aviation Finance Association (“**the Association**”), CALC partnered with industry leaders and aimed to consolidate industry efforts to strengthen Hong Kong’s position as a global hub for aviation and finance. Since its establishment, the Association has been actively collaborating with the Hong Kong Government and other core sector participants, facilitating discussions and sharing insights to promote the use of Hong Kong’s tax platform for aircraft leasing and financing development.

ALI

ALI, representing the aircraft leasing sector in Ireland, includes owners of more than half of the world’s fleet. In January 2022, CALC collaborated with ALI delegates to introduce the ESG initiative “Aviation Sustainability: Our Future,” aiming to leverage the collective influence of global lessors in advancing sustainability across aircraft leasing and the wider aviation industry. The Group has played a leading role in advocating for an ESG charter and has emphasised the acceleration of technological advancements to reach the Net-Zero target by 2050.

In 2024, we attended the third ALI Global Aviation Sustainability Day as council members. During the conference, we, along with other members, we reviewed the progress made since the 2023 meeting and highlighted key developments in SAF, advancements in new aircraft technologies by OEMs, and the evolving regulatory landscape.

Through these collaborative efforts and ongoing engagement, CALC continues to serve as a key driver in shaping the future of sustainable aviation, driving industry-wide progress towards a carbon-neutral future and inspiring meaningful change across the global aviation industry.

PERFORMANCE DATA

ENVIRONMENTAL PERFORMANCE¹²

	Hong Kong Headquarters		Mainland China Office		Ireland Office	
	2024	2023	2024	2023	2024	2023
Greenhouse Gas (GHG) Emissions						
Scope 1 (tonnes of CO ₂ equivalent)	2.79	3.89	6.79	6.11	0.00	0.00
Scope 2 (tonnes of CO ₂ equivalent)	45.81	47.47	42.83	46.08	20.84	18.21
Scope 3 (tonnes of CO ₂ equivalent)	73.64	70.50	115.89	132.44	0.10	1.49
Sum (tonnes of CO₂ equivalent)	122.24	121.86	165.51	184.63	20.94	19.70
Emission Intensity (tonnes of CO ₂ equivalent/employee)	1.65	1.67	2.40	2.49	0.84	0.86
Air Emissions						
Sulphur Dioxide (g)	17.41	24.21	42.29	38.03	0.00	0.00
Nitrogen Oxides (g)	884.45	1,230.31	2,149.12	1,932.49	0.00	0.00
Particulate Matter (g)	6.51	9.06	15.83	14.23	0.00	0.00
Energy and Water Consumption						
Direct Electricity Consumption (MWh)	69.41	66.86	75.10	80.80	63.07	55.10
Direct Electricity Consumption Intensity (MWh/employee)	0.94	0.92	1.09	1.09	2.52	2.40
Water Consumption (m ³)	2.17	2.10	14.48	17.63	1.08	0.98
Water Consumption Intensity (m ³ /employee)	0.03	0.03	0.21	0.24	0.04	0.04
Gasoline Consumption (L)	1,184.00	1,647.00	2,877.00	2,587.00	0.00	0.00
Gasoline Consumption Intensity (L/employee)	16.00	22.56	41.70	34.96	0.00	0.00
Material Usage and Recycling						
Paper Usage (kg)	896.00	710.00	2,066.00	2,027.80	245.00	216.00
Paper Recycled (kg)	150.00	96.00	89.00	215.00	420.00	300.00
Waste Management						
Non-hazardous Waste (tonnes)	2.15	2.06	0.58	1.20	1.33	1.18
General Waste (tonnes)	2.15	2.06	0.58	0.57	1.10	0.95
Food Waste (tonnes)	0.00	0.00	0.00	0.63	0.23	0.23
Non-hazardous Waste Intensity (tonnes/employee)	0.029	0.028	0.008	0.016	0.053	0.051
Hazardous Waste						
Fluorescent Lamps (tonnes)	0.004	0.000	0.000	0.000	0.000	0.000
Waste Ink/Toner Cartridge (tonnes)	0.029	0.023	0.000	0.002	0.008	0.003
Fire Extinguisher (unit)	19	0	0	0	1	0

¹² Apart from the Hong Kong Headquarters, the Mainland China Offices, and the Ireland Office, other offices did not have significant operations or environmental impact, and therefore have not been included.

PERFORMANCE DATA

SOCIAL PERFORMANCE

	Hong Kong Headquarters	Mainland China Offices	Ireland Office	Singapore Office	France Office	Malaysia Office
Employee						
Total Employment	74	69	25	9	4	3
Male	32	31	19	8	3	1
Female	42	38	6	1	1	2
Full-time	74	69	25	9	4	3
Part-time	0	0	0	0	0	0
Under 30	4	5	0	1	0	0
Between 30 and 40	29	45	5	4	2	1
Between 41 and 50	27	19	11	2	1	1
Above 50	14	0	9	2	1	1
Chief Level Executives	5	0	0	0	0	0
Senior Management	13	1	5	1	1	0
Middle Management	27	24	13	6	3	1
General Staff	29	44	7	2	0	2
Employee Turnover Rate						
Turnover rate	16.33%	1.40%	8.33%	11.11%	0.00%	0.00%
Male	5.44%	0.00%	8.33%	0.00%	0.00%	0.00%
Female	10.89%	1.40%	0.00%	11.11%	0.00%	0.00%
Under 30	2.72%	0.00%	0.00%	0.00%	0.00%	0.00%
Between 30 and 40	9.53%	0.00%	4.16%	11.11%	0.00%	0.00%
Between 41 and 50	2.72%	1.40%	4.16%	0.00%	0.00%	0.00%
Above 50	1.36%	0.00%	0.00%	0.00%	0.00%	0.00%
Employee Training Rate						
Male	38.32%	39.87%	70.13%	72.26%	93.33%	52.38%
Female	61.68%	60.13%	29.87%	27.74%	6.67%	47.62%
Chief Level Executives	4.82%	0.00%	0.00%	0.00%	0.00%	0.00%
Senior Management	8.43%	2.00%	18.52%	8.33%	25.00%	0.00%
Middle Management	32.53%	30.00%	48.15%	50.00%	75.00%	50.00%
General Staff	54.22%	68.00%	33.33%	41.67%	0.00%	50.00%
Total Training Hours						
Male	290.25	157.50	138.50	49.50	28.00	5.50
Female	467.25	237.50	59.00	19.00	2.00	5.00
Chief Level Executives	42.00	0.00	0.00	0.00	0.00	0.00
Senior Management	64.25	5.00	39.00	3.00	15.50	0.00
Middle Management	287.25	119.50	78.50	31.00	14.50	5.50
General Staff	364.00	270.50	80.00	34.50	0.00	5.00

PERFORMANCE DATA

	Hong Kong Headquarters	Mainland China Offices	Ireland Office	Singapore Office	France Office	Malaysia Office
Promotion						
Ratio of Promotion	12.24%	6.99%	20.83%	11.11%	28.57%	0.00%
Proportion of Male Promotions	22.22%	60.00%	60.00%	100.00%	0.00%	0.00%
Proportion of Female Promotions	77.78%	40.00%	40.00%	0.00%	100.00%	0.00%
Health and Safety						
Number of Work-related Fatalities						
2024	0	0	0	0	0	0
2023	0	0	0	0	0	0
2022	0	0	0	0	0	0
Number of Work-related Injuries						
2024	1	0	0	0	0	0
2023	0	0	0	0	0	0
2022	0	0	0	N/A	N/A	N/A

Economic Performance for the year of 2024

Amount
(HK\$ million)

Direct Economic Value Generated	
Total Revenue	5,203.8
Profit Attributable to Shareholders of the Company	257.5
Economic Value Distributed	
Interest Expenses	(2,710.6)
Other Operating Expenses <i>(Note)</i>	(550.0)
Dividends (2024 paid interim dividend and 2024 proposed final dividend)	(223.4)
Income Tax Expenses	(315.7)
Economic Value Retained	
Total Equity of the Group (as at 31 December 2024)	5,328.2

Note: For further details, please refer to Note 27 in the consolidated financial statements included in the Annual Report 2024.

APPENDIX I: ESG REPORTING GUIDE CONTENT INDEX

I. REFERENCE TABLE OF HKEX ESG REPORTING GUIDE

Subject Areas, Aspects, General Disclosures and KPIs	Description	Relevant Chapter(s) or Other References/Explanations
A. Environmental		
A1. Emissions		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations with a significant impact on the issuer</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p>	<p>Given the nature of the Group's primary business as an aircraft lessor, our business activities have limited direct impacts on the environment and natural resources. As such, no significant air and GHG emissions, discharges into water and land, and generation of hazardous waste are involved. Therefore, we have no policies in the respective aspects.</p> <p>There are no laws and regulations that have a significant impact on the Group relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p>
A1.1	The types of emissions and respective emissions data.	<p>Emissions caused by fuel combustion of the Group's vehicle¹³:</p> <p>SO_x: 59.70g NO_x: 3,033.57g PM: 22.34g</p>
A1.2	Direct (Scope 1) and energy indirect (Scope 2) emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of the production volume, per facility).	PERFORMANCE DATA
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of the production volume, per facility).	PERFORMANCE DATA
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of the production volume, per facility).	PERFORMANCE DATA

¹³ Estimated by referencing the Reporting Guidance on Environmental KPIs published by the Stock Exchange of Hong Kong Limited and the Energy Utilisation Index — Transport Sector published by the Hong Kong Electrical and Mechanical Services Department.

APPENDIX I: ESG REPORTING GUIDE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs	Description	Relevant Chapter(s) or Other References/Explanations
A1.5	Description of emissions target(s) and steps taken to achieve them.	SUSTAINABILITY There are no significant emissions generated from our daily office operations, but we aim to reduce our emissions continuously as our forward-looking target.
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) and steps taken to achieve them.	SUSTAINABILITY The hazardous waste generated during our daily office operations primarily comes from waste ink and toner cartridges. To promote green office practices across our offices, we aim to continuously reduce our non-hazardous waste generation as part of our forward-looking targets.
A2. Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	SUSTAINABILITY
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 the production volume, per facility).	PERFORMANCE DATA
A2.2	Water consumption in total and intensity (e.g. per unit of the production volume, per facility).	PERFORMANCE DATA Since our business does not involve water-intensive processes, our water consumption and intensity remain minimal. We aim to conserve water across all our offices.
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	SUSTAINABILITY Through our green office initiatives, we aim to reduce our energy consumption continuously as our forward-looking target.

APPENDIX I: ESG REPORTING GUIDE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs	Description	Relevant Chapter(s) or Other References/Explanations
A2.4	Description of whether there is any issue in sourcing water which fit for purpose, water efficiency target(s) set and steps taken to achieve them.	SUSTAINABILITY Water for our office use is obtained from municipal water supplies. There are no associated issues regarding water sourcing. We aim to reduce our water consumption continuously as our forward-looking target.
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Our operations do not involve the use of packaging material.
A3. The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	SUSTAINABILITY
A3.1	Description of the significant impacts of activities on environment and natural resources and the actions taken to manage them.	Although the Group's business activities are primarily office-based, resulting in minimal impact on the environment and natural resources, we actively promote green office initiatives to encourage resource conservation. Additionally, our aftermarket platforms facilitate aircraft disassembly and recycling, contributing to the circular economy.
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.	SUSTAINABILITY We have adopted our Climate Risk Policy which has been reviewed and approved by the Sustainability Steering Committee of the Board with effect from 1 January 2022.
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.	SUSTAINABILITY

APPENDIX I: ESG REPORTING GUIDE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs	Description	Relevant Chapter(s) or Other References/Explanations
B. Social		
B1. Employment and Labour Practices		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations with 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.	WORKFORCE AND LABOUR PRACTICES We strictly comply with applicable laws and regulations in the jurisdictions where we operate. Our Employment Handbook serves as a comprehensive guide to upholding responsible workforce and labour practices, ensuring equality, diversity, and inclusivity for all staff members.
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	WORKFORCE AND LABOUR PRACTICES PERFORMANCE DATA
B1.2	Employee turnover rate by gender, age group and geographical region.	PERFORMANCE DATA
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 work-environment and protecting employees from occupational hazards.	WORKFORCE AND LABOUR PRACTICES We strictly comply with applicable laws and regulations in the jurisdictions where we operate, aligning with industry best practices. Our Employee Handbook provides comprehensive guidelines for health and safety management.
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	PERFORMANCE DATA
B2.2	Lost days due to work injury.	PERFORMANCE DATA
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	WORKFORCE AND LABOUR PRACTICES

APPENDIX I: ESG REPORTING GUIDE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs

Description

Relevant Chapter(s) or Other References/Explanations

B3. Development and Training

General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	WORKFORCE AND LABOUR PRACTICES Our Training and Development Policy defines the training categories and establishes a framework for training applications, reimbursement procedures, and evaluation processes.
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	PERFORMANCE DATA
B3.2	The average training hours completed per employee by gender and employee category.	PERFORMANCE DATA

B4. Labour Standards

General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations with a significant impact on the issuer relating to preventing child and forced labour.	We strictly comply with regulations and laws in the jurisdictions where we operate, enforcing a zero-tolerance policy toward child and forced labour. The Group has implemented strong measures to prevent such practices.
B4.1	Description of measures to review employment practices to avoid child and forced labour.	The Group regularly reviews its employment practice to ensure that we are in compliance with the Employment Ordinance of Hong Kong, Labour Law of the PRC, and other laws and regulations related to child and forced labour.
B4.2	Description of steps taken to eliminate such practices when discovered.	The Group has zero tolerance towards such practice. Violations are subject to internal disciplinary actions or handled by relevant authorities.

APPENDIX I: ESG REPORTING GUIDE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs	Description	Relevant Chapter(s) or Other References/Explanations
B5. Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	CORPORATE GOVERNANCE
B5.1	Number of suppliers by geographical region.	<p>Number of OEM suppliers: Mainland China: 1 Outside of Asia: 2</p> <p>Number of non-OEM suppliers: Hong Kong: 28 Mainland China: 36 Other Asian Country: 0 Outside of Asia: 14</p>
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.	CORPORATE GOVERNANCE
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	<p>CORPORATE GOVERNANCE</p> <p>The major products that the Group procures are aircraft and aircraft engines. The Group's Strategy Committee and dedicated professional teams are responsible for managing and overseeing the procurement process with suppliers. We conduct regular evaluations to ensure that suppliers meet our sustainability criteria.</p>
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	<p>CORPORATE GOVERNANCE</p> <p>SUSTAINABILITY</p>

APPENDIX I: ESG REPORTING GUIDE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs

Description

Relevant Chapter(s) or Other References/Explanations

B6. Product Responsibility

General Disclosure	<p>Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations with a significant impact on the issuer <p>relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	<p>CORPORATE GOVERNANCE</p> <p>The Group has not identified material concerns in its operations regarding advertising, labelling and privacy matters, thus a dedicated policy is not in place. The Group places corporate advertisement in certain trade magazines, of which the content is monitored and approved by the IPR & GR & SR department to ensure accuracy.</p> <p>The Group has rigorous processes in place to select, maintain, and disassemble aircraft, ensuring airworthiness and safety during all associated operations.</p>
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	There were no cases during the Reporting Period.
B6.2	Number of products and service-related complaints received and how they are dealt with.	There were no cases of products and services related complaints received during the Reporting Period.
B6.3	Description of practices relating to observing and protecting intellectual property rights.	The Group has registered our trademarks in Hong Kong and the PRC, and registered our domain name in Hong Kong. We will take immediate actions if scams or infringements against the Group's interests are discovered.
B6.4	Description of quality assurance process and recall procedures.	CORPORATE GOVERNANCE SUSTAINABILITY
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	CORPORATE GOVERNANCE

APPENDIX I: ESG REPORTING GUIDE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs	Description	Relevant Chapter(s) or Other References/Explanations
B7: Anti-corruption		
General Disclosure	Information on:	CORPORATE GOVERNANCE
	(a) the policies; and	Our Code of Conduct includes comprehensive policies and procedures to combat bribery, corruption, fraud, extortion, money laundering, and other unethical practices.
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	
	relating to bribery, extortion, fraud and money laundering.	The Anti-corruption Law of the PRC and Hong Kong 's Prevention of Bribery Ordinance aim at maintaining a fair and just society and stating punishments against corruption and misbehaviour.
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.	CORPORATE GOVERNANCE There was no legal case regarding corrupt practices against the Group or its employees during the Reporting Period.
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	CORPORATE GOVERNANCE Whistleblowing Policy is available on the corporate governance section of the Company's website (www.calc.aero)
B7.3	Description of anti-corruption training provided to directors and staff.	CORPORATE GOVERNANCE During the Reporting Period, we invited legal experts to deliver anti-bribery and corruption training for staff members.

APPENDIX I: ESG REPORTING GUIDE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs

Description

Relevant Chapter(s) or Other References/Explanations

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.	CORPORATE GOVERNANCE GIVING BACK
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	CORPORATE GOVERNANCE GIVING BACK
B8.2	Resources contributed (e.g. money or time) to the focus area.	GIVING BACK Total volunteer hours: 2,535

APPENDIX I: ESG REPORTING GUIDE CONTENT INDEX

II. REFERENCE TABLE OF SUSTAINABLE DEVELOPMENT GOALS (SDGS) AND GLOBAL SUSTAINABILITY STANDARDS BOARD (GSSB) GRI SUSTAINABILITY REPORTING STANDARDS










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APPENDIX II: READER'S OPINION

Respected readers:

Thank you for reading this report. We appreciate your feedback and look forward to receiving your comments at ir@calc.aero. Your opinions and suggestions are important for us to continuously improve our corporate ESG information disclosures and promote corporate ESG management and practices. We welcome and sincerely thank you for your valuable opinions!

1. Your overall assessment of our ESG performance is:

☐Excellent ☐Good ☐Average ☐Bad ☐Very bad

2. Your overall assessment of this report is:

☐Excellent ☐Good ☐Average ☐Bad ☐Very bad

3. What do you think of our performance in communication with stakeholders?

☐Excellent ☐Good ☐Average ☐Bad ☐Very bad

4. What do you think of our performance in sustainable development?

☐Excellent ☐Good ☐Average ☐Bad ☐Very bad

5. What do you think of our performance in green development?

☐Excellent ☐Good ☐Average ☐Bad ☐Very bad

6. What do you think of our performance in digitalisation?

☐Excellent ☐Good ☐Average ☐Bad ☐Very bad

7. What do you think of our performance in social contribution?

☐Excellent ☐Good ☐Average ☐Bad ☐Very bad

8. What are your opinions and suggestions for our ESG performance and this report?