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About This Report

[GRI 2-2, 2-3, 2-4]

This Environmental, Social and Governance Report (the "Report") outlines the governance structure, strategic direction, material impacts, risk management, and performance of Companhia de Electricidade de Macau – CEM, S.A. ("CEM" or the "Company") in relation to environmental, social and governance (ESG) matters for the year ended 31 December 2025.

As the electricity concessionaire of the Macao Special Administrative Region (Macao SAR), CEM is responsible for the operation of critical infrastructure including power generation, transmission and distribution. The Company plays an important role in ensuring a reliable electricity supply, supporting economic development, and contributing to social stability. Sustainability has been integrated into CEM's long-term strategy and risk management framework, and is an important consideration in the Company's decision-making processes.

This Report aims to clearly communicate to stakeholders:

- ESG governance and oversight mechanisms
- Results of the double materiality assessment
- Key sustainability-related risks and opportunities
- Management approaches and action plans
- Relevant performance during the reporting year
- Future development directions

This report is CEM's first standalone ESG report prepared in accordance with the ESG pillar framework, covering the year 2025. As the maturity of management systems and data systems continues to improve, the scope and depth of future disclosures will be progressively enhanced.

1.1 Reporting Period and Scope

This Report covers the period from 1 January 2025 to 31 December 2025. Unless otherwise specified, the disclosures cover CEM's principal operations within the Macao, including power generation activities, transmission and distribution network operations, customer services, and related corporate support functions.

The reporting boundary is based on operations over which CEM has operational control. Where applicable, the Report also describes significant impacts across the value chain, including topics related to supplier management, infrastructure lifecycle management and customer services.

During the reporting period, there were no significant changes to the reporting scope.

1.2 Reporting Standards and Reference Frameworks

This Report has been prepared with reference to the following standards and frameworks:

- Global Reporting Initiative (GRI) Standards (2021 Edition)
- Environmental, Social and Governance Reporting Code of The Stock Exchange of Hong Kong Limited (for governance reference)
- IFRS Sustainability Disclosure Standards, including reference to the IFRS S2 Climate-related Disclosures framework
- United Nations Sustainable Development Goals (SDGs)

Where applicable, climate-related disclosures reference the four core elements of IFRS S2: Governance, Strategy, Risk Management, and Metrics and Targets. CEM will continue to enhance its climate-related data management and risk analysis capabilities in order to progressively strengthen the quality of disclosures.

1.3 Reporting Basis and Data Explanation

The quantitative data disclosed in this Report is primarily sourced from CEM's internal management systems and operational records. Where estimates are involved, the calculation basis and methodology will be explained where appropriate.

As this is the Company's first ESG report prepared under a structured framework, certain environmental and social data are still in the process of establishing baseline values and may not yet have complete historical comparative data. CEM will continue to optimise its data collection processes to enhance comparability and consistency in future reporting periods.

No material restatements of previously disclosed information were made during the reporting period.

1.4 Board Statement of Responsibility

The Board of Directors holds ultimate responsibility for CEM's sustainability strategy, the management of material ESG risks, and the related disclosures.

Through the established governance structure, the Board reviews material ESG topics, oversees the integration of risk management, and regularly receives reports from management on sustainability performance and material risk matters.

The Board has reviewed and approved this Report and confirms that, to the best of its knowledge, the Report fairly reflects CEM's ESG management approaches and performance during the reporting period.

1.5 Forward-looking Statement

This Report may contain statements regarding CEM's future development direction, strategic planning and sustainability targets. Such statements are based on current reasonable assumptions and management expectations; however, actual results may differ due to changes in regulatory policies, market conditions, technological developments, and other uncertainties.

Except as required by law, the Company undertakes no obligation to update such forward-looking statements.

1.6 Feedback

This Report is available in Chinese, Portuguese and English, and can be downloaded from the Company's official website. CEM welcomes stakeholders' feedback and suggestions regarding this Report and its sustainability strategy.

CEM Building
Estrada D. Maria II
Macau
Tel: (853) 2833 9933
Fax: (853) 2830 8361
Email: cem@cem-macau.com