



Win Hanverky Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code : 3322)



2024

Environmental,
Social and
Governance Report

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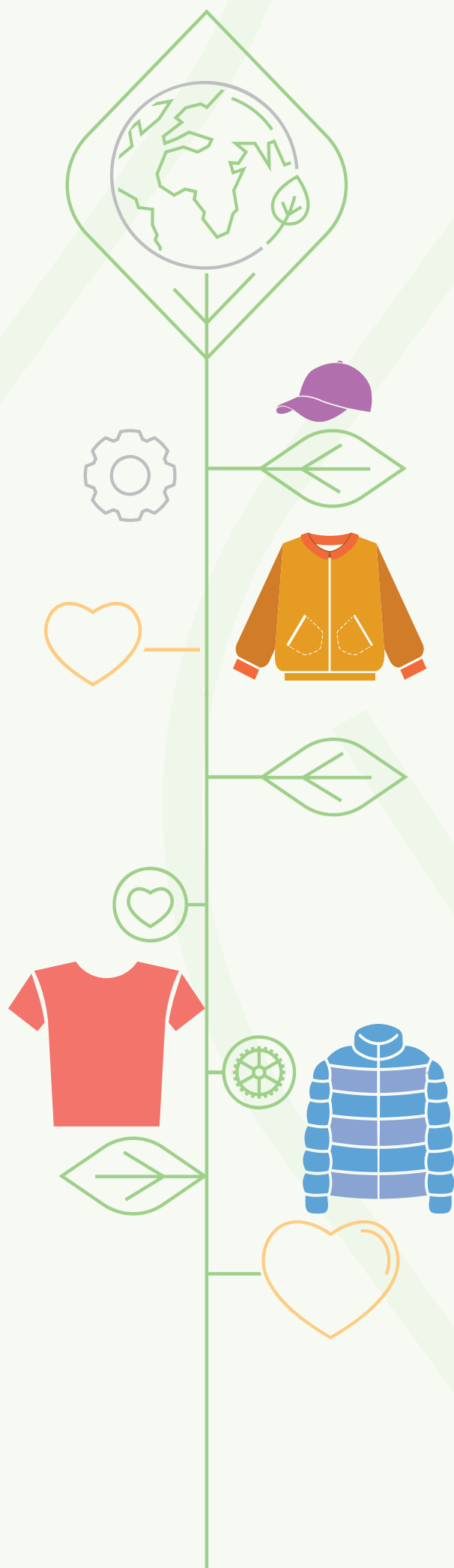
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Win Hanverky Holdings Limited

The board of directors (the “**Board**”) of Win Hanverky Holdings Limited (the “**Company**” or “**Win Hanverky**”) is pleased to present the environmental, social and governance (“**ESG**”) report (the “**Report**”) of the Company and its subsidiaries (collectively as the “**Group**” or “**We**”). This Report summarises our policies, approaches and practices towards ESG management to its stakeholders, enabling them to have a better understanding about the progress and performance of the Group’s ESG development.

SCOPE OF REPORT

The Report focuses on our business in manufacturing and high-end fashion retailing, and the scope of the Group’s core operations is extended to cover its headquarters in Hong Kong, factories in Vietnam, Mainland China and Cambodia, and retail stores in Mainland China, Hong Kong, Taiwan, Macau and other regions for the year ended 31 December 2024 (the “**Reporting Period**” or “**FY2024**”), which is the same reporting period as that of the annual report. Unless otherwise specified, the scope of data will cover the same.

The Company will continue to review the scope of report regularly according to its materiality principles and the key stakeholders’ opinions, and will extend the scope in the future if necessary.

REPORTING STANDARD

This Report has been prepared in accordance with the “Environmental, Social and Governance Reporting Guide” (“**ESG Reporting Guide**”) under Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**HKEx**”) and has complied with the “comply or explain” provisions set out in the ESG Reporting Guide during the Reporting Period.

ABOUT THIS REPORT



REPORTING PRINCIPLES

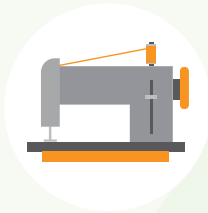
During the preparation process, the Group adheres to the fundamental reporting principles, namely materiality, quantitative, balance and consistency, as outlined in the ESG Reporting Guide.

Materiality	A materiality assessment is conducted to determine the material ESG aspects to the Group. The materiality matrix and details of stakeholder engagement are illustrated in the later sections of the Report.
Quantitative	The disclosed data and environmental and social key performance indicators (“KPIs”) in the Report are organised and calculated in accordance with a series of standardised methodologies, of which are illustrated in the relevant sections.
Balance	The Report provides an unbiased picture of the Group’s performance through pursuing balance between qualitative and quantitative information in the Report and providing in-depth analysis of its ESG management during the Reporting Period from both positive and negative sides.
Consistency	Unless otherwise specified, the Report is prepared in the same way in terms of the reporting scope and methodologies when compared to those in previous years. Consistent environmental and social data management approach is adopted to allow a fair comparison of our performance over time.

CONTACT AND FEEDBACK

We value your feedback on this Report and our sustainability performance. If you have any comments or suggestions, please feel free to contact us via email at ir@win-hanverky.com.hk.

With over 45 years of expertise in sportswear manufacturing, the Group provides one-stop service as an integrated manufacturer and retailer. We combine traditional Original Equipment Manufacturing (“OEM”) with a range of value-added services, including fabric knitting, embroidery and printing services. Details of our principal businesses are as follows:



Manufacturing Business

Our manufacturing business operates through OEM arrangements with a number of famous global sports and outdoor brands. The manufacturing facilities are located in Vietnam, Mainland China and Cambodia.



High-end Fashion Retailing Business

Self-owned brands and imported brands are being sold via the fashion retail networks of D-mop and J-01 stores. In addition, we have distribution rights and operate licensed stores for other renowned brands in Mainland China, Hong Kong, Taiwan, Macau and other regions.

Adhering to our mission of providing high quality products with compelling values, we not only strive for innovative inspiration but also pursue continuous improvement in product quality. The Group is very honoured to be able to build its reputation as well as maintaining strong and close working relations with its customers. Our global sales network spans over Europe, the United States, Mainland China and other countries.

As always, the Group will continue to uphold a high standard of product quality through responsible production to maintain its competitiveness as well as its leading position in the industry. We will continue to evaluate our performance in these areas from time to time.

MANAGING OUR SUSTAINABILITY



As a responsible garment manufacturer and high-end fashion retailer, we are deeply committed to achieving our mission by providing superb products and harmonious working environment to our customers and employees respectively. In addition, the Group upholds the highest standard of business ethics to become a trustworthy business partner. We strive to go beyond the national and local environmental and social regulations whenever possible.

Our Vision

To customise your lifestyle with us

Our Mission

To be your choice for high-quality products with compelling values

Three corporate values have been established to guide our employees towards the corporate vision and mission.

Our Values

Be Excellent

Have self-belief and ownership mindset for awesome results and growth

Be Bold

Embrace new ideas and fail forward, creating a culture that drives innovation

Win Together

1 + 1 = 3 (or more!)
One company, one team, one vision

Under the corporate values, our five commitments assist us to optimise our performance in product responsibility, employee relationship and development, build mutual trust with our business partners and contribute to the society.



SUSTAINABILITY GOVERNANCE

The Group has established its Sustainability Policy to clearly outline our sustainability vision, commitment and approach as well as the responsibility of the Board and relevant personnel. The Board has the overall responsibility for the Group's ESG governance, which includes:

- (1) evaluating and determining the Group's ESG-related risks and opportunities;
- (2) ensuring that appropriate and effective ESG management and internal control systems are in place;
- (3) setting the Group's ESG management approach, strategy, priorities and objectives;
- (4) establishing, monitoring and reviewing the Group's ESG-related goals and targets for continuous improvement; and
- (5) approving ESG-related disclosures including ESG report.

The Board has also delegated powers and authority to the Sustainability Department to supervise day-to-day ESG matters of the Group, including but not limited to conducting materiality assessment, implementing the Board's ESG strategy and policies, and preparing ESG report. The head of each business unit supports the Sustainability Department, whenever necessary.



ESG MANAGEMENT

As stipulated in the ESG Management Plan, the Board has the overall responsibility for the ESG management of the Group whilst the Board Executive Committee is delegated with the power to oversee and review the Group's ESG management system, internal control system and activity on an ongoing basis. Meanwhile, the Sustainability Department are responsible for maintaining frequent communication between the Board Executive Committee and the functional managers to ensure that the Group has an effective ESG management system in place.

ESG risks and opportunities that may pose or have posed impacts to the Group's business and operations are identified and assessed in terms of likelihood and impact. The identified risks and opportunities are then prioritised into three levels based on their scores of likelihood and impact. The result is reviewed annually and is subject to adjustment whenever necessary. For material ESG risks or opportunities, appropriate strategies are formulated by the functional managers to prevent the risks from occurring or maximise the benefit of occurring. The priority of each material ESG risks and opportunities is tracked, monitored and reported on an annual basis by the Sustainability Department and the functional managers. The Board and Board Executive Committee will be notified of important changes or updates on the material ESG status through meetings.

Most of our clients are world-renowned brands with commitments to provide responsible products to consumers. Being part of their value chain, we attach great importance to controlling our material ESG risks and opportunities. Since we are aware that material ESG risks and opportunities may pose great influence to the Group's business opportunities and operations, a process to evaluate, prioritise and manage material ESG risks and opportunities has been developed. For details of our management process, please refer to the sections "Stakeholder Engagement" and "Materiality Assessment".

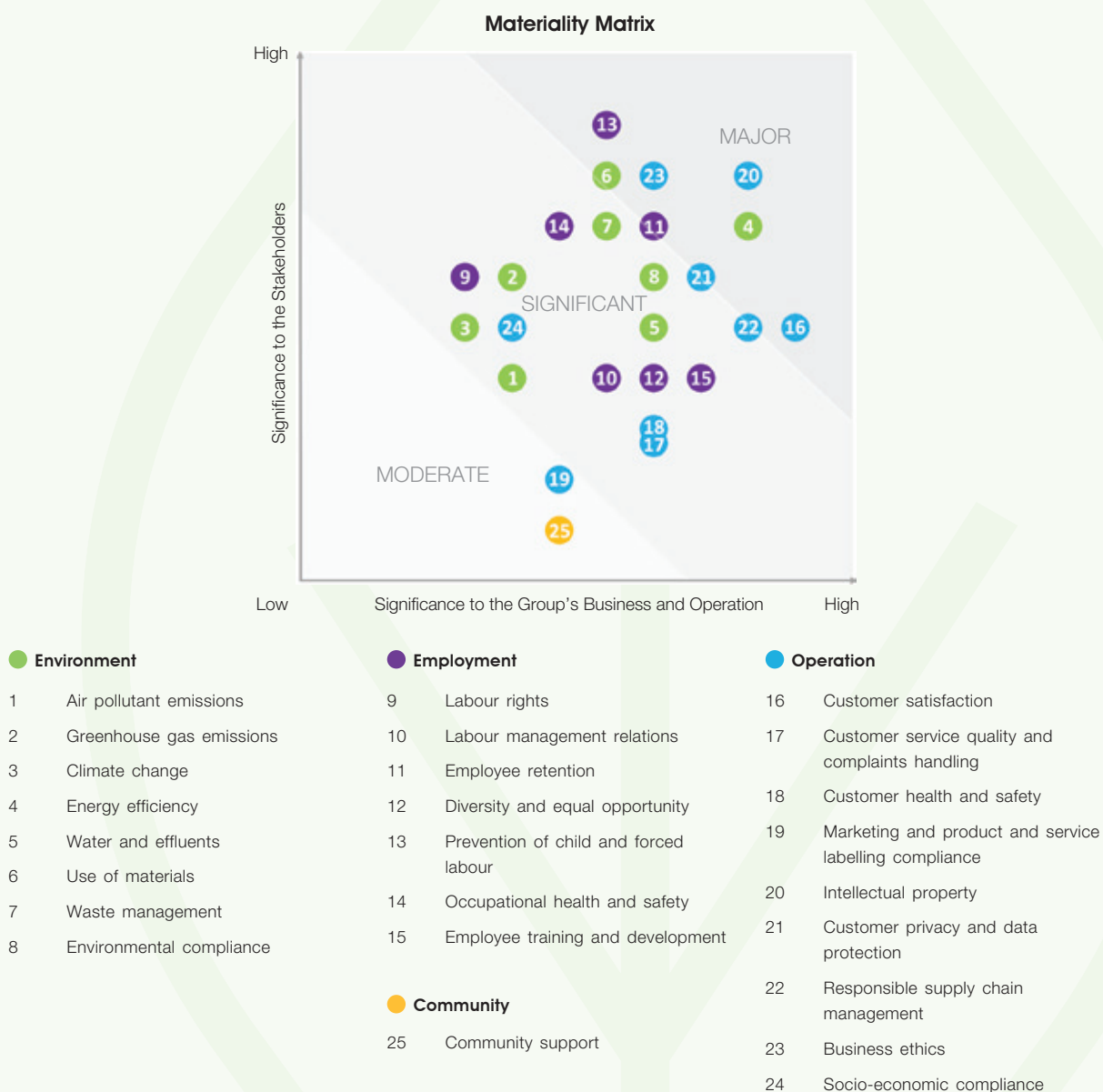
Acknowledging the importance of stakeholders' opinions in assessing and determining our ESG directions, the Group has established various communication channels for key stakeholder groups to express their expectations and concerns. The opinions collected become the backbone of this Report and lay a foundation for our ESG development in the future.

Key Stakeholder Groups	Engagement Channels
Customers	<ul style="list-style-type: none"> • Customer visits • Customer audits • Direct communications (meetings, phone calls and emails)
Suppliers and Sub-contractors	<ul style="list-style-type: none"> • On-site visits • Procurement processes • Compliance reporting • Audits and assessments • Direct communications (meetings, phone calls and emails)
Business Partners	<ul style="list-style-type: none"> • Direct communications (meetings, phone calls and emails)
Employees	<ul style="list-style-type: none"> • Trainings and orientations • Staff meetings and events • Performance appraisals • Employee satisfaction surveys • Company intranet • Hotline • Opinion box
Shareholders/Investors	<ul style="list-style-type: none"> • Company's publications • Annual general meetings • Investor conferences • Company website • Phone calls and emails
Government and Regulatory Organisations	<ul style="list-style-type: none"> • Reports and submissions according to regulatory requirements • Meetings and seminars • Company's publications
Communities and Non-governmental Organisations	<ul style="list-style-type: none"> • Community activities and public events • Charitable donations • Meetings and seminars • Company website • Company's publications
Media	<ul style="list-style-type: none"> • Press conferences, releases and interviews • Company website • Company's publications

MATERIALITY ASSESSMENT



After conducting a desktop research, a number of environmental, social and operating topics were selected for materiality assessment. Significance of the topics to the Group and its stakeholders are assessed to help the Group understand the gap between its development direction and stakeholders' expectations. The Group's and stakeholders' matters of concern are presented in the following materiality matrix:



Based on the materiality matrix, the top five material issues to the Group are intellectual property, energy efficiency, prevention of child and forced labour, customer privacy and data protection and business ethics. Measures for the corresponding aspects are discussed in the following sections of the Report. Moving forward, Win Hanverky will continue to investigate and develop feasible strategies to fulfil stakeholders' expectations on the material issues.

The Group endeavours to make our effort in protecting the environment by complying with national and local environmental laws and regulations. Regarding the business nature of the Group, most of our environmental impacts are attributed to the manufacturing operations. Hence, we proactively review and control our production activities to minimise our environmental footprint. Energy-saving practices are also introduced to our offices and retail stores to further reduce our carbon emissions. A precautionary approach is adopted when formulating environmental protection measures.

Environmental targets regarding greenhouse gas (“**GHG**”) emissions, generation of hazardous and non-hazardous waste, and use of water and energy are established and endorsed by the Board to provide an overall direction for the Group to move forward in the journey of sustainability. Below are the targets of our manufacturing business.

Aspect	Target
GHG emissions	By the end of 2030, to reduce 42% of GHG emissions in scope 1 and 2 against the 2021 baseline.
Waste management	By the end of 2025, to achieve 100% production waste diversion from landfill.
Water usage	By the end of 2025, to reduce 3% of water consumption per product against the 2021 baseline.
Energy usage ¹	By the end of 2025, to increase the proportion of renewable energy to 50% of the total consumption.

In addition, we engage our employees to participate in our environmental initiatives. Working hand in hand, we hope to raise their awareness of environmental issues and educate them to live and work in a more sustainable way in the long run.

¹ From 2025, the energy usage target will be phased out as it shares the same objective as the GHG emissions target.



CONTINUAL ENVIRONMENTAL PERFORMANCE IMPROVEMENT

The Group pays extra attention to its potential impacts to the environment, especially those related to exhaust air, wastewater, noise and various wastes generated during the garment manufacturing process. We believe it is our duty as a socially responsible enterprise to strive for environmental sustainability and resources protection. Hence, all of our manufacturing operations are conducted with approvals from authorities or valid operation licenses. We also pay close attention to the changes in national and local environmental protection laws and regulations. Rather than merely meeting the statutory requirements, we have also adopted a multifaceted sustainability strategy to mitigate our impacts on the environment by reducing emissions from the source, utilising resources efficiently as well as developing an environmentally friendly culture and practices in the workplace.

The environmental management system ("**EMS**") of our manufacturing facilities are formulated with reference to ISO14001:2015 international standard. Four of the manufacturing facilities have already obtained ISO14001:2015 accreditation. Factory management has the overall responsibility to ensure the EMS is endorsed. External audit is carried out annually to monitor the implementation of the EMS. Prevention and mitigating measures and working guidelines are developed based on the significant environmental aspects and risks identified. The effectiveness of the measures and management approach is reviewed regularly with reference to the national and local statutory requirements to achieve continual improvement.

Greenhouse Gas Emissions

Emissions of carbon dioxide and other greenhouse gases are primary drivers of climate change and presently one of the world's most pressing challenges. The reduction of GHG emissions has always been our main aim. To achieve this with a constructive framework, we joined the "Business Ambition for 1.5°C" campaign launched by the Science Based Targets initiatives ("**SBTi**"), shifting from carbon-intensive sources towards renewable energy and low-carbon operations which paves the way for us to achieve reductions.

The SBTi has approved our near-term science-based emissions reduction targets to reduce absolute scope 1 and 2 GHG emissions by 42% and scope 3 GHG emissions by 25% against the 2021 baseline with the contribution of grid decarbonisation, energy efficiency improvement, a rooftop solar panel extension plan and offsite renewable energy procurement by 2030.

Several GHG emissions reduction projects commenced. In FY2024, five of our manufacturing facilities installed rooftop solar panels (FY2023: four) which generated solar energy of 6,860 MWh. We have progressively scaled up our onsite renewable electricity supply. We have also purchased renewable electricity from local power companies. Overall, renewable electricity consumption reached 9,417 MWh.

We continue to upgrade our equipment to energy-efficient type and introduce low-carbon fuel equipment to our operation. Most of our manufacturing facilities installed a practical sub-metering system to monitor our electricity consumption. It helps identify abnormal consumption and facilitates formulating electricity reduction measures. For details of our resources management, please refer to the section "Management of Resources Utilisation".

PROTECTING THE ENVIRONMENT



In FY2024, GHG emissions were 15,916 tonnes of carbon dioxide equivalent (“tonnes CO₂e”) for scope 1 and 2 and 90,344 tonnes CO₂e for scope 3. The major GHG emission of scope 1 and 2 in our business came from the consumption of electricity (Scope 2 Emission), which accounted for approximately 92%. The major GHG emission of scope 3 in our business came from the procurement of goods and services (Scope 3 Emission — Category 1), which accounted for approximately 75%.

To meet our 2030 science-based targets, decarbonisation roadmap has been developed. According to our roadmap, we targeted to reduce absolute scope 1 and 2 GHG emissions by 17% and scope 3 GHG emissions by 9.3% in FY2024 against the 2021 baseline. Overall, we managed to reduce approximately 26% and 27% of GHG emissions for absolute scope 1 and 2 and scope 3 respectively. These significant reductions are due to an increase of on-site solar energy consumption. We are progressing well towards our 2030 science-based targets.

GHG emissions	Unit	FY2024	FY2023
Scope 1 ²	Tonnes CO ₂ e	1,294	1,277
Scope 2 ³		14,622	13,507
Total		15,916	14,784
Intensity	Kilogram CO ₂ e per one piece of product	0.45	0.50

GHG emissions	Unit	FY2024	FY2023
Scope 3 ⁴	Tonnes CO ₂ e	90,344	56,992
Intensity	Kilogram CO ₂ e per one piece of product	2.55	1.94

² Scope 1 represents direct GHG emissions generated by the use of gasoline, diesel and refrigerant of our manufacturing business. The calculation is made with reference to the published emission factors from 2006 IPCC Guidelines for National Greenhouse Gas Inventories, GHG Protocol for Energy Consumption and the guidance worksheets of World Resources Institute.

³ Scope 2 represents indirect GHG emissions generated by the use of purchased electricity of our manufacturing and retailing businesses from local power companies. The calculation is based on the emission factors from International Energy Agency IEA 2023, CLP 2023 and Taipower 2023.

⁴ Scope 3 represents indirect emissions (not included in scope 2) generated in the value chain of the company, including both upstream and downstream emissions. The calculation is based on the emissions factors from Department for Environment, Food and Rural Affairs — Defra 2024 and Supply Chain GHG Emission Factors for US Commodities and Industries v1.3. The coverage is based on SBTi's scope 3 GHG emissions for near-term targets.

Air Pollutant Emissions

The exhausts of the manufacturing equipment, staff kitchens and company vehicles are the main sources of our air pollutants. In FY2024, we were not involved in any confirmed violations relating to emissions that had a significant impact on the Group.

One way to prevent air pollutant emissions is prohibiting open burning practice. In addition, we also implement mitigation measures to reduce our emissions:

Source of Emissions	Measures Adopted
Manufacturing equipment	For processes that produce air pollutants, treatment facilities have been installed to make sure all exhausts are treated before emitting to the atmosphere. Moreover, emissions of the manufacturing facilities are properly monitored, recorded, and duly reported to the local authority departments in accordance with the national and local statutory requirements. We provide regular maintenance for the air treatment equipment to ensure they operate efficiently at all times.
Staff kitchens	For emissions from our staff kitchens, conventional stoves are replaced by electric cooktops in the staff kitchens. Oil fume filtering system is installed to filter the kitchen exhausts before discharging. The filtration system undergoes full examination and maintenance every six months and external inspection is carried out annually to ensure the emissions comply with statutory requirements.
Company vehicles	Vehicle fuel consumption is recorded monthly to monitor usage. Further investigations will be carried out if any irregular patterns are observed. Regular maintenance of company vehicles is carried out to prevent excessive emissions.



Exhaust Gas Treatment Facility for Laser Emissions



During the manufacturing process, air treatment facility is installed to treat air pollutants, such as smoke, sulphur oxides, nitrogen oxides and volatile organic compounds, generated during laser cutting operations. All collected exhausts are directed to a buffer tower for chemical adsorption treatment before they are emitted from the chimney to ensure the flue gas complies with statutory emission requirements. This facility mitigates our impacts to the surrounding environment and people.

The manufacturing process and combustion of fuels of our company vehicles are the main sources of our air pollutant emissions. Every year, we entrust qualified third parties to conduct external inspections to ensure compliance with relevant emission standards in the regions where we operate. During the Reporting Period, emissions of major air pollutants were within the permitted levels.

Air pollutant emissions ⁵	Unit	FY2024	FY2023
Nitrogen oxides	Kilogram	1,256	708
Sulphur oxides		10	67
Particles		436	330
Volatile organic compounds		7	4

⁵ The scope of emissions includes the manufacturing process and combustion of fuels of our company vehicles.

Wastewater Discharge⁶

The Group complies with the Water Pollution Prevention and Control Law of the People's Republic of China ("PRC"), the Emission Limit of Water Pollutants of the Guangdong Province, the National Technical Regulation on Industrial Wastewater (QCVN 40:2011/BTNMT) of Vietnam, and other applicable regulations and standards. In FY2024, we were not involved in any confirmed violations relating to wastewater discharge that had a significant impact on the Group.

We have established internal policies and procedures and introduced various measures to effectively control and manage wastewater discharges in offices and staff kitchens. Moreover, we conduct checking and provide maintenance for the wastewater treatment facilities and pipelines periodically to prevent leakage and secondary pollution to the environment.

During our manufacturing process, we mainly generate domestic wastewater from offices and staff dormitories as well as wastewater with grease from the staff kitchens. Wastewater has to go through a series of treatment in the three-level septic tank before discharging to public sewage. Every year, we engage qualified third parties to conduct external inspections to ensure the parameters of our effluents are within the requirement of government standards.

Water-saving targets and measures are endorsed to reduce the generation of domestic wastewater in our facilities. Details can be found in the section "Management of Resources Utilisation" below.

Noise Control

During our manufacturing process, noise is inevitably generated from the manufacturing equipment. We control the noise level and its impact on the environment by confining all production activities within indoor areas. The noise levels of our facilities are tested annually by external testers to ensure regulations, such as the Emission Standard for Industrial Enterprises Noise at Boundary (GB12348-2008) of the PRC, are met. In addition, all employees are trained to use noise protection equipment properly, such as ear plugs, and undergo occupational health examinations to reduce the chance of occupational deafness.

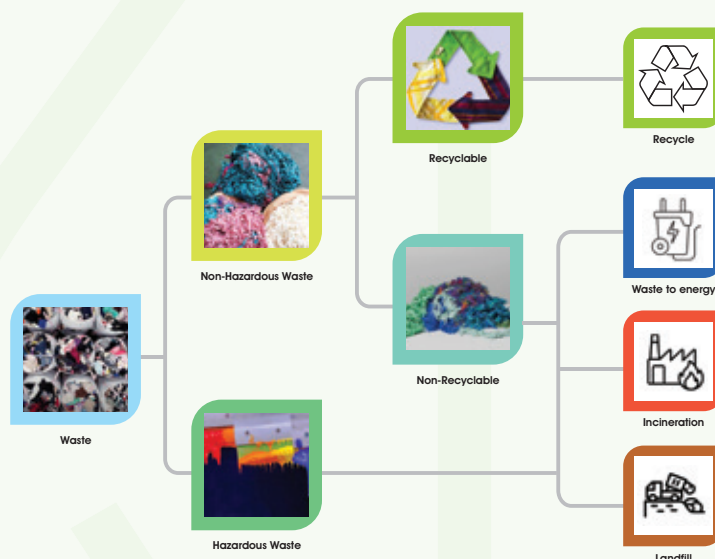
⁶ We purchase semi-finished textile products and further process them into garments, therefore our manufacturing process does not involve any water consumption.

PROTECTING THE ENVIRONMENT



Disposal of Solid Wastes

As governed by our internal solid waste classification standard, employees under manufacturing business are required to segregate their wastes into three major categories: hazardous, recyclable, and non-recyclable wastes. We handle hazardous waste and non-recyclable waste according to the waste disposal hierarchy to minimise waste disposal in landfill. This will enable us to achieve 100% production waste diversion from landfill as outlined in our FY2025 target. In FY2024, we achieved 99.96% production waste diversion from landfill.



All wastes are stored properly within our premises as well as being collected and treated by qualified third parties. We have a thorough waste vendor selection mechanism to make sure all waste collection and handling service providers comply with the client and local law requirements. Documents and information such as business licenses, environmental permits, company reputation and situation, waste handling methods and so on are examined during the selection process. Vendors who are unable to fulfil the requirements or unable to provide required documents will not be selected as our partners.

Chemicals are inevitably consumed during our manufacturing process. A series of guidelines specifically for hazardous waste management is endorsed to minimise environmental impacts and comply with the relevant national and local laws and regulations. All hazardous waste is stored in sealed containers with proper labelling to prevent secondary pollution to the environment. Qualified environmental agents take charge of the waste handling procedure which may vary depending on the waste category.

During the Reporting Period, the Group generated 1,900 tonnes of non-hazardous waste, with an intensity of 0.053 kilogram per one piece of product, and 2.9 tonnes of hazardous waste, with an intensity of 0.00008 kilogram per one piece of product.

Waste generation	Unit	FY2024	FY2023
Total non-hazardous waste	Tonnes	1,900	1,336
Non-hazardous waste intensity	Kilogram per one piece of product	0.053	0.046
Total hazardous waste	Tonnes	2.9	2.1
Hazardous waste intensity	Kilogram per one piece of product	0.00008	0.00007

During the Reporting Period, the Group was not involved in any breaches of relevant laws and regulations relating to generation and discharge of hazardous waste and non-hazardous waste that had a significant impact on the Group.

MANAGEMENT OF RESOURCES UTILISATION

The Group has been upgrading its environmental equipment in recent years to optimise the use of resources and reduce our carbon footprint. Moreover, each of our manufacturing facilities has proposed a sustainability plan with resource-saving targets and initiatives to demonstrate our commitment in resources utilisation. Below are the initiatives adopted for saving energy, water and paper.

Conservation of Energy

Saving energy not only helps reduce our operating cost, but also eases the social cost shouldered by society. We keep track of our energy usage across our facilities. The management staff of the Group's factories are also responsible for devising and executing their energy-saving plans, while their Social and Environmental Affairs ("SEA") Department conducts staff training programmes based on the respective training needs.

In addition, several energy-saving measures have been implemented in production lines, offices, staff dormitories and canteens:

- A practical guide is established on the use of air-conditioning. Only under specific circumstances, staff are allowed to turn on the air conditioners;
- Upgrade traditional sewing machines with energy-saving servo motors;
- Replace traditional lighting with LED;
- Install steam traps in steam irons;
- Install skylights in several areas to utilise natural light;
- Insulate heat generating equipment such as ironing machines to reduce indoor temperature;
- Install energy meter to keep track of electricity consumption in different divisions of the factories for future improvement;
- Install solar panels and solar water-heating facilities to reduce energy use; and
- Return hot condensate to boiler or heater.



Rooftop Solar Panels



In order to achieve the target of increasing the proportion of renewable energy to 50% of the total consumption for our production activities by 2025, installation plans of rooftop solar panels have been endorsed for our factories. In FY2024, five of our manufacturing facilities installed rooftop solar panels (FY2023: four) which generated solar energy of 6,860 MWh. The remaining installation phase will be continued in the forthcoming fiscal year. We target to increase our capacity from 8.02 MWp currently to 9.62 MWp to pave the way for achieving our decarbonisation target.

During the Reporting Period, electricity from the power grid was the main source of energy consumption in our production sites and office, in which we consumed 28,091 MWh with an intensity of 0.79 kWh per one piece of product.

Energy consumption ⁷	Unit	FY2024	FY2023
Direct energy — mobile and stationary fuel			
Gasoline	MWh	722	749
Diesel		670	723
Natural gas		3,176	2,935
Liquefied petroleum gas		402	324
Photovoltaic		6,860	5,896
Biomass		1,410	1,092
Total		13,240	11,719
Intensity	kWh per one piece of product	0.37	0.40
Indirect energy			
Electricity	MWh	28,091	22,550
Intensity	kWh per one piece of product	0.79	0.77
Direct and indirect energy			
Total	MWh	41,331	34,269
Intensity	kWh per one piece of product	1.16	1.17

⁷ The conversion factors from volumetric units of gasoline, diesel, natural gas and liquefied petroleum gas consumptions to energy units are with reference to CDP Technical note: Conversion of fuel data to MWh.

Conservation of Water

Freshwater is crucial not only to our production activities but also to basic survival needs. To conserve this precious natural resource, we conduct weekly inspections and maintenance on water pipes to avoid water leakage. Factory infrastructures upgrade has been planned or is already underway. Details of the upgrade are as follows:

- Water sub-metering systems are installed to monitor water consumption and identify leaks and inefficiencies;
- Greywater is treated and reused for non-potable purposes;
- Collect rainwater for gardening and cleaning;
- Install flow restrictor in water taps; and
- Adopt dual flush toilets.

To achieve the target of reducing 3% of water consumption per product against the 2021 baseline by 2025, we provide detailed instructions and training periodically to our employees on how they can save water in daily activities. Water usage in each area is being closely monitored to pinpoint inefficient water use and facilitate continuous improvement. In FY2024, water consumption intensity reduced 8% against the baseline, and there was no issue for the Group regarding water sourcing as all water was supplied by the local water supply authority.

Water consumption ⁸	Unit	FY2024	FY2023
Total	m ³	428,379	387,534
Intensity	m ³ per one piece of product	0.012	0.013

⁸ The water consumption and water recycled/reused accounts for the domestic use of water.

PROTECTING THE ENVIRONMENT



Paper Waste Reduction

The Group advocates conservation of paper and encourages employees to make use of electronic platforms, such as email and intranet, to exchange files whenever possible to reduce physical copies. All paper consumption is recorded to avoid excessive use of paper. Furthermore, we encourage our staff to use both sides of the paper before putting it in recycling bins for further handling by qualified recycler. Details of the paper consumption are illustrated as below.

Paper Consumption	Unit	FY2024	FY2023
Total	Tonnes	34	31
Intensity	Kilogram per one piece of product	0.0010	0.0010

Use of Packaging Materials

During the Reporting Period, carton boxes and plastic bags were our main sources of packaging materials. Details of the packaging materials consumption are illustrated as below.

Packaging materials consumption	Unit	FY2024	FY2023
Total	Tonnes	2,245	1,773
Intensity	Kilogram per one piece of product	0.063	0.061

THE ENVIRONMENT AND NATURAL RESOURCES

Employee engagement is vital for effective implementation of environmental policies and serves as a foundation for fostering meaningful change within an organisation. To strengthen this engagement, we organised a series of interactive activities and trainings to create a deeper connection between employees and our mission.

Environmental activities and trainings, such as Tree Planting Event, Green Day, Organic Content Standard and Recycled Claim Standard Training and Chemical Handling Training were organised during the Reporting Period. These activities and training encouraged our staff to embrace the company's sustainability goals and empowered them to take more active roles in our sustainability efforts. As a result, their collective participation and enthusiasm significantly enhanced the impact of our initiatives, generating a more profound and lasting effect on our sustainability.



Tree Planting Event



Green Day



Organic Content Standard and
Recycled Claim Standard Training



Chemical Handling Training



CLIMATE CHANGE RESILIENCE

Climate change is increasing the frequency and intensity of the extreme weather and climate events that are affecting all countries as well as each business sector. As a responsible enterprise, we shoulder the responsibility of enhancing our business resilience to climate change throughout our operations to build a better environment. Besides the aforementioned measures we have taken to reduce pollution and waste in the manufacturing process, management for mitigation and adaptation of climate-related risks and opportunities is also a key item on our agenda. A Climate Change Policy is in place to identify, assess and manage climate-related risks and opportunities.

Below are some identified risks as well as the counter measures:

	Top Risks Identified	Counter Measures
Climate Physical Risk	Extreme weather may cause damages to property assets and power supply. For example, floods may occur in a more frequent manner for coastal regions, which may lead to larger expenses on the maintenance of physical assets and recovery of the manufacturing operation.	<p>Widely adopt rooftop solar panel system for on-site electricity supply to reduce dependence on fossil fuel and carbon emissions.</p> <p>Purchase renewable energy to abate GHG emissions.</p> <p>Frequently conduct drills on climate-related emergency such as flooding and fire for building capability and knowledge of response measures of our workers.</p>
Climate Transitional Risk	More stringent regulatory disclosure requirements and growing expectations from business partners on climate change.	Closely monitor regulatory disclosure requirements and establish annual decarbonisation business plan to conduct climate risk assessment and implement mitigation measures.

Below are some identified opportunities as well as the business impacts:

Top Opportunities Identified	Business Impacts
Resource Efficiency Improvement	Reduce operating costs by improving efficiency of resources consumption across our operations.
Low-emission Products and Services	Low-emission products improve our competitive position and capitalise on shifting consumer preferences.

We have provided training regularly to our employees to keep abreast of their knowledge on climate change and different types of green events were held to enhance their awareness of the issue.

HEALTH AND SAFETY

Adhering to the core value of people-oriented, the safety and health of our employees have always been on the top of our list. The Group endeavours to foster a safe and hygienic working environment for every staff and spares no efforts in the prevention of work-related injuries. We firmly comply with applicable occupational health-related laws and regulations that are relevant to the Group's operations, including but not limited to the Occupational Safety and Health Ordinance of Hong Kong, the Law of the PRC on Prevention and Control of Occupational Diseases, Production Safety Law of the PRC, the Fire Control Law of the PRC, Chapter VIII of the Labour Law of Cambodia, and the Law on Occupational Safety and Health of Vietnam.

Considering the business nature of our main business sectors, multiple safety measures are implemented in the manufacturing business. A HSE management system is established with reference to ISO45001:2018 standard for our manufacturing facilities and four of the manufacturing facilities have attained the accreditation. The HSE management system works as the backbone for formulating applicable safety strategies, policies, guidelines and coherent safety instructions for employees to follow. To make sure the system is carried out properly, a HSE Committee is established in each manufacturing facility. We proactively organise regular HSE meetings with the management and workers of our manufacturing facilities to discuss updates on industry HSE regulations, on-site safety operation procedures, audit mechanism and precautions for hidden dangers.

Safety policies regarding the use of energy, machinery and chemicals, working at height and emergency situations are formulated. Our factories provide safety training, on-site coaching and instructions relating to internal safety policies to all workers properly. The 6S Team (Sort, Set in Order, Shine, Standardise, Sustain and Safety) and Health and Safety Committee conduct regular inspections to evaluate the safety level and ensure the safety practice is in place. As the last line of defence, personal protection equipment is supplied to workers as a preventive auxiliary measure to protect their occupational health and safety in the manufacturing process.

During the Reporting Period, there were 303 lost days due to work injuries, and no work-related fatality.

	FY2024	FY2023	FY2022
Work-related fatality	0	0	0
Lost days due to work injuries	303	158	189



6S Team: Workplace Inspection



On-site Coaching: Machine Safety



Chemical Management

Chemicals are being used in the day-to-day manufacturing process. A chemical management procedure is strictly implemented to manage the storage and use of chemicals. A chemical inventory list is established to clearly record the composition and monthly usage of all daily use chemical products. Chemical goods are properly kept in designated warehouse to prevent chemical incidents. In addition, employees are required to put on personal protective equipment, such as gloves and goggles, before handling chemicals. Relevant training is organised annually to refresh relevant knowledge of our staff.

Emergency Preparedness

Crisis management plan is in place for each manufacturing facility to prepare for unforeseeable emergencies such as fire outbreak, natural disasters, pandemics and so on. The plan outlines the accident reporting mechanism, responsibility of each Crisis Management Committee member in the manufacturing facilities as well as remedial measures. All emergency situations should be reported to the Crisis Management Committee immediately. A written report will be submitted to the Crisis Management Committee within a defined period of time depending on the severity of the emergency event.

In order to enhance employee awareness and prepare our staff for unpredictable emergencies, drills are organised regularly. During the Reporting Period, first aid training, emergency response and evacuation drill and various safety trainings were arranged to production workers in our manufacturing facilities.



First Aid Training



Chemical Spillage Drill



Emergency Response and Evacuation Drill



Work-life Balance

In today's fast-paced work environment, the health and well-being of employees increasingly take center stage. We pay the same level attention to our employees' mental health and physical health. During the Reporting Period, we organised various activities for our employees, such as Mid-Autumn festival gathering, International Women's Day, Bowker Cup, Bowker Race and worker's health check.



Mid-Autumn Festival



International Women's Day



Bowker Cup



Bowker Race



Regular Health Check



EQUAL OPPORTUNITY AND FAIR EMPLOYMENT

As an equal opportunity employer, the Group is steadfast in promoting fairness and equality in the workplace. All decisions of employment and promotion are solely based on the candidates' qualification, competency and performance regardless of age, gender, family status, disability, ethnicity, religious and political beliefs or any other factors unrelated to the job requirement. Any forms of discrimination and preferential treatments are considered as violations of the Group's Code of Conduct ("CoC"). Employees who violate the CoC are subject to disciplinary actions including immediate dismissal.

The Group safeguards the rights of female manufacturing workers. It is strictly forbidden to request female candidates and employees to take pregnancy tests or make non-pregnancy commitment at any time of the recruitment process or employment. For pregnant workers and mothers with infants under 12-month-old, they are entitled to a reduced working hour arrangement while receiving their full salaries. Working positions of pregnant workers are also secured during maternity leave. Refresher training will be provided when they return to work to facilitate their re-adaptation to the working environment.

EMPLOYEE REMUNERATION

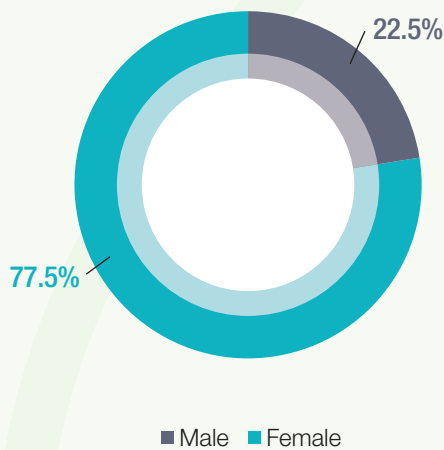
The Group considers the benefits and well-being of its employees as the most important factors in fostering good staff relations. Full time employees are entitled to market competitive salary, paid leaves (including statutory holidays, annual leave, marriage leave and compassionate leave), medical and social insurance depending on the local regulations and laws. In the spirit of cultural diversity and acceptance, we grant foreign workers extra leave on the national days and New Year of their home countries, and key festivals of their cultures or religions.

Working overtime is not encouraged. Fixed and maximum working hours are established to ensure that our employees are able to drive work-life balance and not overwhelmed by work. No protected workers, including pregnant employees and retiring workers, are allowed to work overtime.

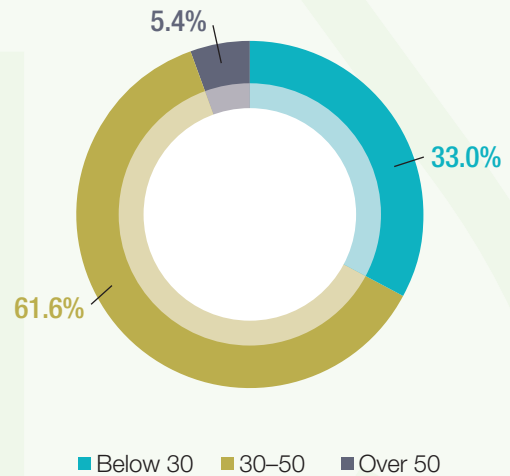
WORKFORCE COMPOSITION

As at 31 December 2024, the number of employees under the scope of this Report was 15,680. Composition of the Group's employees by gender, age group, employment type and geographic region are as follows:

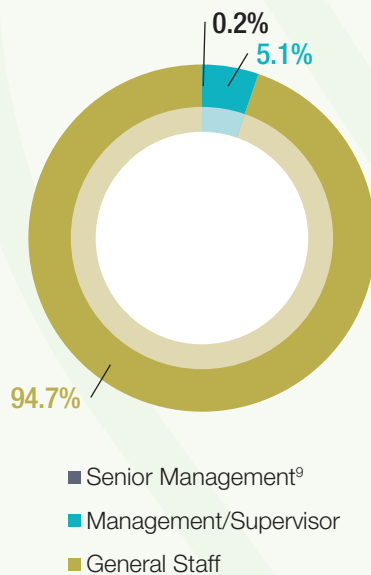
By gender



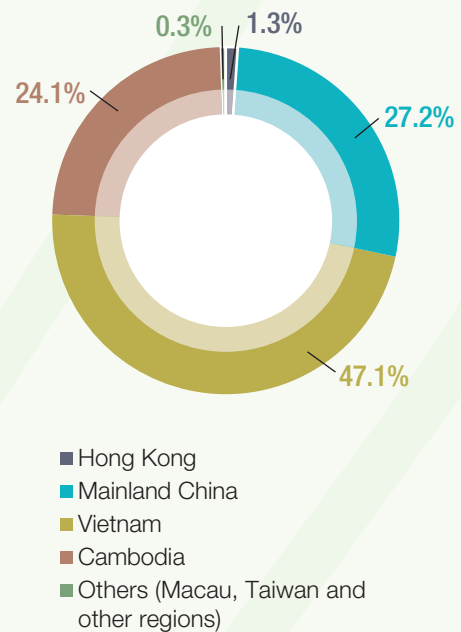
By age group



By employment type



By geographical region



⁹ Senior management refers to general managers, directors or above.



TURNOVER RATE

The average monthly turnover rate during the Reporting Period was 4.3%¹⁰. The detailed breakdown is presented in the table below:

Category	Sub-category	FY2024	FY2023
By Gender	Male	5.8%	5.5%
	Female	3.9%	3.9%
By Age Group	< 30 years old	6.1%	5.7%
	30–50 years old	3.6%	3.5%
	> 50 years old	2.5%	3.7%
By Geographical Region	Vietnam	5.1%	4.7%
	Cambodia	2.2%	1.5%
	Mainland China	4.9%	6.2%
	Hong Kong	5.6%	5.4%
	Macau	3.3%	3.0%
	Taiwan	4.5%	6.3%
	Other Regions	8.3%	1.7%

¹⁰ The average monthly turnover rate is calculated using the formula below:

$$\text{Average monthly turnover rate} = \frac{\text{The total number of employee who left during the Reporting Period}}{\text{The total number of employee as at 31 December 2024}} \div 12 \times 100\%$$

TRAINING AND CAREER DEVELOPMENT

The Group aims to create an environment where our employees will be healthier, happier and more productive, we invest in our people and provide rewarding career paths so as to develop a diverse workforce at all levels. For the manufacturing business, assessment on training need is carried out by consulting employees in different manufacturing units in order to design appropriate training programmes to enhance their awareness on supervisory skills, health and safety, team work and hygiene in workplace in order to align with the Group's objectives and goals. Annual training plans are devised for each manufacturing unit to properly manage the training implementation.

Below are some of our training programmes for our manufacturing business:

Induction Training	All new comers will be given an introduction on a comprehensive onboarding experience by introducing company vision and core values before the commencement of their duties.
On-the-job Training	Every new worker will receive 19-day training to ensure that they are equipped with sufficient technical and safety knowledge in using the machineries.
Compliance Training	The SEA Department of our manufacturing facilities regularly reviews the latest updates and changes in policies and regulations on the HSE aspects. It coordinates with the Human Resources ("HR") Department to provide annual training to ensure staff are trained and aware of the latest compliance requirements.
Functional and Management Skills Training	Programmed training includes structured and classroom training activities in management and leadership skills, technical skills, communication skills, decision-making, empowerment, talent development and compliance. These programs encompass workshop, seminars, team-building activities as well as mentoring and coaching opportunities from internal experts.
Talent Management	The Group provides numerous programmes to train our employees to encourage their continuous learning and development, create pathways for promotion and succession and gather their feedback. We have an overview of our organisational capabilities, identify high potentials, develop robust succession plans and provide targeted development for our talent.

RESPECTING OUR EMPLOYEES



In addition to regular training programmes, some tailor-made training programmes using MBTI model to develop how “To be an Effective and Transformational Leader” were organised for all managers in Vietnam and Cambodia. This training provides the perspective to inspire leaders to identify individual differences, leverage the best of yourself and others to develop new ideas and build a culture of innovation in the workplace that strives to grow and evolve with the changing times and work in a complementary way. In FY2024, the average training hours completed per employee was 9.3 hours.



Leadership Training



Annual appraisal is in place to review employees' working performance as well as competencies. The appraisal is based solely on the capacity of the employee, including the ability to work (knowledge and skills), expertise, credibility and personality (e.g. attitude, proactivity etc.). At the beginning of every year, performance goals are set based on the 'SMART' framework and communicated to employees. During the appraisal, each staff is rated based on the degree of attainment of these goals, core competencies, such as job required knowledge and communication skills, behaviour and other indicators. Adhering to the principle of transparency, the results will be communicated to staff and serve as the objective basis for the Group on making employment decisions, including but not limited to, remuneration adjustment, succession planning and staff development.



Orientation Training
for New Workers



Women Leadership Training



MBTI Training

FY2024 Percentage of Employees Trained by Gender				
By Geographical Region	Number of Trainees	Male	Female	Total
Vietnam	7,965	35.3%	64.7%	100%
Cambodia	2,563	2.1%	97.9%	100%
Mainland China	9,186	21.5%	78.5%	100%
Hong Kong	210	45.7%	54.3%	100%

FY2024 Percentage of Employees Trained by Employment Type					
By Geographical Region	Number of Trainees	Senior Management	Management/ Supervisor	General Staff	Total
Vietnam	7,965	0.0%	2.2%	97.8%	100%
Cambodia	2,563	0.0%	2.3%	97.7%	100%
Mainland China	9,186	0.1%	7.4%	92.5%	100%
Hong Kong	210	10.5%	32.4%	57.1%	100%

FY2024 Average Training Hours by Gender		
By Geographical Region	Male	Female
Vietnam	17.3	13.5
Cambodia	1.7	2.1
Mainland China	2.2	2.4
Hong Kong	0.8	1.2

FY2024 Average Training Hours by Employment Type			
By Geographical Region	Senior Management	Management/ Supervisor	General Staff
Vietnam	4.0	20.3	14.7
Cambodia	2.0	1.2	2.1
Mainland China	2.8	2.9	2.3
Hong Kong	0.8	1.3	0.9



LABOUR STANDARDS

We are firmly against any forms of child and forced labour. During the Reporting Period, the Group was not aware of any breaches of relevant laws and regulations that had a significant impact on the Group relating to preventing child and forced labour in Vietnam, Mainland China, Cambodia, Hong Kong, Taiwan, Macau and other regions. In addition to complying with the national and local regulations and laws in regions where we operate, the Group has developed its own system to prevent child and forced labour.

Prevention of Forced Labour

The Group recruits directly or via legitimate recruitment agencies. During the recruitment process, we do not request any fee from the applicants, and we strictly forbid our employees from receiving any forms of benefits or commission from applicants. Employment contracts are signed on a voluntary basis and are legally binding. We ensure all of our employees are given free access to their personal information held by the Group when requested.

For our manufacturing business, the production targets are set within a feasible range that can be completed by the production staff within normal working hours. Employees' consent for working overtime is required to prevent forced overtime work, and they are compensated in accordance with the applicable labour laws, regulations and company rules.

In terms of salary, all payments are made directly to the employees or their authorised persons. Employees under probation are paid at least equal to the minimum wage rate as stipulated by local authorities. The Anti-forced Labour Policy is clearly stated in our CoC and regularly communicated to all staff to ensure they are fully aware of their rights.

Anti-Child Labour

Protocols for age verification and background check are in place during the recruitment process to ensure job applicants meet with the legal working age in the operating region. Accordingly, recruitment officers examine official documents to verify the age of applicants. The recruitment process will be suspended when there is any doubt or inconsistency until confirmation from government authorities is received.

Upon discovery, underage labour will be ceased to perform any works promptly. Immediate background checks will be conducted, following up with their guardians and escorting the employees back to their guardians directly. To encourage the children to stay in schools or receive other formal training, the Group will also make recommendations on schools or training programmes to the child's guardians and offer conditional financial support before the children reaching legal working age.

STAFF COMMUNICATION

Effective communication among management and staff is the foundation for fostering positive labour relations and enhancing work efficiency. In view of that, the Group has established a wide range of communication channels to listen to the employees' opinions.

Communication Channels

- ☐ Opinion Box
- ☐ Hotline
- ☐ WoVo and HRIS
- ☐ Monthly Meeting
- ☐ Employee Satisfaction Survey

Opinion boxes are allocated in workplace and are checked weekly by HR Department and trade union representatives. We aim at responding to each comment or enquiry within 7 days, or within 1 month if an internal investigation is necessary. Feedbacks will be listed on bulletin boards in the workplace. Employees can also voice their suggestions or grievances via telephone hotlines, WoVo and the human resource information system ("HRIS"), monthly meeting, and regular employee satisfaction survey.

The Group listens to opinions from employees carefully and strive to continuously improving our policies to optimise the balance between their needs and business operations. In order to motivate employees to engage in the enhancement of our operations, the employees who offer constructive opinions and suggestions will be rewarded.

CARING FOR STAFF

Caring for our staff during times of hardship is a fundamental part of our organisational values. By providing comprehensive support, we empower our employees to overcome obstacles while simultaneously enhancing our community. Together, we build resilience and create a workplace culture where everyone can flourish, even in difficult circumstances.



Home Visits



SUPPORTING COMMUNITY

As an international professional garment manufacturer and high-end fashion retailer, the Group is aware of its obligation to make the world a better place. We have continued our commitment to providing essential charitable support that focused on alleviating poverty. Our mission is to create a meaningful impact in the lives of those who are at risk, particularly children and families experiencing difficulties.

During FY2024, we provided our support to orphan centres in different countries and the people affected by disaster in North of Vietnam, aiming to improve the lives of children and families facing hardship. Through our contributions, we sought not only to fulfill their immediate needs but also to empower them with the opportunities for a brighter future.



Charitable Support to Orphan Centres



Charitable Support to North of Vietnam



To be your choice for high-quality products with compelling values is the mission of the Group. A number of measures have been in place to assist us in becoming a trustworthy corporation as well as sustaining the long-term business growth.

We ensure that our operations comply with relevant laws and regulations, including but not limited to, the Product Quality Law of the PRC and the Law of the PRC on the Protection of Consumer Rights and Interests.

QUALITY AND RESPONSIBLE PRODUCT

Upholding the standard of marketing ethics, we fully comply with relevant laws and regulations including the Advertising Law of the PRC to ensure accurate product information is delivered to our customers. Apart from that, various measures regarding the aspects of quality assurance and customers' shopping experience are implemented under our key business sectors. During the Reporting Period, there was no record of breaches of the relevant laws and regulations or product recall due to safety and health reasons.

Our manufacturing business

We strictly follow customer requirements on the material we use for garment manufacturing. To ensure the quality of all materials and products, regular sampling is performed based on our clients' standardised material and product testing specifications and procedures. All non-conforming materials and products are subject to the standardised handling procedures as outlined in our internal policies for the manufacturing facilities to prevent any unintended use or delivery. Any identified non-conforming raw materials, semi-finished and finished products are required to be separated and kept in baskets with specific labels accordingly. The materials and products will be sent to applicable production units for repair, rework or reprocessing after conducting further analysis and review.

Our high-end fashion retailing business

The procedures of the logistics and inventory management of our high-end fashion retailing business are controlled by the Standard Operations Procedure to keep our service and product quality at the highest level. Detailed instructions on the controls of inbound and outbound shipments are outlined in the procedures to make sure that the Group is capable to provide accurate, efficient and timely deliveries to our customers. A series of stringent inventory management guidelines is also in place to control the hardware and software of our warehouse to safeguard the quality of products. For example, indoor temperature is maintained at a stable level to avoid our products from being deteriorated. In addition, all products are subject to four-eyes principles in checking during the picking and packing operations to reduce the chance of sending out defective products.

A Product Exchange and Return Policy is in place in case of product exchange or refund requests made by our high-end fashion retailing customers regarding product quality issues. Our Retail Operations Director is responsible for overseeing all the refund requests. Approval from the Retail Operations Director is required before arranging refunds to the customers. All refund requests from customers will be replied within two days. All non-conforming products will be transported to inventory and handled based on the non-conforming products handling procedure.



SUPPLY CHAIN MANAGEMENT

The Group is dedicated to producing quality and integrity garment in a responsible manner. On top of the Group's policy and requirements, we strictly adhere to customers' policy and requirements in sustainability which include supply chain management on supply chain code of conduct, and environmental concerns. Compliance assessments of our manufacturing facilities and raw materials suppliers who can be qualified as designated suppliers are also performed regularly together with customers.

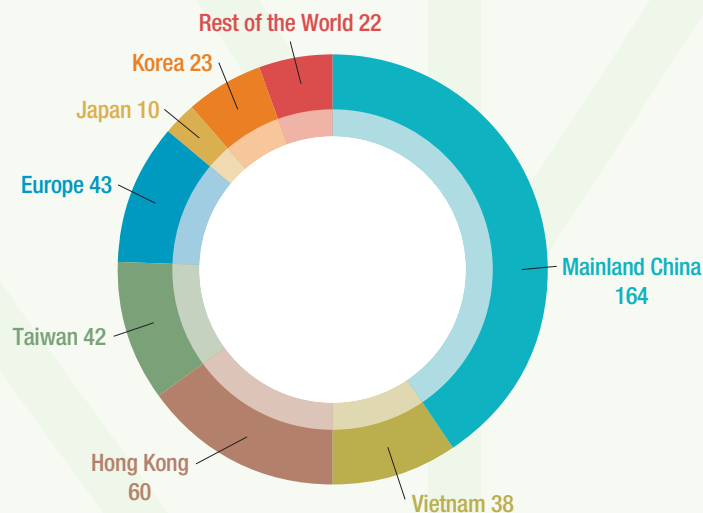
As a means to foster a responsible supply chain, other than the designated suppliers, the selected suppliers and contractors are required to sign a declaration form regarding the environmental protection and occupational health and safety aspects before the establishment of formal business relationship. This is to ensure the suppliers and contractors are fully aware of the Group's requirements.

Basic requirements for our suppliers and contractors

- Comply with relevant legal requirements on the health, safety and environment aspects
- Comply with the Group's social responsibility rules, including but not limited to anti-child labour policies
- Align with the Group's requirements on the capacity to provide products and services

In addition, suppliers with international recognised certificates, such as ISO14001 and ISO45001, and/or uphold with the requirements of Higg Index and/or Recycled Claim Standard will be granted with higher priority in the procurement process to promote the use of environmentally friendly and responsible products.

As of 31 December 2024, the number of suppliers under the scope of this Report was 402, of which 288 was related to manufacturing business. Distribution of suppliers by geographical region is illustrated below:



Material Traceability in Supply Chains

This year, we have significantly enhanced our commitment to traceability and verification across our entire supply chain, ensuring a seamless journey from raw materials to final products. All our garment manufacturing facilities under the scope of this Report have successfully attained at least one recognised sustainable standard. Notably, four of our facilities have achieved certifications in the Organic Content Standard and the Recycled Claim Standard, demonstrating our dedication to environmentally responsible materials. Furthermore, three of our facilities have attained certifications in the Global Recycled Standard and the Responsible Down Standard, reinforcing our focus on sustainability and ethical sourcing. This comprehensive approach highlights our commitment to responsible sourcing and sustainable practices.



Compliance training is offered to the newly approved suppliers of manufacturing business to brief them on the latest updates and changes in policies and regulations on the HSE aspects and ensure they are well-informed of and trained to fulfil the latest compliance requirements.

SATISFACTORY CUSTOMER SERVICE

We appreciate feedbacks from our customers. All feedbacks are treated as the cornerstone for optimising our products and services quality and efficiency. Several communication channels, including client meeting, hotline and email, are established for our clients to express their expectations and opinions.

In the event of feeling unsatisfied, customers of our high-end fashion retailing business are encouraged to communicate directly with our salespersons, so that we can address their needs with prompt response. Details of complaints received will be recorded in the form of customer comment/complaint report, and will be sent to the Retail Operation Department for follow-up investigations and handling. As stipulated in the customer complaint procedure, the handling progress has to be reported to the customer within three days after receiving the complaint.

Meanwhile, the complaints from customers or any related parties of our manufacturing business are handled by the Quality Assurance Department. The Quality Assurance Department is responsible for conducting investigations on the complaints to identify the root causes of the issues. Suitable remedial solutions will be taken to satisfy the customers or related stakeholders. The investigation results and corrective action plans will be reported to the complainants promptly. We will also reassure the implementation of the corresponding preventive measures to avoid any recurrence. During the Reporting Period, no product and service-related complaints was received.



CUSTOMER PRIVACY AND INTELLECTUAL PROPERTY PROTECTION

The effectiveness of privacy management is closely linked to the Group's reputation. We place a strong emphasis on safeguarding customers' privacy by endorsing a comprehensive privacy management system. Confidential information includes but not limited to the business information, proprietary products, technologies, research and development information (including self-developed software systems) and trade secrets of the Group and its business partners. As stipulated in the CoC, all employees are strictly prohibited from disclosing any confidential information to third parties or using the information to exchange for personal advantages during or after their employment unless approval from directors is granted. Any breach of the CoC is subject to disciplinary actions including immediate termination. To protect the personal information collected from the membership programme of our high-end fashion retailing business, all information of the members are properly stored at our office.

In addition to the CoC, an anti-piracy approach is adopted for intellectual property ("IP") protection. In our operations, we only purchase computer software and hardware from licensed sources to prevent unauthorised use of copyright products. We also respect the IP rights of our business partners that internal brand security policies are endorsed and implemented in our manufacturing facilities to protect their IP rights. The policies focus on not only the lifecycle of our products, including the stages of product development, production, storage or logistics, but also visitors' access, information exchange, and archival processing. During the Reporting Period, the Group was not aware of any infringement of any law and regulations relating to privacy or intellectual property.

ANTI-CORRUPTION

Any form of fraud, bribery, extortion and money laundering is strictly prohibited, as clearly stated in the CoC. In FY2024, the Group was not aware of any material non-compliance with laws and regulations relating to fraud, bribery, extortion and money laundering in the regions where we operate. During the Reporting Period, there was no legal case regarding corrupt practices brought against the Group or our employees.

All employees are forbidden to solicit, offer or accept any gifts, gratuities or any form of advantages in dealings with any stakeholders to obtain and retain business. All employees should avoid any situation that may lead to actual or perceived conflicts of interest. In any circumstances that may induce conflict of interest, employees should fill in the Conflict of Interest Declaration Form to make a written declaration to the management. Employees who violate the CoC will face disciplinary actions, including immediate termination. Serious offense will be handed over to local authority for further handling.

In case of any suspicious cases, employees are welcomed to report via whistleblowing hotline, email or directly to the HR Director. All reported cases will be handled timely and fairly by the Board Executive Committee.

The complaint process including details and the identity of the complainant must be kept confidential. Any acts of retaliation to the complainant or obstruction of the investigation are considered violations of the CoC.

With the aim to reinforce the implementation of our anti-corruption practices and further foster an integrity corporate culture, anti-corruption training programmes and relevant materials are arranged to our employees at all levels on a regular basis. In FY2024, training materials were sent to the Board and employees to refresh their knowledge on the Group's standards on business ethics as well as the latest anti-corruption resources published by the Independent Commission Against Corruption.

AWARDS AND RECOGNITION



We are proud that our effort to advance environmental sustainability has received notable recognition. These distinctions enhance our long-term competitiveness and reaffirm our commitment to green industrial development and low-carbon practices.

Model Green Factory Programme in Cambodia — Silver Award



Under the European Union-funded Model Green Factory Programme organised by Textile, Apparel, Footwear and Travel Goods Association in Cambodia, our facility in Cambodia has been awarded the Silver Certificate for honoring our accomplishments in implementing sustainable energy and creating capability.

Green Industry in Cambodia — Gold Award

Additionally, we received a Gold Award from the Ministry of Industry, Science, Technology and Innovation in Cambodia for our efforts in environmental management, supply chain efficiency and corporate social responsibility activities, standing out among 17 facilities.



Customer's Environmental Programme — Environmental Excellence



Furthermore, one of our facilities in Vietnam was recognised by one of our customers for "Environmental Excellence", marking it as the first facility to receive SBTi approval and endorsing its overall performance in reaching excellence standards under their environmental framework.

HKEx ESG Reporting Guide General Disclosures and KPIs		Explanation/ Reference Section
Aspect A: Environmental		
A1 Emissions	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have 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>Note:</p> <p>Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations.</p> <p>Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.</p> <p>Hazardous wastes are those defined by national regulations.</p>	Protecting the Environment — Continual Environmental Performance Improvement; Management of Resources Utilisation
KPI A1.1	The types of emissions and respective emissions data.	Protecting the Environment — Continual Environmental Performance Improvement
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Protecting the Environment — Continual Environmental Performance Improvement
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Protecting the Environment — Continual Environmental Performance Improvement
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Protecting the Environment — Continual Environmental Performance Improvement
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Protecting the Environment — Continual Environmental Performance Improvement
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction targets set and steps taken to achieve them.	Protecting the Environment — Continual Environmental Performance Improvement



HKEx ESG Reporting Guide General Disclosures and KPIs		Explanation/ Reference Section
A2 Use of Resources	<p>Policies on efficient use of resources including energy, water and other raw materials.</p> <p>Note:</p> <p>Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	Protecting the Environment — Management of Resources Utilisation
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility).	Protecting the Environment — Management of Resources Utilisation
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Protecting the Environment — Management of Resources Utilisation
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Protecting the Environment — Management of Resources Utilisation
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Protecting the Environment — Management of Resources Utilisation
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Protecting the Environment — Management of Resources Utilisation
A3 The Environment and Natural Resources	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Protecting the Environment — The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Protecting the Environment — The Environment and Natural Resources
A4 Climate Change	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Protecting the Environment — Climate Change Resilience
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Protecting the Environment — Climate Change Resilience

HKEx ESG Reporting Guide General Disclosures and KPIs		Explanation/ Reference Section
Aspect B: Social		
B1 Employment	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	Respecting Our Employees — Equal Opportunity and Fair Employment; Employee Remuneration; Workforce Composition; Turnover Rate
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Respecting Our Employees — Workforce Composition
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Respecting Our Employees — Turnover Rate
B2 Health and Safety	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to providing a safe working environment and protecting employees from occupational hazards.</p>	Respecting Our Employees — Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Respecting Our Employees — Health and Safety
KPI B2.2	Lost days due to work injury.	Respecting Our Employees — Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Respecting Our Employees — Health and Safety



HKEx ESG Reporting Guide General Disclosures and KPIs		Explanation/ Reference Section
B3 Development and Training	<p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</p>	Respecting Our Employees — Training and Career Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Respecting Our Employees — Training and Career Development
KPI B3.2	The average training hours completed per employee by gender and employee category.	Respecting Our Employees — Training and Career Development
B4 Labour Standards	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour.</p>	Respecting Our Employees — Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Respecting Our Employees — Labour Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Respecting Our Employees — Labour Standards
B5 Supply Chain Management	Policies on managing environmental and social risks of the supply chain.	Satisfying Our Customers — Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Satisfying Our Customers — Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Satisfying Our Customers — Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Satisfying Our Customers — Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Satisfying Our Customers — Supply Chain Management

HKEx ESG Reporting Guide General Disclosures and KPIs		Explanation/ Reference Section
B6 Product Responsibility	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	Satisfying Our Customers — Quality and Responsible Product; Customer Privacy and Intellectual Property Protection
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Satisfying Our Customers — Quality and Responsible Product
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Satisfying Our Customers — Satisfactory Customer Service
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Satisfying Our Customers — Customer Privacy and Intellectual Property Protection
KPI B6.4	Description of quality assurance process and recall procedures.	Satisfying Our Customers — Quality and Responsible Product
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Satisfying Our Customers — Customer Privacy and Intellectual Property Protection



HKEx ESG Reporting Guide General Disclosures and KPIs		Explanation/ Reference Section
B7 Anti-corruption	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Upholding Business Ethics — Anti-Corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Upholding Business Ethics — Anti-Corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Upholding Business Ethics — Anti-Corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Upholding Business Ethics — Anti-Corruption
B8 Community Investment	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment