鴻福堂
HUNG FOOK TONG

40th anniversary 周年

Environmental, Social and Governance Report
環境、社會及管治報告

2025

Hung Fook Tong Group Holdings Limited
鴻福堂集團控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)
Stock Code 股份代號：1446




Naturally Made
Wholeheartedly Good
真心製造 自然流露
HUNG FOOK TONG
鴻小飯堂
AI TECHNOLOGY
HUMAN WISDOM
自家豬腳薑醋
(常溫版)
楊枝
化痰止咳
清熱解暑
潤燥
Nutribite維小維
Personalized Healthy Diet
START
CYCLE REWARD
蛋白質
PROTEIN

CONTENTS

2025 Highlights	2
About Hung Fook Tong	4
Awards and Recognition	5
About the Report	7
Board Statement	9
Vision and Mission Statement	10
Our Approach to Sustainability	11
Our Operation	22
Our People	28
Our Environment	36
Our Community	47
Performance Summary	52
Content Index	56



2025 HIGHLIGHTS

OUR OPERATION

- **0** complaint case related to customer privacy and intellectual property received in 2025

- **61.9%** of HFT's fresh beverages are low or no-sugar,
  24.2% of foods are low in salt

- **197** key suppliers

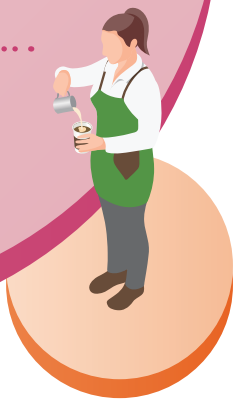


OUR PEOPLE

- **753** employees –
  567 in Hong Kong, **186** in Chinese Mainland

- **3,536** training hours involving
  550 employees

- **73%** of employees trained, with
  6.4 average training hours per employee



OUR ENVIRONMENT

- **7,413 tonnes** of CO_2-e of Greenhouse Gas (GHG) Emissions, representing a GHG intensity of **0.012 tonnes** of CO_2-e / HK$1,000 revenue
- GHG emission decreased by **6.4%**
- **16,189** MWh of energy consumed, decreased by **6.4%**
- **136.2 tonnes** of food waste recycled, reducing **75.0[1] tonnes** of CO_2-e of Greenhouse Gas Emissions



OUR COMMUNITY

- Contributed **58.5** service hours to the community
- Supported over **163** community projects and **153** organisations
- Around **HK$1.2 million** of cash, coupons and in-kind products sponsored



[1] Conversion factor provided by the Environmental Protection Department (EPD) is adopted for the calculation of carbon emission from food waste.

ABOUT HUNG FOOK TONG

Hung Fook Tong Group Holdings Limited ("HFT", the "Company") and its subsidiaries (collectively referred to as the "Group" or "we") primarily engage in the production and sale of a diverse range of herbal and non-herbal products under the Hung Fook Tong brand. Established in 1986, HFT was listed on the Main Board of the Stock Exchange of Hong Kong Limited ("SEHK", stock code: 1446) in 2014. For over 40 years, we have championed the wellness concept, evolving from a traditional Chinese herbal tea shop into a contemporary food and beverage enterprise. Our café-inspired "HFT Life" brand ("HFT Life"), launched in 2021, blends Western and Chinese culinary cultures.

The Group produces all its products at manufacturing facilities situated in Hong Kong and Chinese Mainland. While our Tai Po facility focuses on producing goods for HFT retail shops in Hong Kong, the manufacturing plant in Kaiping City, Guangdong Province, is designed to supply a diverse range of products for Hong Kong, Chinese Mainland, and other markets. The Group distributes its products through two main channels: retail and wholesale.

In 2025, HFT's retail business remained its largest revenue source, representing approximately 77% of total Group revenue. Currently, the Group operates 108 retail stores in Hong Kong, making it the largest Chinese herbal product retailer by network size. To strengthen membership and engagement, various promotional initiatives have been implemented, resulting in over 1,563,000 JIKA CLUB (自家 CLUB) members by the end of 2025. Additionally, our online shopping platform, "JIKA ON! "(「自家ON！」), launched in 2021, offers a wide range of products, including health and baby products.

HFT's wholesale business is centred on the sales and distribution of its long-shelf-life and fresh beverages, serving third-party retailers and distributors in Hong Kong, Chinese Mainland, and international markets. In Chinese Mainland, especially in Guangdong Province, a range of HFT bottled drinks is available at convenience stores, supermarkets, department stores, local grocery outlets, and online platforms.



AWARDS AND RECOGNITION

HFT has been honoured for the Group's dedication to environmental initiatives, labour practices, improvements in customer experience, and community investment. The accolades awarded to HFT during the reporting period are outlined as follows:

In Recognition of Brand Management and Customer Service



- **GS1 Consumer Caring Scheme 10 Years+ Award**
  GS1 Hong Kong
- **2025 Hong Kong Shopping Festival – "Fun & Food" Award**
  Hong Kong Retail Management Association
- **2025 Best Annual Reports Award – Citation for Design**
  The Hong Kong Management Association
- **2025 Mystery Checking on Station Shop Safety Management Scheme – Continuous Attaining Full Score (F&B Fast Food)**
  MTR Corporation Limited
- **Happy Academy Awards – Favourite Brand for Favourites among Parents 2025**
  Now TV – Happy Academy Awards
- **Outstanding Smart Innovation Award**
  HONG KONG INNO: dus







In Recognition of Environmental and Governance Efforts

- **CarbonCare® ESG Label (Level 2)**
  Community Leap Limited & Community Green Academy
- **CarbonCare® Star Label**
  Community Leap Limited & Community Green Academy
- **ESG pledge III**
  The Chinese Manufacturers' Association of HK
- **Signatories of the Packaging Reduction Charter**
  Hong Kong Environmental Protection Department
- **Green Office 7+ Label and Eco-Healthy Workplace**
  World Green Organisation



In Recognition of Community Investment

- **15 Years Plus Caring Company Logo 2006-2025**
  The Hong Kong Council of Social Service



In Recognition of Talent Development

- **2025 Hong Kong ESG award**
  The Chinese Manufacturers' Association of HK
- **ERB Manpower Developer Award Scheme: Super Manpower Developer (2023-2028)**
  Employees Retaining Board
- **Happiness-at-Work Promotional Scheme – Happy Company 10 Years+**
  The Chinese Manufacturers' Association of HK
- **Y-Care CSR Scheme – Long-term Partner**
  Chinese YMCA of Hong Kong





ABOUT THE REPORT

This Environmental, Social and Governance ("ESG") report (the "Report") is published by HFT. By reporting on the Group's ESG policies, measures, and performance, the Report allows stakeholders to learn more about its progress and development direction in sustainability. Available in both Chinese and English, the Report has been uploaded to the websites of SEHK and the Company (www.hungfooktongholdings.com).

REPORTING SCOPE

The Report focuses on the operation of the core businesses of HFT, i.e. retail and wholesale, accounting for 100% of the Group's revenue in 2025. The Report covers the Group's financial year from 1 January 2025 to 31 December 2025 ("2025" or "reporting year").

The reporting scope covers the ESG performances of the operation of retail shops in Hong Kong ("Hong Kong retail shops"), office and factory in Hong Kong ("Hong Kong Office" and "Hong Kong Factory" respectively), as well as the operation of the office and factory in Kaiping City, Guangdong Province ("Kaiping Office" and "Kaiping Factory" respectively). There were no significant changes in the scope and boundaries of reporting compared to the previous reporting year.

REPORTING STANDARD

This Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") as contained in Appendix C2 of the Rules Governing the Listing of Securities on SEHK (the "Listing Rules"). The four reporting principles, namely the principles of materiality, quantitative, balance and consistency, form the backbone of this Report.

Reporting Principles:

Materiality	The Group engages stakeholders with management interviews, stakeholder surveys, and focus groups throughout the process of identifying material ESG topics. The material topics are confirmed by the ESG Steering Committee appointed by the Board of Directors (the "Board"). Please refer to the "Stakeholder Engagement" section for further details.
Quantitative	The data on the Group's environmental and social Key Performance Indicators ("KPI") are sourced from the statistics of relevant departments. Moreover, to ensure the accuracy of the environmental KPIs, the Group has commissioned a professional consultant to conduct a carbon assessment in accordance with local and international guidelines. The quantitative information is accompanied by a description of the criteria, methods, assumptions and/or calculation tools used.
Balance	The Group is committed to upholding the principle of unbiased reporting. The Group not only reports the achievements it has made but also the challenges it has faced, as well as the response of the Group.
Consistency	The Group has prepared the Report in the same manner as in previous years. It ensures that a consistent method is used to provide comparable ESG data with historical data.



CONFIRMATION AND APPROVAL

The Group has established internal controls and a formal review process to ensure that any information presented in this Report is as accurate and reliable as possible. The Board of the Company has overall responsibility for establishing and disclosing relevant measures and KPIs. To ensure that the Report covers environmental and social topics material to the Group, this Report has been reviewed and approved by the ESG Steering Committee, and then endorsed by the Board on 29 April 2026.

FEEDBACK MECHANISM

Stakeholder feedback and recommendations are instrumental in helping the Group develop a more thorough and resilient sustainability strategy. For any inquiries or suggestions regarding the content or structure of this Report, please contact the Company via the following channels:

Address:	11 Dai King Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong
Email:	enquiry@hungfooktong.com.hk
Telephone:	(852)3651 2000
Fax:	(852)3651 2265



BOARD STATEMENT

2026 marks the 40th anniversary of Hung Fook Tong. The Group takes immense pride in its transformation over the years from a traditional herbal tea shop into a modern wellness concept food and beverage enterprise, consistently innovating to meet evolving consumer demand for a healthy lifestyle.

Hung Fook Tong will continue to sharpen its competitive edge by leveraging its deep consumer insights and uncompromising quality standards. Safeguarding herbal heritage remains a core principle. This long-standing purpose is underpinned by a distinct vision and mission, enabling us to adopt an expanded view of sustainability. In 2025, we continue to follow our sustainability strategy framework, which aligns with our vision and mission, to drive the Group's sustainability objectives. Building upon our substantial prior initiatives and integrating contemporary sustainability benchmarks, this holistic framework is organised around four central pillars: Operations, People, Environment, and Community. These pillars address material issues in our sector and offer a systematic approach to integrating sustainable practices across all business dimensions.

We are firmly convinced of the impact of collaboration and a human-centric philosophy. Consequently, we are dedicated to developing healthier product alternatives, collaborating with partners to minimise food waste, and endorsing philanthropic efforts that support our communities. By focusing on employee welfare and encouraging nutritious eating habits, we aim to enhance the quality of life for both individuals and the communities we serve.

EFFECTIVE MANAGEMENT OF MATERIAL SUSTAINABILITY ASPECTS

In accordance with the Group's ESG Management Approach, HFT systematically identifies and addresses material sustainability risks.

Climate change represents our foremost environmental priority. To support local and national climate objectives, we actively reduce carbon emissions across our value chain. Our actions include enhancing operational energy efficiency, integrating renewable energy sources, streamlining logistics, minimising packaging, and pursuing responsible sourcing practices. HFT recognises growing market expectations regarding Scope 3 emissions. We have been engaging with suppliers to gather the necessary data for Scope 3 quantification.

Alongside our environmental commitments, we remain deeply committed to our workforce. HFT supports its employees through challenges and fosters an inclusive, diverse workplace with equitable opportunities for growth and achievement. We believe that nurturing a supportive and empowering environment is integral to both employee welfare and the organisation's overall resilience and prosperity.

Our commitment extends to sustaining a workplace that prioritises employee health and safety while attracting and retaining skilled professionals. Concurrently, targeted training and development programmes are essential for motivating our teams, aligning efforts with common goals, and preparing HFT for future expansion. By investing in our people, we provide them with the competencies required to thrive and to drive the company's enduring success.

GOALS AND TARGETS

We continue to make measured progress against the quantitative and qualitative targets established for the 18 key areas across our sustainability strategy's four pillars. Our commitment remains to embed sustainable practices throughout all operations, thereby securing long-term value for our investors and stakeholders.



VISION AND MISSION STATEMENT

OUR VISION

Our vision is to become a leader in the sustainable food and beverage sector, promoting healthy lifestyles to improve community wellness.

OUR MISSION

Our mission is to leverage our industrial expertise and capabilities to create lasting value for sustainable corporate growth. We are dedicated to safeguarding the authenticity of herbal heritage while utilising contemporary and innovative approaches to produce wholesome, high-quality food and beverage products. As both a retailer and a manufacturer, Hung Fook Tong strives to conserve resources across our production and business activities, thereby contributing to a sustainable environment for future generations.

We firmly believe that supporting individual wellness is fundamental to a prosperous society. This principle guides our dedication to being a considerate employer and our initiatives to offer nutritious dietary options that improve quality of life in our communities.

OUR CORE VALUES

Our core values serve as the guiding force propelling us towards our sustainable vision and the realisation of a positive future.

Authentic Operation
Keeping tradition in an authentic and innovative way

Sustainable Environment
Conserving resources for future generations

Caring People
Caring for the well-being of our people

Healthy Community
Enhancing health and quality of life



OUR APPROACH TO SUSTAINABILITY

SUSTAINABILITY GOVERNANCE

HFT's sustainability accomplishments are underpinned by a strong governance foundation. Throughout 2025, the Group strictly followed its ESG policy, maintaining the highest standards of transparency, accountability, responsibility, and fairness. This policy explicitly defines HFT's commitments across environmental performance, supplier selection, corporate social responsibility (CSR), operational principles, and corporate governance.

ESG Management Approach

Environment
- Energy efficiency
- Environmental protection
- Carbon emission reduction

Suppliers, Customers and the Public
- Fair trading
- Food safety
- Quality control

Corporate Social Responsibilities

Employee
- Safe and healthy working environment
- Human rights
- Talent development

Community Involvement
- Influence on society
- Understanding and response to the socially vulnerable groups
- Quality of life and wellbeing

Operating Principles
- Operation compliance
- Operating ethics

Corporate Governance
- Transparent
- Responsible

The Group understands that the successful execution of its ESG management approach requires coordinated efforts across the organisation. The Board of Directors holds ultimate responsibility for sustainability oversight, encompassing the setting of strategic direction and the identification, prioritisation, and management of material sustainability matters. Under the Board's guidance, the ESG Steering Committee is responsible for implementing sustainability strategies and monitoring the Group's progress toward established goals. The Committee has reviewed the 2025 ESG Report, with discussions covering Progress and Targets, Environmental Performance, and Stakeholder Feedback. Furthermore, the Company's comprehensive risk management framework, which incorporates ESG-related risks, is overseen by the Audit Committee. HFT's ESG performance and developments are regularly evaluated, with results communicated to the Board for its review.



Board Level



The Board

- Oversee overall ESG management, ensuring it aligns with international and local regulations
- Anchor strategic ESG management approach for the Group

Committee



ESG Steering Committee

- Evaluate and monitor the Group's ESG performance
- Review progress and effectiveness of ESG targets and objectives
- Review and assess ESG risks that are significant to the Group
- Report to the Board on ESG issues

Audit Committee

- Review and approve the internal audit plans
- Review reports prepared by the independent internal control consultants engaged by the Group
- Review the risk management (including ESG risks) and internal control systems
- Oversee the Group's corporate governance functions, including reviewing and ensuring the policies and practices are in compliance with legal and regulatory requirements

Working Group



ESG Working Group

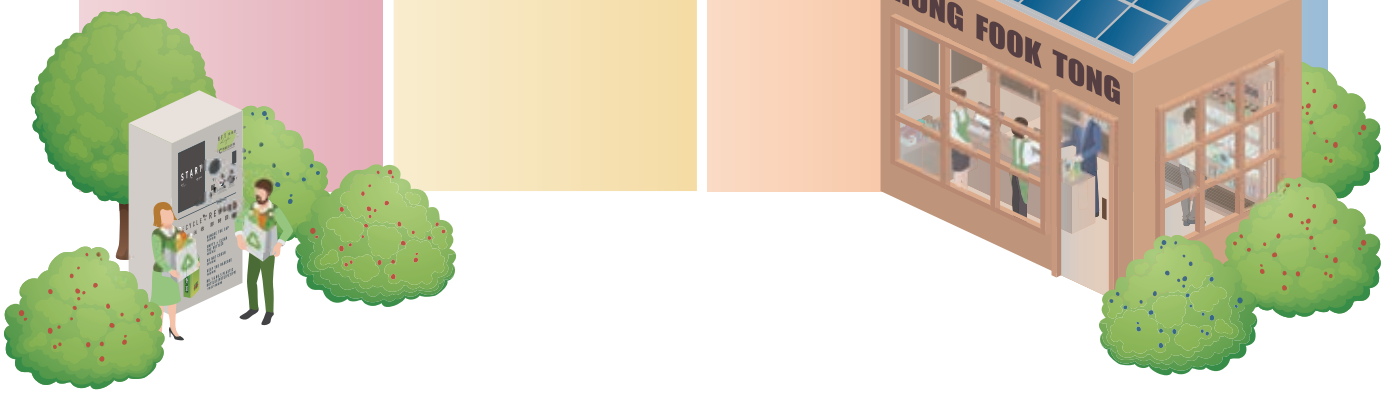
- Communicate across operations and geographies, integrating sustainability into day-to-day operations
- Support ESG Steering Committee in policies and action plan execution

SUSTAINABILITY STRATEGY

To fulfil HFT's vision, we have integrated a comprehensive sustainability strategy framework that informs all our business decisions. This framework serves as our guiding principle, inspiring us to improve the lives and well-being of our consumers and communities. Consistent with our sustainability mission, HFT's Sustainability Framework is structured around four core pillars. These pillars encompass 18 key focus areas that, together, outline the sustainability goals and targets we are committed to achieving by 2030.

Hung Fook Tong Group Sustainability Strategy

People	Operation	Environment	Community
• Human Capital Management • Employee Welfare and Benefits • Non-discrimination and Diversity • Occupational Health and Safety • Training and Development	• Food Safety and Product Quality • Sugar Reduction and Sweetener • Product Labelling and Marketing • Nutrition • Responsible Sourcing • Supplier Social Assessment • Supplier Environmental Assessment	• Emissions and Energy Efficiency • Packaging and Waste Management • Water Discharge and Usage • Climate Change	• Community Investment • Consideration of Community Needs and Interests



In alignment with the sustainability strategy and to enable effective performance tracking, the Board has established and endorsed 11 medium-term sustainability-related goals and targets, with completion deadlines set for 2030. These targets span our key sustainability focus areas and represent a significant step toward achieving the Group's long-term vision to enhance its sustainability profile. Applying a S.M.A.R.T. framework[2], HFT's senior management formulated these objectives by evaluating historical trends, industry benchmarks, and relevant sector insights to ensure their practicality and impact. The goals and targets were further shaped by insights from a comprehensive materiality assessment. A detailed summary is presented below:

[2] S.M.A.R.T. framework means that a target setting method that is Specific, Measurable, Achievable, Relevant, and Time-bound.

	2025 Target	2025 Progress	2030 Target
Nutrition and Health	Increase % of fresh beverage products in low or no-sugar content to **70%** and **25%** of food product in low-salt content	Fresh beverage products with low or-no sugar content maintained at **61.9%** and food products in low-salt content maintained at **24.2%** **2025 target in progress**	Increase % of fresh beverage products in low or no-sugar content to **80%** and **30%** of food product in low-salt content
Responsible Production and Marketing	**10%** of HFT's product have front-of-pack nutrition label	**8.4%** of HFT's product have front-of-pack nutrition label **2025 target in progress**	**50%** of HFT's product have front-of-pack nutrition label
Sustainable Material Procurement	**97%** of direct and new suppliers have endorsed HFT's Supplier Responsibility Principles	**100%** of direct and new suppliers have endorsed HFT's Supplier Responsibility Principles **2025 target achieved**	**99%** of direct and new suppliers have endorsed the HFT's Supplier Responsibility Principles
Emission	**35%** reduction in carbon emission intensity (tonnes of CO_2-e/HK$1,000 revenue) against 2019 baseline	**36.8%** reduction in carbon emission intensity (tonnes of CO_2-e/HK$1,000 revenue) against 2019 baseline **2025 target achieved**	**40%** reduction in carbon emission intensity (tonnes of CO_2-e/HK$1,000 revenue) against 2019 baseline
Energy Efficiency	**18%** reduction in energy intensity (MWh/HK$1,000 revenue) against 2019 baseline	**41.3%** reduction in energy intensity (MWh/HK$1,000 revenue) against 2019 baseline **2025 target achieved**	**28%** reduction in energy intensity (MWh/HK$1,000 revenue) against 2019 baseline
Waste Management	**75%** waste diversion rate of non-hazardous waste	**100%** waste diversion rate[3] for non-hazardous waste **2025 target achieved**	**80%** waste diversion rate for non-hazardous waste
Circular Packaging Material	**20%** application rate of rPET as packaging material	**23.1%** application rate of rPET **2025 target achieved**	**50%** application rate of rPET as packaging material
Water Efficiency	**20%** reduction in water intensity (m^3/HK$1,000 revenue) against 2019 baseline	**2.4%** increase[4] in water intensity (m^3/HK$1,000 revenue) against 2019 baseline **2025 target in progress**	**30%** reduction in water intensity (m^3/HK$1,000 revenue) against 2019 baseline
Health and Safety	• Maintain **0** fatality rate • **74%** reduction in work-related injury rate against 2020 baseline	• Maintain **0** fatality rate • **30.9%** reduction in work-related injury rate against 2020 baseline **2025 target achieved for the fatality rate and not yet achieved for the work-related injury rate**	• Maintain **0** fatality rate • **78%** reduction in work-related injury rate against 2020 baseline
Diversity, Equity & Inclusion	• Track progress of peer companies to further strengthen board diversity • No single gender should account for **90%** or more of the total members of the Board	• Have **1** female Executive Director as board member • **73%** of our total workforce is female and **62%** of our female is in management role • While Hung Fook Tong strictly adheres to the principle of 'equal pay for equal work', our current average pay figures show that women earn more than men across the Group. This 'negative' gap is driven by our workforce composition, specifically the higher concentration of female professionals in specialised and managerial roles compared to the broader workforce[5] **2025 target achieved**	• Maintain gender equality for middle management and above, the proportion of each gender is not to exceed **70%** • The Board must consist of members from more than one gender
Community Investment	• Donate/invest **HK$2.2 million** to the community through in-kind products, coupons and cash sponsorship • Support at least **170** community projects and organisations • Set up a recognised charitable organisation/company under Section 88 of the Inland Revenue Ordinance	• Donate/invest around **HK$1.2 million** to the community through in-kind products, coupons and cash sponsorship • Support **163** community projects and organisations • Incorporated a recognised charitable organisation/company with Section 88 status under the Inland Revenue Ordinance **2025 target achieved for Section 88 charitable incorporation and not yet achieved for community investment and project support**	• Donate/invest **HK$2.5 million** to the community through in-kind products, coupons and cash sponsorship • Support at least **200** community projects and organisations

[3] The waste diversion rate applies to both offices and factory in Hong Kong.

[4] The increase of water intensity was due to the decline in revenue, which outpaced the reduction in water consumption.

[5] Our latest data reveals a negative gender pay ratio, where the average hourly pay for female employees is higher than that of their male counterparts. This result primarily reflects Hung Fook Tong's commitment to gender diversity in leadership, with a strong representation of women in middle and senior management positions that command higher compensation.

SUSTAINABILITY RISK MANAGEMENT

HFT has implemented a comprehensive ESG risk management framework. The Group has established a suite of formally documented risk management policies and procedures, which are integrated into its operational guidelines. The ESG Steering Committee and the Audit Committee assist the Board in supervising and managing pertinent risks.

Each operating department is responsible for identifying and analysing ESG risks relevant to its functions, formulating mitigation plans, assessing the effectiveness of these actions, and reporting on progress in risk management. The internal audit department, supported by an independent internal control consultancy, provides coordination and advisory services on risk management and corporate governance matters. Oversight for the effective execution of the Group's risk management policies and measures rests with the Audit Committee and, ultimately, the Board.



Acknowledging that a robust risk management system strengthens the Group's resilience to sustainability challenges, identified sustainability risks have been incorporated into the Group's overall risk register.



To ensure a comprehensive understanding of the operating landscape and enhance readiness, the Group has delineated potential high-priority sustainability risks, their likely impacts, and corresponding mitigation measures, as detailed below:

Packaging Material Selection Risks

Risk to HFT:
Growing public awareness of environmental protection has led customers to place greater emphasis on product packaging materials, which can influence purchasing decisions.

The Hong Kong government is actively preparing to implement the Producer Responsibility Scheme ("PRS") on Plastic Beverage Containers and Beverage Cartons (塑膠飲料容器及紙包飲品盒生產者責任計劃) and is drafting the required legislative proposals. Following the passage of the Amendment Bill, the government will table the subsidiary legislation for the PRS on Plastic Beverage Containers and Beverage Cartons before the Legislative Council ("LegCo"), targeting the earliest implementation by 2026.

HFT's response:

- Actively assessed measures to minimise disposable plastic tableware usage. Beginning 1 January 2023, Hung Fook Tong phased out the provision of plastic tableware across all its HFT stores and HFT Life stores in Hong Kong, replacing them with paper or wooden alternatives, including paper soup cups, paper meal boxes, wooden spoons, wooden forks, and small bamboo forks.

- Most bottled beverages at HFT Shops and HFT Life stores have transitioned their plastic beverage packaging from Polypropylene (PP) to Recycled Polyethylene Terephthalate ("rPET") bottles, representing almost a threefold increase compared with last year. Hung Fook Tong will continue to explore more opportunities to reduce the use of PET materials.





Climate Risks

Risk to HFT:
Physical climate risks pose material challenges to our retail business, potentially disrupting supply chains and inventory due to more frequent extreme weather events such as floods, typhoons, and heatwaves.

Transition risks related to the shift toward a lower-carbon economy are also a consideration. These include growing regulatory pressure to address climate impacts, such as emission constraints and potential carbon pricing or taxation. Evolving demand and supply patterns, driven by technological innovation and shifting customer preferences toward low-carbon products, represent additional transition risks.

HFT's response:

- HFT has achieved 2025 short-term targets for reducing emissions and energy intensity.

STAKEHOLDER ENGAGEMENT

In response to a fast-changing market environment and evolving stakeholder expectations, we strive to build a resilient and forward-looking organisation by proactively identifying risks and opportunities, balancing diverse stakeholder interests, and making strategic decisions. The Group acknowledges that effective stakeholder engagement is essential to anticipate market trends and to respond to shifting expectations. Each customer, employee, supplier, partner, and shareholder contributes to our progress and helps drive our ongoing improvement in ESG performance.

To gain a comprehensive perspective on community needs, HFT actively solicits and incorporates feedback from multiple sources. This encompasses insights from internal stakeholders, including senior management and staff, as well as external groups such as customers and suppliers.

Employees

The Group engages with employees through diverse training initiatives and team-building events. In the reporting year, a focus group session was held to gather input from staff across departments on the Group's sustainability strategy.





Customers

The Group maintains customer engagement through the "JIKA CLUB" membership programme. Updates and information are communicated to JIKA CLUB members via newsletters and the Hung Fook Tong mobile application ("HFT APP").

Customer feedback and opinions are welcome through multiple channels, including the customer service hotline, email, the corporate website, and social media platforms.

Suppliers and business partners

The Group fosters strong relationships with its suppliers and business partners via regular site inspections and ongoing dialogue.





Community

The Group connects with and assists the community, including non-governmental organisations ("NGOs") and beneficiaries, through charitable initiatives, sponsorships, donations, and volunteer programmes.

Shareholders and investors

The Group maintains active communication with shareholders through its annual general meetings. The Group also provides updates to investors and shareholders on the latest developments and financial results via the corporate website, media interviews, and email notifications.



As in prior years, a stakeholder focus group was convened to gather insights. The feedback received is prioritised according to its materiality, significance, and urgency. Key stakeholder feedback highlights and the Group's corresponding responses are summarised below:

Feedback from stakeholders	Response from the Group
Stakeholders have suggested encouraging circular packaging by increasing the use of rPET in plastic packaging.	• HFT is actively seeking more environmentally friendly packaging materials. More than 38% of beverages sold at HFT stores and HFT Life stores have already switched to rPET packaging. We will continue to explore the possibility of adopting rPET for the remaining products in the future.
Stakeholders have suggested showing care for the underprivileged and the elderly.	• HFT cares for the underprivileged and has been constantly supporting them, such as by providing discounts for the elderly. • Considering that the elderly may experience difficulties in using mobile applications, HFT launched a physical gift card for the elderly with a special offer.
Stakeholders have suggested introducing more sugar-free or low-sugar beverages.	• HFT has been conducting research to develop more sugar-free and low-sugar beverage products. In response to growing concerns about the health impacts of excessive sugar consumption, HFT launched no-added-sugar Soybean Drink (無添加糖豆乳) and a new low-sugar formula version of Imperatae Cane Drink (低糖配方竹蔗茅根) in 2025.
Stakeholders have suggested promoting ESG awareness and corporate culture.	• HFT engaged audiences to foster its ESG and corporate culture. • HFT organised a sharing session for Institute for City Transformation (城市轉化學院) in 2025. We opened our office to showcase our corporate culture, featuring wellness facilities and employee benefits. • HFT actively promoted traditional herbal tea culture, and its 8 secret formulas have been recognised as intangible cultural heritage.

Materiality Assessment

Based on insights from our engagement activities, the Group performed a materiality assessment to determine key sustainability topics. This process evaluated their significance to stakeholders and the Group's associated environmental and societal impacts.

1 Identification

HFT examined sustainability concerns from prior years and concentrated on 20 topics that address global sustainability trends within the food and beverage sector, the performance of peers, and both local and international reporting standards pertinent to its operations.



2 Engagement

Feedbacks from stakeholders were gathered via an online survey, interviews and focus group. During the engagement sessions, stakeholders are encouraged to express their views on the identified sustainability topics and re-examine the materiality of each topic to HFT. In 2025, HFT received 252 valid questionnaire responses.



3 Prioritisation

Following the stakeholder engagement process mentioned above, 16 sustainability topics are considered as material in 2025.



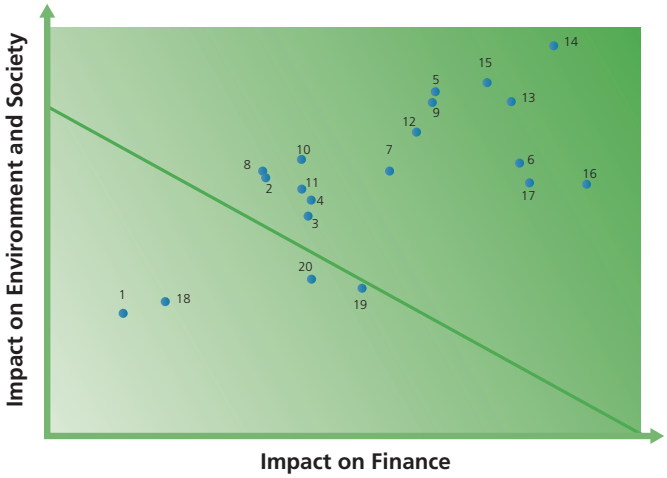
4 Validation

Results and conclusion of the materiality assessment were reviewed and approved by the ESG Steering Committee and the Board.



Materiality Matrix

The materiality matrix highlights the key sustainability topics that are significant to financial impacts and the influence to environment and society. HFT diligently manages these issues across our value chain. The topic on product quality and sales service responsibility management is our foremost priority, we endeavour to ensure that our products meet the highest quality standards and deliver satisfactory services to satisfy the expectations of our stakeholders.



The 20 sustainability topics identified were listed by four focus aspects. The 16 material sustainability topics are marked in green in the list below:

Focus Area	Index No.	Sustainability Topic	Material Topic
Our Environment	1	Air and Greenhouse Gas ("GHG") emissions management	
	2	Waste management	✓
	3	Energy efficiency	✓
	4	Water management	✓
	5	Efficient use of packaging resources	✓
	6	Climate change	✓
Our People	7	Comprehensive employment management system	✓
	8	Labour rights	✓
	9	Healthy and safe workplace	✓
	10	Employee welfare and wellbeing	✓
	11	Training and development	✓
Our Operation	12	Supply chain management	✓
	13	Product quality and sales service responsibility management	✓
	14	Customers' health and safety protection	✓
	15	Product recalls for quality	✓
	16	Customer complaints handling and response mechanism	✓
	17	Customers' and business partners' interests protection	✓
	18	Anti-corruption	
Our Community	19	Consideration of community needs and interests	
	20	Community investment	

In addition to the impact of the Group on the environment and society, HFT also collected feedback from stakeholders on areas in which the Group can contribute:

Sustainability topics	How HFT may contribute
Packaging and plastic pollution	In line with the Hong Kong government's laws and regulations for regulating disposable plastic tableware, HFT has already explored alternatives for tableware and committed to circular packaging. To motivate and change customers' behaviour, JIKA CLUB members can even get extra points for bringing their own containers. HFT has also been making continuous progress in organising recycling programmes through partnerships.
Hygienic environment	HFT takes hygiene as a priority from manufacturing to sales. We conduct regular inspection to the work and shop environment, and also organise training to our employees to enhance their awareness.
Ethical selling practice	HFT acknowledges the importance of promoting ethical selling practices and strives to offer more related training to frontline staff. Through training, staff can be equipped to understand our customers more and provide targeted and appropriate products and services.

LEGAL COMPLIANCE

Compliance with all applicable laws and regulations is fundamental to HFT's daily operations. The Group has implemented a framework for internal controls and business risk management processes. Through effective management of relevant policies and measures, we mitigate the risk of repercussions such as enforcement actions, fines, penalties, and litigation due to non-compliance. During the reporting year, there were no incidents of non-compliance with laws and regulations that have a significant impact on HFT's operations.

The following lists out laws and regulations that have significant impacts on HFT's operations categorised in aspects:

Aspect	Relevant laws and regulations significant to the Group's operation
Emissions	• Air Pollution Control Ordinance (Cap. 311) • Waste Disposal Ordinance (Cap. 354) • Product Eco-responsibility Ordinance (Cap. 603) • Environmental Impact Assessment Ordinance (Cap. 499) • Hazardous Chemicals Control Ordinance (Cap. 595) • Noise Control Ordinance (Cap. 400) • Environmental Protection Law of the People's Republic of China
Employment and Labour Standards	• Employment Ordinance (Cap. 57) • Employees' Compensation Ordinance (Cap. 282) • Labour Law of the People's Republic of China • The Provisions on the Prohibition of Using Child Labour of the People's Republic of China
Health and Safety	• Occupational Safety and Health Ordinance (Cap. 509) • Employees' Compensation Ordinance (Cap. 282)
Product Responsibility	• Personal Data (Privacy) Ordinance (Cap. 486) • Trade Descriptions Ordinance (Cap. 362) • Undesirable Medical Advertisements Ordinance (Cap. 231) • Regulation of the People's Republic of China on Customs Protection of Intellectual Property Rights • GB7718-2011 General Standards for the Labelling of Pre-packaged Foods • GB28050-2011 General Standards for the Nutrition Labelling of Pre-packaged Foods • Advertising Law of the People's Republic of China • Law of the People's Republic of China on the Protection of Consumer Rights and Interests
Anti-corruption	• Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615) • Prevention of Bribery Ordinance (Cap. 201) • Anti-unfair Competition Law of the People's Republic of China • Criminal Law of the People's Republic of China

OUR OPERATION

In line with HFT's long-term vision, we apply our industrial expertise and capabilities to generate lasting value for sustainable corporate growth. Our goal is to preserve the essence of traditional herbal practices while integrating modern and innovative techniques into our manufacturing processes. We are dedicated to upholding our corporate motto, "Naturally Made, Wholeheartedly Good (真心製造, 自然流露)", by ensuring product safety and quality, safeguarding customer rights, conducting business ethically, and enhancing the customer experience.

SAFEGUARDING PRODUCT SAFETY AND QUALITY

HFT consistently prioritises the quality and safety of our food and beverage products as a core manufacturing responsibility. From raw material sourcing through to packaging, our team is dedicated to delivering products that are safe and reliable for consumers.

Quality Management System

Our production sites in Hong Kong and Kaiping adhere strictly to internationally recognised standards such as ISO 22000 Food Safety Management System and Hazard Analysis and Critical Control Points (HACCP). Our Hong Kong Factory are also certified for Good Manufacturing Practices (GMP). In 2025, our Kaiping Factory successfully obtained the FSSC 22000 Food Safety Management System certification, which is fully recognised by the Global Food Safety Initiative (GFSI). Built on the ISO 22000 certification, this enhanced scheme is tailored for food manufacturers, processors and packaging companies, incorporating all of the ISO 22000 standards. To ensure the effectiveness of our quality management systems, the Food Safety Group oversees their implementation, conducts regular reviews, and evaluates their performance. Annual independent third-party audits verify our systems, while the Quality Management Department enforces strict quality control protocols, including random sampling and inspection of finished products to ensure compliance with quality and microbiological standards.

Key Role in Food Safety and Quality Management	Scope of Work
Assistant General Manager (Group)	• Provide resources to implement food safety policies and comply with all legal regulations. • Ensure that all employees receive sufficient guidance, notification, and training in food safety responsibilities. • Operate the business in full compliance with current food safety regulations. • Establish food safety policies. • Coordinate with the various departments within the Food Safety Group to establish food safety objectives. • Appoint the Food Safety Group and the leader of the Food Safety Group. • Responsible for factory operations, personnel, and document management. • Coordinate with the company's HR department and training department to handle factory personnel recruitment and training arrangements.
Food Safety Group Leader	• Ensure the establishment, implementation, maintenance, and updating of the system. • Manage and organise the work of the Food Safety Group. • Ensure relevant training and capabilities of the Food Safety Group. • Report the effectiveness and suitability of the system to top management. • Communicate with legislative and enforcement departments. • Responsible for handling food safety matters. • Manage the production and information systems in the operation of the ISO 22000 system.
Quality Control Manager	• Establish and improve the quality control system. • Handle quality control complaints. • Approve the inspection of raw materials and packaging materials and arrange sample collection for testing. • Approve quality control records and checklists. • Plan hygiene or quality control training. • Arrange testing of raw materials and products. • Ensure that the products, processes, new product launches, and management systems of the processing plant comply with standards and legal requirements. • Review and follow up on management review feedback and actions. • Control ISO 22000 documents.

HFT has set a target of receiving fewer than 10 health and safety-related complaints per month to maintain our product quality. We successfully met this target, with a total of 23 health and safety-related complaints recorded in 2025. During the year, the Group implemented strengthened measures, including detailed guidelines for the regular monitoring and reporting of production quality, alongside enhancements in product temperature control, transportation, and storage conditions.

Indicator	Target	2025	2024	2023
Average number of complaints received per month relating to product health and safety	< 10 cases	**1.92 cases (Target achieved)**	1.75 cases	0.75 cases

Product Recall

Recall Procedures for Retail Products

In line with the Group's Retail Operation Manual, a comprehensive tracking system has been implemented to monitor all commercial products. The manual also specifies detailed measures and guidelines for maintaining food safety across the procurement, production, distribution, and retail stages. Furthermore, the Group has established Control Procedures for Non-conforming Products, which define the steps for reviewing, labelling, isolating, managing, and documenting products that do not meet customer expectations.

1. Identification

   The Crisis Management Team will be notified once any possible causes of supply chain food safety issues are identified.

2. Investigation

   The Crisis Management Team will investigate the causes of food safety issues and their impacts on the Group's products.

3. Recall

   Once a product recall is confirmed, the Crisis Management Team will initiate procedures to suspend the distribution and sale of the affected products from retail outlets and the market.

4. Recording

   Food safety cases are filed for evaluation and potential corrective measures.

Recall Procedures for Wholesale Products

The Group maintains rigorous product recall procedures for wholesale products in both Hong Kong and Chinese Mainland. Upon receiving customer complaints or feedback from third-party retailers or distributors, the factory immediately conducts audits and quality inspections of the relevant product. If the product is determined to pose a potential public food safety risk, HFT promptly removes it from all shelves.

During the reporting year, no retail or wholesale products were recalled for health and safety reasons.

PROTECTING CUSTOMERS' RIGHTS

Customer Privacy and Intellectual Property Rights

As the JIKA CLUB membership base expands, the Group remains committed to upholding business integrity by safeguarding customer privacy. A comprehensive privacy policy is in place that details the collection, use, storage, and protection of customer data. This policy covers the categories of data gathered, processing purposes, retention durations, and the security protocols implemented to secure the data. HFT also emphasises obtaining informed consent before collecting and processing personal information. Clear communication is provided regarding data processing practices, including any third-party involvement, and individuals are given the choice to opt in or out of specific data activities. Furthermore, the Group enforces robust data security measures to prevent unauthorised access, loss, or theft of consumer data. These include encryption, access controls, regular security evaluations, and extensive employee training on data protection protocols. HFT adheres to the principles of data minimisation and purpose limitation, ensuring that only necessary personal data is collected for defined purposes and that it is neither used beyond the consented scope nor retained longer than required.

The Group also proactively protects intellectual property rights. Software licensing compliance is maintained by exclusively using legitimate, properly licensed software. HFT procures genuine software and adheres to vendor licensing terms and usage restrictions, avoiding unauthorised or cracked software. The Group strictly prohibits software piracy, forbidding the copying, distribution, or use of unlicensed software, including downloading or sharing pirated software, applications, films, music, and other copyrighted materials. HFT respects the originality of websites and digital content by complying with copyright regulations, avoiding the unauthorised downloading, copying, distribution, or modification of content without appropriate permission. The Group observes the terms of use and copyright statements of websites, demonstrating respect for creators' rights. Consistent with this code, employees are required to connect via a VPN before accessing company data from outside office premises.

Responsible Marketing and Labelling

We maintain the truthfulness and accuracy of our marketing, promotional activities, and product labelling through a standardised set of procedures. These processes are designed to ensure that our marketing strategies and materials communicate reliable product information. The marketing department selects reputable media channels and reviews all promotional content to confirm alignment with the Company's core values. Furthermore, our product labels provide precise, trustworthy information, including allergen details, safe consumption guidance, and shelf-life dates verified by inspection. Our labels are designed for clarity and ease of understanding. The nutritional information presented is developed and verified by independent professionals in accordance with standard food safety and quality protocols. HFT also actively participates in the voluntary "Salt/Sugar Label Scheme for Pre-packaged Food Products" (預先包裝食品「鹽／糖」標籤計劃).

To further enhance the transparency of their contents, HFT started to use front-of-pack nutrition labels in certain products in 2025. Hung Fook Tong will continue to explore more opportunities to adopt nutrition labeling across its product range. This includes evaluating how to standardise nutrition information, ensuring consistency across different categories, and aligning with international best practices. By doing so, we aim to enhance customer trust, promote health awareness, and support the community in adopting more balanced lifestyles.

UPHOLDING BUSINESS STANDARDS

HFT is committed to maintaining the highest standards of commercial integrity and corporate ethics. Our Code of Conduct and Staff Handbook clearly define the expected standards of business behaviour and legal compliance for all employees across the Group and its operational sites. We enforce a zero-tolerance policy towards fraud, bribery, breach of trust, and abuse of authority.

In compliance with local anti-corruption laws and regulations, HFT actively manages conflicts of interest and requires all directors and employees to disclose any matters that may conflict with their duties. To foster fair and transparent relationships with business partners, we have established formal procedures, guided by the Group's Procurement Code of Conduct, for managing hospitality and gifts received from suppliers and business partners.

Whistleblowing

The Group has implemented a Whistleblowing Policy that specifies the procedures for handling reports of potential misconduct or unlawful activity. Employees are actively encouraged to report serious concerns, including fraud, financial irregularities, bribery or illicit payments, discrimination or harassment, legal or regulatory non-compliance, health and safety threats, or the deliberate concealment of such issues. All reports made under this policy are treated with strict confidentiality, and the Group expressly prohibits any retaliation against individuals who report potential Code violations in good faith. The Whistleblowing Policy is regularly monitored and reviewed by the Group's Audit Committee, which also oversees the investigation process.

Anti-corruption Training

To strengthen awareness and prevent corruption in the workplace, the Group organises regular anti-corruption training for employees. These sessions are delivered by the Independent Commission Against Corruption (ICAC) to ensure staff are equipped to identify potential corruption risks and understand effective response measures.

In 2025,

Total number of employees trained for anti-corruption:	Total anti-corruption training hours:
50 employees	**100 hours**

DELIVERING BETTER AND HEALTHIER PRODUCT CHOICES

Consumers are increasingly seeking to make informed purchasing decisions, with heightened awareness of the health risks associated with excessive sugar and salt intake. In response to these evolving preferences and concerns, the Group has proactively expanded its product portfolio, offering a wider variety to meet diverse dietary needs and preferences.

Diverse Product Choices

HFT highly values customer feedback and remains responsive to their needs by continually refining our product formulations to align with market trends. Our commitment to fulfilling customer expectations is demonstrated through the ongoing expansion of our product ranges across multiple categories. This includes introducing sugar-free, low-sugar, low-salt, lower-calorie, and environmentally friendly green products into our portfolio.

Sugar-free, Low-sugar or Low-salt Content Products

Products that are sugar-free, low in sugar, or low in salt are labelled according to the definitions outlined in the "Salt/Sugar Label Scheme for Pre-packaged Food Products" (預先包裝食品「鹽／糖」標籤計劃). HFT set a target in 2019 to have 50% of its products achieve reduced salt or sugar content within three years.

To cater to customer demand, we rolled out two low or no-sugar beverages in 2025, no-added-sugar Soybean Drink (無添加糖豆乳) and a new low-sugar formula of Imperatae Cane Drink (低糖配方竹蔗茅根). This year, 61.9% of our fresh beverage products were low or no-sugar content, and 24.2% of our food products were low-salt content. We are working towards our next target by 2030.

In 2025, we introduced front-of-pack (FOP) nutrition labelling on selected products, highlighting key information such as energy, sugar, fat and sodium, and clearly identifying healthy options. This initiative supports informed choices and reinforces our commitment to healthier product development.

Low-calorie Rare Sugar (稀少糖) Products

Products formulated with rare sugars typically contain fewer calories than those made with conventional sweeteners. These rare sugar beverages are designed for consumers with specific dietary restrictions, such as individuals managing diabetes. In 2025, HFT expanded this category with two new rare sugar products: Hemp Seed Drink（火麻仁飲品）and Tea with Hawthorn Fruits and Coix Seed（山楂祛濕排毒茶）. In addition to our existing offering, Drink with Fish Maw Rock Sugar and Snow Fungus（花膠冰糖雪耳甘露飲品）, we put more effort in meeting the needs of our evolving consumer group.



Green and Healthy Products

To cater for the needs of health-conscious consumers for convenient wellness solutions, the Company partnered with Mr. Juicy（菓汁先生）to launch a series of low-sugar wellness beverages in 2025. We launched the "Light Wellness"（輕養生）product line, which includes four products: "Red Bean and Coix Seeds Drink"（纖爽。養生水）for detoxification; "Lemon and Coix Seeds Drink"（美白。養生水）for digestive health; "Lemon and Mint Drink"（清熱。養生水）for heat relief; and "Apple and Bitter Melon Drink"（排毒。養生水）for metabolism support.

Launch of Postpartum Care Products

Postpartum mothers often experience physical weakness and blood stagnation, typically requiring the clearance of stasis before nourishment. Recognising this, HFT introduced two updated postpartum meal plans in 2025: the "1-Day Postpartum Meal"（1天月子餐）and the "Star-level Postpartum Meal"（星級月子餐）. In addition to these two newly introduced postpartum meals, we also recommend a range of existing products specifically designed for women during the postpartum confinement period, including Homemade Stewed Pork Trotter and Ginger in Sweet Vinegar for dispelling wind and replenishing deficiencies（祛風補虛自家豬腳薑醋）, Chicken Stewed with White-Back Black Fungus and Red Dates in Rice Wine for nourishing qi and enriching blood（補氣血白背木耳紅棗雞煮酒）, and Original Chicken Essence for revitalising and strengthening the body（提神補虛原味滴雞精）. These products aim to promote physical recovery and restore health for postpartum mothers.



Expansion of Vegetarian Products

Responding to the growing demand for plant-based foods, we have been expanding our vegetarian product offerings across seasonal festive menus. We launched the Mushroom and Agaricus Blazei Vegetarian Rice Dumpling (牛肝菌姬松茸素糭), made with porcini mushrooms, Agaricus blazei, shiitake mushrooms, and lotus seeds, to offer a health-conscious option for the Dragon Boat Festival. During Mid-Autumn Festival, the Company reintroduced the Supreme Vegetarian Poon Choi (至尊素食盆菜), featuring specially prepared vegetarian abalone, shrimp, and scallops, alongside fresh vegetables such as lotus root, radish, taro, and shiitake mushrooms.



In addition, Hung Fook Tong launched "Hung+ Dining" (鴻小飯堂), an AI-powered online meal ordering platform that can customise healthy meal plans. One of the featured offerings is the Healthy N-Dish Rice (健康N餸飯) series, designed to support a balanced lifestyle. Each meal comprises a portion of high-quality protein, fresh vegetables rich in dietary fibre, and staple carbohydrates, thoughtfully paired with HFT's home-made soup or herbal tea to provide a complete and nourishing dining experience.

Building on this foundation, HFT is actively expanding its vegetarian product range to meet the growing demand for plant-based options. The Healthy N-Dish Rice series includes vegetarian selections that highlight fresh seasonal produce and plant-based proteins, ensuring customers who prefer or require vegetarian diets can enjoy meals aligned with their nutritional needs and health goals.

ENHANCING CUSTOMERS' EXPERIENCE

In response to growing digital adoption, HFT has actively explored ways to enhance the customer experience through online and digital services, for example, our "JIKA CLUB" membership programme. As of 31 December 2025, registered JIKA CLUB members in Hong Kong have exceeded 1,563,000.

Customer Services

In 2025, HFT received 283 customer complaints regarding product quality, terms of service, and health and safety. These complaints were submitted via multiple customer service channels, including the hotline, email, WhatsApp, online forms, and social media platforms. The Customer Service Department is responsible for logging and managing these cases.

All complaints were thoroughly reviewed, with relevant departments notified to initiate appropriate follow-up or remediation. Departments addressed customer concerns promptly according to established procedures. Depending on the severity of the issue, HFT is committed to responding to customer inquiries within two working days by email or telephone. Cases requiring cross-departmental support are typically resolved within three to five working days.

Innovative Digital Services

Implementation of "Hung+ Dining" (鴻小飯堂) artificial intelligence ("AI")	HFT partners with Nutribite (維小飯), introduced "Hung+ Dining" (鴻小飯堂) an AI-powered online meal ordering platform, to provide customised food recommendations based on customers' health needs and preferences, with comprehensive information on nutrients and calories.
Customer communication and engagement	A series of services were launched to enhance user experience, including: 1. Introducing a WhatsApp hotline and website for postpartum mothers, streamlining the enquiry process and providing prompt and comprehensive feedback. All stores of HFT have appointed postpartum dietary ambassadors who offer expert guidance on our nourishing dietetic products. 2. Providing the Near Field Communication (NFC)-based e-coupons that offer the convenience of "Tap to Use, Scan to Enjoy" promoting discounts on low or no-sugar beverages. 3. Customers can purchase digital "E-red packets" to receive exclusive discounts, offering a sustainable alternative to traditional paper coupons. 4. Launching festive WhatsApp stickers and WeChat digital red envelopes featuring HFT's proprietary IP (intellectual property) characters, "Hung Panda (鴻貓)" and "Shao Mai Kid (燒賣仔)", to enhance the digital customer experience and strengthen engagement during the holiday season.
JIKA ON! online platform and collaboration with delivery platforms	HFT provides online meal ordering via the JIKA ON! platform, specialising in postpartum meals (月子餐) and gourmet catering. Leading delivery platforms like Foodpanda and Keeta assist in delivering the orders from HFT's retail stores to customers. This arrangement ensures enhanced customer convenience through streamlined ordering and delivery services.

SOURCING RESPONSIBLY

HFT is dedicated to sourcing raw materials from responsible suppliers throughout our manufacturing process. This commitment to ethical and sustainable business practices is outlined in the Group's ESG Policy, which emphasises promoting sustainability across the supply chain. This includes working with vendors supplying fresh food materials, dried seafood, other raw materials, and herbal products. HFT prioritises engaging vendors recognised for fair trade practices by bodies such as the World Fair Trade Organisation or other reputable ESG-accredited entities. Through these partnerships, we ensure our sourcing aligns with ethical and sustainable standards. As of 31 December 2025, HFT engages 197 major suppliers based in Hong Kong, Chinese Mainland, and other regions.

Procurement Practices

Suppliers are selected, engaged, and evaluated in accordance with defined standards and procedures. All suppliers, both new and existing, are required to comply fully with the Group's environmental and social responsibility policies.

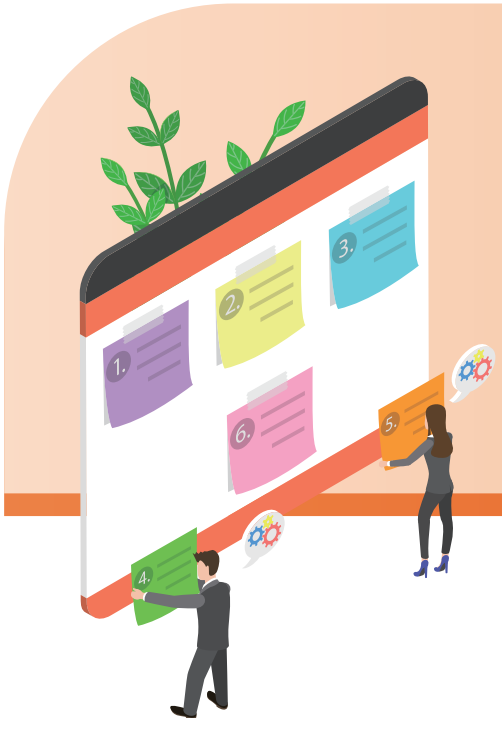
Supplier Selection and Engagement Process

1. HFT requires suppliers to provide documentary evidence, such as permits, quality and safety certifications, and third-party inspection reports.

2. The Group maintains a risk assessment framework. This requires prospective suppliers to identify and disclose their risk factors and propose appropriate control measures to mitigate them.

3. The Group conducts regular performance evaluations of suppliers, considering factors including product quality, on-time delivery compliance, and level of cooperation. Throughout the production cycle, HFT conducts due diligence and on-site assessments to verify adherence to the Company's standards. Suppliers failing to meet quality standards or breaching integrity requirements may face suspension of their engagement and removal from the Group's approved supplier list.

The Group is committed to sourcing sustainable raw materials and places great importance on the quality and composition of the resources it supplies. Particular attention is given to the presence of synthetic additives, such as artificial preservatives, artificial colouring, and Monosodium Glutamate (MSG), in the procured materials.



Future Plans:

HFT recognises the potential impact of environmental and social issues on its operations and supply chain. As part of a proactive strategy, the Group aims to enhance its supplier management by introducing supplier risk assessments. This initiative seeks to provide a comprehensive understanding of sustainability risks associated with its suppliers. Furthermore, HFT plans to implement a sustainable procurement policy to serve as a framework for selecting suppliers based on their sustainable practices.

OUR PEOPLE

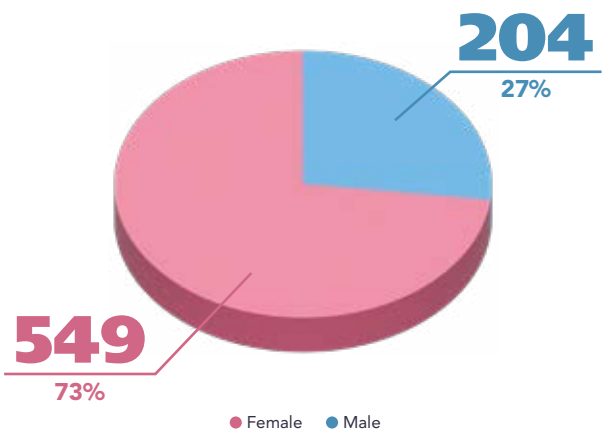
Our workforce is our most valuable asset. We monitor market trends and regularly review our human resources policy to develop initiatives that are relevant and effective. Our goal is to improve the working environment and enhance employee satisfaction. We firmly believe that a people-centric work culture fosters a stronger sense of belonging, thereby increasing overall efficiency and creating mutually beneficial outcomes.

CREATING A DESIRABLE WORKPLACE

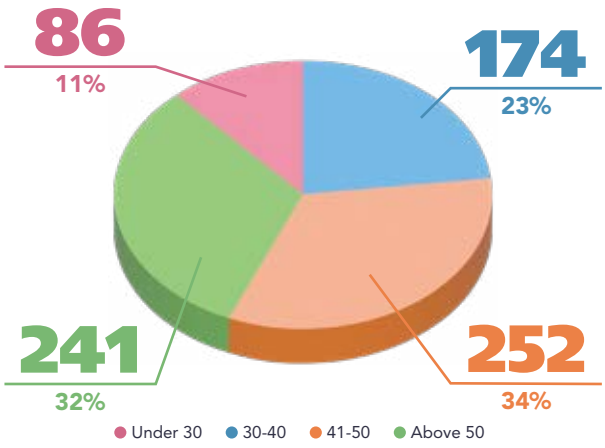
As a company with a workforce of 753 employees[6], HFT is dedicated to fostering a fair, desirable, safe, and healthy workplace environment for its employees and other workers[7]. We are committed to fostering an environment of equality and inclusion, consistent with the Group's ESG Policy, Staff Handbook, and Workplace Safety Guidelines. These documents provide comprehensive guidelines on employment practices, employee health and safety, training and development, and labour standards. To ensure effective implementation, a robust human resources management system is in place, including regular monitoring of policies on employee compensation and welfare. Our Staff Handbook serves as a key reference, addressing working hours, leave entitlements, anti-discrimination measures, benefits, welfare, and termination procedures.

Total workforce: 753[6]

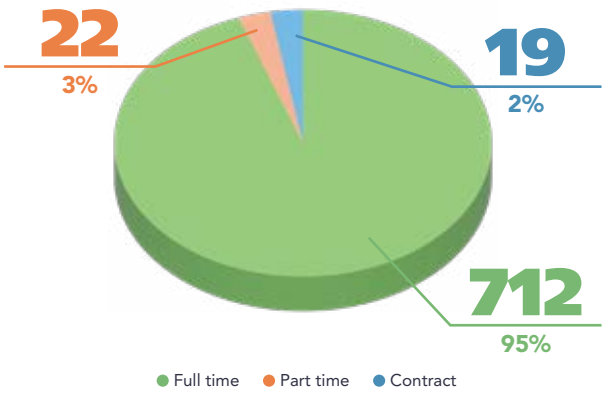
By Gender



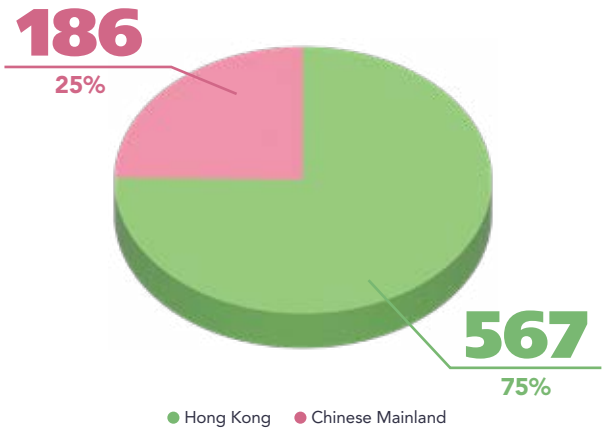
By Age Group



By Employment Type



By Region



[6] As of 31 December 2025, there are a total 753 employees, where 567 employees are located in Hong Kong and 186 employees are located in Chinese Mainland.

[7] Other workers refer to the agents/contractors/suppliers hired by the Group to perform work at a workplace controlled by the Group.

Ongoing Measure or Policy in 2025

Remuneration and Compensation

- Employee compensation is determined by market benchmarks, individual qualifications, and relevant experience.
- The policy of "equal pay for equal work" is implemented to ensure the equitable application of relevant guidelines.

Recruitment, Promotion and Dismissal

- Recruitment and promotion decisions are based solely on candidate competencies and annual performance evaluations, without consideration of age, gender, sexual orientation, or ethnicity. HFT actively encourages employees to view the annual performance review as an opportunity for self-reflection and to provide feedback to management.
- Employees may terminate their employment in accordance with the terms and conditions stipulated in their contract.

Working Hours and Holidays

- HFT has implemented flexible and family-friendly working arrangements for employees in Hong Kong Office:
- Flexible working hours (allowing departure as early as 4:30 PM) and a "Relax Friday" policy, enabling employees to finish work one hour earlier each Friday.
- All office employees are permitted to work remotely from home one day per week.
- On Lunar New Year's Eve, Mid-Autumn Festival, Winter Solstice, and New Year's Eve, when these fall on a working day, employees are granted a half-day holiday in advance. They also have the option to work from home on those days in the morning.
- Beginning in 2024, employees may work remotely for the full day on designated dates, including Valentine's Day, World Environment Day, the Company's listing anniversary, and Thanksgiving Day.
- Monthly days off for frontline staff have been increased to 6 days, with daily working hours adjusted to 9 hours, including a 1-hour meal break.
- The "Summer Vacation at the Office" (返工放暑假) programme allows employees to bring their children to the workplace during the summer holidays at their discretion. Additionally, for staff who are pet owners, the "PAWsome Pet-friendly Day" (人寵同樂日) permits them to bring their pets to work, fostering a harmonious environment.
- New benefits introduced for frontline employees include public welfare leave and child vaccination leave.
- In addition to general statutory holidays and annual leaves, employees can also enjoy other leaves such as:



Marriage Leave	14-week paid Maternity Leave	5-day Paternity Leave
Continuing Education Leave	Public Welfare Leave	Birthday Leave
Half-day paid leave for Lunar New Year's Eve, Mid-Autumn Festival, Winter Solstice and New Year's Eve	Anniversary Leave	Childcare Leave (for parents to help their kindergarten children to adapt to the first day of school)

Fair, Inclusive and Diverse Workplace

- We have offered employment opportunities to persons with disabilities through collaborations with organisations such as the Hong Chi Association (匡智會). The Group enforces a strict zero-tolerance policy towards all forms of discrimination and harassment. To promote physical well-being, the office is equipped with billiard tables, fitness equipment, and a green staff sitting area, made available for complimentary use by employees.

Employee Welfare

- Comprehensive welfare and benefits schemes for its employees, including:

For all employees		
Seniority Awards	Birthday Benefits	
Medical Insurance	Wedding Gifts	Shopping Discounts for HFT's Products
For Hong Kong Factory		
Free shuttle bus service between Tai Po Industrial Estate and different locations in the city.		
For Kaiping Office and Kaiping Factory		
Application of cross-border permit	Provision of accommodation	Complimentary work meals and beverages

- We have established Wowlife (生活委員會), an employee-led lifestyle committee, which organises a diverse range of employee welfare activities.

Labour Standards

We ensure employees receive adequate rest periods, thereby preventing any form of forced labour. Our Human Resources Department prioritises age verification during the recruitment process to eliminate the possibility of child labour.



PROTECTING THE HEALTH AND SAFETY OF EMPLOYEES

HFT is committed to protecting the safety and well-being of employees across all operational areas, including office functions, procurement, manufacturing, logistics, and retail store areas. We implement comprehensive measures to prevent work-related accidents that could result in injuries or physical or mental harm. These efforts are aligned with the Group's ESG Policy and aim to establish a safe and healthy working environment for all employees and workers.

Occupational Health and Safety Management

The Group's Safety Committee, chaired by the Chief Executive Officer and including representatives from various departments, oversees a comprehensive health and safety management system. To safeguard the welfare of all staff, we have established Workplace Safety Guidelines, detailed in the Staff Handbook. Our occupational health and safety framework is implemented through effective communication between the Safety Committee and employees. Our commitment is demonstrated by the full compliance of our production facilities in Kaiping and Hong Kong with all local safety regulations. Management has also established a specific Health and Safety Policy for the Tai Po Factory to guide relevant stakeholders. Key Performance Indicators (KPIs) linked to incentives have been introduced to encourage accident prevention.

HFT's Safety Committee

Chief Executive Officer as the Chairman

Factory Division

- Production Department
- Factory Operations Department
- Factory Engineering Department

Non-Factory Division

- Human Resources Department
- Logistics Department



To ensure the ongoing effectiveness of our health and safety system, the Group engages safety auditors to conduct annual audits at the Hong Kong Factory. During the year, assessments were performed in areas such as manual handling, workplace hazards, and factory noise to protect worker safety. The 2025 audit results were satisfactory, and the Group has implemented the auditors' recommended improvements. In 2025, the factory achieved an audit score exceeding 80%. The Group acted promptly to enhance the factory's environment, health, and safety based on the auditors' recommendations.

Indicators	2025	2024	2023
Lost days due to work injury	**124.0**	154.0	351.0
Work-related injuries recorded[8]	**14**	11	11
Work-related injury rate (per 1,000 workers)	**18.6**	14.2	13.9

All near-miss or injury incidents must be reported to senior management in writing within 24 hours. The Safety Committee is responsible for investigating these incidents and determining the required corrective actions. It is important to note that the Group has recorded no work-related fatalities for the past three years[9]. However, in 2025, there were 14 work-related injuries, most stemming from manual handling and goods lifting due to insufficient safety awareness. The affected workers received appropriate medical care, and we conducted detailed investigations into each case. These investigations were designed to strengthen remedial measures, introduce further precautions for similar risks, and enhance existing safety training programmes.

This year, more than 30 employees from the Kwai Chung Office participated in the annual fire drill organised by the Chuan Kei Factory Building management office. Firefighters from the Kwai Chung Fire Station demonstrated the use of fire extinguishers and stressed the importance of carrying the "escape three treasures" (smartphone, keys, and wet towel) during an evacuation. The drill substantially enhanced employees' awareness and preparedness for fire emergencies. Throughout the year, 39 safety training sessions were conducted, achieving 100% participation. Furthermore, all new employees at both the Hong Kong Factory and the Kaiping Factory are required to complete safety training before commencing work.

Fire Drill and Emergency Preparedness

On 11 April 2025, the Company conducted a fire drill at its Tai Po manufacturing facility to enhance employee safety awareness and emergency response capabilities. A total of 84 employees participated in the exercise. The drill aimed at ensuring staff understood fire escape routes as well as strengthening their alertness to fire hazards, and familiarising them with evacuation procedures.



[8] In response to a forklift incident at the Tai Po Factory logistics cold storage on 2 November 2025, where a pedestrian was accidentally injured, all relevant staff subsequently underwent refresher training on forklift operations and safety guidelines to reinforce workplace safety practices.

[9] Include the reporting year.

Employee Wellbeing

Consistently prioritising work-life balance, the Group actively organises employee care activities to support the mental and physical well-being of its staff. In 2025, HFT introduced a range of wellness programmes for employees, including:

Easter Break at Office - DIY Workshop (返工放復活假-DIY 工作坊)	We organised a family-friendly Easter workshop, allowing staff to bring their children to the office during the workday. The children participated in craft workshops, including DIY scented candle making and mosaic lantern crafting, while also getting to know their parents' work environment.
Summer Vacation at Office (返工放暑假)	Summer Vacation at Office activities allow staff to bring their children to the office, making childcare easier for parents. The event was held during working hours, enabling employees to balance work responsibilities with family care.
Employee Health and Preventive Care	Basic health check-ups were conducted for frontline and office staff to demonstrate our commitment to their well-being and to promote healthy lifestyles and regular exercise. HFT also supported a community health outreach activity organised by the Tuen Mun District Health Centre (屯門地區康健中心), providing eligible staff with personalised health management advice and early registration for the Chronic Disease Co-Care Pilot Programme (慢性疾病共同治理先導計劃), including on-site screening for blood sugar, blood pressure and cholesterol. Through this initiative, HFT contributed to preventive healthcare and strengthened awareness of long-term health management.
Foshan Tour for Frontline Staff	Organise Foshan tour for frontline staff to enjoy a relaxing and meaningful weekend.
Spring Couplets New Year Celebration	Prepare handwritten Spring Festival couplets for staff to celebrate the Chinese New Year.

A range of other employee events is also being held throughout the year, covering the office, factory, and frontline stores. These events include orientation lessons, a Spring Festival celebration, a hand-brewed "400 Stir" coffee (手打400次咖啡) tasting event, etc. To enhance the well-being of the employee and encourage exercising, the Company sponsored employees the participation fee for Standard Chartered Hong Kong Marathon 2025.



NURTURING TALENTS

HFT's training and development strategy focuses on building a capable and engaged workforce. The Company emphasizes the importance of providing employees with the knowledge and skills required for professional and personal advancement. This ensures the workforce is prepared to capitalise on business opportunities and meet future challenges. HFT is dedicated to talent development and actively encourages all employees to participate in continuous learning to expand their capabilities and knowledge.

Training Programmes

HFT actively gathers input from colleagues to customise programmes that enhance employee skills. Our Management Institute has coordinated a variety of training activities for both clerical and non-clerical staff throughout the reporting year.

One notable initiative is the "HFT Retreat" program, during which colleagues visited the Group's Kaiping Factory in Chinese Mainland. Department managers shared leadership insights on site, encouraging deeper reflection on how daily work impacts organisational effectiveness and inspiring new directions for the colleagues to embrace future challenges together.

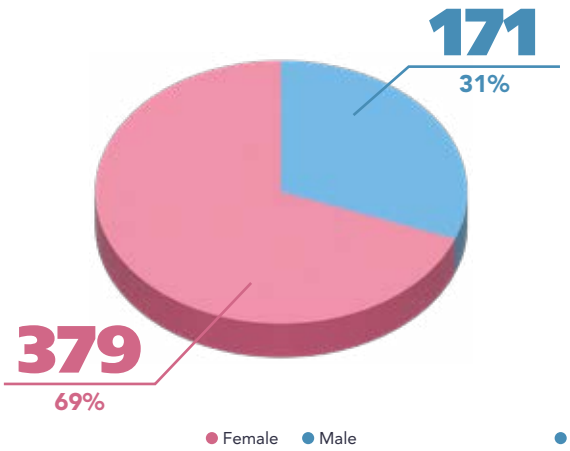
In addition, the annual "Moments of Truth" (關鍵時刻) programme allowed clerical employees to experience the daily operations of retail shops, with a total of 75 employees participating in the activity.

HFT Life Training	Employees at the HFT Life stores received training in café operations, food preparation techniques, and customer service.
Food Safety Training	To ensure staff at the Hong Kong and Kaiping Factories are fully aware of potential risks and proper production practices as outlined in manufacturing procedures, periodic food safety training is organised for employees across various departments.
Hung Fook Tong Management Academy Mobile Application	This mobile application provides a wide array of learning content covering areas such as environment, workplace skills, physical health, life skills, art, and entertainment. Among its features, the wikiPEDia section regularly publishes current affairs updates, with 8 issues released in 2025. HFT continues to provide training to our front-line staff, including the instructional videos on the "5 Steps of Service" to enhance their customer service skills.
Store Manager Meeting	Regular meetings are held with branch store managers to review operational data, share sales techniques, and address operational challenges. These meetings strengthen store performance and ensure consistent execution across the Group.

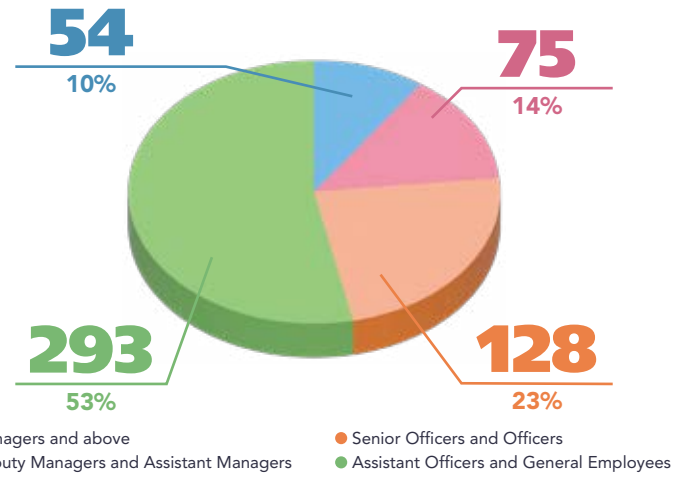
In 2025, trainings were provided by the Group to around 550 employees, with 3,536 total training hours. In average, training hours per employee are 6.4 hours.

Number of Employees Who Received Training: 550

By Gender

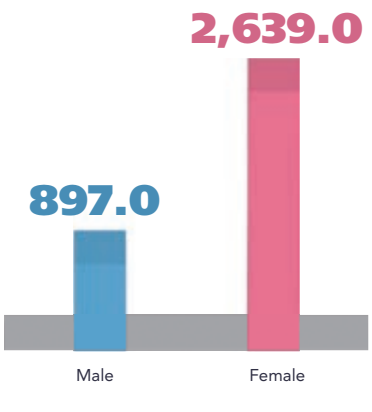


By Employee Categories

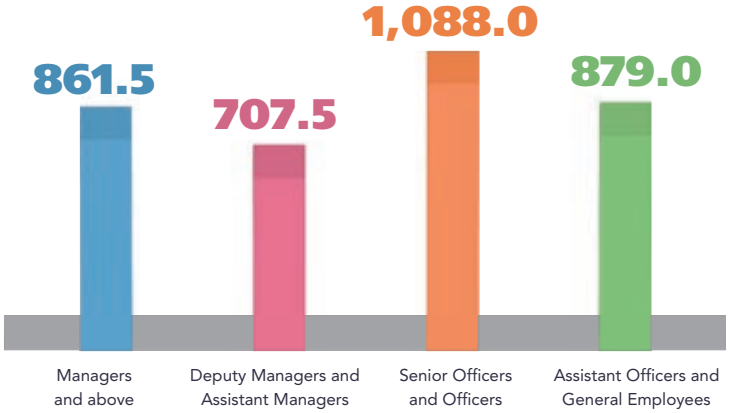


Total Training Hours: 3,536

By Gender

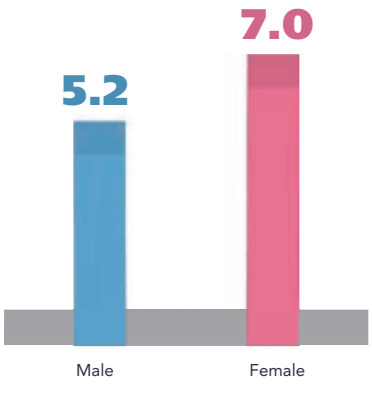


By Employee Categories

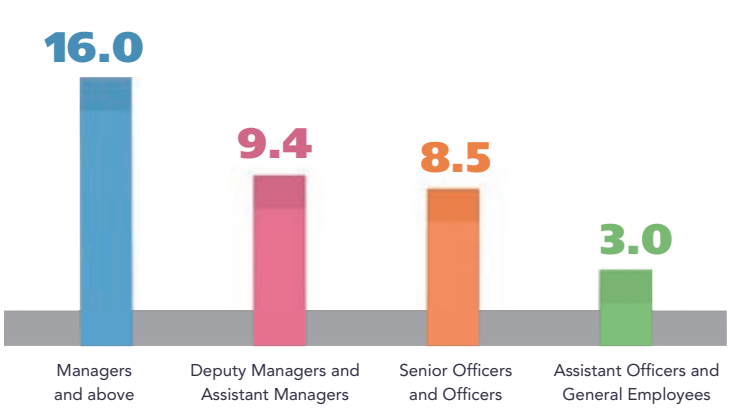


Average Training Hours per Employee[10]: 6.4

By Gender



By Employee Categories



[10] Average training hours = total training hours of the specified category/total number of employees in the specified category.

OUR ENVIRONMENT

HFT acknowledges the environmental impact of its operations, particularly concerning pollution from manufacturing and packaging waste at the end-use stage, as well as the carbon footprint associated with raw material use and disposal. To effectively address and mitigate climate change, HFT is dedicated to promoting clean energy consumption and improving resource efficiency. The Company aims to support decarbonisation efforts, reduce air pollutant emissions, and minimise waste generation.

MANAGING AND REDUCING WASTES

As a food and beverage manufacturer, HFT recognises that waste is generated across the production cycle, from raw material sourcing to packaging. Committed to a zero-waste future, HFT prioritises approaches such as circular packaging, material reuse, and resource recovery to minimise waste sent to incineration, landfills, and the natural environment. Through collaboration with partners, we strive to reduce our waste footprint and actively support the development of zero-waste initiatives.

Waste produced is carefully classified and disposed of using specific strategies accordingly:

Food waste	Recyclables	Other general wastes
• Surplus food was donated to NGOs • Diverted to Organic Resources Recovery Centre Phase 1 • Processed by fertilisers	Engage certified recyclers for re-selling or re-processing materials such as paper, metal and plastics	Dispose of waste in landfills through contracting waste collectors







Food Waste

The primary source of food waste at HFT is manufacturing residue from soup and herbal drink products, which accounts for the majority of the Group's waste. To address this, HFT works closely with government departments and waste disposal partners to divert food waste from landfills. Through various initiatives, HFT's Hong Kong entity has achieved zero food waste disposal to landfills in 2025.

Within the factory:

To optimise the utilisation of food waste, HFT has established internal procedures. These procedures outline the proper sorting, storage, and pre-treatment of food waste within the company before it is transferred to third-party entities.

Food Waste/Sewage Sludge Anaerobic Co-digestion Trial Scheme by the Environmental Protection Department

HFT pre-treated and transferred 136.2 tonnes[11] of soup dregs to the sewage treatment plant for anaerobic digestion. This process converts the food residues into biogas, which is then utilised for electricity generation. The generated biogas helps supplement the internal power consumption of the sewage treatment facilities in Tai Po.

Organic Resources Recovery Centre Phase 1[12] (O • PARK1)

During the reporting year, HFT successfully collected, separated, and transported a substantial amount of residual food waste from its Hong Kong Factory, which included soup dregs, herbal tea dregs, and eggshells. These waste materials were diverted to O • PARK1 for further processing and treatment.

In total, HFT diverted 122.2 tonnes of residual food waste to O • PARK1 during the reporting year. This figure includes food waste transferred for participation in the Food Waste/Sewage Sludge Anaerobic Co-digestion Trial Scheme.

Collaboration with FoodCycle+

HFT collaborated with FoodCycle+, a green social enterprise, to repurpose food waste, primarily the residue from herbal tea. Through this partnership, the food waste was transformed into organic fertilisers known as "MixO' Plus" (加樂泥).

A total of 14.0 tonnes of residual food waste was collected by FoodCycle+ and successfully converted into organic fertiliser during the reporting year.

Food Waste Reduction

In October 2025, the Group launched a discount promotion to reduce food waste from slow-moving inventory. Customers purchasing regular products with an expiry date within two days can receive a 25% discount off the regular price. This initiative covers selected product categories, including herbal soups, herbal teas, turtle herbal jelly, packaged snacks, steamed rice, noodles, congee, and desserts. The program encourages sales of products that would otherwise contribute to food waste, demonstrating the Company's commitment to waste reduction while offering value to customers.

	2025
Amount of food waste recycled (tonnes)	**136.2**
GHG emissions reduced (tonnes of CO_2-e)	**75.0[13]**





[11] Over 90% of food waste that was sent to the O • PARK1 was also pre-processed in the Food Waste/Sewage Sludge Anaerobic Co-digestion Trial Scheme.

[12] O • PARK1 is the first organic resources recovery centre established by Hong Kong Government, located in Siu Ho Wan of North Lantau, and converts food waste into renewable energy for electricity generation whilst the residues from the process can be made into compost for landscaping and agriculture use.

[13] Conversion factor provided by the Environmental Protection Department (EPD) is adopted for the calculation of carbon emission from food waste.

Other Wastes

Non-hazardous waste, including plastic, wooden pallets, cartons, and scrap metal, is collected by licensed contractors for disposal at landfills. To encourage waste reduction in offices, HFT regularly updates its Waste Reduction Guideline to educate employees on sustainable practices.

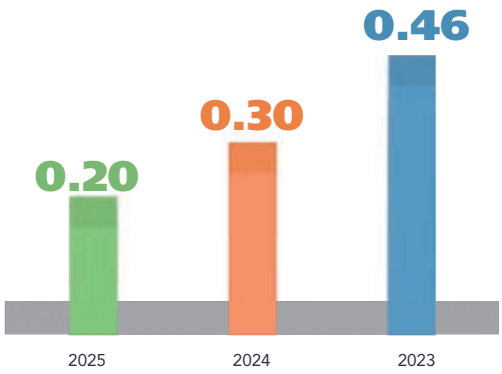
Recycling bins for plastic bottles and aluminum cans are located in pantry areas for convenient post-use recycling. Coffee grounds are made available for colleagues to use in deodorising or natural composting. Paper bags and reusable bags are also provided for recycling and reuse purposes. Furthermore, a system for recycling old books and facilitating item exchange has been established to reduce waste and promote circularity. Food containers are available for employees to borrow during lunch hours.

To further reduce waste, HFT aims to increase awareness of waste reduction within its operating communities. The Company phased out disposable plastic tableware, switching to paper or wooden alternatives as of January 2023. HFT will continue to seek partnerships with recycling companies and service providers to enhance waste reduction efforts.

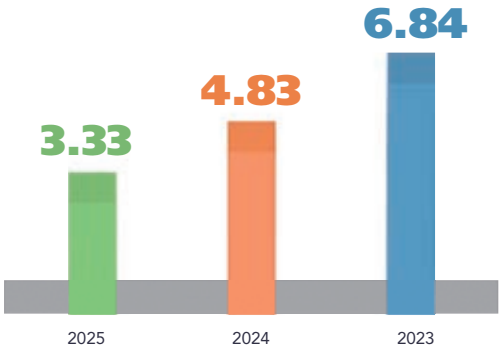
HFT recognises the contamination risks and potential health impacts associated with hazardous waste, such as fluorescent and LCD backlight tubes. To manage these, the Company follows strict internal waste protocols and engages licensed collectors for the safe handling and disposal of hazardous waste.

In line with the target to reduce e-waste by 2030, HFT is committed to the secure and responsible reuse, recycling, and disposal of IT equipment and electronic products. These processes will comply with legal requirements, ensuring data security, full traceability, and environmental sustainability.

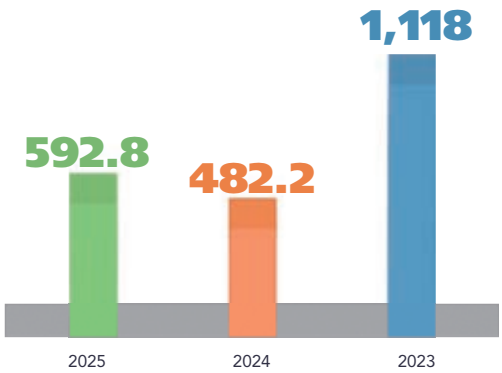
Hazardous waste[14] (tonnes)



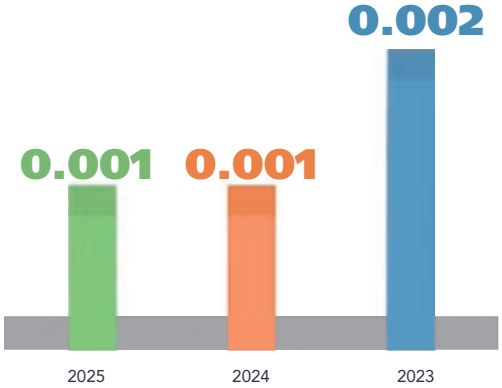
Hazardous waste intensity (tonnes/HK$10 billion revenue)



Non-hazardous waste[15] (tonnes)



Non-hazardous waste intensity (tonnes/HK$1,000 revenue)



[14] Major source: LCD monitors, waste battery, waste fluorescent light, LCD backlight tubes generated from Hong Kong Office, Hong Kong Factory and Kaiping Factory.

[15] Major source: production waste, domestic waste, paper, plastic and metal waste generated from Hong Kong Factory and from Kaiping Office and Kaiping Factory.

RESOURCE EFFICIENCY

Enhancing resource efficiency is a key objective, driven by growing attention from governments, businesses, and civil society. This focus stems from multiple factors, including the sustainable use of natural resources, the reduction of environmental impacts, the management of material costs, and the assurance of supply chain security.

Packaging

We recognise the growing demand from consumers and investors for environmentally friendly packaging. HFT is committed to actively adopting sustainable packaging practices across all operations. Our goal is to align with government strategies on plastic waste management while meeting stakeholder expectations.

On-going measures



Promoting Awareness on Waste Recycling and Management

To foster employees' practical understanding of the circular economy, the Group organised a "Half-Day Recycler Experience" in September 2025, during which employees and their family members participated in hands-on recycling activities at The Loops, a local social enterprise.

Participants first received systematic training on household waste classification to distinguish between recyclable and non-recyclable materials, followed by hands-on sorting of common recyclables, including plastic bottles, paper, and aluminium cans.

This initiative effectively extended environmental education from theory to practice, strengthening employees' awareness of waste management. It also demonstrated the Company's commitment to extended producer responsibility across its supply chain.



Transition to rPET Packaging

Starting from June 2025, the Company is implementing a comprehensive packaging transition across its retail network. Most bottled beverages at Hung Fook Tong stores are packaged in plastic bottles made from rPET. This initiative directly reduces plastic waste and carbon emissions associated with virgin plastic production.



Expansion of Smart Recycling to Chinese Mainland

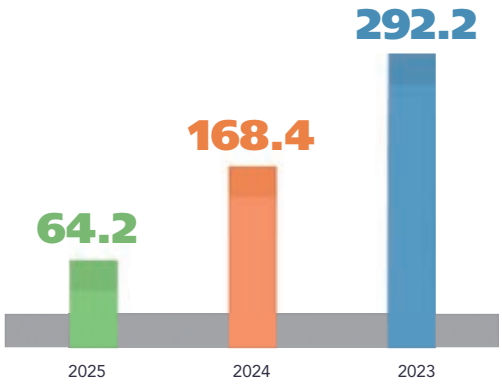
In October 2025, the Company partnered with Carbon World (碳世界) to introduce smart recycling machines in Qianhai, Shenzhen. This collaboration marks a significant step in bringing intelligent recycling systems from Hong Kong to Chinese Mainland. The initiative deploys reverse vending machine technology in public spaces, enabling consumers to participate in recycling through a convenient, engaging experience.

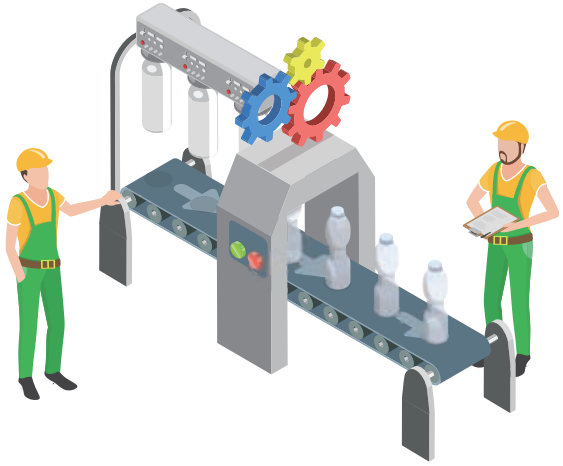


Promoting Reusable Bag

In August 2025, the Company launched a promotional campaign to encourage the use of reusable bags. Customers purchasing two sets of Shao Mai e-vouchers can add HK$1 to redeem a reusable bag with a Shao Mai plush toy. This campaign supports the Company's ongoing efforts to reduce single-use packaging and promote sustainable consumption habits among customers.

Plastic packaging materials consumption in Hong Kong Factory (tonnes)



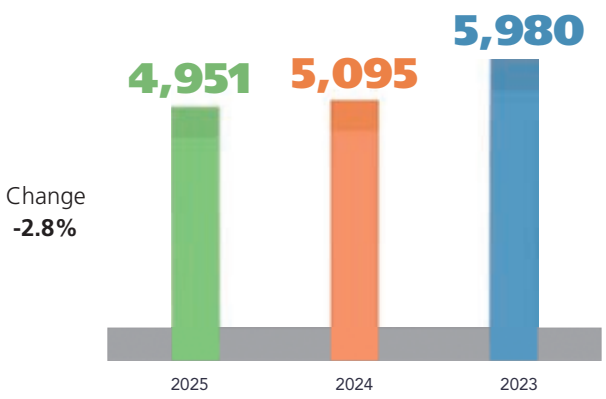


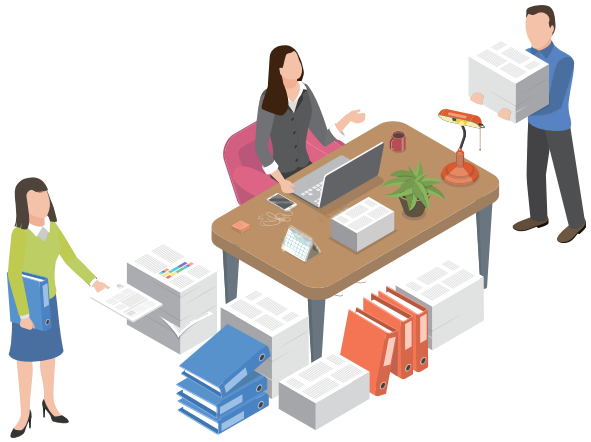
Paperless Operation

HFT remains dedicated to its long-term objective of establishing a paperless office and implementing paperless retail operations.

Paperless Office	Through the HFT ec-Work mobile application, employees can efficiently handle administrative tasks such as applying for leave, viewing payslips, and checking tax returns, substantially reducing paper consumption. • HFT ensures all office printing paper is certified by Forest Stewardship Council (FSC). The Group's Office Waste Reduction Guide actively encourages employees to minimise paper use by adhering to electronic procedures, utilising secure printing, and selecting FSC-certified or recycled paper when printing is necessary. • Employees are encouraged to reduce paper usage by following electronic workflows, practising secure printing, and reusing single-sided paper for printing purposes. We also promote the use of e-business cards to reduce unnecessary paper usage. • In response to regulatory requirements and sustainability objectives, the Company has minimised the printing of annual and interim reports. We communicate with shareholders primarily through electronic means. By 2025, 75% of shareholders had opted to receive corporate communications electronically. Additionally, all board meetings were conducted using electronic documents starting from 2025.
Paperless Retailing	Incentives and promotions are implemented to drive adoption of the HFT mobile application ("HFT APP"), which offers digital membership cards and e-coupons to support paperless retail operations. • As of 31 December 2025, 322,370 members have downloaded the HFT APP, representing a 10% year-on-year increase, with over 70% of coupons redeemed in electronic format. • Targeted digital promotions, including Breakfast Combo and Tea Set e-coupons, are launched to boost membership growth and strengthen the meal segment, contributing to reduced paper and card consumption. • Digital marketing channels, including in-store digital displays, are introduced to further reduce paper usage, enhancing customer engagement while advancing a more efficient and sustainable retail ecosystem.

Office paper purchases volume (kg)





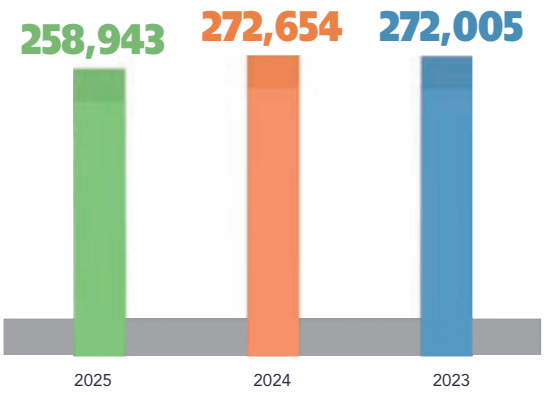
Water Management

Water is an essential component of HFT's products, and the Company is committed to minimising unnecessary loss and enhancing water efficiency across its production plants, retail stores, and offices. To achieve this, HFT has implemented the following measures:

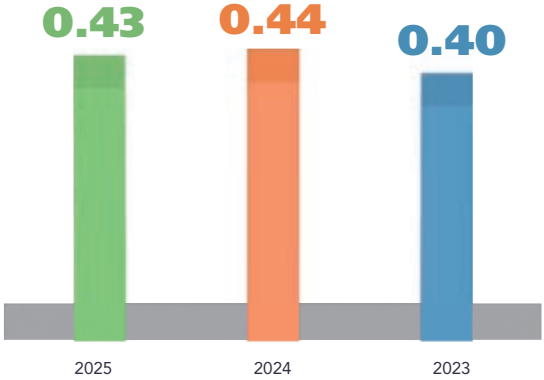
- Regular inspections of the steam condensate recovery systems at both the Hong Kong and Kaiping Factories are conducted to ensure optimal water efficiency.
- Introducing an extraction process designed to optimise water efficiency during cooking.
- Installation of water stabilisers in the Hong Kong and Kaiping Factories has extended the effective lifespan of water within circulation systems.
- Introducing a bottle sanitisation system that eliminates the need for water with an estimated annual water saving exceeding 2,300 cubic metres.
- Maintaining a maximum daily water consumption of 260 m^3 at the Hong Kong Factory, in support of the environmental commitment made by its landlord, the Hong Kong Science and Technology Parks Corporation.

Our water management measures not only cover water input but also output from our facilities. We ensure our wastewater discharge practice in our Tai Po Factory is licensed by the Environmental Protection Department. Third-party wastewater testing is also conducted to ensure compliance with licence conditions and regulatory standards.

Total water consumption (cubic meters)



Water intensity (cubic meters/HK$1,000 revenue)



To meet the water footprint reduction target by 2030, HFT is developing a water-efficiency plan. This aims to improve water consumption practices within the supply chain and safeguard water supply in high-water-risk regions.

RESPONDING TO CLIMATE CHANGE

The impacts of climate change extend beyond physical and transitional risks, presenting significant financial implications for our business. The likelihood of more frequent extreme weather events over the next decade is substantial. In response, HFT has established a comprehensive Climate Change Policy that addresses various aspects of climate-related issue management, covering governance, mitigation, adaptation, resilience, and disclosure.

HFT's Responses to Climate Change

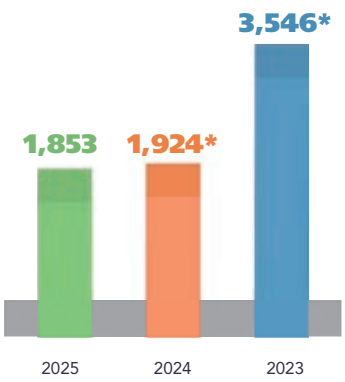
Governance	• The Board is responsible for decision-making around climate-related risks and opportunities, and overseeing any climate-related issues. • The ESG Steering Committee assists the Board in implementing the climate-related policies and initiatives.
Strategy	• Transparently disclose our sustainability approach, measures, and progress in the Group's ESG Report. • Develop a decarbonisation pathway by first establishing viable reduction targets. • Analyse the GHG emissions profile across the business value chain. • Prioritise climate change as a key factor in procurement and facilitate the acquisition of low-carbon products. • Establish operational procedures and measures to mitigate potential losses to the Group from climate change. • Conduct climate resilience assessments for our factories and ensure production facilities comply with international standards. • Promote and motivate employees and suppliers to actively reduce their carbon footprints in daily operations. • Enhance climate-related disclosure to improve communication with investors.
Risk Management	• Actively monitor emerging climate-related risks and gather insights from stakeholders, including employees and value chain partners, to promptly integrate these risks into the Group's risk management system. • Strengthen emergency response plans to effectively address climate-related impacts.
Metrics and Targets	• Set a target to reduce carbon emission intensity (tonnes of CO_2-e/HK$1,000 revenue) by 35% against the 2019 baseline by 2025, and by 40% by 2030. • In 2025, we have achieved our short-term target and are moving towards our 2030 target.

Carbon Management and Emissions

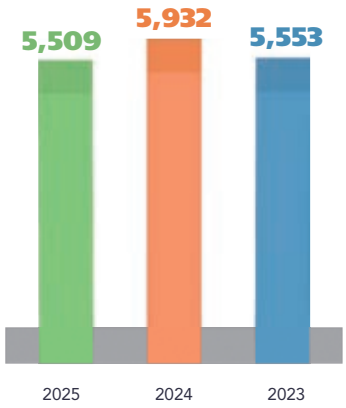
HFT is actively exploring strategies to reduce its greenhouse gas (GHG) emissions. The Group has initiated various energy efficiency measures, detailed in the following section, to manage and lower its GHG emissions.

To assess the effectiveness of these initiatives, HFT has established procedures to measure and forecast its GHG emissions. This quantification follows guidelines from relevant bodies, including the Environmental Protection Department and the Electrical and Mechanical Services Department of Hong Kong, the National Development and Reform Commission of the People's Republic of China, as well as international standards such as ISO 14064-1 and the GHG Protocol.

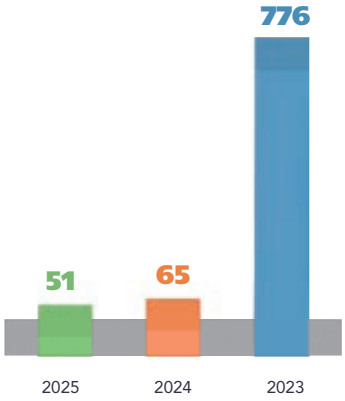
Scope 1: Direct GHG emissions[16] (tonnes of CO_2-e)



Scope 2: Energy indirect GHG emissions[17] (tonnes of CO_2-e)



Scope 3: Other indirect GHG emissions[18] (tonnes of CO_2-e)



Total GHG emissions (tonnes of CO_2-e)

2025	2024	2023
7,413	7,921	9,875

GHG intensity[19] (tonnes of CO_2-e/HK$1,000 revenue)

2025	2024	2023
0.012	0.013	0.015

* Revised the Scope 1 emissions data for FY2023 and FY2024 to reflect updated information on mobile combustion.

To achieve carbon neutrality by 2050, HFT is taking action to reduce Scope 1 and 2 emissions. In 2025, the Kaiping Factory has switched to using electric stoves without consuming natural gas or LPG, and the Hong Kong Office has replaced one traditional petrol vehicle in its fleet with electric vehicle. To reduce Scope 3 emissions, HFT is actively reviewing its supply-chain emissions to prepare for a climate transition plan. Throughout the year, HFT has engaged with various geographical markets and functional teams to deepen their understanding of climate-related risks and opportunities and to develop appropriate response measures.

[16] Scope 1 emissions cover stationary sources combustion, mobile sources combustion, and fugitive emissions from refrigerant consumption. This is direct GHG emissions from operations that are owned or controlled by the Group.

[17] Scope 2 emissions cover purchased electricity from power companies and purchased towngas and steam.

[18] Scope 3 emissions cover emissions from paper waste disposal, use of fresh water, sewage discharge from domestic and catering use in Hong Kong operations, and business travel by air in Hong Kong and Chinese Mainland operations.

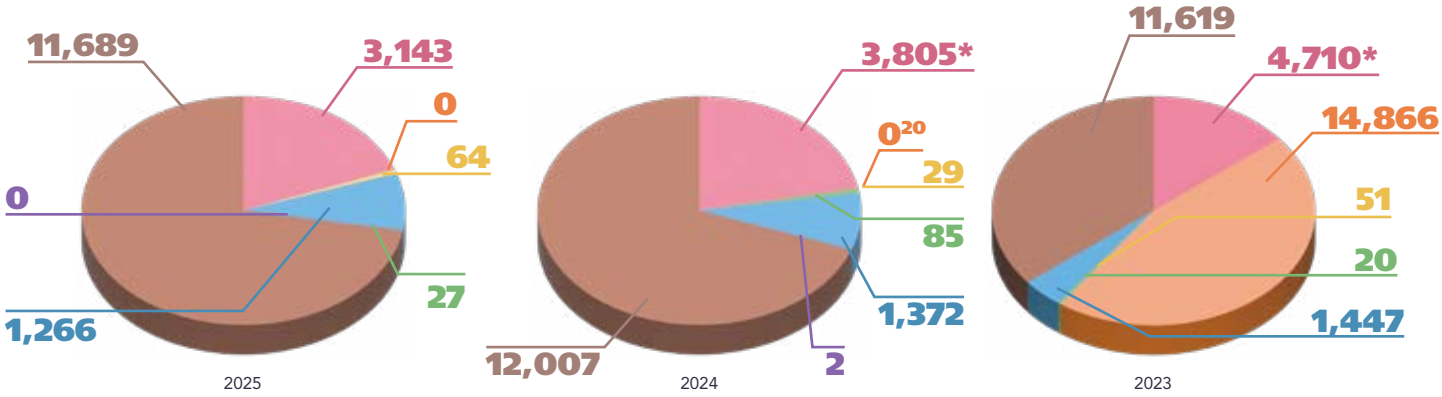
[19] GHG intensity is calculated based on the total revenue of the Group presented in its annual report.

MANAGING NATURAL RESOURCES EFFICIENTLY

Energy Consumption and Efficiency

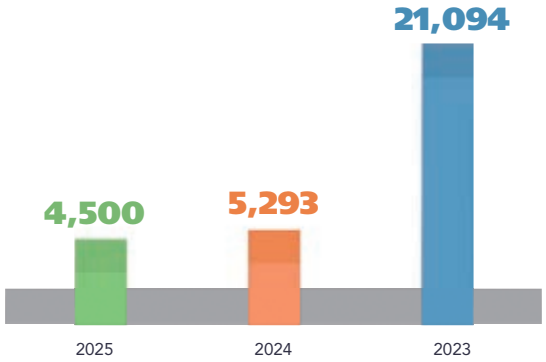
Energy Consumption by Types

Energy Consumption (MWh)

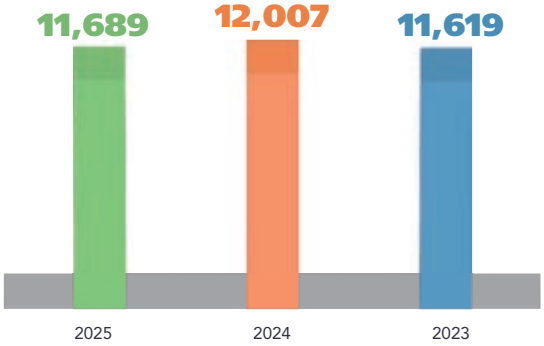


* Revised the data for FY2023 and FY2024 to reflect updated information on mobile combustion.

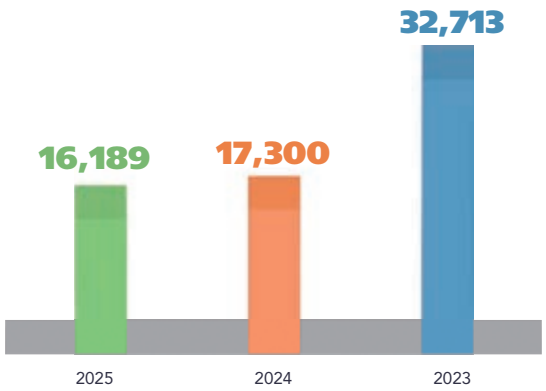
Total Direct Energy (MWh)



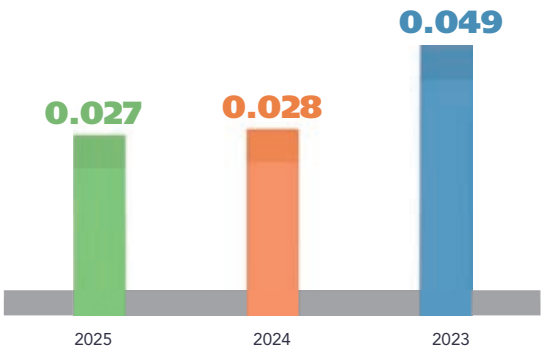
Total Indirect Energy (MWh)



Total Energy Consumption (MWh)



Energy intensity (MWh/HK$1,000 revenue)



[20] The Kaiping Factory has been replacing natural gas with steam purchased from local electricity provider as major energy source since December 2023.

Energy Efficiency Measures

The major energy sources consumed by the Group's operations include diesel, natural gas, and purchased electricity. Under the framework of the Group's ESG policy, various measures have been implemented to reduce energy consumption during different stages of production and operation:

Logistics

- Adjust transport route to avoid unnecessary fuel consumption.

Offices

- Guide and monitor the use of lighting, ventilation, air conditioning and office equipment as per the Energy Guidance.
- Encourage employees to switch off lights for 20 minutes during lunch hours to save energy.
- Turn off air conditioning, lights, and other electronic devices in the lobby and common areas 2 hours earlier.
- Install a clear light and air conditioning zoning system to avoid excessive electricity consumption.
- Arrange employees to check that unused appliances and lights are switched off every day.
- Thermostats are installed in the Kaiping Office to monitor the temperature.

Retail Shops in Hong Kong

- Refrigerators are installed with doors or plastic curtains to reduce energy loss for air conditioning.
- Outdoor lights are switched off by midnight.
- Adopt LED lights when possible.

Factory

Hong Kong

- Implement a 24/7 energy monitoring system to continuously monitor and optimise energy efficiency.
- Conduct regular maintenance of production equipment, including cold storages, boilers, steam laminated pots, steam cabinets, and circular clean-in-place systems.
- Steam boilers and pressure vessels have all passed the certificate of fitness according to the Boilers and Pressure Vessels Ordinance.
- Schedule employee checks to ensure that no electrical appliances are left unattended outside of working hours.
- Since the installation of solar panels on the rooftop in 2020, the Group has successfully generated 182 MWh of renewable energy in 2025. All the energy generated has been contributed to CLP's Feed-in Tariff (FiT) Scheme.

Kaiping

- The Group installed solar panels (covering an area of approximately 25,000m²) at its Kaiping Factory in early 2022. This installation generated 2,138 MWh of renewable energy, which was utilised for operation, resulting in a potential reduction of 1,219.4 tonnes of CO_2-e in greenhouse gas emissions.
- Monitor energy usage through 100+ real-time devices.
- Incorporated passive daylighting in building design and installed lights with individual switches near windows to maximise natural lighting and energy efficiency.

HFT has set an ambitious target to power a substantial portion of its operations with renewable energy by 2050. This initiative involves using renewable sources for manufacturing and investing in advanced technology equipment. By transitioning to renewable energy, HFT aims to reduce air emissions associated with its production. The Group has established a target to reduce carbon emission intensity by 35% (tonnes of CO_2-e per HK$1,000 revenue) against the 2019 baseline by 2025, and by 40% by 2030. Additionally, HFT is committed to reducing energy intensity by 18% (MWh per HK$1,000 revenue) from the 2019 baseline by 2025, and by 28% by 2030. The Group has achieved its 2025 targets and is moving towards its 2030 targets.

OUR COMMUNITY

We recognise that community support is integral to the long-term growth of our business. Therefore, we are committed to contributing to the community by investing in initiatives that foster a healthy and positive society. In 2025, HFT's social investment focused on promoting a green and sustainable lifestyle among our employees and the wider community, achieved through collaborations with local organisations and partners.

OUR FOCUSES

HFT's community investment strategy focuses on the following areas:

- **Treasuring the Environment**
- **Contributing to a Loving Community**
- **Driving Inclusion**
- **Promoting Health and Wellness**

During 2025:

In-kind and Cash Sponsorship:

Valued around **HK$1.2** million



Community Projects Supported:

163 projects from

153 organisations



Total Volunteering Hour:

58.5 hours



Employee Volunteering

The Hung Fook Tong Volunteers Team organised various volunteer activities to support the community and promote environmental protection.

To encourage employee participation in voluntary service, the Group provides up to two days of public welfare leave (公益假) annually for staff engaging in charitable activities outside regular working hours. In 2025, HFT employees contributed 58.5 volunteer hours, demonstrating their commitment to making a positive community impact.

Sponsorship and Donation

HFT supports NGOs and community projects through in-kind sponsorship (products and coupons) and cash donations. Donation boxes are also placed in approximately 60 retail stores for fundraising. In 2025, around HK$104,000 was raised through these boxes for various NGOs, including The Community Chest of Hong Kong (香港公益金), Feeding Hong Kong (樂餉社), Green Power (綠色力量), Hong Kong Blind Union (香港失明人協進會) and Hong Kong Federation of Women's Centres (香港婦女中心協會).

CONNECTING COMMUNITIES

The Group maintained its community engagement efforts, supporting different stakeholders through various initiatives.

Contributing to a Loving Community

Supporting Skip Lunch Day (公益行善「折」食日) 2025



HFT continued its support for The Community Chest of Hong Kong's (香港公益金) "Skip Lunch Day" for the 16th consecutive year. The Group donated 12,000 food coupons, raising nearly HK$800,000 for The Community Chest of Hong Kong.

Participants who donated HK$38 or more received a sponsored food coupon redeemable for a designated herbal health drink or herbal jelly at all HFT stores during the specified period. Donors could also choose to donate the coupons to grassroots individuals in need. All proceeds were directed to the "Services for the Homeless, Cage Dwellers, and Subdivided Unit Residents" fund, with no administrative charges.



Volunteering Activity

The Volunteer Team of Hung Fook Tong organised a "Half-Day Recycler Experience", inviting colleagues from different departments and their families to take part in hands-on recycling activities with The Loops. Participants gained practical knowledge about waste sorting and explored how food waste can be transformed into organic fertilizer, animal feed, and eco-friendly products, turning waste into value.

Offering a Discount to the Valued Community Groups



HFT demonstrates its social commitment by offering special discounts and promoting membership programmes for seniors, students and caregivers of the elderly and people with disabilities. The Company provides best-value pricing on Senior Citizens Day and at the start of academic terms to support these community groups. In addition, Hung Fook Tong supports the Social Welfare Department's "Shatin Merchants Support You All the Way" programme (「沙田商戶全程撐您」照顧者友善計劃) by offering exclusive discounts to caregivers of the elderly and people with disabilities.

Fundraising for the "Wang Fuk Court Fire Relief Fund" (「宏福苑火災支援基金」)

On 26 November 2025, a fire broke out at Wang Fuk Court in Tai Po, Hong Kong, affecting residents in the community. In response, HFT promptly launched an emergency community support initiative. The Company collaborated with the Hong Kong Church Network for the Poor (教會關懷貧窮網絡) to raise funds for the "Wang Fuk Court Fire Relief Fund" and to provide meals to those in need, supporting the livelihood recovery of affected residents.

We mobilised our retail network to promote the fundraising campaign and placed donation boxes at selected retail stores, facilitating donations through electronic and in-store channels. All funds collected were fully allocated to relief efforts without any administrative deductions, ensuring that donations were delivered directly and effectively to the affected residents.

Preserving Cultural Heritage

HFT was invited by MTR to join the "Hong Kong Stories" campaign by setting up the "Lok Ma Chau Hung Fook Tong" exhibition at Lok Ma Chau Station. Through nostalgic displays and panels, visitors can explore the history of herbal tea and its cultural heritage.



The exhibition highlights herbal tea's inscription as an item on the National List of Intangible Cultural Heritage (國家級非物質文化遺產代表性項目名錄) in 2007, along with HFT's recognition of having eight herbal tea formulas certified. By presenting the historical context, proprietary recipes, and traditional preparation techniques, the exhibition reinforces herbal tea as a legacy of wellness knowledge and enables its continued transmission across generations. This positions our brand as a cultural custodian, elevating it from a product provider to a guardian of heritage.

Promoting Health and Wellness

Healthy N-Dish Rice Series

We launched a tailor-made healthy meal plan (Healthy N-Dish Rice series) to support a balanced lifestyle, with each meal comprising a portion of high-quality protein, fresh vegetables for dietary fibre, and staple carbohydrates. This plan is designed around specific health goals, such as weight loss, muscle gain and balanced nutrition, ensuring that every meal aligns with the customer's nutritional requirements and desired outcomes. Thoughtfully paired with Hung Fook Tong home-made soup or herbal tea, the meal plan provides a complete and nourishing dining experience for customers.





Low/No-Sugar Beverage Promotion

In 2025, we hosted "No-Sugar Challenge" (無糖真挑戰) activities across 30 designated stores, engaging customers in a fun quiz game to promote low and no-sugar beverages. Participants who answered health-related questions correctly could receive complimentary low or no-sugar drinks, encouraging the public to make healthier lifestyle choices while raising awareness about sugar reduction.

HFT Life Art Tour (文創藝術巡禮)

Through the HFT Life Art Tour initiative, HFT integrated art into everyday spaces, allowing the public to appreciate artistic works while enjoying healthy, signature products. By creating an environment where visual art, nourishment and mindful moments co-exist, the initiative offers a holistic experience that nourishes the eyes, body and soul. Regular exposure to art in daily settings promotes mental and emotional wellbeing, helping visitors feel relaxed, uplifted and emotionally comforted, while fostering a deeper appreciation of creativity and inner balance amid everyday life.



Driving Inclusion

Community Engagement through Cantonese Expression

In 2025, we launched a campaign across 30 designated stores to advocate Cantonese culture through social media engagement. Participants were invited to promote the slogan "Hung Fook Tong, almost as good as mom's cooking" (「鴻福堂, 幾乎有阿媽咁好!」) in Cantonese on social media, creating lively and meaningful online interactions that resonated with different generations. By encouraging active social sharing and collective participation, the campaign strengthened connections between the brand and the community, while promoting the everyday use of Cantonese to foster a sense of belonging and support cultural preservation and intergenerational transmission. Those who post their participation on RedNote (小紅書), Douyin (抖音), or other online platforms using the specified hashtags can receive a complimentary Deluxe Drink With Mango, Nata de Coco and Pomelo (芒果椰果柚子甘露) and electronic discount coupons.



"Hung Panda" Community Exploration (「鴻貓」遊蹤)

HFT's "Hung Panda" initiative engages customers and visitors through interactive riddles and photo check-in activities that encourage exploration of the unique character of different districts. By guiding participants to travel mainly by MTR, the programme promotes low-carbon travel while promoting walking to local shops and neighbourhoods, and supporting the local community economy. Blending leisure with environmental awareness and social inclusion, this initiative advanced sustainable tourism, strengthened community connections, and raised public appreciation of each district's distinct identity, while encouraging responsible and green consumption.

Treasuring the Environment

Earth Hour 2025

We actively support global climate action by participating in Earth Hour, an annual environmental movement spanning 190 countries. On 22 March 2025, the Group encouraged all employees to switch off non-essential lights and electrical appliances for one hour at 8:30 p.m. This initiative aimed to promote sustainable lifestyle changes among staff and demonstrate collective commitment to environmental protection. We believe that unified action can drive meaningful change for the planet's future.

CLP Retail and Catering Coupons Programme

This year, we joined the CLP Community Energy Saving Fund's CLP Retail and Catering Coupons Programme as a participating merchant. The programme distributed HK$100 vouchers to approximately 580,000 eligible households to support local consumption and energy conservation. Eligible families could use these vouchers at any designated Hung Fook Tong store.

Plastic Bottle Recycling

HFT is one of the sponsors of the trial bottles recovery scheme at Tin Shui Wai area, initiated by Drink Without Waste (免「廢」暢飲). Drink Without Waste is an initiative led by the Single-use Beverage Packaging Working Group, focusing on reducing waste from beverage consumption, demonstrating the Group's commitment to reduce waste.

Connecting Education and the Workplace

Supporting Student Career Exploration through Industry Partnership

HFT partnered with The Chinese Manufacturers' Association of Hong Kong (CMA) on the "Business-School Partnership Programme (商校合作計劃) 2025", offering participating students a two-week retail internship with store manager mentoring, helping them explore personal interests and plan their future studies and careers, while embedding corporate social responsibility and sustainability values.





Industry Exposure for Youth Career Development

HFT supported the Teenshare's (青年城) Management Trainee/Graduate Program by hosting an on-site company visit for around 20 students from The Education University of Hong Kong, providing them with first-hand exposure to the workplace environment. During the visit, HFT introduced its organisational structure and departmental functions, and facilitated direct exchanges with industry professionals to share insights on career pathways and industry developments. The initiative helped students deepen their understanding of workplace realities, broaden their career perspectives, and explore potential career options they had not previously considered.



PERFORMANCE SUMMARY

ENVIRONMENTAL PERFORMANCE

Indicators	Unit	2025	2024	2023
Air Emissions				
Nitrogen oxides	tonnes	**17.3**	22.0*	32.3*
Sulphur oxides	tonnes	**1.1**	1.4*	2.1*
Particulate matter	tonnes	**1.2**	1.6*	2.3*
GHG Emissions				
Scope 1: Direct emissions	tonnes of CO_2-e	**1,853**	1,924*	3,546*
Scope 2: Energy indirect emissions	tonnes of CO_2-e	**5,509**	5,932	5,553
Scope 3: Other indirect emissions	tonnes of CO_2-e	**51**	65	776
GHG emissions in total (Scope 1, 2 and 3)	tonnes of CO_2-e	**7,413**	7,921	9,875
GHG intensity[21]	tonnes of CO_2-e/ HK$1,000 revenue	**0.012**	0.013	0.015
Wastes[22]				
Hazardous waste	tonnes	**0.20**	0.30	0.46
Hazardous waste intensity	tonnes/HK$10 billion revenue	**3.33**	4.83	6.84
Non-hazardous waste	tonnes	**593**	482	1,118
Non-hazardous waste intensity	tonnes/HK$1,000 revenue	**0.001**	0.001	0.002
Energy Consumption				
Direct Energy (Non-renewable)				
Diesel	MWh	**3,143**	3,805*	4,710*
Natural gas	MWh	**0**	0	14,866
Petrol	MWh	**64**	29	51
Liquefied petroleum gas	MWh	**27**	85	20
Towngas	MWh	**1,266**	1,372	1,447
Steam[23]	MWh	**0**	2	N/A
Total Direct Energy	MWh	**4,500**	5,293	21,094
Indirect Energy				
Electricity	MWh	**11,689**	12,007	11,619
Total Indirect Energy	MWh	**11,689**	12,007	11,619
Total Energy Consumption	MWh	**16,189**	17,300	32,713
Energy intensity	MWh/HK$1,000 revenue	**0.027**	0.028	0.049
Water Consumption				
Total water consumption	cubic meters	**258,943**	272,654	272,005
Water intensity	cubic meters/HK$1,000 revenue	**0.43**	0.44	0.40
Packaging^				
Total packaging material used	tonnes	**2,772.0**	2,804.8	3,001.1
Packaging material intensity	tonnes/HK$1,000 revenue	**0.0046**	0.0045	0.0045

* Restated due to updated data on mobile combustion.

^ Updated the packaging data for FY2023 and FY2024 with revised figures.

[21] GHG intensity is calculated based on the total revenue of the Group presented in its annual reports.

[22] It includes data from Hong Kong Factory and from Kaiping Office and Kaiping Factory.

[23] The steam consumption for the Kaiping Factory.

SOCIAL PERFORMANCE

Total Workforce

Employee[24]

	2025	2024	2023
By Gender			
Male	**204**	219	202
Female	**549**	554	590
By Age Group			
Under 30	**86**	79	84
30-40	**174**	176	182
41-50	**252**	283	288
Above 50	**241**	235	238
By Employment Categories			
Managers and above	**55**	63	57
Deputy Managers and Assistant Managers	**76**	73	77
Senior Officers and Officers	**121**	120	135
Assistant Officers and General Employees	**501**	517	523
By Employment Type			
Full time	**712**	731	725
Part time	**22**	21	56
Contract	**19**	21	11
By Region			
Hong Kong	**567**	605	634
Chinese Mainland	**186**	168	158
Total Workforce	**753**	773	792

Other Workers[25]

	2025	2024	2023
By Worker Type			
Cleaners	**0**	1	4
IT Support	**1**	3	4
Accounting	**1**	2	2
Total	**2**	6	10

[24] Based on number of employees as at 31 December 2025.

[25] Other workers refer to the agents/contractors/suppliers hired by the Group to perform work at a workplace controlled by the Group.

New Hire and Turnover

Employee New Hire[26]

	2025		2024		2023	
	Number	**Rate**	Number	Rate	Number	Rate
By Gender						
Male	**105**	**51%**	125	57%	43	21%
Female	**215**	**39%**	145	26%	125	21%
By Age Group						
Under 30	**82**	**95%**	66	84%	31	37%
30-40	**66**	**38%**	68	39%	31	17%
41-50	**70**	**28%**	73	26%	53	18%
Above 50	**102**	**42%**	63	27%	53	22%
By Region						
Hong Kong	**270**	**48%**	212	35%	152	24%
Chinese Mainland	**50**	**27%**	58	35%	16	10%
Overall	**320**	**42%**	270	35%	168	21%

Employee Turnover[27]

	2025		2024		2023	
	Number	**Rate**	Number	Rate	Number	Rate
By Gender						
Male	**89**	**44%**	115	53%	73	36%
Female	**185**	**34%**	198	36%	301	51%
By Age Group						
Under 30	**71**	**83%**	65	82%	68	81%
30-40	**50**	**29%**	76	43%	82	45%
41-50	**69**	**27%**	74	26%	88	31%
Above 50	**84**	**35%**	98	42%	136	57%
By Region						
Hong Kong	**244**	**43%**	267	44%	361	57%
Chinese Mainland	**30**	**16%**	46	27%	13	8%
Overall	**274**	**36%**	313	40%	374	47%

Occupational Health and Safety

Number of Employee Injury and Fatality

	2025	2024	2023
Number of work-related fatalities	**0**	0	0
Rate of work-related fatalities (per 1,000 workers)[28]	**0**	0	0
Lost days due to work injury	**124.0**	154.0	351.0
Work-related injuries recorded	**14**	11	11
Work-related injury rate (per 1,000 workers)[29]	**18.6**	14.2	13.9

[26] New Hire Rate = Total number of new hires in the reporting period/Total number of employees as at the end of the reporting period.

[27] Employee Turnover Rate = Total number of employees leaving employment in the reporting period/Total number of employees as at the end of the reporting period, covering the rejoined employees and contract employees which were required for continuous replacement.

[28] Rate of work-related fatalities (per 1,000 workers) = Total number of work-related fatalities cases/Total number of employees as at the end of the reporting period x 1,000.

[29] Rate of work-related injury rate (per 1,000 workers) = Total number of work-related injury cases/Total number of employees as at the end of the reporting period x 1,000.

Training and Development[30]

Number of Employee Who Received Training[31]

	2025		2024		2023	
	Number of employees trained	**Percentage of Employee Trained**	Number of employees trained	Percentage of Employee Trained	Number of employees trained	Percentage of Employee Trained
By Gender						
Male	**171**	**84%**	191	87%	221	100%
Female	**379**	**69%**	525	95%	723	100%
By Employee Categories						
Managers and above	**54**	**98%**	55	87%	63	100%
Deputy Managers and Assistant Managers	**75**	**99%**	76	100%	90	100%
Senior Officers and Officers	**128**	**100%**	134	100%	156	100%
Assistant Officers and General Employees	**293**	**58%**	451	87%	635	100%
Overall	**550**	**73%**	716	93%	944	100%

Training Hours[32]

	2025		2024		2023	
	Number of Training Hours	**Average Training hours per employee**	Number of Training Hours	Average Training hours per employee	Number of Training Hours	Average Training hours per employee
By Gender						
Male	**897.0**	**5.2**	1,088.0	5.7	1,491.0	6.8
Female	**2,639.0**	**7.0**	4,127.5	7.9	7,168.0	9.9
By Employee Categories						
Managers and above	**861.5**	**16.0**	821.0	14.9	1,353.0	21.5
Deputy Managers and Assistant Managers	**707.5**	**9.4**	990.5	13.0	1,389.5	15.4
Senior Officers and Officers	**1,088.0**	**8.5**	1,814.0	13.5	2,390.5	15.3
Assistant Officers and General Employees	**879.0**	**3.0**	1,590.0	3.5	3,526.0	5.6
Overall	**3,536.0**	**6.4**	5,215.5	7.3	8,659.0	9.2

Supply Chain Management

Number of Suppliers by Regions

	2025	2024	2023
Hong Kong	**94**	119	207
Chinese Mainland	**101**	100	80
Other Regions	**2**	3	11
Total	**197**	222	298
Percentage of suppliers where relevant ESG practices are being implemented	**100%**	100%	96%

[30] It includes trained employees who have left the company during the reporting period. The percentage of employees trained and the average training time per employee are for reference only.

[31] Percentage of employee trained = total number of employee trained of the particular category/Total number of employees of the specified category.

[32] Average training hours per employee = Total training hours of the specified category/Total number of employees of the specified category.

CONTENT INDEX

Material Aspect	Content	Page Index/ Remarks
Mandatory Disclosure Requirements		
Governance Structure		
Board statement	A disclosure of the board's oversight of ESG issues.	9, 11-12
	The board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses).	13-16
	How the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	13-14
Reporting Principles		
Description of the application of the Reporting Principles	**Materiality:** The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.	7-8, 17-21
	Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.	7-8
	Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	7-8
Reporting Boundary		
Description	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report.	7-8
Comply or Explain Provisions		
A. Environmental		
A1 Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	21, 36-38, 43
A1.1	The types of emissions and respective emissions data.	52
A1.2	Repealed 1 January 2025	N/A
A1.3	Total hazardous waste produced and, where appropriate, intensity.	36-38, 52
A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	36-38, 52
A1.5	Description of measures to mitigate emissions and results achieved.	14, 43
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	14, 36-38

Material Aspect	Content	Page Index/ Remarks
A2 Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	39-46
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	44, 52
A2.2	Water consumption in total and intensity.	41, 52
A2.3	Description of energy use efficiency initiatives and results achieved.	45-46
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	No issue in sourcing water
A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced.	39-41
A3 The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	36-46
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	36-46
B. Social		
B1 Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	21, 28-30
B1.1	Total workforce by gender, employment type, age group and geographical region.	28, 53
B1.2	Employee turnover rate by gender, age group and geographical region.	54
B2 Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	21, 31-33
B2.1	Number and rate of work-related fatalities.	54
B2.2	Lost days due to work injury.	32, 54
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	31-33

Material Aspect	Content	Page Index/ Remarks
B3 Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	34-35
B3.1	The percentage of employees trained by gender and employee category.	35, 55
B3.2	The average training hours completed per employee by gender and employee category.	35, 55
B4 Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	21, 30
B4.1	Description of measures to review employment practices to avoid child and forced labour.	30
B4.2	Description of steps taken to eliminate such practices when discovered.	30
B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	27
B5.1	Number of suppliers by geographical region.	55
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.	27
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	27
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	27
B6 Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	21, 22-26
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	23
B6.2	Number of products and service related complaints received and how they are dealt with.	23, 26
B6.3	Description of practices relating to observing and protecting intellectual property rights.	23-24
B6.4	Description of quality assurance process and recall procedures.	22-23
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	23-24

Material Aspect	Content	Page Index/ Remarks
B7 Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	21, 24-25
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.	24-25
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	24-25
B7.3	Description of anti-corruption training provided to directors and staff.	24-25
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.	47-51
B8.1	Focus areas of contribution	47-51
B8.2	Resources contributed to the focus area.	47-51

Part D of HKEX ESG Reporting Guide Content Index		
HKEX ESG Code	**Disclosure Description**	**Remarks**
	Climate-related disclosures	
	(I) Governance	
19(a)	the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate related risks and opportunities.	9, 11-12, 42 HFT provides Board members with regular updates on sustainability and climate matters, equipping them with necessary skills and competences to oversee climate-related risks and opportunities.
19(b)	management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	
	(II) Strategy	
	Climate-related risks and opportunities	
20	An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term.	16, 42
	Business model and value chain	
21	An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain.	16, 42
	Strategy and decision-making	
22	An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making.	42-46
23	An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	13-14, 16

Part D of HKEX ESG Reporting Guide Content Index		
HKEX ESG Code	**Disclosure Description**	**Remarks**
	Financial position, financial performance and cash flows	
	Current financial effect	
24	An issuer shall disclose qualitative and quantitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	We recognize the financial implications of climate-related risks and opportunities on our operations. Based on identified qualitative financial effects – such as supply chain disruptions and shifts in customer preferences toward low-carbon products – we plan to explore these in greater detail to support enhanced disclosures in the future.
	Anticipated financial effect	
25	The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	We recognize the financial implications of climate-related risks and opportunities on our operations. Based on identified qualitative financial effects – such as supply chain disruptions and shifts in customer preferences toward low-carbon products – we plan to explore these in greater detail to support enhanced disclosures in the future.
	Climate resilience	
26	An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range.	13-14, 42 Overall, climate has not yet had a significant impact on our operations or value chain. In the future, we may adopt scenario analysis to assess anticipated effects and support forward-looking planning.
	(III) Risk Management	
27	An issuer shall disclose information about: (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks; and (b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	15-16, 42 When climate change imposes greater impacts on HFT, the company may consider conducting a more comprehensive assessment of climate-related risks and opportunities to support monitoring and management. Should these risks become significant, HFT may also consider integrating climate-related risks into its enterprise risk management (ERM) framework.

Part D of HKEX ESG Reporting Guide Content Index		
HKEX ESG Code	**Disclosure Description**	**Remarks**
	(IV) Metrics and Targets	
	Greenhouse gas emissions	
28	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	43, 52
29	An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	43, 52
	Climate-related transition risks	
30	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Within the defined reporting boundary, HFT's assets and business activities are not vulnerable to climate-related transition or physical risks. In terms of opportunities, HFT has already adopted renewable energy and introduced electric vehicles into its operations.
	Climate-related physical risks	
31	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
	Climate-related opportunities	
32	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	
	Capital deployment	
33	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	While we currently invest in renewable energy and electric vehicles for our operations, the Group plans to further increase investment toward climate resilience and will provide detailed financial disclosures.

Part D of HKEX ESG Reporting Guide Content Index		
HKEX ESG Code	**Disclosure Description**	**Remarks**
	Internal carbon prices	
34	An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	Internal carbon prices is not a primary strategic consideration at this stage. Nevertheless, we will periodically review the needs of including this practice in response to future operational needs.
	Remuneration	
35	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	The Group has not yet factored climate-related considerations into its remuneration policy. we will evaluate the necessity of this linkage in response to the future intensification of climate risks.
	Industry-based metrics	
36	An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	14
	Climate-related targets	
37	An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	14, 42-44

Part D of HKEX ESG Reporting Guide Content Index		
HKEX ESG Code	**Disclosure Description**	**Remarks**
38	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions.	14, 42-44
39	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	14, 43
40	For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose: (a) which greenhouse gases are covered by the target; (b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; (c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target; (d) whether the target was derived using a sectoral decarbonisation approach; and (e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	14, 43
	Applicability of cross-industry metrics and industry-based metrics	
41	In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	14

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