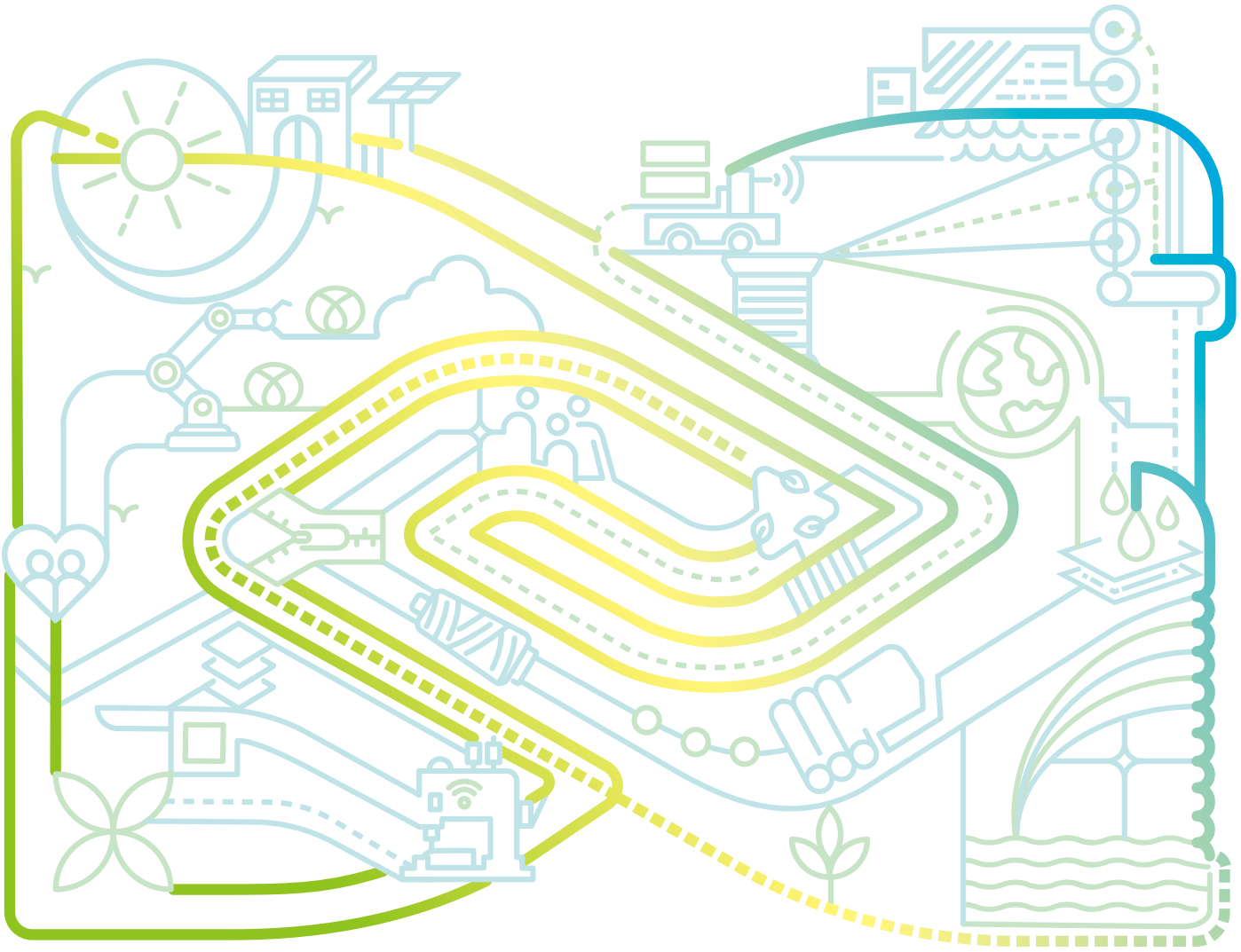


SUSTAINABILITY REPORT 2025

Contents

2 About This Sustainability Report

4 CEO Message

6 About Crystal International

10 Our Sustainability Vision and Approach

14 Stakeholder Engagement

18 Regenerating Nature

44 Driving Innovative Manufacturing

52 Product Responsibility

56 Supply Chain Management

62 Resourcing People

80 Revitalising Community

82 Awards and Recognition

85 Glossary

88 Content Index for ESG Reporting Code and Reference Standards

About This Sustainability Report

This Sustainability Report 2025 (the "**Report**") has been prepared in full compliance with the Environmental, Social and Governance ("**ESG**") Reporting Code set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), and with reference to the Global Reporting Initiative ("**GRI**") Standards and the International Financial Reporting Standards ("**IFRS**") S1 General Requirements for Disclosure of Sustainability-related Financial Information and S2 Climate-related Disclosures issued by the International Sustainability Standards Board ("**ISSB**"), to align our reporting with globally recognised frameworks.

This marks the seventeenth sustainability report published by Crystal International Group Limited ("**Crystal**" or "**Crystal International**" or the "**Company**" or "**we**" or "**our**" or "**us**") (Stock code: 2232), covering our sustainability performance for the calendar year from 1 January to 31 December 2025.

During the reporting year, Crystal sustained our operational growth and business expansion. The reporting boundary of this Report, in line with our Annual Report 2025, encompasses all our manufacturing facilities spanning Vietnam, China, Cambodia, Bangladesh, and Sri Lanka – unless otherwise specified. This Report highlights positive strides towards our ambitious transition to Crystal Sustainability Vision 2030 and ultimately a net-zero fashion future, addressing material sustainability topics and navigating increasingly complex challenges in the global landscape.

During the year, we progressed our net zero commitment by intensifying decarbonisation initiatives devised in our net zero roadmap with global factories, while navigating operational challenges associated with regional policies, infrastructure and technology availability. Meanwhile, we optimised our circularity efforts through stepping up waste reduction strategies by solidifying the Corporate Waste Management Framework and forging new partnerships to close material loops.

In addition, we deepened our commitment to women empowerment by joining Reimagining Industry to Support Equality ("**RISE**" or "**SERI**" in Vietnam) as a member, which enabled more female employees to achieve personal and professional advancement. Our highly rated vision screening programme also scaled significantly, helping improve the wellbeing and productivity of workers in all operating countries.

Our sustainability achievements continued to earn accolades from global brand customers and international organisations. In particular, we are the only garment manufacturer and Hong Kong company being scored A-list in CDP Climate for three consecutive years. The awards affirm our ongoing commitment to excellence, innovation, and credibility as we work to embed sustainability across every facet of our business.

I would like to express my heartfelt appreciation for the tremendous support of our top management, whose confidence in our sustainability efforts continues to drive us forward; and for the motivation and teamwork of our global employees, whose dedication remains the driving force behind our exemplary progress. None of the accomplishments would have been possible without the collaborative efforts.

We welcome your valuable feedback on this Report regarding our sustainability performance, initiatives and policies. For any related enquiries, please contact us at sustainability@crystalgroup.com.

Catherine Chiu
Vice President
Corporate Quality and Sustainability



CEO Message

2025 was a year shaped by shifting global business landscape, where we stayed steadfast in our long-standing commitment to responsible growth and sustainable value creation. Volatile macroeconomic conditions, evolving regulatory expectations, and accelerated climate impacts brought new complexities to the apparel industry. Yet amid these changes, one constant remained: our customers remained strong momentum in their sustainability commitments, responsible manufacturing, resilience, and innovation across their supply chains.

Striving to Outperform

Guided by our Crystal Sustainability Vision 2030, we are delighted by our ability to consistently excel and exceed our ambitious sustainability targets. Our commitment to sustainability remains firmly embedded in our culture, governance, and day-to-day operations. This also enables us to make long-term decisions, deliver measurable progress, create enduring impact towards a net-zero future.

Gearing Up for Productivity Enhancement

We strengthened productivity and operational efficiency through streamlining operations and accelerating transition to smart manufacturing. By integrating automation, digitalisation, and data-driven management systems, we elevated production performance and focused on tasks that add value while reducing resource consumption. As one of our decarbonisation strategies, productivity enhancement sets us up well to realise our Net Zero 2050 vision, while being vital and foundational to fostering business competitiveness. Smart manufacturing will remain a central role as we scale pioneer low-carbon solutions and future-ready strategy across our global operations.

Investing in People to Sustain Production Capacity

Our competitive strengths have been fuelled by our loyal and dedicated talents. To ensure consistent production capacity and enable future business growth, we invested in human resources and put unwavering focus on achieving greater workforce stability. To sharpen our worker retention, we strengthened our wellness programmes to further support physical, mental, and social wellbeing of global workers in a more holistic, inclusive way. The extended steps bolster organisational commitment and empower our people – the backbone of our operations – to grow with us as we chart the next phase of strategic expansion.

Deepening Climate and Operational Resilience

Looking ahead, climate change persists as one of the most pressing challenges for fashion industry. Severe cyclones affecting production countries including Vietnam and Sri Lanka in 2025 underscored the urgency of building operational resilience. In response to the significant impact brought by global climate threats and continued extreme weather events, we are undertaking in-depth climate risk scenario analysis to optimise our climate-related risk management framework and reinforce the robustness of our resilience planning. Taking international standards into account, we actively integrated climate considerations into governance, operations, and financial planning against the plausible climate events.

Collaboration is crucial for a successful journey towards advancing circular model and wider sustainable transformation in the global apparel sector. We call upon our ardent customers, like-minded innovators, passionate partners and suppliers, to jointly create a circular and net-zero fashion industry, balancing environmental stewardship with shared economic and social progress.

As we move forward, we will exert every effort to push boundaries, outperform our targets, and take bold actions that shape a more inspiring, regenerative apparel industry. I profoundly thank my extraordinary teams for their strenuous support and contributions over the past year. I'm optimistic about our potential, we will do our utmost to collectively weave a trend-setting future – one where sustainability, innovation, and partnership unlock impactful possibilities for generations to come.

Andrew Lo
Chief Executive Officer



About Crystal International

As a global apparel manufacturer, Crystal International has established itself as a sustainability pioneer. Founded in 1970 and headquartered in Hong Kong, the Company and its subsidiaries (collectively, the "**Group**") have a diverse product portfolio spanning six categories where the Group holds a leading position: Lifestyle wear, Denim, Intimate, Sportswear and outdoor apparel, Sweater, and Fabrics. The Group operates a multi-country manufacturing platform, with production facilities comprising garment factories and fabric mills spanning five countries: Vietnam, China, Cambodia, Bangladesh, and Sri Lanka.

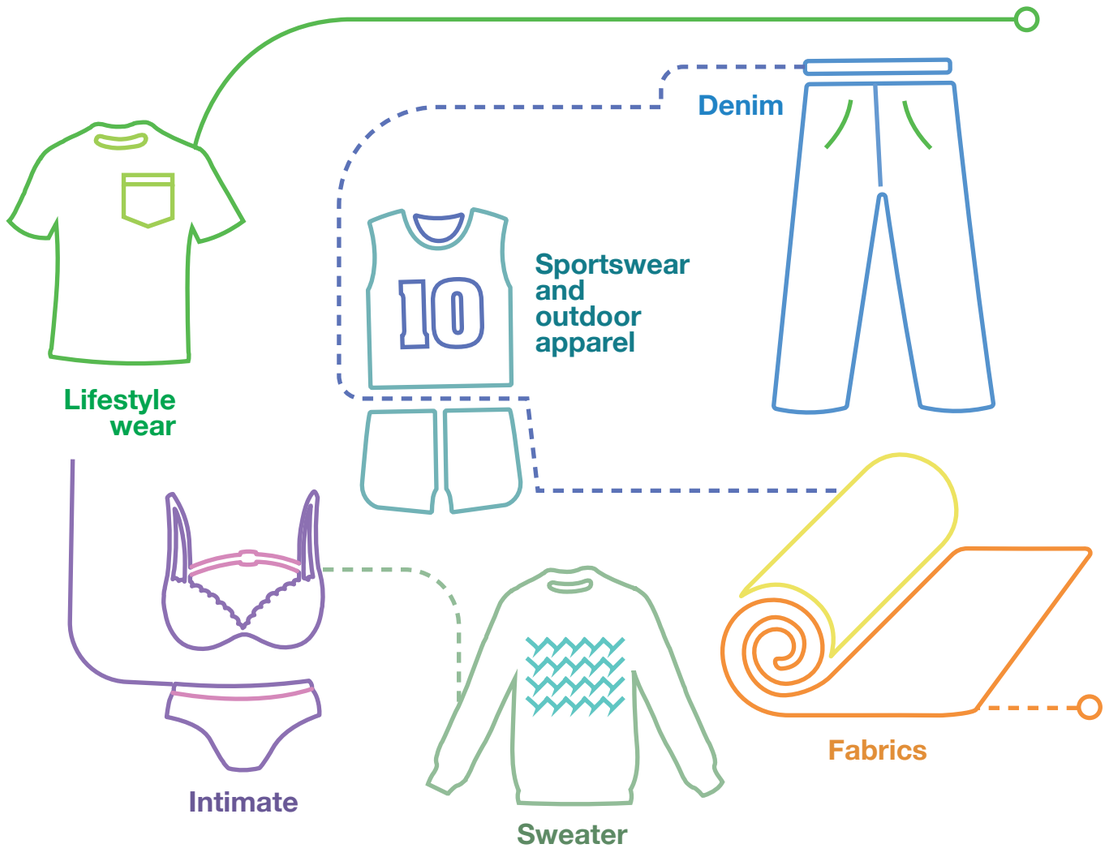
Mission

To be the most profitable company in the industry, customer choice, and employee choice.

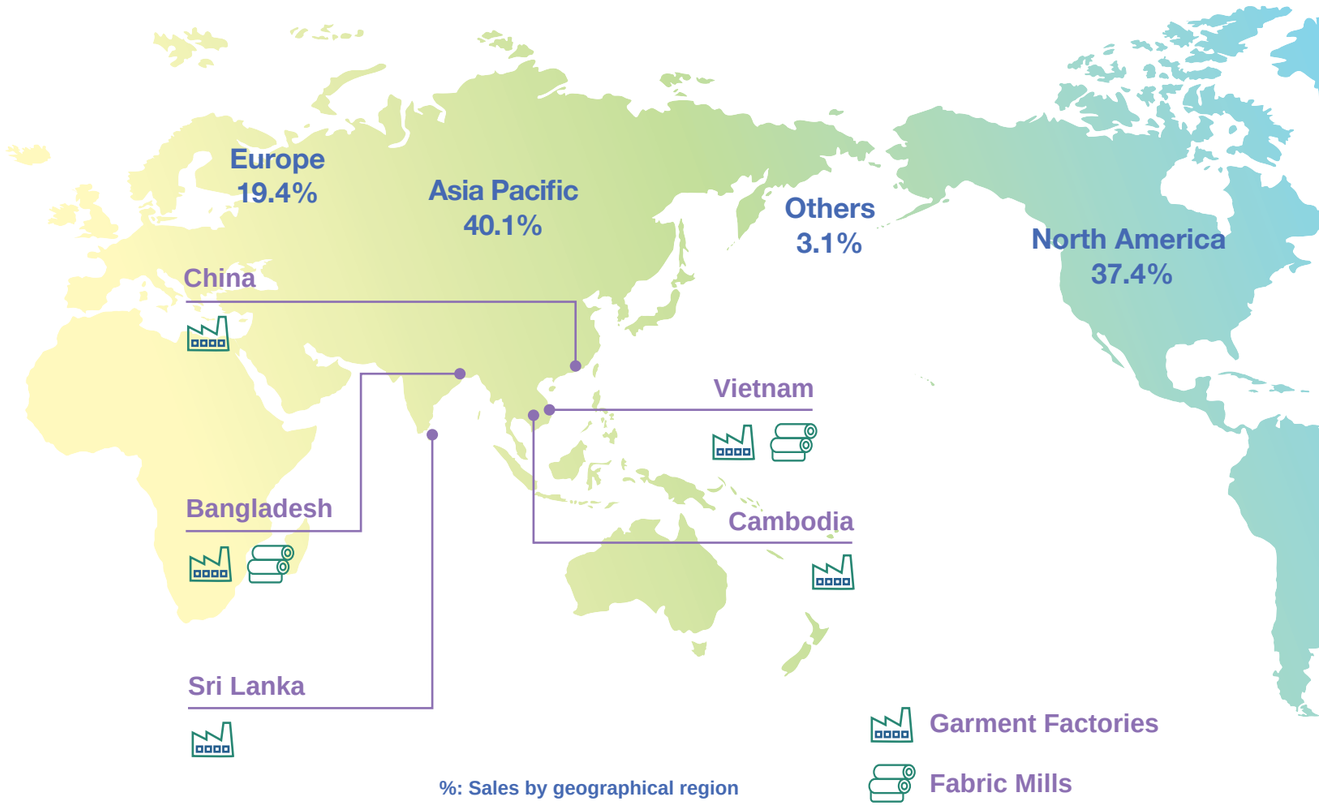
Corporate Values

- Integrity
- Respect for people
- Embrace innovation
- Energise others
- Delight our customer
- Live quality
- Deliver bottom line results
- Boundaryless enterprise

Product Categories



Geographical Markets and Multi-Country Production Facilities



Corporate Governance

Crystal International is the embodiment of exemplary corporate governance, with practices that are not only in compliance with all relevant rules and regulations, including the Corporate Governance Code ("**CG Code**"), but also intricately aligned with the organisation's goals and strategies. Crystal recognises the integral role that robust governance plays in achieving long-term success and is unequivocally committed to maintaining high standards that are crucial to the sustainable growth of the Group.

To ensure that the governance framework remains effective and responsive to the evolving needs of the business, Crystal's board of directors ("**Board**") undertakes regular reviews and is proactive in establishing relevant Board committees as necessary. This dynamic governance structure is designed to facilitate strategic objectives and enhance overall performance.

The composition of Crystal's Board is thoughtfully diversified, featuring a substantial number of female Board members as well as members with expertise in management of different industries, banking and finance, technology, and manufacturing. This diversity strategically reflects Crystal's commitment to staying at the forefront of manufacturing innovation and efficiency. Such a varied Board composition is instrumental in steering Crystal towards the vision of excellence in manufacturing capabilities.

Understanding the critical nature of board development, Crystal invests in the continuous development of our Board members. Seminars, forums and factory visits to our operational countries are organised, providing Board members with deeper insights into the Company's business environment, risk management, operations, and sustainability-related issues. These visits are more than informational excursions; they are integral to ensuring that Board members are well-informed and equipped to thoroughly understand the business landscape in which Crystal navigates.

Our consistent application of and adherence to advanced corporate governance standards underlines our belief that such practices are not mere formalities but are vital to driving forward Crystal's vision and long-term success.

The Board comprises five executive Directors (including the Chairman, a Vice Chairman and a Vice Chairman who also serves as the Chief Executive Officer), two non-executive Directors and four independent non-executive Directors. The Board has established the following committees to oversee specific aspects of Crystal's affairs and to assist in the discharge of its responsibilities.

- Audit Committee
- Nomination Committee
- Remuneration Committee
- People Committee
- Sustainability Committee

The roles and responsibilities of each committee and details of our corporate governance framework are available in Crystal's Annual Report 2025.

The Board places significant emphasis on the oversight of the Group's risk management and internal control processes, delegating this responsibility to the Audit Committee. This ensures a focused approach to identifying and mitigating risks. The Audit Committee, supported by the Internal Audit Department, actively assesses the effectiveness of these processes, regularly monitors the status of risk mitigation, and provides updates to the Board.

Additionally, other Board committees manage risks pertinent to their areas, ensuring alignment with the Group's overall strategy. To maintain high standards of corporate governance, the Board conducts regular evaluations of its performance, reinforcing its commitment to effective risk management and sustainable growth in a dynamic business environment.

Remuneration packages for executive Directors and senior management are explicitly structured to align with both individual and Group performance, in accordance with our prevailing policies, including the remuneration policy. As climate vision and sustainability strategy are core strategic priorities, achievement of climate-related objectives is directly linked to the Group's performance metrics and is therefore a key factor in determining remuneration outcomes. This ensures that progress on climate goals is an integral component of our reward framework.

Sustainability Governance

Our Board provides a high level of sustainability governance, retaining overall responsibility for Crystal's sustainability strategic direction, policies, and annual reporting. The role of the Board involves steering and supervising sustainability strategies to ensure their effectiveness and relevance in response to emerging issues.

Underpinned by a robust governance structure to manage our sustainability approach, the Board-level Sustainability Committee, which is comprised of our CEO and two non-executive Directors, endorses our sustainability vision and commitments, oversees the formulation of integrated strategies and management approach, and provides recommendations on the Group's sustainability framework and policies, to ensure their effectiveness and alignment with the Group's business strategies. Our Board and Sustainability Committee members have industry-specific experience in sustainability-related issues, ensuring our ability to address emerging challenges and identify opportunities that support our long-term strategic goals. The Sustainability Committee also reviews the annual reporting, group-wide sustainability performance, material sustainability issues, and related risks and opportunities, in addition to making recommendations and reporting to the Board on a regular basis.

The sustainability performance and progress towards our targets are reported quarterly to the Executive Committee ("**Execo**") members and twice a year to the Sustainability Committee for review and evaluation.

Sustainability Risk Management

The Group applies group-wide risk management and internal control systems to identify, assess, prioritise and monitor sustainability-related risks and opportunities in our operations, and across the value chain where relevant. These processes include reviewing regulatory and market developments, stakeholder engagement and scenario analysis aligned with the Task Force on Climate-related Financial Disclosures ("**TCFD**"). Identified risks are evaluated using the mechanism of group risk management and internal control systems, considering likelihood, impact and imminence.

Material sustainability-related risks and opportunities, and the status of response actions, are prioritised and monitored through regular management reviews to support effective and timely oversight. An internal communication mechanism and a reporting model are in place to keep Sustainability Committee and Execo members informed in a timely manner. We have started climate-related disclosures since 2022 with reference to the recommendations of the TCFD under the four core pillars of Governance, Strategy, Risk Management, and Metrics and Targets. To further enhance climate-related risk management, we are now mapping and integrating the applicable requirements of International Financial Reporting Standards ("**IFRS**") S2 into our established climate-related disclosures.

All key sustainability and climate-related risks and opportunities, and their potential impact on the Group, are reported to the Sustainability Committee on a half-yearly basis.

Authorised by the Board and led by an Executive Director, the Corporate Quality and Sustainability Department ("**CQS**") is delegated to develop sustainability strategies and policies, work with business units to embed sustainability into operations, implement relevant initiatives, assess the Group's sustainability performance, identify improvement areas, and lead sustainability reporting. The CQS and sustainability departments of our factories are responsible for executing projects, evaluating results, monitoring potential risks, and reporting on performance to senior management.

Please refer to our Annual Report 2025 for more about Crystal's risk management process and the "Stakeholder Engagement" section of this Report for the process used to evaluate, prioritise, and manage material sustainability-related issues.

Our Sustainability Vision and Approach

United Nations Global Compact

Since 2021, we have joined the United Nations Global Compact and continued to support its 10 universal principles covering human rights, labour, environment, and anti-corruption. By joining hands with nearly 26,000 other participating companies and organisations worldwide, we remain committed to integrating these principles into our strategy, culture, and daily operations and to engaging with our industry peers through partnerships that drive progress towards shared goals.

WE SUPPORT UN GLOBAL COMPACT

The Ten Principles of the United Nations Global Compact

Businesses should:

HUMAN RIGHTS

1. Support and respect the protection of internationally proclaimed human rights.
2. Make sure that they are not complicit in human rights abuses.

LABOUR

3. Uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. Uphold the elimination of all forms of forced and compulsory labour.
5. Uphold the effective abolition of child labour.
6. Uphold the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

7. Support a precautionary approach to environmental challenges.
8. Undertake initiatives to promote greater environmental responsibility.
9. Encourage the development and diffusion of environmentally friendly technologies.

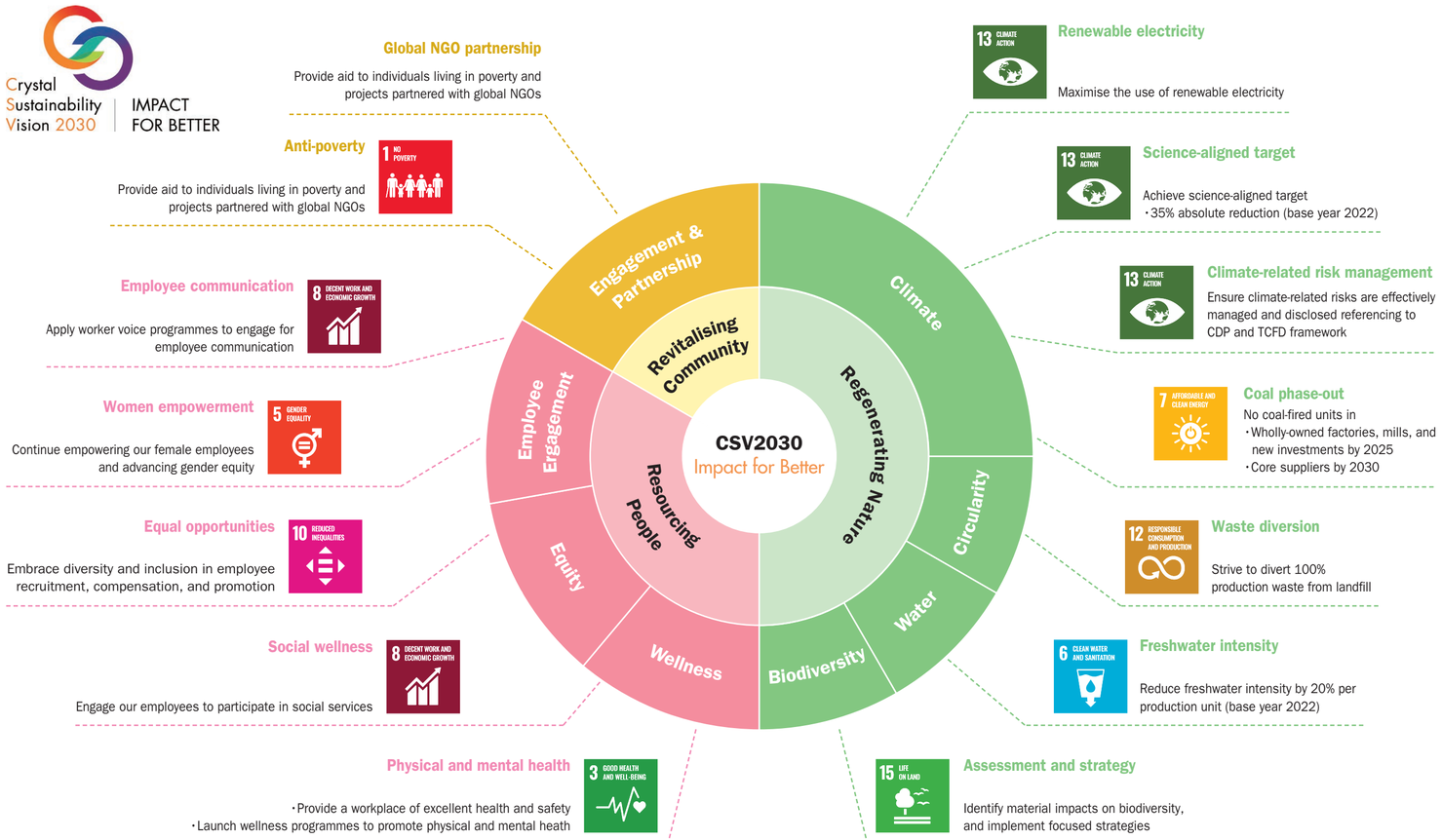
ANTI-CORRUPTION

10. Work against corruption in all its forms, including extortion and bribery.

Crystal Sustainability Vision 2030 – Impact for Better

Crystal Sustainability Vision 2030 underpins our overarching sustainability strategy and serves as a blueprint to take sustainable fashion to the new heights. Aligned with the UN Sustainable Development Goals ("**SDGs**"), Crystal Sustainability Vision 2030 consists of eight impact areas across environmental, people, and community dimensions, as well as relevant goals associated with each impact area, aiming to tackle wider sustainability challenges and pressing threats. "Impact for better" accentuates our ambition and driving force behind Crystal Sustainability Vision 2030. It also illustrates our aspiration to create a positive impact for our nature, people, and communities to weave a better future.

Since embarking on this new journey in 2024, we have devised the action agenda and implemented tailored actionable items across all eight impact areas at our production facilities. During the past year, we worked relentlessly with all facilities to formulate strategies and monitor progress towards achieving this vision.



Highlights in 2025

23MW group-wide solar PV



77,000+ women empowered since 2016



525,000 trees planted in 2025



Free vision screening for **34,000+** workers



40% renewable energy across all factories

4 factories achieved zero operational waste to landfill

Supported **200+** families for home rebuilding after Typhoon Yagi



9,600+ volunteering hours benefitting **62,000+** individuals



No coal-fired units in wholly-owned factories

Regenerating Nature | Resourcing People | Revitalising Community

Stakeholder Engagement

We foster timely and meaningful communication with our stakeholders, aiming to address their concerns and build lasting trust. We identify relevant stakeholders affected by our decisions, activities, and outcomes, prioritising those with whom we frequently interact to gather feedback in alignment with the reporting principles of materiality and inclusiveness.

To maintain strong connections with our stakeholders, it is essential to leverage diverse communication channels and nurture robust relationships. We actively and openly engage with different stakeholder groups on a continuous basis, facilitating transparent two-way communication to understand their expectations, interests, and needs. Our communication channels include:

- Announcements
- Direct mails
- Focus groups
- Interviews
- Intranet and external websites
- Meetings (virtual and in-person)
- Press releases
- Site visits
- Sustainability reporting
- Surveys
- Social media

Stakeholder Groups

- **Customers**
- **Communities**
- **Suppliers**
- **Investors**
- **NGOs**
- **Employees**
- **Governments**
- **Shareholders**
- **Media**
- **Institutions**

Follow Us on Social Media

Facebook | **Instagram** | **YouTube** | **LinkedIn**

Double Materiality Assessment

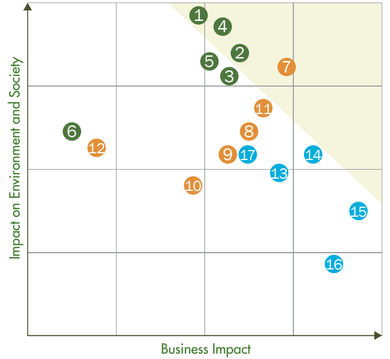
It is crucial to regularly engage with internal and external stakeholders in order to balance their significant viewpoints and identify issues related to the environment, society, and governance that are relevant to us and our stakeholders.

We continued to adopt the double materiality approach for our materiality assessment, referencing the European Sustainability Reporting Standards ("**ESRS**") by the European Financial Reporting Advisory Group.

With the double materiality approach, we assessed business sustainability from both financial and impact perspectives. In addition to assessing material topics that reflect positive or negative impacts on the environment, society and governance, we evaluated the impact of material topics on our business. This up-to-date assessment enables us to better review the integration of sustainability within our business, ensuring our sustainability strategy is purpose-aligned and adaptable in an ever-changing business landscape.

Through survey analysis, interviews, and evaluation of the opinions we collected from internal and external stakeholders, such as senior management, employees, NGOs, and business partners, we built a materiality matrix.

Materiality Matrix 2025



1 Climate change
2 Circularity and waste management
3 Sustainable materials and product development
4 Freshwater use
5 Chemical and wastewater management
6 Biodiversity
7 Health and safety
8 Employee wellness
9 People empowerment and engagement
10 Equity
11 Human rights
12 Community engagement
13 Product responsibility
14 Ethical business practices
15 Manufacturing excellence and innovation
16 Operational resilience
17 Supply chain sustainability

Environment | Social | Governance and Operations

Material Issues under Our Spotlight

The following topics were identified as material:

- Circularity and waste management
- Climate change
- Freshwater use
- Health and safety

These identified material topics were validated and endorsed by the Sustainability Committee and will be prioritised in our strategic planning for greater sustainability. Please refer to sections "Crystal Net Zero 2050", "Water Conservation", "Waste Management" and "Safeguarding Employee Health and Safety" for our strategised actions.

Global Partnerships on Sustainability

Signatory

Fashion for Climate
Fashion Industry Charter for Climate Action

Disclosing Company
(Climate Change, Water Security)

CDP

Member

Cascale

Member

RACE TO ZERO

Participant

BetterWork

Partner Member

Textile Exchange

Member

RISE™

Signatory Manufacturer

Social & Labor Convergence Program

Silver Member

WWF Silver Member 純銀會員 2025/26 HONG KONG

Corporate Member

HKRITA
THE HONG KONG 香港紡織及成衣研發中心
RESEARCH INSTITUTE OF TEXTILES AND APPAREL

Founding Member

SFBC Sustainable Fashion Business Consortium

Recognition from Customers

Certificate of North Star,
by adidas



Commitment to Advancing Gender Equality Through the SERI program (2024 – 2025),
by Victoria's Secret & Co.



Real Good Award,
by American Eagle Outfitters



Sustainable Performance Award,
by adidas



Regenerating Nature

Our Environmental Policy and Management System

Overseen by our Sustainability Committee, our Corporate Environmental Policy outlines the guiding principles that reflect our commitment to environmental compliance and continuous improvement. It guides our actions on climate change mitigation, natural resources conservation, pollutant discharge management, waste and circularity, sustainable material utilisation, and employee awareness. To bring the principles of our Environmental Policy to effective implementation in our factories, we have our Environmental Management System Guidelines in place, which lays the foundation for our factories to establish and implement robust environmental management system. In 2025, 10 of our factories were certified to international standards: the ISO 14001 Environmental Management System, ISO 50001 Energy Management System, and/or the WWF-HK's Low Carbon Manufacturing Programme ("**LCMP**").

In 2025, all of our factories operated in line with the principles laid out in the Corporate Environmental Policy and complied with all related legal requirements. At the Group level, the Corporate Quality and Sustainability Department ("**CQS**") oversees the environmental performance of all factories, including emissions, effluents, waste resource consumption, and compliance status with legal and customer requirements.



Environmental awareness mural at our lifestyle factory in Bangladesh.

Recognition and Certifications

Three-time CDP Climate A List

For the third consecutive year, the accolade reflected our robust climate governance, environmental transparency, and climate risk management across our operations and value chain. This continued recognition also signifies our consistent leadership among the top 4% of global companies.

Second Year on CDP Supplier Engagement Assessment A List

Earning CDP's Supplier Engagement Assessment A List for the second consecutive year underscores our strong governance and clear targets, strengthening value chain engagement to accelerate sustainable supply chain transformation.

Water Security A- on First Disclosure

Going beyond climate, we received A- in our first CDP Water Security disclosure, demonstrating our commitment and continued efforts to responsible water stewardship.

ISO 14064-Verified Carbon Inventory

Our Group's carbon emissions inventory has been verified in accordance with ISO 140641 since 2022, covering Scope 1 and Scope 2 emissions, as well as major Scope 3 categories – Category 1: Purchased Goods and Services, which represents over 90% of our total Scope 3 emissions. The reliable and credible dataset provides a strong foundation for our carbon management and enables us to track and demonstrate meaningful progress in our decarbonisation journey.

Climate-Related Risks and Opportunities

Since 2021, we have prepared climate-related disclosures with reference to the Task Force on Climate-Related Financial Disclosures ("**TCFD**") framework, through which we identify and assess climate-related risks across our operations and broader value chain. The identified risks have been incorporated into the Group's key risk management system to support consistent identification, prioritisation and monitoring.

To further inform operational strategy, capital allocation and resilience planning under a range of plausible future climate conditions, we partnered with an external consultant in 2025 to complete a climate scenario analysis, advancing to quantitative assessments.

Climate Scenario Analysis

The climate scenario analysis identified potential physical and transition risks and opportunities affecting our operations and value chain, including scenarios aligned with the Paris Agreement as an international climate agreement. We referenced Intergovernmental Panel on Climate Change ("**IPCC**") Representative Concentration Pathway ("**RCP**") scenarios for physical risks; and the Network for Greening the Financial System ("**NGFS**") pathways for transition risks. These scenarios were selected for their credibility, industry relevance and alignment with regulatory and market expectations. The analysis incorporated high-level assumptions from the IPCC and NGFS scenarios, covering anticipated climate policies, macroeconomic trends, national and regional climate variables, future energy-mix shifts, and technological advancement. Drawing on recognised global climate datasets alongside our operational information, the analysis provided an indicative view of how different climate futures may affect our asset resilience, continuity of our business and value chain.

We assessed possible impacts in the short (0-2 years), medium (3-5 years) and long term (>5 years) for all operational locations and value chain. The time horizons are aligned with our Crystal Sustainability Vision 2030 and net-zero target. We retain the capacity to adjust our strategies in response to the evolving climate-related conditions, strengthening our overall climate resilience.

To assess potential physical and transition impacts under a range of plausible climate futures, we applied a suite of IPCC and NGFS climate-related scenarios. The scenario set includes:

- RCP 2.6, RCP 4.5, and RCP 8.5
- NGFS Net Zero 2050, NGFS Delayed Transition, and NGFS Current Policies



Scenario Analysis and Financial Impact Assessment

Among the climate scenarios that we have assessed, we considered RCP4.5 for physical risks and the NGFS Current Policies pathway for transition risks as our primary basis for climate risk management. These scenarios are better reflecting the climate science projections and prevailing global decarbonisation policies. Recognising the inherent uncertainty of long-term climate scenarios, we placed emphasis on short to medium term impacts that are most relevant to our strategic planning and operational decision making.

With respect to climate-related opportunities, as we remain committed to progressing towards Net Zero 2050, we reference the NGFS Net Zero 2050 pathway to identify and harness market and technological opportunities that may emerge as global decarbonisation efforts intensify. The potential financial impacts of our focused climate scenarios and time horizons are summarised in the table below.

Climate Scenario Analysis & Financial Impact

Physical Risk[1]

Scenario	**RCP 4.5[2]**	
Time horizon	**Short Term[3]**	**Medium Term[3]**
Sea level rise: damage to owned property and assets	Low	Low
Heatwave: reduced worker productivity and increased energy cost	Low	Low
Climate events: supply chain disruption and increased material cost	Low	Low

Transition Risk[4]

Scenario	**Current Policies[5]**	
Time horizon	**Short Term[3]**	**Medium Term[3]**
Carbon pricing regulations: compliance cost	Low	Low
Low-carbon technologies: capital expenditure	Low	Low
Increased material cost from market transition	Low	Medium

Opportunity[6]

Scenario	**Net Zero 2050[7]**	
Time horizon	**Short Term**	**Medium Term**
Sustainable products:		
Increased revenue from emerging sustainable product market	Low	Medium
Green manufacturing:		
Increased revenue from customers' sourcing by fulfilling climate targets	Low	Medium

1 Analysis result indicates that ~30% of our manufacturing facilities face exposure to physical risks including flooding and heat stress.
2 "RCP 4.5" is a Representative Concentration Pathway climate scenario developed by the IPCC, associated with approximately 2–3°C of global warming by 2100.
3 Risk levels are categorised based on the estimated financial impact or the exposure respective to the nature of risks.
4 All our manufacturing facilities are exposed to transition risks driven by evolving climate policies, market expectations and technology development.
5 "Current Policies" is a climate transition scenario developed by the NGFS, which reflects only existing policies and leads to significantly higher warming (around 3°C or more by 2100).
6 All our facilities face opportunities arising from growing demand for sustainable products and the shift toward green manufacturing practices.
7 "Net Zero 2050" is a climate transition scenario developed by the NGFS, which reflects an ambitious 1.5°C pathway.

The identified material climate-related risks and opportunities were monitored and reviewed regularly through our Group risk management system, evaluating likelihood, impact and imminence. These insights inform flexible resource allocation, resilience planning, and the development of preventive and adaptive measures.

In response to climate-related risks, we placed particular emphasis on protecting employee health arising from heat stress. We implemented a multi-faceted approach to address immediate workforce wellbeing, the measures included:

- Extending air conditioning coverage in workshops
- Enhancing hydration and nutrition support through improved canteen offerings
- Providing wellness supplements

In addition, we are also advancing longer term opportunities aligned with a lower-carbon and more circular future by:

- Monitoring sustainable material availability and market developments
- Progressing research into textile-to-textile recycling and material innovations
- Partnering with customers to realise scalable circularity

Together, these actions help manage near-term operational needs while positioning the Group to capture strategic climate-related opportunities and build long-term business resilience.

Please refer to sections “Crystal Net Zero 2050”, “Water Conservation”, “Sustainable Materials”, “Managing Environmental and Social Risks along Supply Chain”, “Safeguarding Employee Health and Safety” in this Report for our strategies and actions addressing these risks and opportunities.



Crystal Net Zero 2050

Advancing Our Net Zero Transition

We embarked on our net zero commitment in 2022 – to achieve net zero by 2050 and 35% absolute carbon reduction by 2030 as a science-aligned interim target, encompassing the operations of all our garment factories and fabric mills.

Our 2050 net zero target was validated by the Science Based Targets initiative (“**SBTi**”), and is also aligned with Paris Agreement to reduce absolute Scopes 1, 2, and 3 greenhouse gas (“**GHG**”) emissions[8] by 90% by 2050, against the base year 2022. The Scope 3 includes emissions from purchased goods and services, upstream transportation and distribution, and the end-of-life treatment of sold product.

The structured progression of our net-zero roadmap has driven a 14% reduction in carbon intensity at our garment factories since 2022, while the absolute emissions, as projected, increased by 12% amid business growth. Per our roadmap, we will expedite renewable energy adoption, strengthen energy management, and deploy application innovations towards our targets.

Factory-level Carbon Management

Building on the Group’s overall targets, and tailoring to individual factory circumstances, we set specific carbon intensity targets for each garment factory starting from 2025. The targets strengthened governance, enabled factories to take proactive ownership, and catalysed cross-factory exchange on effective management practices and saving measures.



[8] The target covers all seven types of GHG stipulated under the Kyoto Protocol, including Carbon dioxide (CO_2), Methane (CH_4), Nitrous oxide (N_2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur hexafluoride (SF_6), and Nitrogen trifluoride (NF_3). Our net-zero target is based on achieving 90% actual emissions reduction measured in tonnes of carbon dioxide equivalent (tCO_2e) and addressing the remaining 10% through certified removals and offsets sourced from internationally recognised third-party programmes that ensure high project integrity and permanence.

Net Zero Strategy

Underpinning the progress toward our targets, our net-zero roadmap serves as our climate transition plan. In addition to actions and milestones, the plan sets out resources required, assumptions and dependencies, which are reviewed annually to reflect evolving climate science, regulations, technologies, and business strategy.

Energy Efficiency

Since 2022, our factories have identified more than 200 energy efficiency measures for implementation by 2028, comprehensively covering:

- Production equipment efficiency
- Operation of associated facilities and utilities, e.g., chillers, air compressors
- Waste heat recovery
- Energy monitoring

These measures are prioritised for short-, medium-, and long-term adoption based on their payback periods and reduction potential, hence we have not yet applied an internal carbon pricing in our decision-making processes. We will continue to review the necessity of internal carbon pricing timely. Investment for energy efficiency measures was primarily through internal operational and capital budgets. As of the end of 2025, 125 measures have been completed, resulting in an annual carbon reduction of over 40,000 tCO_2e.

125
measures completed

>40,000
tonnes carbon reduced annually

Air-Conditioning Energy Performance Benchmark

Air-conditioning ("**AC**") and ventilation systems provide our workers with a comfortable workspace in response to the growing heat stress, yet they typically account for around 15% of a factory's total energy consumption. To ensure that our facilities adopt energy-efficient cooling solutions with equipment selection and system design, we are engaging Schneider Electric to develop a set of AC energy performance benchmarks.

These benchmarks incorporated key considerations such as local climate conditions, cooling load requirements of different workshops, and the best-available technologies in the market for our factories when planning AC expansions or renovations. This also supports both operational needs and sustainability outcomes – enhancing thermal comfort for workers while delivering low-carbon solutions.

ISO 50001 Energy Management System



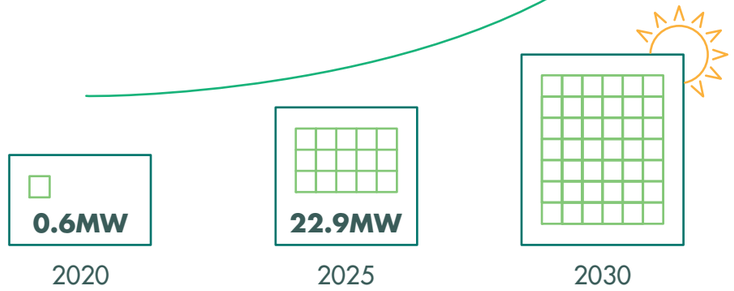
Our intimate factory in Vietnam was certified with ISO 50001, as the second factory at Crystal. This is attributable to its advanced building management system ("**BMS**"), along with 61 smart meters, which enables 24/7 real-time energy analysis, optimises operational parameters and load-based power allocation across major consuming units and the wastewater treatment plant.

Renewable Energy

Group-wide Solar PV

According to our group-wide solar plan, our rooftop solar photovoltaic ("**PV**") capacity has surged from 0.6 MW to 22.9 MW from 2020 to the present, and will continue to allocate internal capital budget to grow towards 2030. The existing rooftop PV systems at our factories generate approximately 26,100 MWh of renewable electricity annually, equivalent to around 15% of electricity for the factories with solar installation.

Growth of Installed Solar PV Capacity MW



To maximise the Group's solar installation potential, we are conducting a study with Schneider Electric on developing a robust solar roadmap to govern installable capacities per factory by year towards 2030. The study holistically examined all available factory areas and technical factors, such as roof condition, structural characteristics and best-in-class PV technologies. By fully unlocking our potential with an actionable roadmap, we aim to accelerate clean energy deployment systematically.

Schneider Electric

Unlocking Solar Power Utilisation

Vietnam – Regulating Device for Solar Generation

Our denim factory installed 2.09 MW solar system with a regulating device to better utilise the surplus solar electricity that cannot be exported to the grid. The device monitors the overall site power demand and allocates electricity proportionally across workshops. This prioritised solar generation for onsite consumption and further curtailed reliance on grid electricity.

China – Battery Energy Storage

Our lifestyle wear factory has adopted a 1.29 MWh battery energy storage system. The system is charged by surplus solar generation partly and by off-peak grid power hours with a lower tariff, with the stored energy used to power the 228 automated-guided vehicles ("**AGV**"). By leveraging the peak-shaving and load-shifting capabilities of energy storage, the factory reduced 30% of electricity cost of the AGVs and raised overall solar self-consumption rate.



Sri Lanka – New Solar PV Connection Scheme

Our intimate factory has expanded its rooftop solar installation beyond the contract demand to fully utilise the available rooftop space according to a new local connection scheme. By exporting more solar power to offset grid consumption, the facility not only reduces electricity costs but also receives additional income.



Purchasing Renewable Electricity

Procuring traceable and certified green electricity and renewable energy attributes from the market is a feasible way for factories to reduce carbon emissions while also supporting the development of regional renewable energy markets.

Our knits factories in China procured 4,360 MWh of green electricity in 2025. Combining the onsite rooftop PV, the proportion of renewable electricity used by the factories reached approximately 26%.

Three of our intimate factories and lifestyle wear factories in Bangladesh, Sri Lanka and Vietnam purchased International Renewable Energy Certificate ("**I-REC**") that matched the grid electricity volume, resulting in 100% renewable electricity coverage on a market-based GHG accounting basis.

Industry Carbon Programmes

UN Fashion Industry Charter for Climate Action

We have joined the Fashion Industry Charter for Climate Action for six years. Through participating in the Charter's initiatives, we collaborated with around 70 other signatories, including brands and suppliers, to collectively drive carbon reduction actions and industry progress.

We attended the Charter's annual meeting in Bonn, Germany in November to share our climate-related risk analysis from the manufacturer's perspective.

Pursuant to our participation in the Charter, we are a member of the Race to Zero campaign. We contribute to this collective effort by strengthening our decarbonisation strategy, advancing credible emissions-reduction pathways, and helping build momentum across the industry.

Decarbonisation Programmes in Cambodia

Our sportswear factory in Cambodia participated in the International Finance Corporation ("**IFC**")'s Cambodia Decarbonization Project ("**CaDP**") and the German Agency for International Cooperation ("**GIZ**")'s Project Development Programme ("**PDP**").

With the detailed feasibility assessment conducted in 2025, the factory has made active implementation planning on 12 energy and water saving initiatives identified, including switching to biomass boilers, air compressor replacement and automation of fabric cutting.

Carbon Leadership Program

Our intimate factory in Sri Lanka joined the Best Practice Action Plan under Carbon Leadership Program jointly organised by the Apparel Impact Institute ("**Aii**") and a consultant, RESET Carbon. Through desktop assessment and interview process, the factory established its carbon and water baselines, developed a best practice action plan, and enhanced internal capacity for carbon management.

Collaborative Initiatives with Customers

Vietnam Renewable Energy Cohort

Our Vietnam sportswear factory was invited by a customer to join a Vietnam Renewable Energy Cohort, a collaborative initiative bringing together around 10 manufacturers in Vietnam to jointly explore renewable energy opportunities and accelerate the cleaner electricity transition.

The factory is expected to receive expert insight in renewable energy strategy, tailored recommendations on procurement, and valuable insights into Vietnam's evolving renewable energy landscape.

RE:Spark – Supply Chain Decarbonisation Programme

Our intimate factories in Vietnam, Bangladesh, and Sri Lanka have participated in the RE:Spark, a global supply chain decarbonisation initiative by a customer in collaboration with Schneider Electric. Our involvement helps strengthen our concerted efforts with the customer on clean energy options, including onsite renewable energies, energy attribute certificates, green tariffs, and power purchase agreements ("**PPAs**").

Crystal Climate Charity Foundation

The Crystal Climate Charity Foundation (the "**Climate Charity Foundation**"), a Hong Kong charitable trust established in 2022 by our Chairman, Mr. Kenneth Lo, is dedicated to advancing climate change education and alleviating poverty caused by environmental changes. Working closely with Crystal, the Climate Charity Foundation has spearheaded impactful sustainability and educational initiatives in affected regions, including Bangladesh, Cambodia, China, Sri Lanka, and Vietnam.

As part of its climate poverty relief initiatives, the Climate Charity Foundation periodically installs solar streetlights, solar PV panels, and water filtration systems in local communities and institutions – such as schools, community centres, orphanages, and clinics – located near the Group's factories. These projects aim to enhance the livelihoods of underserved populations in a sustainable manner, while addressing the adverse effects of climate change on vulnerable regions.

Key achievements of solar streetlights and clean water projects from these initiatives are as follows:

Solar Streetlights Projects



1,459 Sets	44.37 Kilometers	285.14 Tonnes	224,000 People
Solar Streetlights Installed	Mileage with Solar Streetlights	Annual Carbon Emissions Saving	Project Beneficiaries

Clean Water Projects



11 Sets	8 Organisations	1,928 People
Water Machines Installed	Benefited Organisations	Project Beneficiaries

Empowering Communities through Solar Streetlights

In 2025, Climate Charity Foundation, together with Crystal, continued to drive positive change by expanding our solar streetlight initiatives across Asia. This year marked the launch of our first projects in Bangladesh and China, where the China project was delivered in partnership with Yuk Ching Charity Trust, alongside ongoing installations in Cambodia and Vietnam. Through these collaborative efforts, 863 solar streetlights were installed in 2025 alone, illuminating an additional 26.49 kilometres of roads and transforming night-time safety and accessibility for local communities.

As of the end of 2025, a total of 1,459 solar streetlights have been installed, delivering reliable, sustainable lighting solutions that contribute to an annual carbon reduction of approximately 285 tonnes. Most importantly, these projects have improved the quality of life for over 224,000 beneficiaries, fostering safer environments, supporting economic activity, and advancing our commitment to sustainable development in every region we serve.



Community Solar PV Panel Projects in Cambodian School and Orphanage

In October 2025, Crystal and Climate Charity Foundation, in partnership with our denim factory in Cambodia, launched Cambodia's first Solar PV Panel Project, installing off-grid solar systems at five schools and an orphanage. This initiative delivered clean energy, reduced costs and emissions, and improved the learning environment for over 1,300 children, while serving as a practical model for climate poverty relief and climate education in local communities.



Advancing Climate Education: Perpetual Scholarships at University of Toronto

Apart from our existing undergraduate sustainability scholarship for City University of Hong Kong and Hong Kong Metropolitan University, Climate Charity Foundation has established the "Crystal Climate Charity Foundation Awards in Sustainability" at University of Toronto, marking its first postgraduate scholarship programme. This perpetual endowed scholarship supports outstanding PhD students in the Faculty of Arts & Science and Faculty of Applied Science & Engineering, empowering them to pursue high-impact sustainability research. By investing in climate education and supporting innovative research on climate resilience and net-zero solutions, the Climate Charity Foundation is helping to cultivate future leaders who will drive meaningful progress towards a more sustainable and resilient world.

Driving Circularity: Local Paper Recycling Loop

Crystal has strengthened its commitment to circular economy principles through a strategic collaboration with the Climate Charity Foundation and a Hong Kong recycler, Mil Mill. This initiative establishes a closed-loop system by collecting used paper from the Hong Kong office via secure, floor-by-floor post-boxes equipped with designated green and red bags for general and confidential documents. The collected paper is processed by Mil Mill through its secure recycling service, pulped, and transformed into recycled paper products such as A4 and A3 paper and paper hand towels. These products are then procured for use within Crystal's operations, creating a sustainable cycle that reduces waste, promotes responsible sourcing, and minimises environmental impact. By embedding this circular approach into daily practices, Crystal demonstrates leadership in resource efficiency and reinforces its ESG commitments.

Water Conservation

WWF Water Risk Filter

Freshwater is a material resource for our operations, particularly our factories with wet processing, which could be affected by risks such as regional water depletion, drought and associated costs from short to long term. None of our factories are located in regions with the highest risk of water depletion, as indicated by the WWF Water Risk Filter. When planning to establish new factories, we also assess the relevant risks in the area, including water depletion, flooding, and drought. Our factories obtained freshwater from locally available sources in line with regulations and permits concerning freshwater withdrawal. In addition to water risks, we monitor freshwater consumption by tracking flow meters and water bills to reflect the effectiveness of water measures to reduce consumption and associated expenditure, mainly freshwater purchase.

Stewarding Water Efficiency

As water conservation is one of the targets in our Crystal Sustainability Vision 2030, our factories have implemented multiple water-saving initiatives to unlock near- and mid-term opportunities for reducing freshwater dependency and upgrading water-smart technologies and processes, ultimately to save freshwater consumption responsibly.



We balanced investment and operating costs against longer-term water security and operational resilience, prioritising measures that strengthen water security and cost resilience, while securing production needs. Investments for water-efficient and recycling measures were primarily through internal operational and capital budgets.

Across our garment factories with washing operations and diverse product types, our average freshwater consumption intensity was around 31 m^3 per washing tonne in 2025.

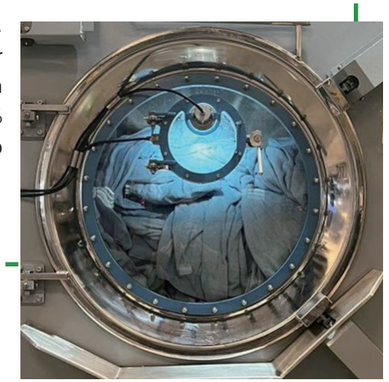
Our lifestyle wear factory in Vietnam has adopted a multi-pronged approach to significantly reduce freshwater use through water-efficient processes and wastewater recycling. In addition, the factory has also advanced its water efficiency through adoption of various water-saving technologies in its production in the past decade.

- Brongo auto-washing: applied for over 90% of washing products, achieved around 30% water saving.
- E-soft washing: water spraying washing, resulted in 95% water reduction compared with the traditional washing.

With all the collective efforts of factories, our per product freshwater intensities of factories have decreased by almost 8% against 2022 level.

Piloting New Auto-Washing Machine

In 2025, the factory introduced a pilot auto-washing machine. This new machine requires only 15 to 20 litres of water per kilogram of garments, compared with 25 litres per kilogram needed by conventional belly washers, demonstrating a 20–30% reduction in water consumption and marking an important step toward wider adoption.

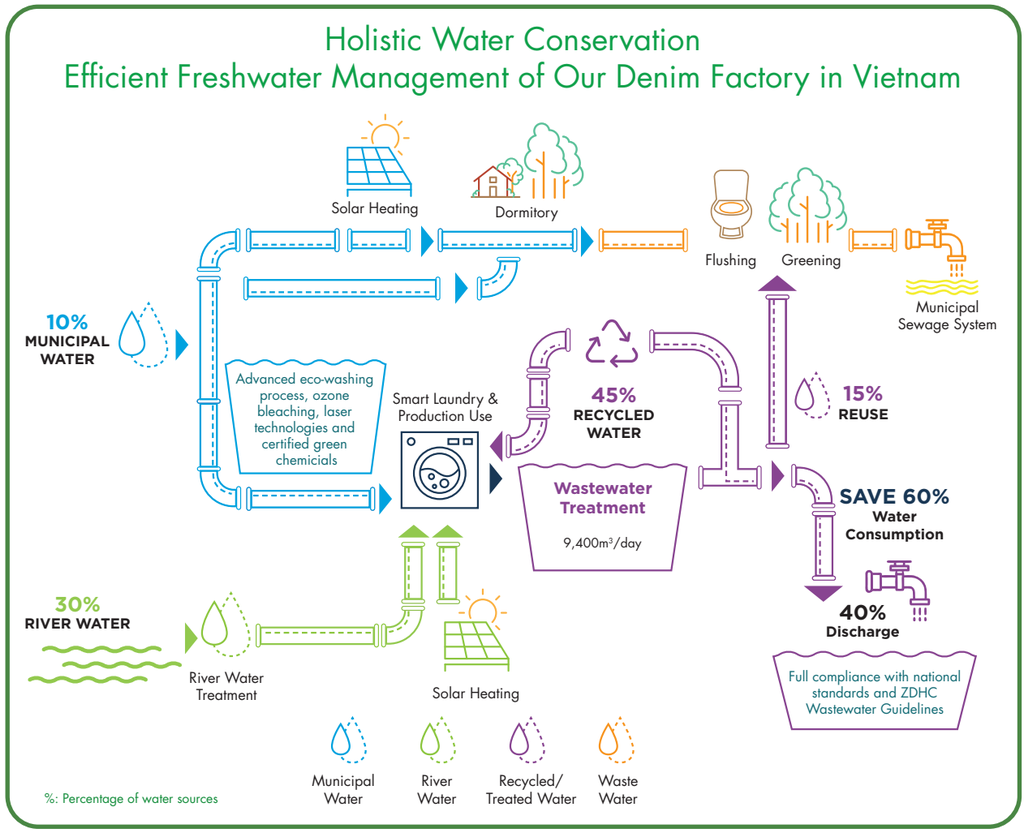


Smarter Washing for Denim

Our denim operations continued to advance water efficiency by optimising washing processes and adopting water-saving measures. One key measure is increasing the loading capacity of bulk washing machines, where technically feasible, with careful adjustment of load size while maintaining washing performance and product quality. This measure contributed to 10% water intensity reduction in 2025.

Our denim factories also prioritised the use of waterless enzyme washing processes whenever product requirements allow. In 2025, our denim factories doubled the share of washing processes carried out using the waterless enzyme technique to around 50%, replacing conventional methods to achieve significant water savings. Compared with traditional wet-processing, while maintaining the desired washing effects, waterless enzyme treatments:

- Saved overall process water demand by up to 20%
- Halved the process time
- Consumed no steam
- Reduced wastewater and sludge



Collective Actions on Water Management

WWF Greater Mekong Programme

Our denim factory in Cambodia participated in the WWF Cambodia Water Audit under the broader SML – Greater Mekong Programme, demonstrating our commitment to collaborative responsible water stewardship in the region.

Funded by the Swiss Agency for Development and Cooperation ("**SDC**"), the programme strengthened management of water resources and wastewater of joining factories across Great Mekong region, while contributing to the region's long-term water security and ecological resilience. WWF's technical team analysed the factory's data to contextualise the water efficiency performance and to set basis for evaluating future water-efficiency investments.

Supply Chain Water Assessment

Our lifestyle wear factory in China took part in a third-party water assessment as part of a broader supply chain water-saving initiative led by one of our customers.

With our comprehensive water metering system and existing reduction plans, the assessment revealed the excellent performance of our factory in industrial water use, with water management practices that exceed the industry average. On the other hand, our factory gained actionable insights to further shape the continued water-efficiency actions.

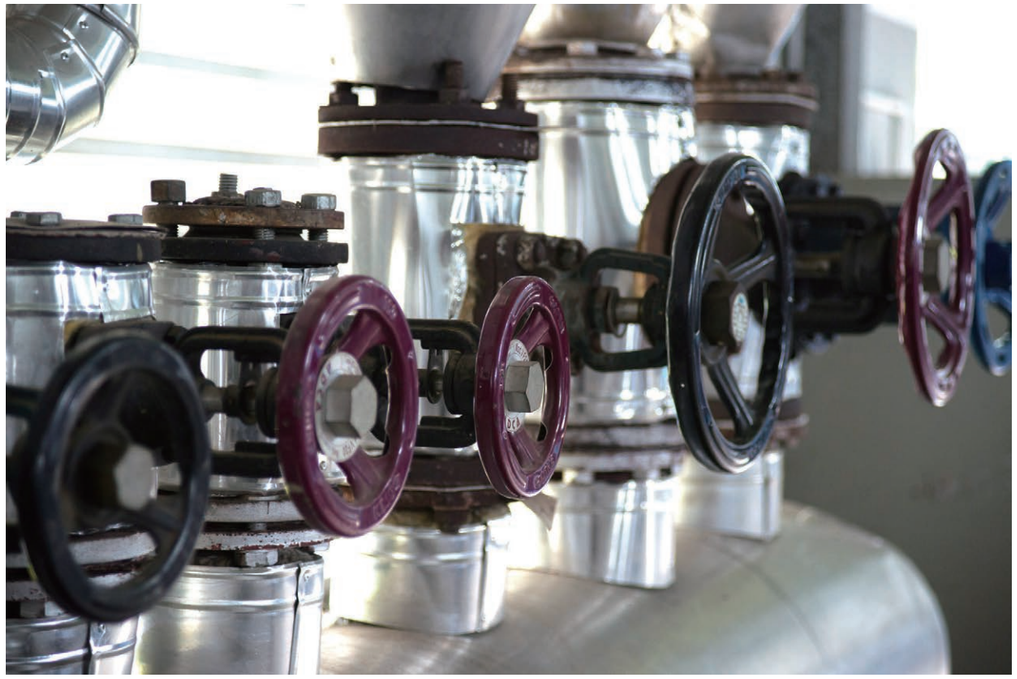
Air Emissions Control

All of our factories regularly monitor and test air emission sources, including boilers and generators, according to the local legal requirements. In 2025, all of our factories fully complied with the relevant legal standards.

Adoption of Cleaner Fuels

We have promoted the adoption of cleaner fuels for combustion equipment, which is associated with a wide range of control measures for flue gas treatment and indoor air quality improvement. Our factories in China have been using natural gas as boiler fuel. Our lifestyle wear and sweater factories in China purchased direct steam supply to replace onsite steam generation by the boiler to further minimise the impacts on the environment. All of these initiatives have served the purpose of achieving better air quality in local communities.

Our major emission sources are boilers, generators, kitchen facilities, printing facilities, vehicles, and forklifts. In 2025, our factories emitted about 485.1 tonnes of nitrogen oxide ("**NOx**"), 12.2 tonnes of sulphur dioxide ("**SO_2**"), and 53.4 tonnes of particulate matter ("**PM**").



Carbon, Energy, and Water Data 2025

Product Footprints

0.20	**Carbon intensity** ($kgCO_2e$/equivalent piece)
0.64	**Energy intensity** (kWh/equivalent piece)

Notes:
- Carbon intensities are calculated by dividing the total greenhouse gas ("**GHG**") emissions of Scope 1 and Scope 2 by the total equivalent pieces of garments.
- The scope of the product footprint calculation only includes our garment factories.

Greenhouse Gas Emissions

57,789 20.8%	**Scope 1** (tCO_2e)
108,715 39.1%	**Scope 2** (tCO_2e)
111,434 40.1%	**Biogenic emissions** (tCO_2)

Notes:
- Operational control approach is adopted for our emissions accounting during the reporting period.
- Scope 1 included direct emissions from fuel combustion of stationary sources (e.g. boilers, generators, kitchens), motor vehicles, wastewater treatment facilities, and septic tanks.
- Scope 2 included indirect emissions from purchased energy. The market-based Scope 2 emissions were 108,715 tCO_2e; and the location-based Scope 2 emissions were 126,859 tCO_2e.
- GHG emissions are accounted for and reported with reference to the GHG Protocol Corporate Accounting and Reporting Standard. The GHG emission factors from the UK Department for Environment, Food & Rural Affairs ("**DEFRA**") and the International Energy Agency ("**IEA**") were applied.

Energy Consumption

882,040 31.2%	**Purchased energy** (GJ)
693,838 24.5%	**Direct energy** (GJ)
1,251,563 44.3%	**Renewable energy** (GJ)

Notes:
- Purchased energy includes grid electricity and steam.
- Direct energy includes the combustion of fossil fuels and non-renewable alternative fuels.
- Renewable energy includes biogenic fuel, onsite solar power, purchased green electricity and renewable electricity attributes
- Based on our records such as fuel purchases, electricity bills, and energy meters, the energy consumption was calculated using the conversion factors published by the UK Government's Department for Business, Energy & Industrial Strategy, and the DEFRA.

Water Consumption for Production Use

5,396,709 71.6%	**Freshwater** (m^3)
2,137,720 28.4%	**Recycled water** (m^3)

Notes:
- Municipal water, river water, and groundwater accounted for 25%, 33%, and 42% of the total quantity of freshwater consumed, respectively.
- Water was consumed in full compliance with water quality or quantity permits and standards.

Waste Management

Corporate Waste Management System

In support of achieving the Group's 2030 vision on zero production waste to landfill, we launched the Corporate Waste Management System Framework this year in order to standardise waste management practices across all factories gradually, unleashing ongoing opportunities to realise potential environmental and financial benefits of waste in short to medium term. The Framework is built on four pillars:

- Governance:
  Cross-functional teams, transparent contractor selection
- Operations:
  Waste classification, prevention, onsite sorting & storage, contractor evaluation & traceability
- Monitoring:
  Waste inventory, onsite inspections, corporate audits
- Education & Awareness:
  Training programmes, awareness campaigns

Within the Framework, we applied a waste management hierarchy that considered trade-offs among different disposal pathways and prioritised reduction at sources, recycling and energy recovery. Where preferred pathways are available locally, factories also assess financial and operation factors.

The Framework implementation in all factories also mitigates compliance risks in short to medium term by meeting evolving customer expectations and local policies on waste reduction, recycling and traceability.

Waste Data 2025

32.8 kilotonnes
Non-hazardous waste
(Mainly fabric waste and domestic waste)

Total 40.4 kilotonnes

7.6 kilotonnes
Hazardous waste
(Mainly chemical waste from production processes and sludge from waste treatment)

Waste Recycling and Energy Recovery

19.9 kilotonnes
Waste recycled

8.6 kilotonnes
Waste recovered to energy

Notes:
- The disposal of hazardous waste was handled by licensed contractors.
- Recyclable waste is sorted in factories and then collected by or delivered to various recyclers.
- Apart from recycling and energy recovery, other non-hazardous waste was taken to local landfills and/or incineration facilities.
- Waste-related expenses mainly comprised licensed waste contractor fees, while income was generated from selling recyclables.

Packaging Materials 2025

15.2 kilotonnes
Paper products and carton boxes

4.8 kilotonnes
Plastics

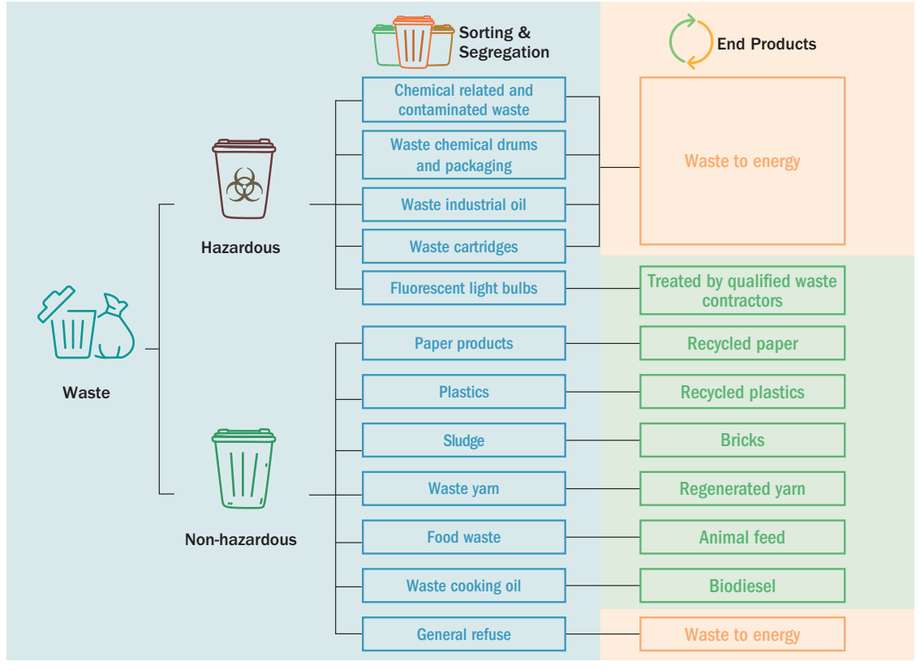
Scaling Zero Production Waste to Landfill

Our factories strictly implement the waste management hierarchy stipulated in the Framework, including source classification and collaboration with qualified waste contractors and recyclers, to realise the dual economic and environmental value of waste.

In 2025, our sweater factory in China achieved zero production waste to landfill, bringing the total to four factories now and serving as exemplary models for gradual expansion.

4 factories achieved zero production waste to landfill

Total Waste Management at Our Sweater Factory in China



CirClimate – Sustainable Denim Product Innovation

Inspired by “Design to Disappear” concept, the revolutionary sustainable collection, CirClimate. incorporates 100% cellulosic fibres, 100% cotton threads, removable shank buttons, and compostable packaging, greatly reducing waste and promoting fashion circularity.

Unlike traditional synthetic performance fabrics, CirClimate is entirely made of biodegradable materials, leaving no trace behind on our waste footprints. The collection showcases our ability to translate circularity principles into commercially scalable, consumer relevant solutions.



Local Textile-to-Textile Circular Model

As invited by a brand customer, our lifestyle factory in Vietnam piloted a local textile-to-textile cotton waste recycling project in collaboration with tier 1 to 4 supply chain peers. Our factory initiated waste traceability, classification and collection with proper colour and fibre composition sorting.

The sorted cotton cutting waste was sent to mechanically recycling into cotton fibre, which is then spun into recycled yarn and woven into recycled fabric. This model unlocked strong potential for closed-loop textile products and built a robust local recycling network.

Digitalised Waste Traceability via Reverse Resources

Seven of our factories onboarded onto Reverse Resources’ software-as-a-service platform that formalises the textile waste supply chains by digitally connecting manufacturers, waste handlers, and recyclers. Our factories mapped the material flows, identified recycling outlets, and enabled a more collaborative and data-driven approach to waste reduction. This supported us to build verifiable transparency for transitioning to circular models.

Industry Waste Programmes

Circular Fashion Partnership in Cambodia

Our sportswear factory in Cambodia has participated in the Global Fashion Agenda (“**GFA**”) Circular Fashion Partnership, a cross sectoral initiative that aims to advance circular fashion systems in key textile, garment, and footwear manufacturing regions.

Our factory underwent a detailed Textile Waste Management Assessment, which formed the foundation for an effective waste management system with accurate data collection, clear waste stream segregation and tracing. An implementation plan will be developed to improve waste reduction and recycling practices.

Support for HKRITA Research on Innovative Industry Solution

We supported The Hong Kong Research Institute of Textiles and Apparel (“**HKRITA**”) in its research project on direct extraction of cotton fibres from polyester-cotton blended fabrics in mechanical recycling.

The project explores the application of dry separation technology to help separate polyester from blended materials during mechanical recycling and increase the purity of cotton content in recycled denim fibre. As a supporting party, we will be supporting the research team to test and validate the new approach under real industry conditions.

Sustainable Materials

Over 90% of our factories have received sustainable material certifications, offering an extensive array of recognised sustainable options tailored for different customers. In our diverse range of product categories, we have showcased extensive application of sustainable materials.

Across our garment factories, around 40% of the two major fibre materials – cotton and polyester – that we sourced in 2025 was sustainable materials[9].

At our denim division

>85%

cotton sourced with sustainability attributes

At our fabric mills

>80%

yarn carried sustainability attributes

Joining Textile Exchange to Scale Sustainable Textile

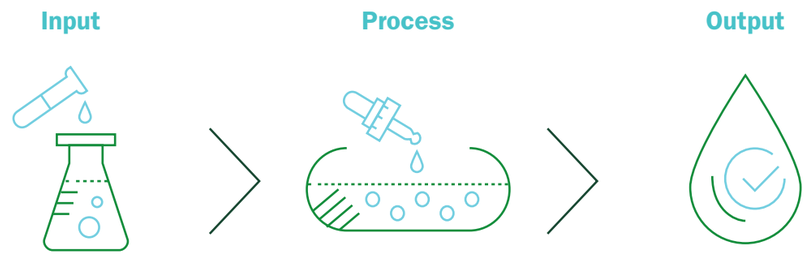
We became a Partner Member of Textile Exchange in 2025, strengthening our efforts to scale preferred fibres and materials in our operations and across value chain. Through collaboration with Textile Exchange and its global member network, we are accelerating the adoption of lower-impact materials, advancing innovative fibre solutions aligned with the Preferred Fiber & Materials Matrix, and enhancing circular practices through structured waste management, improved traceability, and textile-to-textile recycling initiatives.

[9] Materials procurement records for materials with sustainability attributes, including recycled content, organic cotton, and Better Cotton, are categorised as sustainable.

Chemical and Wastewater Management

Corporate Chemical Management Guidelines

We are committed to eliminating the use of hazardous chemicals in our operations and products. Our Corporate Chemical Management Guidelines provide a comprehensive framework for chemical management, from input, process, to output control.



- Group Manufacturing Restricted Substances List ("**MRSL**")
- Green chemical procurement and screening
- Chemical management system
- Assessment and training
- Regular testing according to Zero Discharge of Hazardous Chemicals ("**ZDHC**") Wastewater Guidelines and legal requirements

Group Restricted Substances List

In 2025, we updated our Group Product & Manufacturing Restricted Substances List ("**RSL**") in alignment with the latest customer requirements, industry initiatives, and international standards. All factories are required to comply with the revised limits and requirements.

As the key foundation of our chemical governance, the RSL compliance has been incorporated into the annual corporate chemical audit by the CQS for facilities using production chemistries.

Green Chemistry

Controlling inputs and procuring green chemicals is a crucial step in eliminating hazardous chemicals. We use online chemical inventory management ("**CIM**") tools and the Zero Discharge of Hazardous Chemicals ("**ZDHC**") InCheck Report to monitor, track, and report the conformance status of production chemicals, such as those used in washing and printing, against the ZDHC MRSL.

81%

of chemicals conformed to the highest level 3 of the ZDHC MRSL

Automated Chemical Dosing in Fabric Mills

The new dyeing machines in our fabric mills in Vietnam and Bangladesh are equipped with an automatic chemical dosing system, which ensured chemicals are used efficiently and responsibly.

The automated dispenser delivers precise quantities of dyes and auxiliaries, reducing overuse, spillage, and human error, resulting in:

- 40% reduction in chemical usage
- Enhanced batch-to-batch continuity, product quality while reducing defects and reprocessing
- Enhanced workspace safety by minimising direct contact with dyes and chemicals



ZDHC Wastewater Guidelines

Our factories conducted biannual tests in accordance with the industry standard, ZDHC Wastewater Guidelines. The latest version 2.2, launched in September 2024, outlines requirements for testing wastewater parameters, sludge leachate, and declaring sludge disposal pathways.

In 2025, all of our factories regularly monitored and tested wastewater, and complied with relevant local legal standards and requirements. Our operations treated 8.3 million m^3 of wastewater.



Higg Index

Facility Environmental Module and Facility Data Manager

All our factories continued to adopt the latest version of the industry environmental performance assessment tool – Higg Facility Environmental Module ("**FEM**") 4.0. During the 2025 cycle, 100% of our factories completed core verification by third parties[10].

In line with customer requirements for standardised and transparent environmental data reporting, 10 of our factories reported and shared the required 2025 data through a common platform, the Higg Facility Data Manager ("**FDM**").

Supplier Performance Tracking and Training

In addition to our own factories, we also used the Higg FEM to understand and track our suppliers' environmental performance, thereby identifying environmental risks in the supply chain and assisting in the calculation of Scope 3 emissions. In the last cycle, 47 upstream suppliers shared their completed FEM with us.

To further build up our suppliers' capacity, our denim division engaged with their suppliers in Vietnam to join the To the Finish Line program for Higg FEM 4.0 deep dive training, and provided them a Learning for Action community.



[10] During the current transition of verification methodology, the core verification scores of Higg FEM 4.0 are not allowed to be communicated publicly at this moment per related guidelines.

Driving Innovative Manufacturing

Our commitment to manufacturing excellence enables us to boost efficiency and productivity, anticipate and exceed evolving customer expectations, and elevate our environmental, health and safety performance. This integrated approach strengthens our competitive advantage and positions us for sustained success in an increasingly demanding industry landscape.

Progress on the journey towards transforming our facilities into smart factories has been underway since 2018, when a digitally enabled manufacturing model was first envisioned – one built around a central computer system and strengthened by advanced technologies such as data analytics and visualisation, robotics, artificial intelligence, interconnected machinery, and integrated product management platforms.





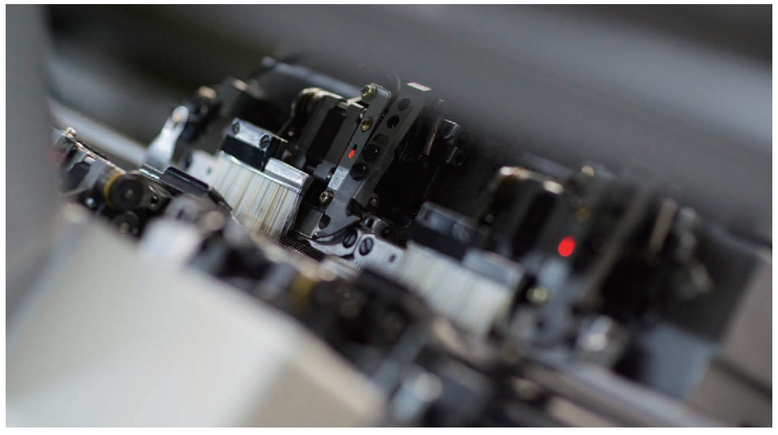
Transforming to FLAP and FLOCK

Our knits division defined our production logic models in 2023 – FLAP[11] for garment factories and FLOCK for fabric mills. These models establish the foundation for our smart factory vision, where materials move seamlessly through each manufacturing stage with the support of robotic arms, automated-guided vehicles ("**AGV**"), autonomous mobile robots ("**AMR**"), and a wide range of advanced automated machinery.

The entire material flow is orchestrated by an integrated digital system comprising multiple interconnected software applications, enabling a highly autonomous and efficient production environment.

[11] FLAP represents the Finishing Centre, Logistics Centre, Assembly Centre, and Parts Manufacturing Centre, while FLOCK refers to the Finishing Centre, Logistics Centre, Colouration Centre, and Knitting Centre. These two models serve as our production logic frameworks for garment factories and fabric mills respectively.







Progressing FLAP across Vietnam and China

Our FLAP rollout continued to gain momentum in Vietnam and China.

At our knits factory in Vietnam, implementation remained firmly on track with its five-year FLAP vision, with the central cutting workshop in the Logistic Centre fully established and parts of the sewing-focused Assembly Centre already in use.

In China, the knits factory in Dongguan introduced an intelligent hanger system in the Assembly Centre. The construction of the new Logistics Centre building was also completed, with the central cutting area partially operational, while development of the automated storage and retrieval systems ("**AS/RS**")-enabled smart warehouse progressed towards its scheduled readiness in early 2026.

Gearing Up for Greater Output with FLOCK

Our fabric mill in Vietnam continued its large scale reconfiguration to advance the FLOCK manufacturing model. The year saw the successful installation and commissioning of new machines in the relocated knitting area, marking a major step forward in optimising process flow and strengthening the mill's capacity for future output growth.

The AS/RS in the greige warehouse also commenced operation, delivering significant benefits: increased storage volume, doubled utilisation capacity, a four-fold improvement in work-in-progress levels through just-in-time movement, enhanced data visibility through dashboards, high inventory accuracy, strict first in, first out compliance, and preventive maintenance capabilities.

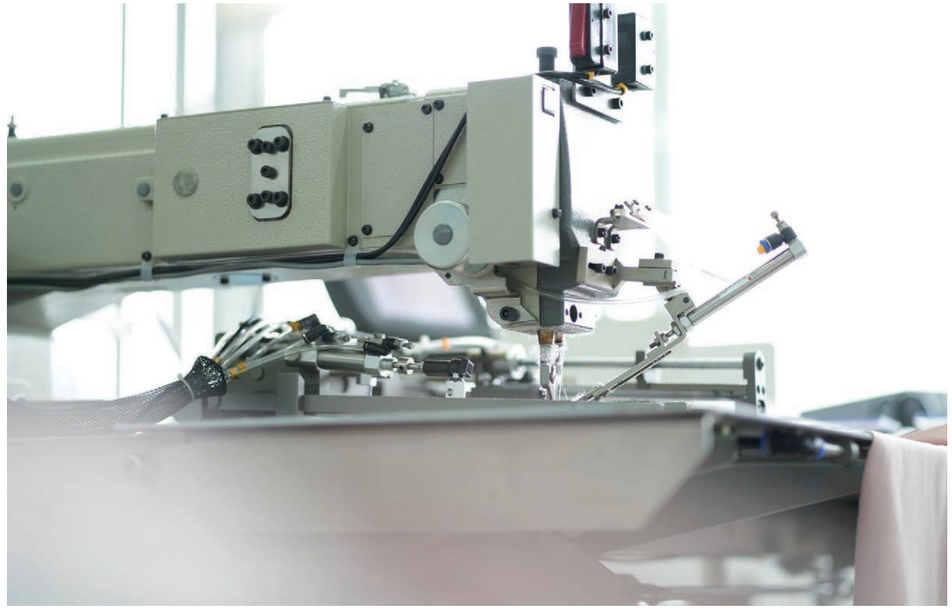
The mill is now developing an AS/RS for the yarn warehouse and planning to expand the use of AGVs from the dyeing plant to the finishing processes.

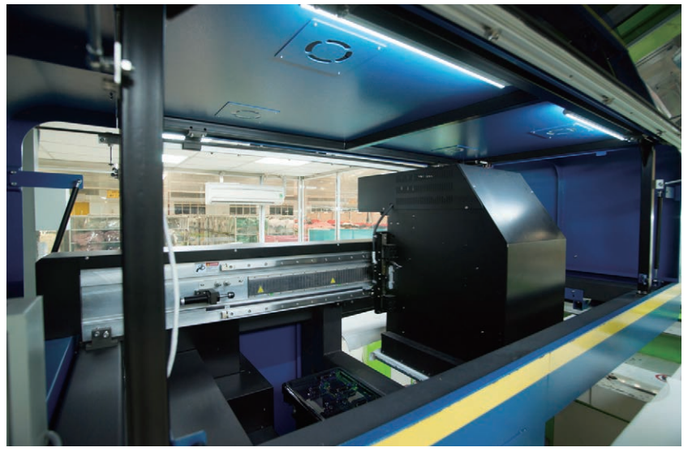


Building a More Integrated and Automated Operation

The Modernisation Centre of the knits division continued to accelerate our automation journey by applying and piloting an extensive range of new automation, manufacturing-excellence, and robotic solutions across pre-production, production, and finishing processes.

In addition, the centre re-engineered several finishing and packaging workflows to create the conditions necessary for deeper automation adoption and to support the transition towards fully integrated, centre-to-centre material flow. Together, these initiatives catalysed progress towards a more synchronised and efficient smart-manufacturing ecosystem across our knits operations.



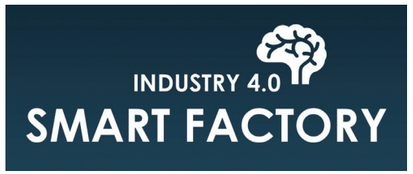


Towards a Fully Smart Denim Operation

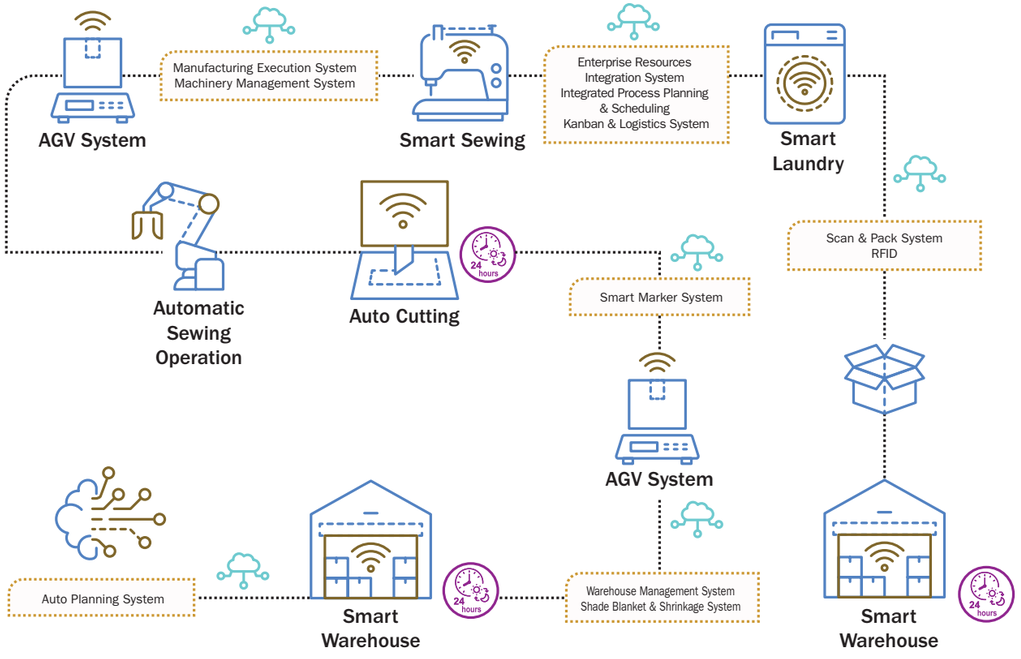
Our denim factory in Vietnam continued to advance its smart manufacturing transformation, a journey guided by four strategic pillars:

- Smart Warehouse Management System
- Smart AGV System
- Smart Cutting System
- Intelligent Production Lines

Building on the previous progress made, the factory made notable strides in 2025. The newly launched AS/RS enabled accessory warehouse marked a major step forward, replacing manual sorting and record keeping with automated storage allocation and real-time inventory capture. This system design also reduced floor space requirements by 60%, without compromising storage capacity.



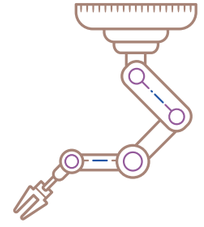
In parallel, the cutting workshop shifted its focus from individual automation tools to deeper process integration. AI vision technologies were expanded to enhance data acquisition and automated decision making, helping close the gaps between previously isolated automated processes. Several of these innovations were further adopted by our sister factory in Cambodia, reinforcing cross-factory learning.





Smart AGV deployment also progressed on multiple fronts. AGVs now operate reliably between the warehouse and cutting area, and another fleet manages transport between sewing workshop and the washing laundry. Planning for an inter-workshop AGV system is underway, with implementation targeted for 2026. Complementing these developments, the factory continued to roll out intelligent production lines across multiple processes, underpinned by RFID-enabled tracking that enhances visibility over the production status and movement of semi-finished products. With the washing hanger line already in operation and additional smart lines completing assessments, the factory was well positioned to advance wider-scale adoption of intelligent production lines.

Together, these upgrades support the factory's roadmap to complete its smart transformation by 2026 and strengthen its readiness for a significant capacity increase expected by 2029.



Inno:D – Innovative Design Process

Crystal Denim embraces smart design and product creation through its innovative design process ("**Inno:D**"), which integrates AI and digital tools at every stage. This approach breaks traditional barriers and delivers reliable, fully vertical services – from product strategy to decision making support – for customers.

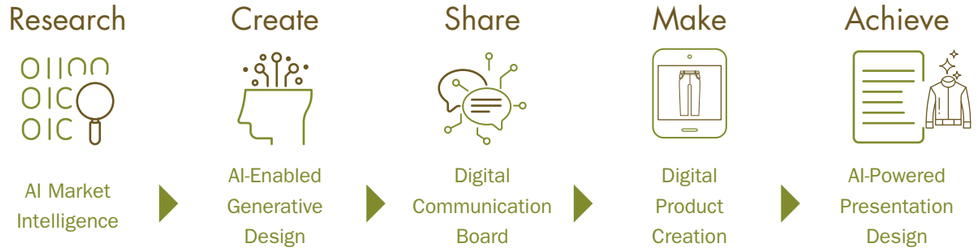
INNO:D
INNOVATIVE
DESIGN
PROCESS

Our Artificial Intelligence Market Intelligence system ("**A.I.M.I.**") strengthened the team's capabilities in trend forecasting and product strategy for brand customers. By leveraging three complementary digital platforms, A.I.M.I. delivered faster, more comprehensive and precise market insights than traditional research approaches:

- **Crystal Big Data** – In-house analytics platform that tracks and evaluates data from our denim products, uncovering long-term shifts and patterns in historical trends
- **Runway Analysis** – Monitoring of upcoming runway trends to anticipate emerging fashion influences and translate them into actionable design directions
- **Social Media Trend Forecast** – Real-time review of global social media content, analysing millions of posts each day and using AI-based visual recognition to identify current style movements and predict future trends

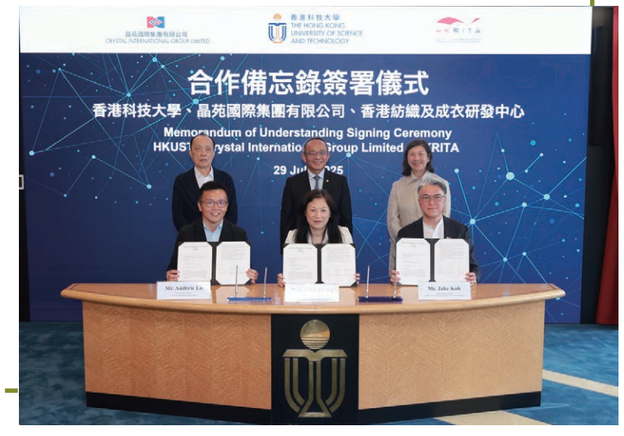


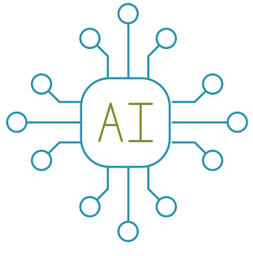
Integrating insights from these platforms enabled the design team to respond swiftly and bring the right products to market at the right time. This data-driven approach not only enhanced decision-making process but also minimised the risk of overproduction during sampling and ensured closer alignment between our output and actual consumer demand.



Partnering with HKUST and HKRITA on AI Integration

Crystal is joining forces with The Hong Kong University of Science and Technology ("**HKUST**") and the Hong Kong Research Institute of Textiles and Apparel ("**HKRITA**") to accelerate AI-driven smart manufacturing in the textile industry. The collaboration will develop Textile-GPT, a large language model to enhance intelligent design, optimise production process, streamline supply chain management, automate quality inspections, and foster innovation in smart wearables. The partnership also includes establishing a Textile AI Innovation Hub, promoting AI-as-a-Service ("**AIaaS**"), and nurturing "AI + Textiles" talent to support industry-wide transformation.





Product Responsibility

Quality Management System

In accordance with our corporate mission and our value of “Live Quality”, our Quality Policy contributes to sustainable and profitable growth by guiding the delivery of products and services that delight customers, underpinned by our Group quality management system (“**QMS**”) based on legal and customer requirements, recognised best practices, and requirements related to product labelling, safety, and environment.

Our concept of quality covers the totality of our operations, through which we deliver the right goods and services to our customers at the right time and at the right cost.

To achieve “Right First Time” and “Quality Managed at Source”, we implement quality standards throughout our operations holistically. From product design through raw material sourcing, production and packaging, to inventory storage and delivery, we ensure compliance with the quality standards and specifications of our company, customers, and the supply chain.

Our QMS, in line with international standards, applies the concept of PDCA – Plan, Do, Check, Act, focusing on prevention rather than detection or correction. This enables us to drive process effectiveness and continuous improvement, and to manage and deliver quality products systematically.

12 of our factories are certified with ISO 9001 Quality Management System certification. We will continue to extend this globally recognised standard certification to more Group operations.



Digitalised Quality Management

We launched the Group QMS digitalisation project to build a standardised, end-to-end digital quality assurance platform across all operations. This initiative aims to replace manual inspections and paper-based records, unify fragmented inspection data, and incorporate flexibility for different customer requirements. The digital QMS will provide real-time data visibility, faster responses to issues, better insights, and seamless integration with other group-wide systems.

At the factory level, our knits factory in China advanced its own quality-digitalisation efforts. The Manufacturing Execution System (“**MES**”) was rolled out to enable end-to-end digitalisation of QA inspections – from cutting and value-added processes (“**VAP**”) to sewing, washing, and finishing. With connected data now readily accessible, the factory can leverage advanced analytics to support more informed decisions and more effective problem solving.

Everyone Plays a Part in Quality

At our sportswear factory in Vietnam, quality was strengthened through shared ownership across all levels.

Top Management at the Production Line

Regular top-management audits – led by the factory general manager, regional QA general manager – brought leadership directly onto the production floor to review processes, product workmanship, and compliance. Complementing this, cross-functional gemba walks united teams from production, product development, and technical service support to observe real-time operations and identify early risks.

Building End-User Awareness across All Functions

To broaden this shared responsibility beyond the production lines, employees from a wide range of departments took part in the “We Are Consumers” programme and retail store visits. By experiencing products from an end-user’s perspective and evaluating the quality of both our own products and those of industry peers, colleagues from production planning, merchandising, finishing, and even equipment maintenance gained a deeper appreciation of how their individual roles influence the final product on the rack.



Empowering Frontline Teams through Recognition and Knowledge

Quarterly Quality Days further reinforced collective ownership of quality by celebrating the best sewing lines and spotlighting the contributions of frontline workers, with winning teams sharing proven practices for others to learn from.

Together, these efforts underscored that quality excellence is not confined to a single department – it is a mindset embraced by everyone, from the production floor to supporting functions.

Our Quality Performance

We have a corporate quality scorecard with targets to demonstrate our quality performance in achieving customers' expectations.

Customer Final Inspection Pass Rate ("CFIR")
Group target: ≥ 99.5%
2025 result: **99.9%**

Observed Quality Level ("OQL")
Group target: ≤ 2.5%
2025 result: **0.84%**

Quality Claim
Group target: ≤ 0.1% to sales turnover
2025 result: **0.087%**



Product Safety

Our Product Safety Guidelines, embedded with customer and legal safety requirements, include preventive measures starting from product development and throughout the production processes, to ensure that our products are physically and chemically safe.

In addition, we review the Corporate Product Restricted Substances List ("**RSL**") annually and update it where appropriate, to ensure that our supply chain partners use compliant chemicals only during manufacturing processes, with no unsafe chemicals in final products.

In 2025, 469 million pieces of products were shipped, with no product recalled due to safety or health reasons.



Handling Product Complaints and Recalls

A complaint is defined as any written or verbal statement made by our customers that indicates their dissatisfaction with our product quality. Such complaints may include product recalls, in which customers request to return, exchange, or replace products when defects are identified that could:

- Hinder performance
- Incur product safety issues
- Lead to legal consequences

Any compliant received is handled according to our complaint-handling procedure. Line management reviews and validates the complaint, while the relevant factory and sales teams investigate the case, identify root causes, and take corrective actions. The Corporate Quality and Sustainability Department ("**CQS**") and factory teams then monitor these corrections, and a designated department such as Sales or factory Quality Assurance, is responsible for timely communication with the customer until the case is fully resolved and the customer is satisfied.

The CQS logs all valid complaints, including any product recalls, and reports them to the Executive Committee ("**Execo**") twice a year as part of the Group's key risk management system. In 2025, there were no valid product quality complaints or product recalls.

Intellectual Property Rights

We acknowledge the importance of intellectual property ("**IP**") rights, and work to protect and promote IP assets, such as patents, trademarks, and copyrights. We implement control measures including patent and trademark registration, as well as regular monitoring of IP registration. We promote awareness among employees of our responsibility to make IP an integral part of our daily operations.



By implementing the control measures, physical and information technology security management is adopted to protect IP rights and company equity. Our Execo is also informed of the status of IP registration monitoring and any infringement cases biannually, as a part of our key risk management system.

Note:
- Product advertising is not material to our garment and textile manufacturing business.

Supply Chain Management

Supply Chain Sustainability Management Strategy

Supply chain partners are a vital component in achieving the Group's sustainability targets. We have applied meticulous diligence during supplier selection, and have designated the following indicators as key criteria for supplier qualification assessment.

- Cost
- Quality performance
- Delivery
- Social and environmental sustainability performance

In 2025, our material procurement involved fabrics and trims sourced from 20 key suppliers, each accounting for no less than 1% of our total material expenditure. Geographically, all of these suppliers were headquartered within the Asia Pacific region.



Material Traceability

We play an important role to support our customers' traceability programmes, which are fundamental to product authenticity, sustainability, and transparency. As a tier-one supplier, we serve as a key link that connects brand customers with upstream suppliers, enabling effective collaboration across the value chain. Leading by a dedicated corporate team, we've built a fully traceable journey from raw materials to finished products. Our traceability initiatives include:

- Maintaining material origins records
- Auditing suppliers
- Monitoring regulatory and market updates
- Communicating with stakeholders

Deploying Traceability Solutions

Blockchain Platforms and Tracer Technologies

We continued collaborating with our customers to implement both fibre-forward and garment-backward traceability programmes, utilising a range of solutions such as blockchain platforms, tracer technologies, and DNA testing. Across these programmes, we identified opportunities for improvement, while our teams also contributed practical feedback aimed at streamlining operational processes.

Embedding Fibre Integrity into Production Workflow

Our denim division has begun supporting a customer's material traceability programme through the use of FibreTrace, a real-time solution that verifies fibre integrity.

As a garment vendor, our factories performed inbound fabric inspections and outbound checks on finished garments using FibreTrace handheld scanners. The scanners read the unique infrared signature of pigments embedded in the fibre at the raw material stage, allowing immediate confirmation of fibre identity and origin. Building on the initial implementation during the year, the use of FibreTrace physical verification is expected to expand to about 60% of this customer's orders in 2026.



Proactive Stakeholder Communications

We actively engaged with solution providers to stay informed about emerging traceability technologies and tools, while continually monitored customer expectations and regulatory developments across our markets and operating countries.

These updates were regularly communicated to suppliers through training and audits, and were shared internally with relevant teams, including Sales and Merchandising. This ongoing exchange reinforced the preparedness of both our company and value chain to adapt effectively to rapidly evolving traceability requirements.



Corporate Supply Chain Management Procedure

To provide a standardised guideline for supplier management process across our operations, we have established the Corporate Supply Chain Management Procedure. The Procedure covers a structured approach for screening and onboarding potential suppliers, and defines the roles and responsibilities of management and relevant staff throughout the supplier management process. It also outlines the nature and frequency of supplier reviews, as well as the consequences arising from suppliers' non-compliance with our requirements.



Through these measures, the Procedure not only mitigates risks and supports product quality and regulatory compliance, but also strengthens our supply chain resilience and advances the Group's overall strategic objectives. Designated staff from line companies and factories have received training on the Procedure and its implementation to promote consistent application across the Group.

Governing Policies and Requirements to Suppliers

Based on the requirements stipulated in the above-mentioned Procedure, we only approve suppliers which are able to meet the Group's minimum requirements on social and environmental compliance, including:

- Prohibition of child labour
- Prohibition of forced labour
- Adherence to local minimum wage standards
- Compliance with local environmental regulations

For the Group's key suppliers, adherence to the aforementioned requirements and local regulatory standards is complemented by our ongoing close communication. This ensures they are kept closely aligned with and fully compliant with the following Crystal's policies as part of our supplier relationship management:

- Code of Conduct
- Environmental Policy
- Restricted Substances List ("**RSL**")
- Brand Protection Policy
- Social Compliance Policy
- Anti-Corruption Policy
- Quality Policy
- Customer-specific requirements

We oversee and support our suppliers in achieving quality, social, and environmental compliance, thereby reinforcing the sustainability and operational reliability of our supply chain. Through collaborative partnerships, we engaged with suppliers to explore new development opportunities in line with customer needs, market dynamics, and technological progress. To further strengthen supplier capabilities, we also conduct training, audits, and risk evaluations.

Managing Environmental and Social Risks along Supply Chain

Environmental and social risks in our supply chain refer to any practices that deviate from our established compliance framework or incidents that may adversely impact workers' wellbeing, including:

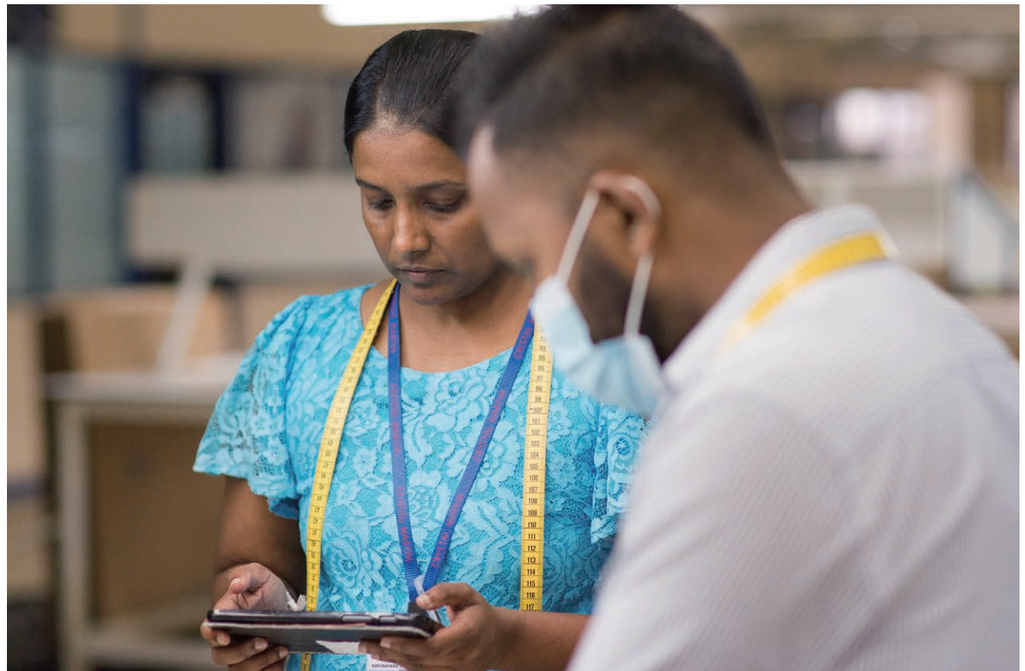
- Violations of local regulatory requirements
- Non-compliance with our Code of Conduct or internal policies
- Failure to meet the minimum requirements outlined in the Corporate Supply Chain Management Procedure
- Incidents that impair workers' human rights, health and safety, or result in labour disputes

We regularly monitor and evaluate risks to identify and mitigate significant environmental and social impacts in our supply chain through methods including:

- Questionnaires
- Onsite visits
- Suppliers' self-assessments or third-party audit reports
- NGO platforms

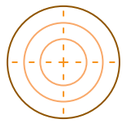
At the corporate level, the key risk management system oversees the identification and mitigation of supply chain risks. All identified risks are managed by designated corporate functions to develop and implement appropriate mitigation measures, and to review their measure effectiveness and risk exposure on an ongoing basis.

Our reporting framework ensures that environmental and social performance, along with associated risks, is communicated to management on a regular basis, and immediately in significant cases such as work stoppages, severe injuries, or fatalities. Significant risks are also reported to the Executive Committee ("**Execo**") in a timely manner.



Green Supply Chain

To advance an environmentally responsible supply chain, our Corporate Supply Chain Management Procedure outlines clear environmental criteria for evaluating and selecting suppliers. Preference is given to suppliers who minimise negative environmental impacts by adopting good environmental practices such as:



Establishing carbon and water reduction targets



Committing to low-carbon and energy-efficient manufacturing



Implementing water-efficient practices



Diverting waste from landfill



Obtaining certification for sustainable materials or products



Adopting green chemistries



Developing environmental management systems (e.g. ISO 14001)

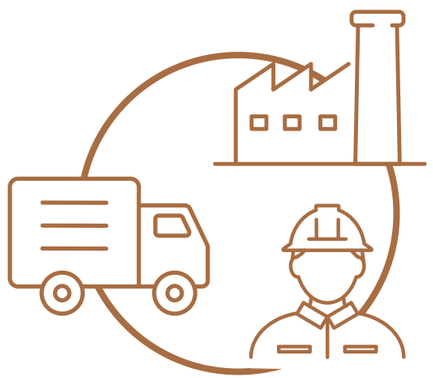


Conducting regular wastewater testing per industry standard ZDHC

The Corporate Quality and Sustainability Department ("**CQS**"), line companies, and factories are responsible for tracking and monitoring supplier performance according to the above criteria.

IPE Environmental Supervision for Suppliers

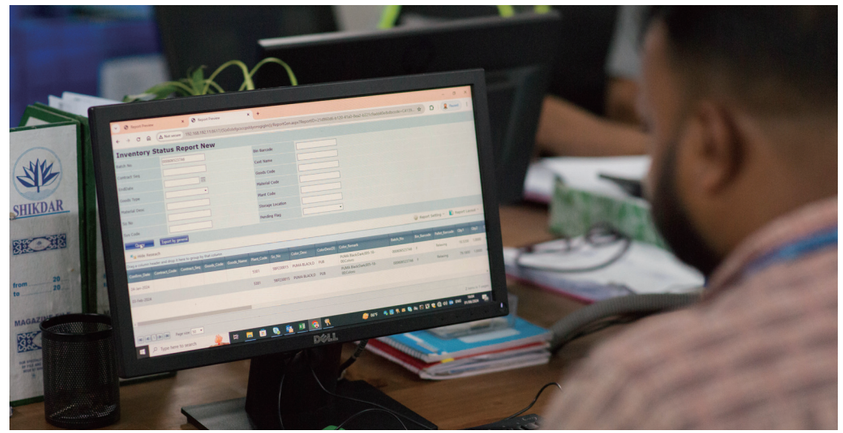
As a platform based in China, Institute of Public and Environmental Affairs ("**IPE**") serves as one of our key tools for monitoring environmental compliance and performance of suppliers. By reviewing the information disclosed on the platform, we can identify any environmental incidents occurring within our supply chain in China. In the event of violations, we follow up with the concerned supplier immediately. In 2025, no environmental violations were reported on IPE.



Supply Chain Engagement

Empowering Supplier Data Management

Building on our comprehensive environmental data management system, we shared our expertise with suppliers and encouraged them to establish their own environmental databases. This has strengthened their ability to monitor and track performance, enabling them to meet the customer requirements of various data platforms, such as comMIT, EMeReT, and SpheraCloud Corporate Sustainability.



Climate Outreach Program

To drive decarbonisation across our value chain, three of Crystal Denim's subcontractor facilities participated in the Climate Outreach Program, jointly initiated by the Apparel Impact Institute ("**Aii**") and one of our brand customers. The Carbon Target Assessment ("**CTA**") and Carbon Target Setting ("**CTS**") of the programme helped the facilities to measure baseline carbon footprints, establish reduction targets, and develop actionable decarbonisation plans.

Each participating facility formed a project committee team for continuous engagement and maintaining transparent communications. Their active involvement not only strengthened their emissions-reduction roadmaps but also contributed to collective climate actions across our broader supply chain.

Participation in Biodiversity Training

To strengthen our supply chain's understanding of nature-related risks, five of our subcontractor facilities participated in a biodiversity risk analysis and a training organised by one of our customers in 2025.

The training provided foundational knowledge on biodiversity and its relevance to business, helping participants understand how industrial operations interact with ecosystems and importance of biodiversity for long-term sustainability, regulatory readiness, and risk management.

By engaging our subcontractors alongside our own factories, the programme enhanced the collective capability to address nature-related risks and environmental stewardship across the broader supply chain network.

Resourcing People

“Respect for people” is one of our corporate values. At Crystal, we respect, protect, and promote human rights, provide a workplace that is healthy, safe, equitable, inclusive, and diverse, where every employee feels a sense of belonging and warmth.



Code of Conduct and Social Compliance Policies

Our Code of Conduct, Social Compliance Policies, and Master Policies articulate our commitment to operating not only in full compliance with local laws, but also in alignment with the high standards of social responsibility, environmental protection, and ethical business conduct. These policies are built upon the following core criteria:

- No child or forced labour
- No discrimination, harassment, or abuse
- Equal opportunity and fair compensation
- Reasonable working hours and adequate rest
- A healthy and safe workplace
- Employee wellbeing and welfare

To maintain compliance, our factories undertake regular internal assessment to systematically verify compliance with the above mentioned Code of Conduct and policies.

Labour Standards

We adopt a zero-tolerance policy against child and forced labour, and strictly adhere to the International Labour Organization (“**ILO**”) conventions. In line with ILO guidelines, we have established group-wide policies, and we conduct unannounced spot checks to monitor compliance.

In 2025, there were no instances of child labour in our factories or within our supply chain.

Preventing Child Labour

Our recruitment teams receive regular training on identifying potential child labour cases, ensuring they are equipped with the necessary knowledge to recognise and address related risks. Clear remediation measures are activated immediately should any instance of child labour be identified. The measures include:

- Immediate removal from the workplace
- Full payment of earned wages
- Arrangement of a free medical examination and treatment if required
- Safe return to the custody of the guardian
- Launch of an internal investigation and timely remediation of system gaps

Eliminating Forced Labour

We strictly prohibit all forms of forced labour in our operations, including bonded, indentured, prison, and slave labour, and enforce this commitment through clear policies, internal assessment procedures, and regular monitoring.

To uphold transparency and fairness in compensation, all employee wages are paid directly and exclusively via bank transfer to their personal accounts. This direct payment system protects employees’ rights, prevents unauthorised deductions, and ensures they receive the full wages they have earned.

Risk Monitoring and Reporting Channels

The Corporate Quality and Sustainability Department (“**CQS**”) conducts annual internal risk assessments across all factories to identify potential child and forced labour risks. When risks or violations are identified, we prioritise remediating affected parties and implementing corrective actions to eliminate or mitigate these risks.

In addition, all of our factories provide multiple reporting channels – including smartphone apps, HR and factory general manager hotlines, unions, and worker representatives – for workers to report potential human rights violations. All reported cases are thoroughly investigated by factory management and escalated to CQS when necessary.

Supply Chain Compliance

We hold our suppliers to the same stringent standards, where any form of child labour or forced labour is unacceptable. Our zero-tolerance policy is clearly communicated to suppliers from the very beginning of our engagement. Additionally, the CQS may conduct unannounced audit of the suppliers. If any violation is identified, it will be immediately escalated to the management and may trigger the initiation of a supplier exit process.

Social and Labor Convergence Program

As a signatory manufacturer of the Social and Labor Convergence Program ("**SLCP**"), we adopted the Converged Assessment Framework ("**CAF**") Data Collection Tool to streamline our social compliance assessments. Through this initiative, we shared our SLCP verification reports via the accredited host – the Higg Facility Social and Labor Module ("**FSLM**").

This industry-aligned approach reduces the burden of repetitive social audits by customers or third parties, and enables us to dedicate more resources towards improving working conditions and strengthening supply chain transparency.

Better Work High Performance Factory

Four of our garment factories in Vietnam were recognised as Better Work High Performance Factories for consistently demonstrating their:

- High level of compliance with publicly reported issues
- Mature level of social dialogue
- Effective management systems to sustain changes
- Commitment to learning for sustainable development



Safeguarding Employee Health and Safety

A healthy, safe, and comfortable working environment is fundamental for employees to work effectively and feel fulfilled. Our Group Code of Conduct, Master Policy, and Social Compliance Policy clearly stipulates requirements for workplace safety, while the Corporate Social Compliance Manual provides detailed guidance on specific safety indicators for factory implementation.

Every factory within our Group has established an occupational health and safety ("**OHS**") management system to ensure compliance with local regulations, customer standards, and industry benchmarks. A robust OHS management system not only mitigates the risk of operational disruption from lost workdays, but also creates opportunities to enhance worker efficiency, wellbeing, and operational resilience of all factories in the long run. For effective system implementation, each factory has designated personnel, whose duties include:

- Developing OHS policies and procedures
- Creating and implementing action plans
- Formulating emergency preparedness
- Providing training and capacity building
- Conducting risk assessments
- Monitoring performance and implementing improvements

As a globally recognised standard, ISO 45001 represents a benchmark of excellence in OHS management system. As of 2025, seven of our factories have achieved ISO 45001 certification. The implementation has strengthened our factories' ability to identify, assess, and control workplace hazards, thereby reducing the risk of accidents and occupational illnesses. It has also enhanced operational discipline through clear roles, documented procedures, and continuous monitoring. We remain dedicated to extending this certification to more factories.



Rate of Fatalities and Work Injuries

Injury cases are defined as cases that have been reported to local governments with medical and insurance claims, and that resulted in at least four lost days each. These data were tracked by our factories with the use of injury and investigation logs. In 2025, 0.01% of the total working person-days across the Group's operations were lost as leave taken by employees owing to work injuries. There were a total of 150 work injury cases, accounting for 2,835 lost workdays.

Work-related fatality refers to death arising from exposure to hazards at work or commuting incidents where transportation is provided by the Company. During the reporting year, we recorded zero work-related fatalities.

Year	2025	2024	2023
Number of work-related fatalities	**0**	1	0
Rate of work-related fatalities	**0.0%**	0.001%	0.0%

Protecting Employees from Heat Stress

To safeguard employees from rising heat stress, our factories implemented a range of measures to improve employees' physical wellness during the hottest months.

Worker Comfort through Air-Conditioning

In Vietnam, our knits factory continued expanding its air-conditioning coverage across multiple production blocks, installing high-efficiency water-cooled chillers with inverter controls, fresh-air optimisation, and condensate-based pre-cooling features that delivered cooling for workers in a low-carbon way. This investment is expected to support worker productivity and workforce stability. To complement these upgrades, employees were encouraged to dress lightly during hot periods.



Our intimate factories in Vietnam distributed vitamin C effervescent tablets to all employees to prevent heat-related illnesses.

Dietary Support for Hydration

As part of our dietary support during hot months, the canteen in our Vietnam knits factory refreshed its menus with hydrating dishes and prepared iced beverages to help employees stay comfortable. Meanwhile in Bangladesh, our factories provided employees with a cooling traditional jaggery lemonade that is nourishing, digestion-aiding, and naturally energising.

Structural, Fire, and Electrical Safety

Driven by a shared commitment to upholding worker wellness across global supply chains, structural, fire, and electrical safety have been an increasing concern of our customers and stakeholders. As an integral part of our operational integrity and social responsibility, our Corporate Construction and Facilities Department ("**CFD**"), staffed with licensed experts, oversees and ensures compliance in structural, fire, and electrical safety across all our factories.

- Our factories in Vietnam and Cambodia actively participate in the Life and Building Safety ("**LABS**") Initiative, an industry-led programme the dedicated to advancing workplace safety in apparel and footwear supply chains. In early 2026, our sportswear factory in Cambodia graduated from the LABS Initiative after completing a series of assessments and upgrades to its building structures, electrical systems, and fire safety systems.

- In Bangladesh, our factories engage with the Ready-Made Garments Sustainability Council ("**RSC**") to systematically enhance structural, fire, and electrical safety standards.

- For our factories in China, we take part in functionally similar programmes such as Critical Life and Safety ("**CLS**"), a proprietary safety initiative led by one of our key customers.

These initiatives are in common conducting comprehensive safety assessments by qualified engineers to evaluate both hardware (e.g. building structure, electrical systems, fire safety equipment) and software (e.g. safety procedures, emergency protocols) setup. Each programme also includes training and capacity-building components for relevant personnel.

By the end of 2025, the majority of our factories enrolled in these initiatives have completed all identified improvements, earning strong recognition from our customers and stakeholders.

Through these structured, programme-driven efforts, we have built robust protection for our employees. This multi-faceted approach not only mitigated risks but also fostered a culture of safety, reinforced operational resilience, and aligned our operations with internationally recognised best practices.


Fire prevention and fighting drill at our denim factory in Vietnam.

Gender Equality, Maternity and Parenting Support

Our work to promote gender equality and provide maternity and parenting support continued throughout the year. We remained committed to cultivating a workplace culture grounded in equal opportunity, mutual respect, and healthy work-life balance.

As the status of women is set to improve in many of our operating countries, our factories took proactive measures to further advance gender equality. We delivered a range of programmes – from cervical cancer screenings and contraception counselling to menopause awareness sessions and gender-based violence campaigns. These initiatives empowered our female employees and contributed to their overall wellness.

Advancing Gender Equality and Women Empowerment

We deepened partnerships and expanded impactful training across our operations. We became a member of the Reimagining Industry to Support Equality ("**RISE**") initiative – joining a global movement dedicated to advancing equitable workplaces throughout global garment supply chain.

A key milestone in this journey was the rollout of the RISE Respect programme – locally known as SERI Respect – at our intimate factory in Vietnam. The first cohort of 190 trained Change Makers completed a comprehensive gender-equality curriculum and actively participated in dialogue sessions to address workplace gender issues. The factory also established a formal Anti-Sexual Harassment Committee that was supported by expert-led training on preventing and handling sexual harassment cases, reinforcing a safer and more respectful work environment for all employees.



Our factories in Vietnam, China, and Cambodia sustained strong momentum in Gap Inc.'s P.A.C.E. programme. Hundreds of women completed modules covering communication, problem-solving, health and self-confidence, benefitting from supportive learning environments that encouraged personal growth and leadership.



Nurturing New Life, Supporting Every Family

Caring for Expectant Moms

Across our operations, we remained focused on enhancing the wellness of pregnant workers. A strong demonstration was seen in our knits and intimate factories in China, where the long-running Caring for Expectant Moms campaign provided expert-led workshops by local hospitals, practical pregnancy knowledge sharing, and psychological consultations. These activities offered emotional reassurance and created a warm, community-centred experience for mothers-to-be.



Providing Comprehensive Prenatal-to-Postnatal Guidance

Another meaningful effort was implemented in our denim factory in Cambodia, where maternal-health initiatives fostered an engaging learning environment. Pregnant workers actively discussed nutrition, prenatal care and newborn health, turning these sessions into empowering platforms that strengthened their confidence in caring for themselves and their babies.



From free gynaecological examinations and reproductive health consultations in Vietnam, to infant-feeding awareness sessions during World Breastfeeding Week in Bangladesh, and pregnancy health talks on safety and nutrition in Cambodia, our operations helped nurture a caring and supportive ecosystem for women and families.

Creating Meaningful Parent-Child Experiences through "Family Day"

Beyond maternity care, we also extended support to working parents by fostering family connection. Our sportswear factories in Vietnam and Cambodia celebrated Family Day with a brand customer, inviting employees' children to visit the workplace and participate in engaging parent-child activities. The events strengthened family bonds, nurtured pride among workers, and showcased our commitment to creating a supportive environment for every family within Crystal.



Employee Wellness

Physical

To encourage an active lifestyle, we established sports centres or sports grounds across our operations, providing employees with convenient access to recreational facilities. In addition, we regularly organised wellness initiatives such as health assessments, enabling employees to identify potential health concerns early and seek timely treatment.



Bringing Clarity Back to Vision

10 of our garment factories and fabric mills in Vietnam, Bangladesh and Cambodia partnered with nonprofits such as VisionSpring and The Fred Hollows Foundation to offer free vision screenings for employees. Over 34,000 workers received onsite vision checks conducted by eye-care professionals, and nearly 11,700 who were diagnosed with refractive errors received quality eyeglasses free of charge, making a meaningful difference for those who had long experienced compromised vision.











Mental

Ensuring our employees' mental wellness is equally important to achieving our sustainability goals. We support our workforce in managing everyday stresses and strive to create a workplace where every individual feels a strong sense of belonging and connection to the team.



Fostering Mental Wellness through Virtual Engagement

Our intimate factories in Vietnam boosted employees' mental wellness through two online engagement activities. One activity invited employees to complete seven daily positivity challenges – such as sharing gratitude, reflecting on proud moments, and capturing happy experiences – via the factories' social media page, generating meaningful stories and uplifting interactions. The other activity guided employees to reflect on kindness through a video and quiz on the self-developed CARE mobile application.

With close to 5,000 interactions, these activities fostered positive morale and encouraged supportive exchanges among colleagues.

Talent Acquisition

We aim to be an employer of choice that attracts and retains the most engaged and talented individuals. All our employees are treated with respect and have equal opportunities to succeed, contributing to the continuous improvement of the Company.

We have established Master Policies on Human Resources that cover organisational development, recruitment, promotion, compensation, benefits, performance management, human resources development, and disciplinary and grievance procedures. The aim of these policies is to:

- Improve recruitment quality and efficiency
- Identify and develop employees with high potential
- Establish reward strategies
- Ensure internal equity and improve retention
- Promote a work environment that values open communication, accountability, trust, and mutual respect

Workforce Breakdown

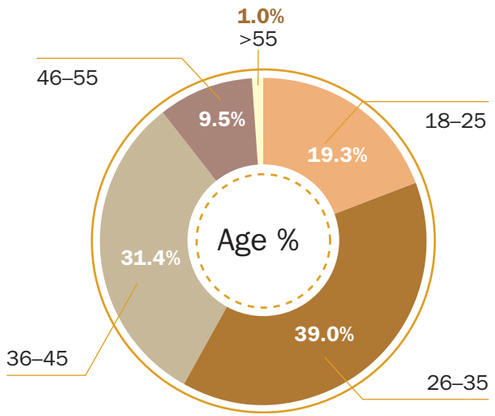
Crystal had approximately 81,000 employees at the close of 2025, of which 31.7% were male and 68.3% were female.

Notes:
- The workforce figures include all garment and textile manufacturing facilities across five operating countries, our headquarters and offices in Asia.
- Our workforce comprises full-time employees, except for four part-time staff.
- All employees meet the minimum working age required by the customers and applicable local laws and regulations.

By Region and Gender

Country	%	Male	Female
Vietnam	52.8%	32.0%	68.0%
China	15.4%	31.8%	68.2%
Cambodia	13.1%	20.7%	79.3%
Bangladesh	12.5%	44.0%	56.0%
Sri Lanka	5.7%	26.6%	73.4%
Hong Kong and other offices in Asia	0.5%	40.6%	59.4%
Total	100%	31.7%	68.3%

By Age Group



Monthly Average Employee Turnover Rate

Our monthly average employee turnover rate (voluntary) was 2.5%, with voluntary turnover referring to employees who resign of their own accord, excluding dismissals and retirements. This rate is calculated by dividing the number of employees who willingly left employment in 2025 by the total year-end number of employees, then averaging over 12 months.

By Gender

2.9% Male

2.3% Female

By Region

Vietnam	2.8%
China	2.0%
Cambodia	1.2%
Bangladesh	1.9%
Sri Lanka	4.3%
Hong Kong and other offices in Asia	0.6%

By Age Group

18–25	3.9%
26–35	2.5%
36–45	1.7%
46–55	1.2%
>55	1.0%

Peer Support for Settling in New Joiners

Early employment stage is crucial to engagement and retention. Our denim factory in Vietnam and knits factory in Bangladesh introduced peer-mentoring approaches to better support newly joined workers. In Bangladesh, experienced workers acted as buddies who guided newcomers through daily tasks and helped them settle smoothly into the workplace.

In Vietnam, a similar network of volunteer mentors regularly checked in on new colleagues, offering encouragement, supportive listening, and timely assistance during their adjustment period. By fostering early connections and a sense of belonging, these people-focused initiatives contributed to a more engaged and stable workforce over time.



Talent Grooming

Our Master Policies on Human Resources provides clear guidelines to support employee development and build a culture of continuous professional development. Through training, education, and development activities, we strive to develop a skills base and intellectual capital in the Group to ensure qualified personnel for our present and future needs.



Training Data

In 2025, a total of 9,790,781 hours of training were provided, including:

- 8,104,409 hours of customer-requirement training
- 1,686,372 hours of programmed training

Each of our current and former employees received an average of 80.3 hours of training.

Customer-requirement training consists mainly of worker-oriented morning briefings, on-the-job training, and refresher briefings on customer requirements and quality standards. Programmed training includes structured and classroom training activities in management and leadership skills, technical skills, communication skills, female empowerment, talent development, and compliance.

The percentage of employees who received programmed training by gender and job level is tabulated below. However, the breakdown information does not reflect customer-requirement training due to the unavailability of relevant data.

Programmed Training Breakdown

By Gender

Gender	% Trained	Average Training Hours
Female	73.6%	16.1
Male	75.3%	23.1
Total	74.2%	18.6

By Job Level

Grade	% Trained	Average Training Hours
Executive	82.4%	11.0
Manager	89.4%	20.4
Officer	82.6%	12.9
General Staff	73.3%	8.4
Worker	73.3%	19.8
Total	74.2%	18.6



Learning and Development

Recognising the strategic importance of leadership and talent development, we continued to invest resources to help our people grow and strengthen our talent pipeline. Our group-wide training programme covered all our employees at different levels for their personal and career growth.

Targets	Examples of training programme

Workers	• CARE
	  • Production
	  • Language
	  • Labour practices
	  • Financial literacy
	• Assistant Supervisor Programme

Supervisors and line leaders	• Supervisory and management skill
Officer-grade staff	• Crystal Officer Training Curriculum
Managerial-grade staff	• Crystal Manager Training Curriculum • Talent Acceleration Programme
Executives	• Action Learning Project

Transforming Worker Potential into Leadership

The Assistant Supervisor Programme ("**ASP**") in our knits division in Vietnam opened new pathways for workers to grow into bigger roles across more than 10 production processes, including cutting, sewing, linking, and packing. Through a structured six-month journey supported by over 40 internal trainers and cross-functional collaboration, the programme equipped participants with the technical and supervisory capabilities needed for their first leadership positions.

By the end of 2025, 130 high-potential workers completed the programme, and 102 of them were promoted – proudly "rising from the line" into Assistant Supervisor roles. Graduates shared how the programme helped them "gain confidence to lead" and "see a clearer future" at Crystal.

ASP will continue to create meaningful advancement opportunities – transforming potential into leadership and strengthening our local talent pipeline.

Structuring Learning and Development for Employee Growth

To nurture a resilient and future-ready workforce, we continued to invest in building the capabilities of our right-level managers – supporting them in leveraging their strengths, expanding their skillsets, and confidently taking on new challenges.

- **Crystal Manager Training Curriculum:** A total of 72 management training workshops were delivered across Vietnam, China, Cambodia, and Bangladesh.
- **Crystal Officer Training Curriculum:** 84 skill-based workshops were organised to empower our officers. This newly rollout strengthened our efforts to attract, engage, and retain young talent and supported equitable development.

Crystal Associate Programme and Talent Programme

The Associate Programme and Talent Programme are integral to our Learning and Development strategy, supporting both mid- and long-term succession planning. We systematically identify potential successors and develop them through targeted training, job rotations, and exposure with regular mentoring and review, ensuring a steady pipeline of talent ready for key roles.

In 2025, our focus was on engaging and empowering younger talent, encouraging them to actively shape their careers and contribute to our organisational success.

822
Learning hours for Talent Programme

6,652
Learning hours for Associate Programme



Employee Communications

We treat our employees as part of the family, ensuring they are well informed and encouraged to communicate openly. Our operations maintain close connections with employees through a variety of channels, including regular worker representative meetings, informal gatherings, newsletters, mobile applications, and online social platforms.

Management connects with employees periodically through webcasts to share updates and strengthen dialogue. In addition, structured channels such as pulse surveys and anonymous grievance mechanisms allow workers to share their views in a secure and respectful manner.

New Counselling Space for Open Dialogue

To provide a trusted channel for dialogue, our knits factory in Bangladesh introduced a new counselling room. The facility complements existing counselling areas on sewing floors available throughout the working day, while the newly added room near the canteen offers support during lunch hours for greater accessibility. Beyond ensuring privacy, the space strengthens trust, encourages open communication, and deepens worker-management relationships.



Anti-Corruption

To promote good business ethics and integrity across the Group, Crystal's board of directors ("**Board**") oversees a series of master policies, including the following, which have been established and are available on the corporate intranet for all staff with computer access:

- Conflict of Interest
- Anti-Bribery
- Anti-Money Laundering
- Anti-Fraud
- Anti-Corruption (Vendor)
- Whistle-Blowing

The policies apply throughout the Group. Every director and employee is required to adhere to the policies as well as all applicable laws, rules, and regulations of the jurisdictions in which the Group operates.

We adopt zero tolerance towards corruption and fraud. We carry out relevant corruption-prevention practices to maintain the highest standards of integrity, honesty, and fairness. Employees must avoid activities that conflict with the Group's interests when performing their duties, and must not accept any form of bribery, reward, or inducement benefit, including payments, gifts, hospitality, or any improper personal, business, regulatory, and contractual advantage.

In 2025, there were no legal cases regarding corrupt practices brought against the Company or our employees.

We set up whistleblowing channels to allow employees and other relevant personnel to report corruption, fraud, dishonesty, or unlawful conduct confidentially. Upon receipt of a complaint, the Corporate Governance Office ("**CGO**"), headed by our Chairman of the Board, logs the case in a control register for tracking purposes. Where necessary, management or the CGO conducts independent investigations and takes follow-up actions. The control register is circulated to the Audit Committee for inspection on a quarterly basis, and a summary is submitted to the Board annually. Risks associated with corruption are assessed as part of the key risk management process.

All whistleblowing cases received are treated in a confidential and sensitive manner. According to our non-retaliation principle, no whistle-blowers are victimised or disadvantaged for making a complaint.

Anti-Corruption and Code of Conduct Training

It is our ongoing commitment to develop Crystal leaders who demonstrate strong ethical and compliance behaviours. In 2025, new executives and managers across our operating countries completed the mandated Anti-Corruption and Code of Conduct training, translating to a total of 403 training hours on related principles, including conflict of interest, anti-bribery, anti-money laundering, and whistleblowing.

Revitalising Community

Creating Shared Value with Communities

Our business relies on the resources and infrastructure of the communities in which we operate. In return, we are committed to becoming an active and positive presence, contributing to their long-term wellbeing and shared prosperity.

Through ongoing engagement with community members, local authorities, NGOs, and charitable organisations, we identify priority areas for our community initiatives. These include community activities, education, the environment, health and medical care, and community resilience. Each operation develops a local action plan to align its efforts with the specific needs of its surrounding community.

Identifying Community Engagement Activities

Recognising the unique needs of the communities where we operate, we support local government initiatives, uplift underprivileged groups, and contribute to environmental protection. We strive to balance these efforts while thoughtfully exploring new opportunities for community engagement.

We work closely with local authorities, community organisations, and our customers to deliver meaningful and measurable contributions in our operating countries. To ensure responsible use of financial resources, our teams assess proposals and related investments before project implementation. We prioritise partnerships with like-minded organisations that share our commitment to building harmonious and resilient communities. While we aim to create lasting benefits through ongoing programmes, we also remain responsive to one-off initiatives that address urgent or specific societal needs.

In 2025, our community contributions totalled approximately US$620,000 and over 9,600 person-hours, supporting initiatives that benefitted around 62,000 people.

Making a Difference in the Community

A Heartfelt Day Connecting with Children in Care

Our sportswear factory team in Cambodia, together with representatives from some of our customers, spent a heartfelt day at a local orphanage. They donated food items, household supplies, and educational materials to support the children's daily needs and learning. The factory also shared practical life skills by teaching older children simple hand-sewing, mending, and basic garment-packing techniques. To bring joy and connection, the team organised fun games, reading and colouring activities, and prepared a warm, home-cooked meal for everyone.





Collective Support for Flood-Affected Communities

Severe flooding during the year prompted coordinated relief efforts from our Vietnam operations. Employees from our knits division collectively raised around US$21,000, which was contributed through the Vietnam Fatherland Front Committee to support recovery for affected communities in the Central and Central Highlands regions. Our fabric mill also mobilised meaningful assistance by funding essential food and water supplies for families in need, delivered with the support of the Fire Prevention and Rescue Police team.

In Sri Lanka, cyclones brought torrential rains and landslides inundated one-fifth of the country. We provided immediate relief to 900 affected workers and their families, helping them regain stability during the crisis.

Planting for the Future: Protecting Biodiversity and Restoring Landscapes

In line with the Group's target to plant two million trees by 2030, we have planted 525,000 trees across Vietnam, China, Cambodia, Bangladesh, and Sri Lanka. These efforts were implemented thoughtfully to ensure long-term benefits for local ecosystems and communities.

Notably, our denim factory in Cambodia planted 30,000 mangrove saplings, helping protect coastal areas and enhance biodiversity. Other operations focused on native species planting and prioritised reforestation in areas damaged by extreme weather events, reinforcing the Group's commitment to regenerating nature and climate resilience.



Advancing Health and Hygiene for Primary School Students

In collaboration with Crystal Climate Charity Foundation, our denim factory in Vietnam supported essential upgrades at a neighbouring primary school to improve students' health and hygiene. The initiative delivered three advanced water purifiers with an 80L-per-hour capacity, ensuring reliable access to clean drinking water and reducing reliance on single-use plastic bottles. It also provided a new, well-ventilated washroom block and refurbished existing facilities to raise hygiene standards and safeguard the surrounding environment.

Awards and Recognition



Highlighted Awards and Recognition

ESG Reporting and Sustainability

Group

- Hong Kong Sustainability Award 2025 – Distinction Award (Large Organization Category), by the Hong Kong Management Association
- Commendation for the Best ESG Report – Mid-cap, by Hong Kong ESG Reporting Awards 2025
- Standard Chartered Corporate Achievement Awards 2025 – Sustainable Corporate Leadership Award, by Standard Chartered
- Commendation for the Carbon Neutral Award, by Hong Kong ESG Reporting Awards 2025
- 2025 International ARC Awards: Silver Winner – Specialized A.R.: Sustainability Report: Asia/Pacific, by MerComm Inc.
- Commendation for the Excellence in Environmental Positive Impact, by Hong Kong ESG Reporting Awards 2025
- 2025 International ARC Awards: Bronze Winner – Interior Design: Sustainability Report: Asia/Pacific, by MerComm Inc.

Business

Denim factory in Vietnam

- Outstanding Business Awards, by the People's Committee of Phu Tho Province

Lifestyle wear factory in Vietnam

- Prestigious Export Enterprise Award 2024, by Ministry of Industry and Trade of Vietnam

Environment

Group

- Hong Kong Green Organisation, Wastewi$e Certificate and Energywi$e Certificate, by the Environmental Campaign Committee
- Green Office and Eco-Healthy Workplace Awards Labelling Scheme, by the World Green Organisation

Lifestyle wear factory in China

- BOCHK Corporate Environmental Leadership Awards 2024: 10 Years+ EcoPioneer and EcoChallenger, by the Federation of Hong Kong Industries

Intimate factory in Bangladesh

- Low Carbon Manufacturing Programme – Gold Label by WWF Hong Kong

Intimate factory in Vietnam

- National Energy Efficiency in Industry Award 2025 – Second Prize (Manufacturing Industry), with Special Prize for the Best Energy-saving Solution (Building Management System), by Steering Committee of the Vietnam National Energy Efficiency Programme under the Ministry of Industry and Trade ("**MoIT**"), the Vietnam Energy Conservation and Energy Efficiency Association ("**VECEA**") and Deutsche Gesellschaft für Internationale Zusammenarbeit ("**GIZ**")

Employee Care

Crystal Headquarters, all factories and fabric mills in China and Vietnam, Singapore office

- Best Companies to Work for in Asia 2025, by HR Asia

Singapore office

- Employee Experience Awards 2025 Singapore – Most Innovative and Sustainable Office Design – Silver Award, by Human Resources Online

International Organization for Standardization ("**ISO**") Certification

- ISO 9001 Quality Management System
  12 factories in Vietnam, China, Cambodia, and Bangladesh
- ISO 14001 Environmental Management System
  9 factories in Vietnam and China
- ISO 50001 Energy Management System
  2 factories in Vietnam and China
- ISO 45001 Occupational Health and Safety Management System
  7 factories in Vietnam and China

Glossary

Apparel Impact Institute ("**Aii**")	The Aii is a nonprofit collective founded in 2017 by NGO and industry leaders. The organisation identifies, funds, and scales proven quality solutions to accelerate positive impact in the apparel and footwear industry.
Better Cotton	Better Cotton is a sustainability initiative that supports more responsible cotton farming. It enables the sourcing of cotton as a sustainable material through adopting sustainable farming practices, improving livelihoods and working conditions, protecting and restoring the environment.
Better Work	Better Work is a partnership between the International Labour Organization ("**ILO**") and the International Finance Corporation ("**IFC**"). It brings together governments, employers' and workers' organisations, global brands, factory owners and workers to improve compliance with labour standards and promote competitiveness in global supply chains. The programme combines independent assessments with advisory and capacity building activities to support practical improvements in working conditions in supplier factories through workplace cooperation.
Biogenic emissions	Biogenic emissions are carbon dioxide emissions from the combustion or biodegradation of biomass.
CDP	Formerly the Carbon Disclosure Project, CDP is a global non-profit organisation that runs the world's foremost environmental disclosure platform. It is one of the most recognised environmental reporting platforms, with a comprehensive dataset on corporate and city action, acknowledged by states and regions, cities, investors, and companies.
Converged Assessment Framework ("**CAF**")	The CAF is a tool to measure working conditions in facilities developed by Social & Labor Convergence Program ("**SLCP**") signatories. It consists of a data collection tool, verification methodology and guidance documents.
Crystal Advocates Respect and Engagement ("**CARE**")	CARE is an employee wellbeing programme self-initiated by Crystal. It contains five levels to help employees build on their skills, promote a good work-life balance, strengthen their self-respect, enhance their sense of belonging and help them attain self-actualisation.
Customer final inspection pass rate ("**CFIR**")	The CFIR is a measure of factory quality performance derived from analysing the first-time pass rate of a customer's first-time final inspection.
Equivalent piece	Equivalent piece is a common unit to express our garments, produced and washed, by normalising the carbon emissions or water consumption respectively of our different product types.
Facility Environmental Module ("**FEM**")	The Higg FEM is one of the facility tools of the Higg Index that standardises how facilities measure and evaluate their environmental performance.
Facility Social and Labor Module ("**FSLM**")	The Higg FSLM is part of the Higg Index. It measures the social impact of manufacturing across areas such as wages, working hours, health and safety, and employee treatment.
Greenhouse gas ("**GHG**")	GHGs are the gaseous constituents that absorb and hold heat in the atmosphere, that occur either naturally or due to human activities.
Higg Index	The Higg Index is a suite of tools developed by Cascale (formerly Sustainable Apparel Coalition) that enables brands, retailers and facilities to measure and score the sustainability performance of a company or product.
Intergovernmental Panel on Climate Change ("**IPCC**")	IPCC is the United Nations body responsible for assessing the scientific, technical and socio-economic information related to climate change. IPCC synthesises research into authoritative assessments on climate impacts, risks, and pathways for mitigation and adaptation.

International Renewable Energy Certificate ("**I-REC**")	I-REC is a market-based instrument that certifies one megawatt-hour (MWh) of renewable electricity generation, which is used to substantiate renewable electricity consumption for Scope 2 greenhouse gas accounting.
Institute of Public and Environmental Affairs ("**IPE**")	The IPE is a non-profit environmental research organisation registered and based in Beijing, China, offering a pollution database to monitor corporate environmental performance.
Low Carbon Manufacturing Programme ("**LCMP**")	LCMP, hosted by WWF-Hong Kong, provides manufacturers with a carbon accounting and labelling system to help measure their effectiveness in carbon reduction and equip them with best practices.
Manufacturing Restricted Substances List ("**MRSL**")	MRSL is a list of chemical substances that are subject to a usage ban or restrictions in manufacturing processes.
Network for Greening the Financial System ("**NGFS**")	NGFS is a global network of central banks and financial supervisors that develops climate scenarios, analytical frameworks and best-practice recommendations. NGFS scenarios provide an integrated framework that combines climate pathways, macroeconomic assumptions and policy responses.
Observed quality level ("**OQL**")	OQL is a measure of factory quality performance that analyses the defect rate of the customer's first-time final inspection.
Personal Advancement & Career Enhancement ("**P.A.C.E.**")	Initiated by Gap Inc., P.A.C.E. is an innovative factory-based programme that aims to positively impact female garment workers. The programme provides foundational skills and support that help them advance in the workplace and in their personal lives, through life skills education and technical training.
Power Purchase Agreement ("**PPA**")	PPA is a long-term contract for the purchase of electricity – typically from renewable sources – at agreed prices and volumes, enabling corporates to secure clean energy supply while supporting the financing of renewable energy projects.
Purchased Goods and Services	Purchased Goods and Services refers to Scope 3, Category 1 emissions, which include all upstream (i.e. cradle-to-gate) emissions from the production of products purchased or acquired by the reporting company in the reporting year. Products include both goods (tangible products) and services (intangible products).
Race to Zero	Launched in 2019, Race to Zero is a global campaign, led by the UN Climate Change High Level Champions, rallying non-state actors – including companies, cities, regions, financial, educational, and healthcare institutions – to take immediate action to halve global emissions by 2030 and deliver a healthier, fairer zero carbon world.
Representative Concentration Pathway ("**RCP**")	RCP is a set of climate change scenarios adopted by the IPCC that describe possible future pathways of GHG concentrations and radiative forcing in the atmosphere up to 2100. RCPs are labelled according to their radiative forcing levels (e.g. RCP2.6, RCP4.5, RCP6.0 and RCP8.5).
Restricted Substances List ("**RSL**")	The RSL is a list of chemical substances restricted or banned from use in finished products.
Reimagining Industry to Support Equality ("**RISE**")	RISE is a collaborative initiative aimed at advancing gender equality in global garment, footwear, and home textiles supply chains. It focuses on empowering women workers, integrating gender equality into business practices, and driving systemic change through innovative solutions and policy influence.
Science Based Targets initiative ("**SBTi**")	The SBTi is a collaboration between CDP, the United Nations Global Compact ("**UNGC**"), World Resources Institute ("**WRI**") and the World Wide Fund for Nature ("**WWF**"). The initiative defines and promotes best practices in emissions reductions and offers technical assistance to companies aiming to set science-based targets ("**SBT**").
Scope 3 emissions	Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organisation, but that the organisation indirectly affects in its value chain. Scope 3 emissions include all sources not within an organisation's Scope 1 and 2 boundary.
Smart factory and smart warehouse	In a smart factory, physical production processes and operations are combined with digital technology, smart computing, and big data to create a more opportunistic system. This represents a leap forward from traditional automation to a fully connected and flexible system. A smart warehouse provides efficient accessibility, timely delivery, and optimised order picking and storage through automation and a real-time management system, preventing human error while increasing safety and security in the workplace.
Social and Labor Convergence Program ("**SLCP**")	The SLCP is a non-profit multi-stakeholder initiative that aims to eliminate audit fatigue in global supply chains. The tools and system for generating high-quality comparable data on working conditions can increase transparency in the supply chain.
Task Force on Climate-Related Financial Disclosures ("**TCFD**")	The TCFD was created in 2015 by the Financial Stability Board to develop consistent, climate-related financial risk disclosures for use by companies, banks, and investors in providing information to stakeholders.
United Nations Global Compact ("**UNGC**")	The UNGC is a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals.
UN Fashion Industry Charter for Climate Action ("**UNFICCA**")	The UNFICCA is an industry-wide initiative, driven by the United Nations, to collectively address the climate impact of the fashion sector across its value chain.
United Nations Sustainable Development Goals ("**UN SDGs**")	The UN SDGs are a collection of 17 global goals set by the United Nations General Assembly in 2015 for the year 2030. These goals provide a blueprint to achieve a more sustainable future and address global sustainability challenges.
WWF Water Risk Filter	The WWF Water Risk Filter is an online tool developed by the WWF and German finance institution DEG, which helps companies and financial institutions to explore, assess, value, and respond to water risks.
ZDHC InCheck	The ZDHC InCheck was developed by the ZDHC Foundation to enable suppliers to check their chemical inventory against the ZDHC MRSL Accepted Certification for better chemical management.
Zero Discharge of Hazardous Chemicals ("**ZDHC**")	The ZDHC was formulated by a group of apparel and footwear brands and retailers working together to lead the industry towards zero discharge of hazardous chemicals.

Content Index for ESG Reporting Code and Reference Standards

HKEX ESG Reporting Code	IFRS Sustainability Disclosure Standards	GRI Standards	Section or Feedback
Para. 13 Governance structure	IFRS S1 Para. 26–27 Governance IFRS S2 Para. 5–7 Governance	• 2-9 Governance structure and composition • 2-12 Role of the highest governance body in overseeing the management of impacts • 2-13 Delegation of responsibility for managing impacts • 2-14 Role of the highest governance body in sustainability reporting	About Crystal International – Corporate Governance; Sustainability Governance
Para. 14 Reporting principles	IFRS S1 • Para. 44(a)(vi) Risk management process change • Para. 59 Information about sources of guidance • Para. 66 Reporting consistency • Para. 78(b) Measurement uncertainty IFRS S2 • Para. 25(a)(vi) Changes in risk management • Para. 29(a)(iii) Measurement approach, inputs & assumptions for GHGs emissions • Para. 34 Target setting methodology	1 Reporting Principles	• About Crystal International – Sustainability Governance • Stakeholder Engagement – Double Materiality Assessment • Regenerating Nature – Crystal Net Zero, Carbon, Energy, and Water Data 2025
Para. 15 Reporting boundary	IFRS S1 Para. 20 Reporting entity	2-2 Entities included in the organisation's sustainability reporting	About This Sustainability Report

Environment

Emissions

General disclosure	IFRS S1 • Para. 30 Sustainability-related risks and opportunities • Para. 33 Strategy and decision-making	• 2-23 Policy commitments • 2-24 Embedding policy commitments	Regenerating Nature
KPI A1.1 Emissions types and data	IFRS S1 • Para. 45–53 Metrics and targets • Para. 56–58 Identifying applicable disclosure requirements	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Regenerating Nature – Carbon, Energy, and Water Data 2025
KPI A1.3 Hazardous waste data		• 306-3 Waste generated • 306-4 Waste diverted from disposal • 306-5 Waste directed to disposal	Regenerating Nature – Waste Management
KPI A1.4 Non-hazardous waste data			
KPI A1.5 Emission targets and actions	IFRS S1 Para. 51–53 Information about targets set	• 3-3 Management of material topics • 303-2 Management of water discharge-related impacts • 305-5 Reduction of GHG emissions	• Our Sustainability Vision and Approach – Crystal Sustainability Vision 2030 – Impact for Better • Regenerating Nature – Crystal Net Zero 2050; Air Emissions Control; Waste Management; Chemical and Wastewater Management

HKEX ESG Reporting Code	IFRS Sustainability Disclosure Standards	GRI Standards	Section or Feedback
KPI A1.6 Waste handling, reduction targets and actions	IFRS S1 • Para. 45–53 Metrics and targets • Para. 56–58 Identifying applicable disclosure requirements	• 3-3 Management of material topics • 306-2 Management of significant waste-related impacts	Regenerating Nature – Waste Management

Use of resources

General disclosure	IFRS S1 • Para. 30 Sustainability-related risks and opportunities • Para. 33 Strategy and decision-making	• 2-23 Policy commitments • 2-24 Embedding policy commitments	Regenerating Nature
KPI A2.1 Energy consumption types and data	IFRS S1 • Para. 45–53 Metrics and targets • Para. 56–58 Identifying applicable disclosure requirements	• 302-1 Energy consumption within the organisation • 302-3 Energy intensity	Regenerating Nature – Carbon, Energy, and Water Data 2025
KPI A2.2 Water consumption data		303-5 Water consumption	Regenerating Nature – Carbon, Energy, and Water Data 2025
KPI A2.3 Energy use efficiency target(s) and actions		302-4 Reduction of energy consumption	• Our Sustainability Vision and Approach – Crystal Sustainability Vision 2030 – Impact for Better • Regenerating Nature – Crystal Net Zero 2050
KPI A2.4 Water sourcing issues, efficiency target(s) and actions		• 3-3 Management of material topics • 303-1 Interactions with water as a shared resource • 303-2 Management of water discharge-related impacts • 303-3 Water withdrawal	• Our Sustainability Vision and Approach – Crystal Sustainability Vision 2030 – Impact for Better • Regenerating Nature – Water Conservation
KPI A2.5 Packaging material data		–	Regenerating Nature – Waste Management

Environment and natural resources

General disclosure	–	• 2-23 Policy commitments • 2-24 Embedding policy commitments	Regenerating Nature – Our Environmental Policy and Management System
KPI A3.1 Significant environmental and natural resource impacts and managing actions	–	101-1 Policies to halt and reverse biodiversity loss	• Our Sustainability Vision and Approach – Crystal Sustainability Vision 2030 – Impact for Better • Regenerating Nature – Climate-Related Risks and Opportunities • Stakeholder Engagement – Double Materiality Assessment

HKEX ESG Reporting Code	IFRS Sustainability Disclosure Standards	GRI Standards	Section or Feedback
Social			
Employment			
General disclosure	IFRS S1 • Para. 30 Sustainability-related risks and opportunities • Para. 33 Strategy and decision-making	• 2-23 Policy commitments • 2-24 Embedding policy commitments	Resourcing People – Code of Conduct and Social Compliance Policies; Talent Acquisition
KPI B1.1 Workforce categories and data	IFRS S1 • Para. 45–53 Metrics and targets • Para. 56–58 Identifying applicable disclosure requirements	• 2-7 Employees • 401-1 New employee hires and employee turnover	Resourcing People – Talent Acquisition
KPI B1.2 Employee turnover rate			
Health and safety			
General disclosure	IFRS S1 • Para. 30 Sustainability-related risks and opportunities • Para. 33 Strategy and decision-making IFRS S2 • Para. 10–12 Climate-related risks and opportunities • Para. 14 Climate-related strategy and decision-making	• 2-23 Policy commitments • 2-24 Embedding policy commitments	Resourcing People – Safeguarding Employee Health and Safety
KPI B2.1 Work-related fatalities data	IFRS S1 • Para. 45–53 Metrics and targets • Para. 56–58 Identifying applicable disclosure requirements IFRS S2 • Para. 27- 32 Climate-related metrics	403-9 Work-related injuries	Resourcing People – Safeguarding Employee Health and Safety
KPI B2.2 Lost days due to work injury			
KPI B2.3 Occupational health and safety measures		• 3-3 Management of material topics • 403-1 Occupational health and safety management system • 403-2 Hazard identification, risk assessment, and incident investigation • 403-4 Worker participation, consultation, and communication on occupational health and safety • 403-5 Worker training on occupational health and safety • 403-6 Promotion of worker health • 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	

HKEX ESG Reporting Code	IFRS Sustainability Disclosure Standards	GRI Standards	Section or Feedback
Development and training			
General disclosure	IFRS S1 • Para. 30 Sustainability-related risks and opportunities • Para. 33 Strategy and decision-making	• 2-23 Policy commitments • 2-24 Embedding policy commitments • 404-2 Programs for upgrading employee skills and transition assistance programs	• Supply Chain Management – Corporate Supply Chain Management Procedure • Resourcing People – Code of Conduct and Social Compliance Policies; Safeguarding Employee Health and Safety; Talent Grooming
KPI B3.1 Percentage of employees trained by category	IFRS S1 • Para. 45–53 Metrics and targets • Para. 56–58 Identifying applicable disclosure requirements	404-1 Average hours of training per year per employee	Resourcing People – Talent Grooming
KPI B3.2 Employee training hours by category			
Labour standards			
General disclosure	IFRS S1 • Para. 30 Sustainability-related risks and opportunities • Para. 33 Strategy and decision-making	• 2-23 Policy commitments • 2-24 Embedding policy commitments	Resourcing People – Code of Conduct and Social Compliance Policies
KPI B4.1 Employment practice for child and forced labour avoidance	IFRS S1 • Para. 45–53 Metrics and targets • Para. 56–58 Identifying applicable disclosure requirements	• 408-1 Operations and suppliers at significant risk for incidents of child labour • 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour • 2-25 Processes to remediate negative impacts	Resourcing People – Code of Conduct and Social Compliance Policies
KPI B4.2 Actions for discovered child and forced labour			
Supply chain management			
General disclosure	IFRS S1 • Para. 30 Sustainability-related risks and opportunities • Para. 33 Strategy and decision-making	• 2-23 Policy commitments • 2-24 Embedding policy commitments	Supply Chain Management
KPI B5.1 Suppliers by geographical region	IFRS S1 • Para. 45–53 Metrics and targets • Para. 56–58 Identifying applicable disclosure requirements	–	Supply Chain Management – Supply Chain Sustainability Management Strategy
KPI B5.2 Supplier engagement		• 308-1 New suppliers that were screened using environmental criteria • 308-2 Negative environmental impacts in the supply chain and actions taken • 414-1 New suppliers that were screened using social criteria • 414-2 Negative social impacts in the supply chain and actions taken	Supply Chain Management – Corporate Supply Chain Management Procedure; Governing Policies and Requirements to Suppliers
KPI B5.3 Supply chain environmental and social risk management			Supply Chain Management – Managing Environmental and Social Risks along Supply Chain; Green Supply Chain
KPI B5.4 Green purchase practices			Supply Chain Management – Governing Policies and Requirements to Suppliers; Green Supply Chain

HKEX ESG Reporting Code	IFRS Sustainability Disclosure Standards	GRI Standards	Section or Feedback
Product responsibility			
General disclosure	IFRS S1 • Para. 30 Sustainability-related risks and opportunities • Para. 33 Strategy and decision-making	• 2-23 Policy commitments • 2-24 Embedding policy commitments	Product Responsibility
KPI B6.1 Percentage of products recalled for safety and health reasons	IFRS S1 • Para. 45–53 Metrics and targets • Para. 56–58 Identifying applicable disclosure requirements	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product Responsibility – Product Safety
KPI B6.2 Number of products and service related complaints received and actions			Product Responsibility – Handling Product Complaints and Recalls
KPI B6.3 Intellectual property rights observation and protection practices			Product Responsibility – Intellectual Property Rights
KPI B6.4 Quality assurance process and recall procedures			Product Responsibility – Quality Management System; Handling Product Complaints and Recalls
KPI B6.5 Consumer data protection and privacy policies	–	–	Our core garment and textile manufacturing business does not involve ownership of consumer privacy in the context of networked data nor globalised corporate activities that might lead to risks of personal data leakage and misuse or unauthorised access.
Anti-corruption			
General disclosure	IFRS S1 • Para. 30 Sustainability-related risks and opportunities • Para. 33 Strategy and decision-making	• 2-23 Policy commitments • 2-24 Embedding policy commitments	Resourcing People – Anti-Corruption
KPI B7.1 Concluded legal cases regarding corrupt practices	IFRS S1 • Para. 45–53 Metrics and targets • Para. 56–58 Identifying applicable disclosure requirements	205-3 Confirmed incidents of corruption and actions taken	Resourcing People – Anti-Corruption
KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored		• 2-25 Processes to remediate negative impacts • 2-26 Mechanisms for seeking advice and raising concerns	
KPI B7.3 Description of anti-corruption training provided to directors and staff		205-2 Communication and training about anti-corruption policies and procedures	

HKEX ESG Reporting Code	IFRS Sustainability Disclosure Standards	GRI Standards	Section or Feedback
Community investment			
General disclosure	IFRS S1 • Para. 30 Sustainability-related risks and opportunities • Para. 33 Strategy and decision-making	–	Revitalising Community
KPI B8.1 Focus areas of contribution KPI B8.2 Resources contributed	IFRS S1 • Para. 45–53 Metrics and targets • Para. 56–58 Identifying applicable disclosure requirements	–	Revitalising Community – Identifying Community Engagement Activities

HKEX ESG Reporting Code – Part D	IFRS S2 Sustainability Disclosure Standards	GRI Standards	Section or Feedback
Climate-related disclosures			
Governance			
Para. 19 Climate-related governance	Para. 5–7 Climate-related governance	• 2-9 Governance structure and composition • 2-12 Role of the highest governance body in overseeing the management of impacts • 2-13 Delegation of responsibility for managing impacts • 2-17 Collective knowledge of the highest governance body	About Crystal International – Corporate Governance; Sustainability Governance
Strategy			
Climate-related risks and opportunities			
Para. 20 Climate-related risks and opportunities	Para. 10–12 Climate-related risks and opportunities	201-2 Financial implications and other risks and opportunities due to climate change	Regenerating Nature – Climate-Related Risks and Opportunities
Business model and value chain			
Para 21 Business model and value chain	Para. 13 Business model and value chain	201-2 Financial implications and other risks and opportunities due to climate change	Regenerating Nature – Climate-Related Risks and Opportunities
Strategy and decision-making			
Para. 22–23 Strategy and decision-making	Para. 14 Strategy and decision-making	201-2 Financial implications and other risks and opportunities due to climate change	• Our Sustainability Vision and Approach – Crystal Sustainability Vision 2030 – Impact for Better • Regenerating Nature – Crystal Net Zero 2050; Climate-Related Risks and Opportunities

HKEX ESG Reporting Code – Part D	IFRS S2 Sustainability Disclosure Standards	GRI Standards	Section or Feedback
Financial position, financial performance and cash flows			
Para. 24(a) Current financial effect	Para. 16(a) Current financial effect	201-2 Financial implications and other risks and opportunities due to climate change	Regenerating Nature – Climate-Related Risks and Opportunities
Para. 24(b) Material adjustment within next reporting period	Para. 16(b) Material adjustment within next reporting period		No factory is identified as requiring a material adjustment within the next reporting year.
Para. 25(a)(i) Investment and disposal plans	Para. 16(c)(i) Investment and disposal plans		Regenerating Nature – Crystal Net Zero 2050
Para. 25(a)(ii) Planned funding sources for strategy	Para. 16(c)(ii) Planned funding sources for strategy		
Para. 25(a)(b) Anticipated financial effect across time horizons	Para. 16(d)-21 Anticipated financial effect across time horizons		Regenerating Nature – Climate-Related Risks and Opportunities
Climate resilience			
Para. 26 Climate resilience	Para. 22 Climate resilience	201-2 Financial implications and other risks and opportunities due to climate change	Regenerating Nature – Climate-Related Risks and Opportunities
Risk management			
Para. 27 Climate-related risk management	Para. 24–26 Climate-related risk management	• 3-1 Process to determine material topics • 3-3 Management of material topics	• About Crystal International – Sustainability Governance • Regenerating Nature – Crystal Net Zero 2050; Climate-Related Risks and Opportunities
Metrics and targets			
Greenhouse gas emissions			
Para. 28–29 GHG emissions Scope 1,2 and 3	Para. 29(a) GHG emissions Scope 1,2 and 3	• 305-1 Direct (Scope 1) GHG emissions • 305-2 Energy indirect (Scope 2) GHG emissions • 305-4 GHG emissions intensity	• Regenerating Nature – Carbon, Energy, and Water Data 2025 Reasonable information relief was applied as the complete quantification of Scope 3 emissions is not yet available and will be provided in 2025 CDP disclosure.

HKEX ESG Reporting Code – Part D	IFRS S2 Sustainability Disclosure Standards	GRI Standards	Section or Feedback
Climate-related risks and opportunities			
Para. 30 Assets or business activities vulnerable to climate-related transition risks	Para. 29(b) Assets or business activities vulnerable to climate-related transition risks	201-2 Financial implications and other risks and opportunities due to climate change	Regenerating Nature – Climate-Related Risks and Opportunities
Para. 31 Assets or business activities vulnerable to climate-related physical risks	Para. 29(c) Assets or business activities vulnerable to climate-related physical risks		
Para. 32 Assets or business activities aligned with to climate-related opportunities	Para. 29(d) Assets or business activities aligned with to climate-related opportunities		
Capital deployment			
Para. 33 Capital deployment towards climate-related risks and opportunities	Para. 29(e) Capital deployment towards climate-related risks and opportunities	201-2 Financial implications and other risks and opportunities due to climate change	Regenerating Nature – Crystal Net Zero 2050
Internal carbon prices			
Para. 34 Internal carbon prices	Para. 29(f) Internal carbon prices	–	Regenerating Nature – Crystal Net Zero 2050
Renumeration			
Para. 35 Remuneration	Para. 29(g)(i) Remuneration	• 2-19 Remuneration policies • 2-20 Process to determine remuneration	About Crystal International – Corporate Governance
Industry-based metrics			
Para. 36 Industry-based climate-related disclosures	Para. 32 Industry-based climate-related disclosures	–	Regenerating Nature – Sustainable Materials; Chemical and Wastewater Management
Climate-related targets			
Para. 37–40 Climate-related targets & performance	Para. 33–36 Climate-related targets & Performance	• 3-3 Management of material topics • 305-5 Reduction of GHG emissions	Regenerating Nature – Crystal Net Zero 2050; Carbon, Energy, and Water Data 2025

晶苑國際集團有限公司*
CRYSTAL INTERNATIONAL GROUP LIMITED
(Incorporated in Bermuda with limited liability and registered by way of continuation in the Cayman Islands)
(於百慕達註冊成立的有限公司並以存續方式於開曼群島註冊)
Stock code 股份代號：2232
*For identification purposes only 僅供識別

