

E *ENVIRONMENTAL*
S *SOCIAL*
G *GOVERNANCE*
R *REPORT*

TRANSCENDENCE
超越界限

2024-25

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ABOUT THIS REPORT



Reporting Period and Scope

This report covers the period from 1 April 2024 to 31 March 2025 and it is Laws Textile’s second ESG report. It encompasses our headquarters in Hong Kong, and all manufacturing facilities in China, Bangladesh, Myanmar, and Vietnam.

Reporting Standards and Principles

The Report was prepared in reference to the latest Global Reporting Initiative (GRI) Standards 2021 and the Appendix C2: Environmental, Social and Governance Reporting Guide (“the ESG Reporting Guide”) issued by the Hong Kong Exchanges and Clearing Limited (HKEX). It also incorporates selected guidelines from the United Nations Sustainable Development Goals (UNSDGs). For climate-related disclosure, we align with the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD).

The contents of this report are disclosed based on four main reporting principles as suggested in the ESG Guide: materiality, quantitative, balance, and consistency.

Review and Comment

The Report has been reviewed by the management committee of Laws Textile Industrial Limited (Laws Textile) and subsequently approved by the Board of the LAWSGROUP. Should you have any enquiry, comment or suggestion about our approach in ESG, please email us at ESG@lawstextile.com.

Materiality

By conducting materiality review and communicating with key stakeholders to identify material issues. Details are disclosed in the section “Stakeholder Engagement” of this report.



Quantitative

Quantitative data is consistently available throughout this report and in Appendix I.

Balance

The information is presented objectively, free from selective omissions or manipulative tactics that could sway the reader's judgment or decision-making.

Consistency

The report clearly outlines the standards, tools, assumptions, and conversion factors used whenever relevant. It also provides explanations for any inconsistencies with previous reports.



MESSAGE FROM LEADERSHIP

The fiscal year 2024-25 presented an exceptionally complex and challenging business landscape. A weak global economy, coupled with persistent geopolitical instability and the uncertainties inherent in an election year within our primary market, created a volatile and unpredictable environment. However, our commitment to a robust Environmental, Social, and Governance (ESG) strategy proved invaluable in navigating these difficulties. By prioritizing sustainable practices, fostering a strong and inclusive company culture, and maintaining ethical business conduct, we not only mitigated some of the risks presented by the external environment but also identified new opportunities for growth and resilience. This proactive ESG approach allowed us to adapt strategically, demonstrating both our commitment to long-term value creation and our ability to weather significant economic and political challenges.

Environmental Commitment

Our commitment to ESG principles is no longer a series of separate initiatives but a fundamental pillar of our business strategy. Building upon a long-standing dedication to corporate social responsibility, the past year witnessed a significant shift towards systematic ESG management and standardized practices. This transformation is evidenced by our participation in the Science Based Targets initiative (SBTi), with the 2023-24 fiscal year re-established as our baseline for setting ambitious carbon emission reduction targets. This proactive approach demonstrates our serious commitment to environmental sustainability and our dedication to achieving measurable progress in reducing our environmental footprint.

Transparency and Disclosure

Further reinforcing our commitment to ESG excellence is our participation in the Carbon Disclosure Project (CDP). This underscores our dedication to transparent and public reporting of our ESG performance, providing stakeholders with clear and accessible information about our sustainability efforts. By disclosing our environmental impact and related initiatives, we enhance accountability and foster greater trust with our investors, customers, and the wider community.

Looking ahead to our 50th anniversary and beyond, I am filled with pride of the Laws Textile team. I am confident that our collective resilience, strategic focus, and unwavering commitment to ESG will drive our continued success and position us for growth in the years to come.

Brian Leung
Executive Director

Passion for Fashion



ABOUT LAWS TEXTILE

Founded in 1975, Laws Textile is one of the leading global apparel manufacturers with nearly 5-decade of experience. As an influential leader in knit garment manufacturing industry, we are committed to creating superior value for customers with exceptional R&D solutions, supply chain management and internal control.

Following its success in the industry, the company further expanded its business and investments into retails, branding and property development beginning in the 1980s.

Laws Textile’s manufacturing network extends across China, Vietnam, Myanmar, and Bangladesh, with previous operations in Sri Lanka, Philippines, Thailand and Mexico.

ESG STRATEGIES & PRIORITIES

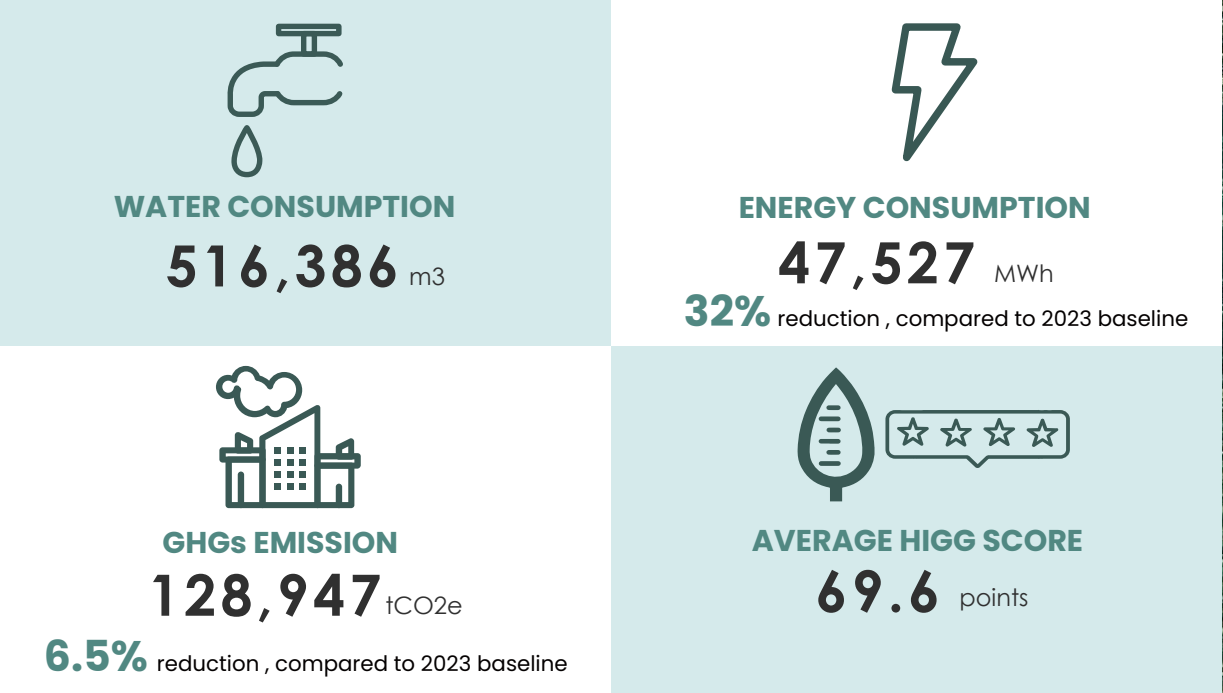
We committed to promote sustainability and environmental friendly business with particular focus on climate change, energy efficiency, chemical and waste management. In addition, we incorporate “Creating Shared Values” as a core element of our CSR/ESG strategies. By collaborating with diverse stakeholders and groups, we strive to create greater momentum for long-term sustainable development to build a more prosperous green future.

To withstand these core values, our ESG strategy is built around four main pillars which aligned with the United Nations' Sustainable Development Goals (UN SDGs).

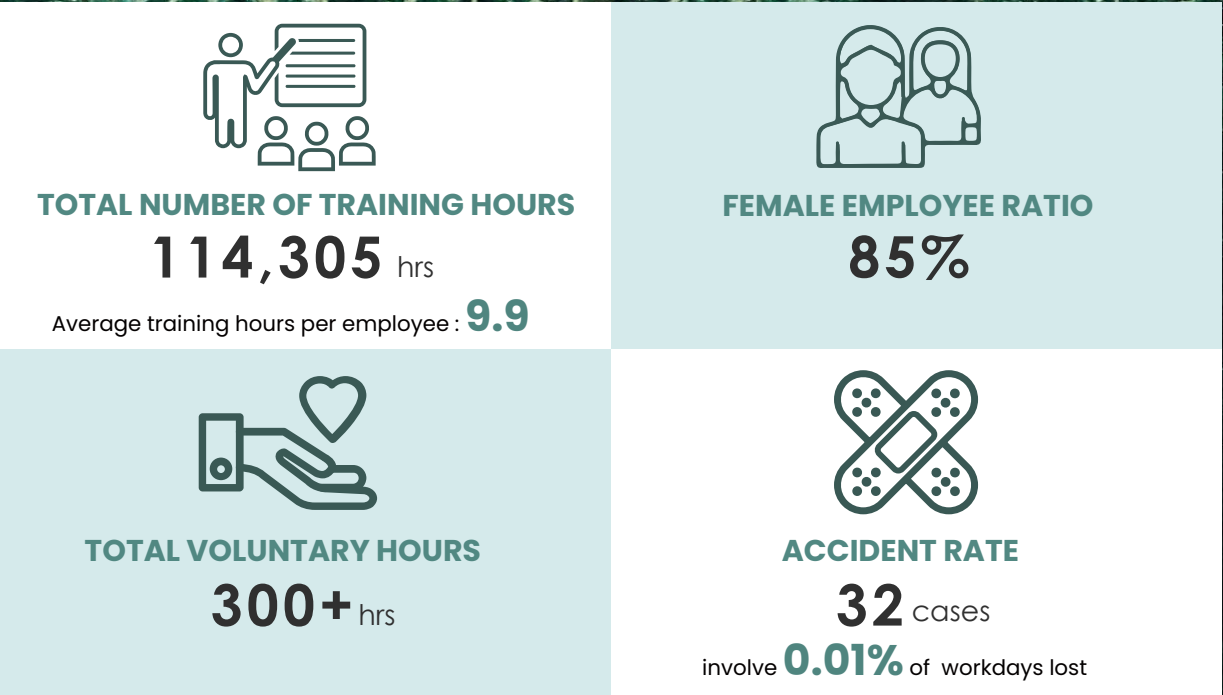


ESG Highlights

Environmental



People & Society



Governance



CERTIFICATION AND ESG RATING

Environment



Social Audit



Material



Building Safety



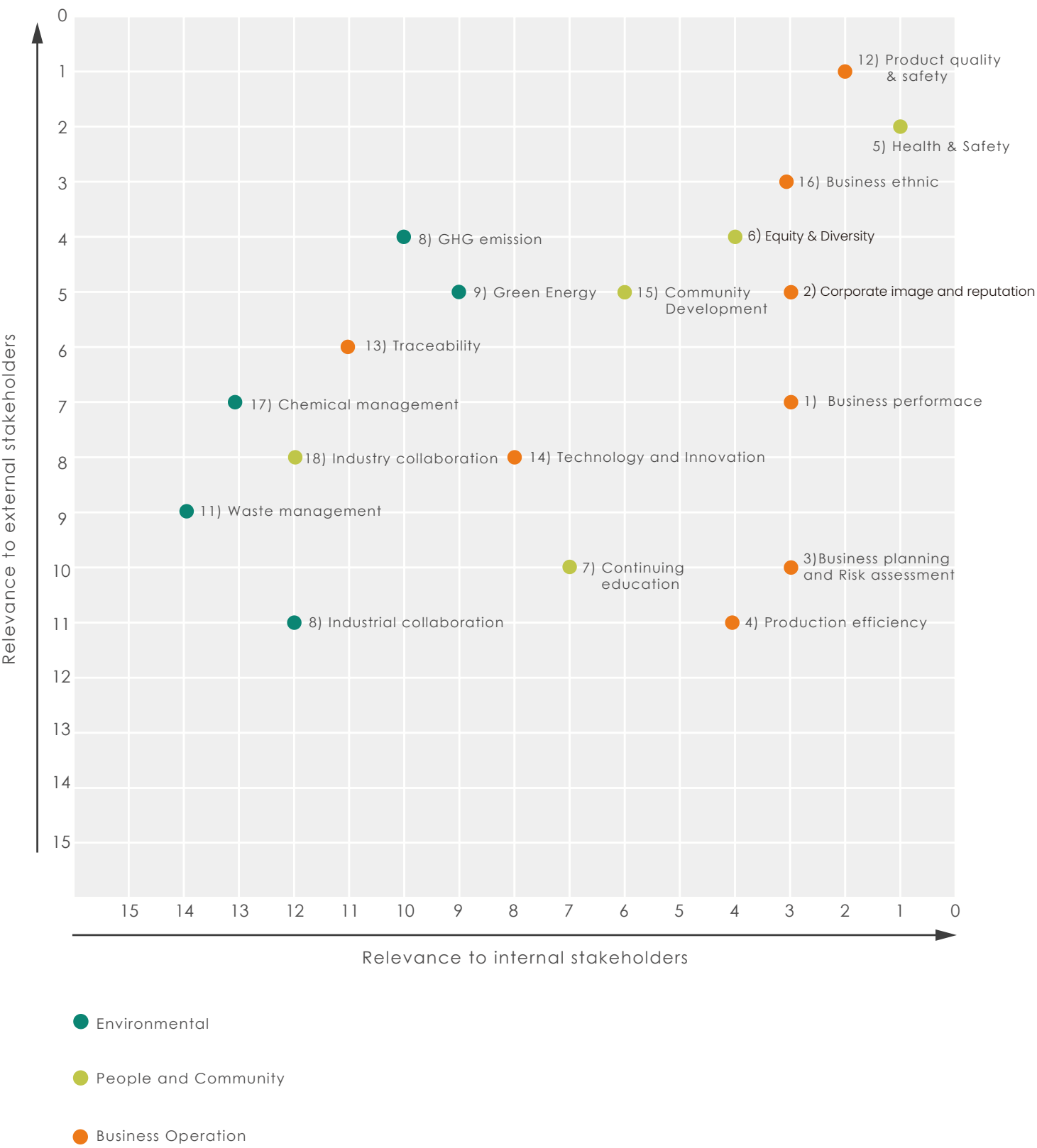
ESG Rating



MATERIALITY ASSESSMENT

	Stakeholders	Materiality Topics	Communication Method & Our Responses
Internal	Shareholders	1) Business performance 2) Corporate image and reputation 3) Business planning and Risk assessment 4) Production efficiency	• Sessional meetings with all executive directors and independent non-executive directors • Company announcement
	Employees	5) Health & Safety 6) Equity & Diversity 7) Continuing education	• Staff meeting • Training workshop • Newsletters • Employee performance evaluation
External	Customers	8) GHG emission 9) Green Energy 10) Water conservation 11) Waste management 12) Product quality and safety	• Customer hosted conferences and summits • Periodical meetings and events with customers to listen their interests and handle their feedback and comments • Survey
	Suppliers	13) Traceability 14) Technology and Innovation	• Regular meetings
	Public	15) Support community development	• Company website • Community services and activities
	Government officials	16) Business Ethnic 17) Chemical management 18) Industry collaboration	• Media • Meetings with government departments • Hong Kong LegCo Member Functional Constituency Textiles

Materiality Matrix



CORPORATE GOVERNANCE

Laws Textile is committed to best-practice corporate governance, ensuring compliance with all relevant laws and regulatory standards. Our governance practices are strategically aligned with LAWSGROUP's long-term goals, reflecting our belief that robust governance is fundamental to sustainable growth and success. We prioritize transparency, accountability, and independence in all our operations, mirroring the highest standards of ethical conduct and responsible business practices.

Our Board of Directors is composed of executive directors, non-executive directors, and independent non-executive directors. This structure ensures a diverse range of perspectives and expertise, reflecting our commitment to manufacturing innovation and operational excellence. The Board includes a significant number of women (33%) and members with extensive backgrounds in diverse sectors, including management, banking and finance, technology, and manufacturing. This balanced composition enhanced risk management and improved decision-making positions the company for continued success.

ROLES AND RESPONSIBILITIES

The Board has established three committees, Audit Committee, Laws Textile Management Committee, and Remuneration Committee, to set overall values and strategies of manufacturing sector and oversee its operations and financial performances.

Key functions of each parties are as follows:



THE BOARD

Set overall values, standards and strategies of LAWSGROUP

Review financial performance

- 01

AUDIT COMMITTEE

 - Oversee the financial performance of the company
 - Work with independent auditor to perform financial audits
- 02

LAWS TEXTILE MANAGEMENT COMMITTEE

 - Oversight of risk management and ESG initiatives
 - Review operational performance
- 03

REMUNERATION COMMITTEE

 - Review the running system for the senior management remuneration
 - Make recommendations to the Board on the remuneration package of individual director

ESG GOVERNANCE

Effective ESG implementation relies on a strong governance structure that establishes clear frameworks and accountability mechanisms for integrating ESG principles into all aspects of the organization. Laws Textile Management Committee (LTMC) led by the LAWSGROUP Board members oversees ESG performance of the company. This includes setting the ESG management approach and strategy, establishing related goals and targets, and reviewing progress made against those targets. LTMC is dedicated to the ongoing integration of ESG principles into all operational aspects, working toward the creation of a sustainable future and the delivery of long-term value for stakeholders.



To effectively implement the Board's ESG strategy, and given the increasing importance of climate change, a dedicated ESG and Climate Risk Management Committee has been established. This committee is responsible for managing core ESG issues, with a particular focus on identifying, assessing, and mitigating climate-related risks and opportunities, developing and implementing climate-related strategies, and ensuring the company's resilience to climate change impacts. This includes regular reporting to the Board on climate-related matters and broader ESG performance.

Supporting the Committee is an ESG Working Group, responsible for the daily implementation of ESG initiatives. This includes developing and executing specific projects, data collection and analysis to track progress, stakeholder engagement, and providing recommendations to the Committee. This cross-functional group ensures effective integration of ESG principles across the organization, facilitating the achievement of the company's sustainability goals. The close collaboration between the Committee and the Working Group ensures effective strategic direction and efficient operational execution of the company's ESG strategy.

CLIMATE RELATED RISKS AND OPPORTUNITIES

Laws Textile is committed to transparency in addressing climate-related risks and opportunities. We have integrated climate resilience into our governance framework through a systematic approach structured around the four pillars recommended by the Task Force on Climate-related Financial Disclosures (TCFD). This ensures a comprehensive strategy for managing climate-related impacts and capitalizing on emerging opportunities. Our publicly disclosed climate resilience strategy, overseen by the Laws Textile Management Committee, demonstrates our commitment to responsible and sustainable business practices.

RECOMMENDATIONS AND SUPPORTING RECOMMENDED DISCLOSURES

GOVERNANCE

Disclose the organization’s governance around climate-related risks and opportunities.

STRATEGY

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.

RISK MANAGEMENT

Disclose how the organization identifies, assesses, and manages climate-related risks.

METRICS AND TARGETS

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.



Our annual climate risk assessment systematically evaluates both physical and transition risks, analyzing their potential short-, medium-, and long-term financial impacts on Laws Textile. This assessment considers a range of climate-related hazards, including extreme weather events (physical risks) and policy changes, technological advancements, and market shifts (transition risks). The results inform our climate resilience strategy and guide resource allocation to mitigate potential negative impacts and capitalize on emerging opportunities. This rigorous process ensures that our financial planning incorporates a comprehensive understanding of the financial implications of climate change.

TIME HORIZON:

S - Short: 0-1 years (2025) M - Medium: 2-10 years (2035) L - Long: 11-25 years (2050)

The potential financial impacts for all impact areas are discounted values in the year 2035

Physical Risks	Potential Impacts	Time Horizon	
ACUTE			
Extreme weather conditions	• Damage to company properties and assets • Cause work injuries • Logistic disruption	S M L	• Reinforce the structure to resist severe circumstances • Define extreme weather emergency plan for work safety • Monitor weather forecast and rearrange accordingly to avoid delay
Drought	• Unstable water supply in factory • Natural fiber price increase	S M L	• Recycle water for production use / Reduce water consumption • In use of sustainable product to reduce the demand on natural fiber
Flooding	• Logistic disruption • Damage to company properties and assets	S M L	• Consider contingency plan • Reinforce premises to resist flooding
CHRONIC			
Heatwave	• Drop of productivity • Cause heat stroke	L	• Adjust work shift hours in summer • Improve ventilation system on sites

Transition Risks	Potential Impacts	Time Horizon	
POLICY AND LEGAL RIGHTS			
Stringent government policy	• Fail to meet the target	M L	• Readjust the roadmap and accelerate the pacing to keep on track
TECHNIQUE			
New green technology	• Existing energy source and machinaries are not most environmental friendly	M L	• Increase the investment as leading manufacturer
MARKET			
Shift in market preference	• Increase use of recycle material	M L	• Extend the research and prepare for the change
REPUTATION			
Drop of ESG rating	• Customer reduce order placement	M L	• Enhance to performance of sustainability teams

Laws Textile recognizes the opportunities presented by climate change to develop and offer carbon-reduced products and services. While these opportunities have been carefully considered in our business planning, details are not disclosed in this report due to confidentiality.

BUSINESS ETHIC AND ANTI-CORRUPTION

Laws Textile's governance policy is built upon a foundation of ethical business practices and high-quality product values. We uphold the highest ethical standards and expect all employees to adhere to them. Our operations are conducted in full compliance with all applicable laws and regulations in every country where we operate. The company maintains a zero-tolerance policy toward bribery, corruption, fraud, and embezzlement. This policy reflects our commitment to maintaining the highest levels of integrity and transparency in all aspects of our business.

In the period of 2024-25 and years before, there was no legal case, nor internal case found, in regards of corrupt practice against the company and its employees.

For details of business ethic and conduct policies, it is shared in our corporate WeCom App, Company Policy Folder for our internal reference only.

MANDATORY INTEGRITY TRAINING

To ensure compliance with our Code of Conduct and anti-corruption policies, all directors and employees at management levels must complete mandatory integrity training. Details of this year's training initiatives are described below. Relevant statistics, such as total training hours, are summarized in the ESG Highlight.

ICAC SEMINAR

Integrity is a core corporate value of the Group, and we firmly believe it should be the guiding principle in all our operations. Laws Academy regularly emphasizes the importance of integrity to all colleagues. In addition to launching an online integrity course earlier this year, we hosted a lecture on May 28th presented by representatives from the Independent Commission Against Corruption (ICAC) of the Hong Kong Special Administrative Region (HKSAR). This lecture highlighted the importance of anti-bribery and anti-corruption measures. Using case studies, videos, and interactive discussions, the ICAC representatives analyzed the elements that constitute bribery and the acceptance of bribes, reminding colleagues to remain vigilant against corrupt practices.



Data Security and ICAC Compliance Seminar (May28)

誠信培訓
防貪法例及誠信採購



Strengthening Integrity and Anti-Corruption Awareness (Nov 5)

GRIEVANCE POLICY

Laws Textile is committed to upholding the highest ethical standards and fostering a culture of integrity across all our operations. In line with this commitment, we have recently enhanced our grievance policy to provide a more comprehensive and effective mechanism for reporting concerns.

Our updated policy encourages the use of modern communication tools such as WhatsApp, WeChat, or Line (where appropriate and with employee consent). By integrating these messaging platforms, we aim to create a more accessible and responsive grievance system that empowers employees to report issues with ease.

While some clients advocate for independent third-party reporting channels, Laws Textile—being a wholly-owned subsidiary—believes we can effectively manage and investigate complaints internally. We are confident that our internal approach ensures fairness, impartiality, and accountability in all cases.

The renewed policy offers multiple avenues for reporting suspected violations of law, company policy, or ethical standards. Employees may choose to report directly to senior management or through designated internal channels. All reports are treated with strict confidentiality, and safeguards are in place to protect reporters from any form of retaliation.

All investigations are supervised by the Hong Kong headquarters management team and the HR department to ensure consistency, transparency, and adherence to company policies. Our internal investigation process guarantees a thorough review of each case and the implementation of appropriate actions based on findings.

Further details of our grievance policy—including specific reporting procedures and reporter protections—can be found on our corporate WeCom App and in the Employee Handbook, Section 3.14 (for internal reference only).

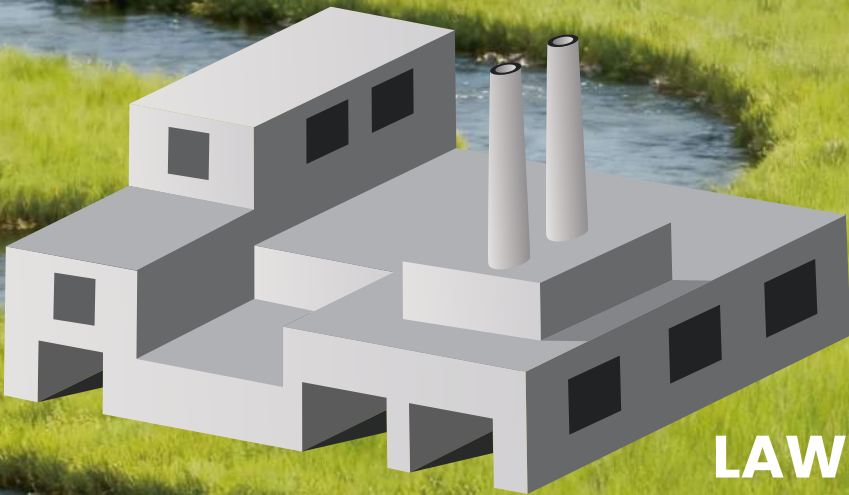
BUILDING A SUSTAINABLE VALUE CHAIN

Our ESG principles are integrated throughout our entire value chain, influencing our relationships with both customers and suppliers.



CUSTOMER SUSTAINABILITY PARTNERSHIP

We actively engage with our customers to foster collaboration and drive sustainable practice. This includes participation in industry seminars and summits focused on shared ESG goals, providing platforms for open dialogue, knowledge sharing, and addressing mutual challenges. These interactions strengthen our relationships and contribute to a more sustainable business ecosystem.



LAWS TEXTILE

SUPPLY CHAIN MANAGEMENT

Our supplier management extends beyond price, quality, and on-time delivery to encompass robust ESG performance. We require adherence to a strict code of conduct, emphasizing social compliance to protect our reputation and the integrity of our value chain. Regular on-site and online audits ensure ethical practices and compliance with minimum requirements. Non-compliance with our code of conduct, particularly on critical issues, results in immediate termination of the business relationship. To mitigate our Scope 3 emissions, we actively support our suppliers in improving their GHG emissions management and reporting. This comprehensive approach drives continuous improvement in the sustainability of our entire supply base.

In 2024-25, Laws Textile sourced thousands tons of fabric and accessory materials to deliver high-quality products to our customers. Notably, 95% of these materials originated from our 25 key suppliers, all of whom are based in Asia-Pacific region.



RESPONSIBLE SOURCING

Laws Textile is committed to robust supply chain traceability, a commitment increasingly vital to meet evolving customer and regulatory requirements. We actively manage our supplier network, particularly cotton suppliers, to mitigate risks associated with US customs clearance. This includes collaborating with customers on their preferred traceability solutions, such as utilizing third-party platforms like HAP (<https://www.hapintl.com/>) to maintain transparent and accessible records. Furthermore, our traceability efforts extend to critical product attributes like flammability resistance infant goods, where we meticulously track each product's origin to its specific fabric batch. This comprehensive approach ensures product safety, sustainability, and compliance with regulation standards.



COMPLAINT HANDLING AND RECALL PROCEDURES

Laws Textile has established clear and efficient procedures for handling client complaints and managing product recalls. Our dedicated team is trained to promptly investigate all complaints, taking appropriate corrective actions and providing timely responses to clients. In the event of a product recall, our established protocols ensure a swift and effective response, prioritizing end-user safety and minimizing disruption. In the 2024-2025 fiscal year, this commitment resulted in a near-perfect on-time delivery rate (approximately 100%), a defect rate of less than 3%, and zero product recalls due to safety or health concerns.



PRODUCT RESPONSIBILITY

Laws Textile is committed to upholding the highest standards of product responsibility, reflecting our dedication to customer satisfaction and ethical business practices. Our commitment extends across the entire product lifecycle, from design and manufacturing to post-market surveillance and consumer engagement.



Flame Resistance care label

PRODUCT SAFETY

Laws Textile prioritizes the safety and well-being of our consumers. Our rigorous quality assurance program, encompassing both internal guidelines and adherence to relevant local regulations, ensures that our products meet or exceed all applicable safety standards, including physical and chemical safety requirements. This program includes comprehensive testing and inspection procedures at each stage of production. All staff receive thorough training on product safety protocols, enabling proactive identification and mitigation of potential hazards.

QUALITY ASSURANCE

We maintain a robust quality assurance system, exceeding industry best practices. This system is underpinned by internal guidelines and continuous improvement initiatives, informed by regular review of client feedback and performance scorecards. We actively collaborate with our vendors, utilizing their provided manuals and incorporating their best practices into our own processes.

INTELLECTUAL PROPERTY AND DATA PROTECTION

Laws Textile respects and protects intellectual property rights, both our own and those of our clients. We ensure that our products and processes do not infringe on the intellectual property rights of others and actively safeguard our own intellectual property through appropriate legal measures and internal policies. Similarly, we maintain strict confidentiality regarding client data and intellectual property shared with us, adhering to all relevant contractual agreements and data protection regulations. Our data handling practices are transparent and comply with all relevant legal and ethical standards.

SUSTAINABLE OPERATIONS

Climate change remains one of the most critical global challenges of our time. Acknowledging the significant role the textile industry plays in this issue, Laws Textile is committed to driving positive environmental impact through sustainable operations. We continuously strive to reduce our carbon footprint by improving energy efficiency, optimizing resource utilization, and investing in cleaner technologies. Through responsible sourcing, water conservation efforts, and waste reduction initiatives, we aim to build a resilient production system that not only supports our business growth but also contributes to the global effort against climate change. Our goal is to ensure that every stage of our manufacturing process aligns with our vision of a sustainable and low-carbon future for the planet.

ENVIRONMENTAL POLICY

Laws Textile is committed to robust environmental stewardship, guided by the Plan-Do-Check-Act cycle of ISO 14001 and informed by the UN Sustainable Development Goals (SDGs). Our environmental policies apply to all production and management units.

Objective

To minimize our environmental footprint throughout the textile garment manufacturing process by reducing waste, conserving resources, minimizing pollution, and promoting sustainable practices across our entire supply chain.

Policy Scope

This environmental policy covers all Laws Textile operations, encompassing production processes, supply chain management, waste management, energy and water consumption, chemical management, emissions, compliance, and employee engagement. It applies to all employees, contractors, and stakeholders.

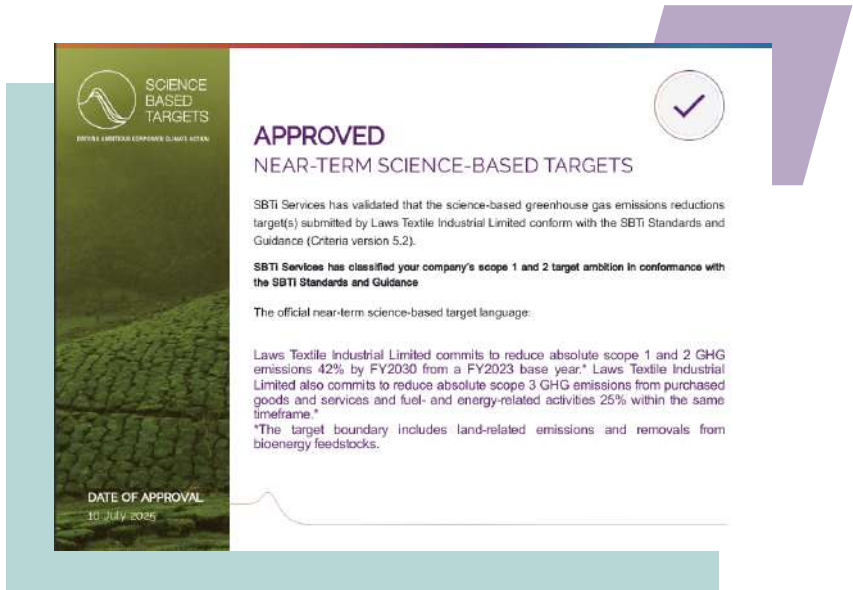
Policy Content

REGULATORY COMPLIANCE	We are committed to complying with all applicable environmental laws and regulations.
RESOURCE CONSERVATION	We strive for efficient use water, energy, and raw materials to minimize consumption.
WASTE MANAGEMENT	We prioritize waste reduction, reuse and recycling, and responsibly dispose of unavoidable waste.
POLLUTION PREVENTION	We are dedicated to preventing pollution at its source through responsible practices and technologies.
SUSTAINABILITY PROMOTION	We promote sustainable practices throughout our operations and supply chain.
SUPPLY CHAIN ENGAGEMENT	We will collaborate with suppliers to promote environmentally responsible practices.
CONTINUOUS IMPROVEMENT	We will continuously monitor and improve our environmental performance.

Laws Textile aims for long-term environmental excellence, with senior management and department heads regularly discussing and assessing environmental management solutions. During the reporting period, the company strictly adhered to laws concerning environmental issues.

CLIMATE TARGETS ALIGNED WITH THE SCIENCE BASED TARGETS INITIATIVE (SBTi)

As part of our commitment to align our decarbonization pathway with climate science, we have adopted greenhouse gas (GHG) emissions reduction targets in line with the Science Based Targets initiative (SBTi). These targets guide both our medium-term and long-term climate action.



MEDIUM-TERM TARGET (NEAR-TERM SBTi TARGET)

We have set a medium-term target to reduce our Scope 1 and 2 GHG emissions by 50% by 2030 from a 2023 baseline. This target covers at least 95% of our Scope 1 and 2 emissions, consistent with SBTi requirements. For Scope 3 emissions, which represent a significant share of our value chain footprint, we have committed to reducing emissions from relevant categories (e.g., purchased goods and services, business travel, transportation, and use of sold products) by 25% by 2030, in line with SBTi criteria.

LONG-TERM TARGET (NET-ZERO ALIGNED TARGET)

In line with the SBTi Net-Zero Standard, we have set a long-term target to reach net-zero GHG emissions across our value chain by 2050. This includes a commitment to reduce at least 95% of our Scope 1 and 2 emissions and at least 90% of relevant Scope 3 emissions before neutralizing any remaining residual emissions through high-quality carbon removals. Our climate targets are integrated into our overall ESG strategy and are overseen by the Lays Textile Management Committee.

MANAGING PROGRESS ON CARBON EMISSIONS

To ensure transparent, accurate, and consistent tracking of our decarbonization pathway, we use S-Carbon, a carbon management platform developed by SGS. This system provides a robust foundation for monitoring our greenhouse gas (GHG) emissions performance against our targets.

HOW WE MANAGE OUR PROGRESS:

- Data collection and input: We gather activity data across all relevant operations and value chain categories (Scope 1, Scope 2, and Scope 3) and input it into the S-Carbon platform.
- Standardized methodology: The platform applies internationally recognized standards and emission factors, ensuring consistency with the GHG Protocol and alignment with SBTi requirements.
- Performance monitoring: S-Carbon enables us to monitor progress in real time, visualize trends, and compare actual emissions performance against our medium- and long-term reduction targets.
- Governance and reporting: Results from the platform are reviewed regularly by our sustainability team and reported to senior management. These insights are integrated into our ESG disclosures and used to inform strategic decision-making.

CLIMATE DISCLOSURE AND TRANSPARENCY

In addition to setting science-based targets and monitoring our emissions performance, we are committed to transparent disclosure of our climate-related data and progress. To this end, we participate in the Carbon Disclosure Project (CDP).

ABOUT CDP

CDP is a globally recognized non-profit organization that runs a disclosure system for companies, cities, states, and regions to manage their environmental impacts. It is one of the most widely used frameworks for investors, customers, and stakeholders to assess corporate climate performance.

OUR PERFORMANCE



B- Water
C Climate

OUR NEXT STEPS

We are committed to improving our CDP score in future years. By engaging with CDP, we are reinforcing our commitment to transparency and accountability, and providing stakeholders with a clear view of our climate strategy and performance.

SCOPE 1
EMISSION REDUCTION ROADMAP

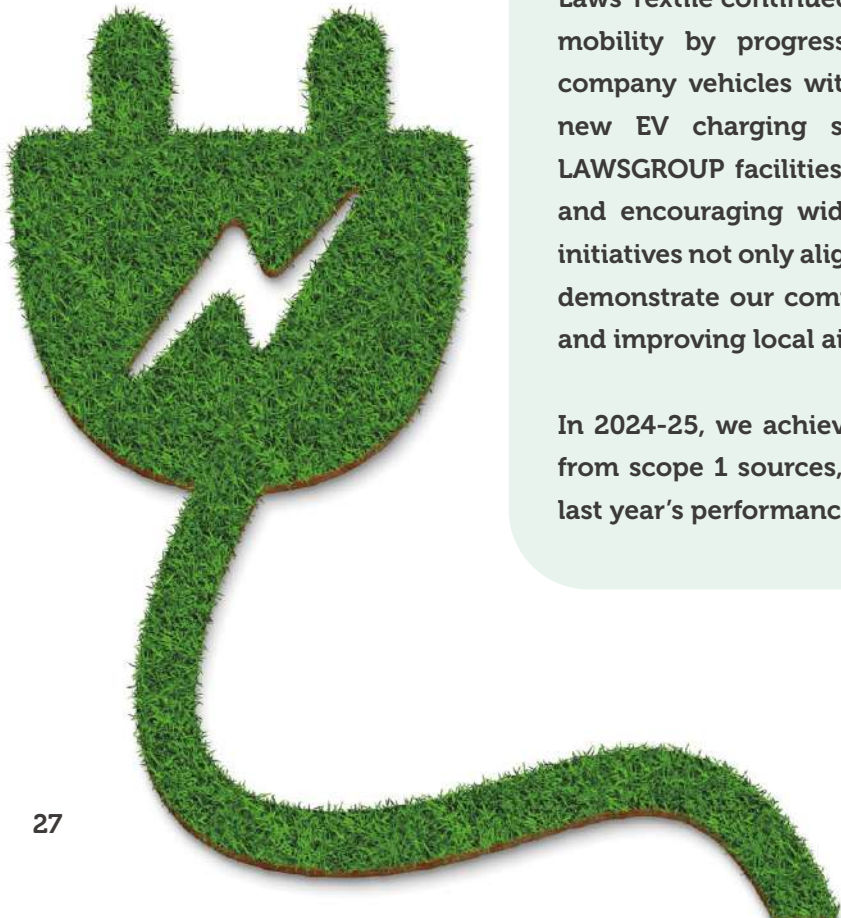
As part of our ongoing efforts to reduce Scope 1 carbon emissions, we are investing in cleaner and more efficient technologies across our operations. In our facilities in Vietnam, we are progressively replacing traditional biomass boilers with single electric boilers. This transition not only enhances operational safety and minimizes energy loss, but also significantly lowers direct carbon emissions from fuel combustion. Furthermore, we are phasing out gasoline-powered vehicles in favor of electric cars, further reducing our reliance on fossil fuels. Together, these initiatives represent a strategic step toward decarbonizing our operations, improving energy efficiency, and advancing our commitment to sustainable growth.



Single-use electric boiler



Electrical Vehicles



Laws Textile continued to accelerate the transition toward sustainable mobility by progressively replacing traditional gasoline-powered company vehicles with electric vehicles (EVs). To support this shift, new EV charging stations have been installed across several LAWSGROUP facilities, providing greater convenience for employees and encouraging wider adoption of clean energy transport. These initiatives not only align with government promotion schemes but also demonstrate our commitment to reducing scope 1 carbon emissions and improving local air quality.

In 2024-25, we achieved a reduction of 9592 tons of co2 , emissions from scope 1 sources, representing a 52.9% decrease compared with last year’s performance.

SCOPE 2
DECARBONIZATION JOURNEY



Solar Electric



IREC Certificate

This year, we continued to expand our green energy initiatives as part of our commitment to reducing energy consumption and carbon emissions. At our Bangladesh facility, we invested in the installation of approximately 650 kW of solar panels on the rooftop of Building A. This system generates close to 700 MWh of renewable electricity annually, which helps avoid the use of fossil-fuel-based power from the grid. As a result, we are reducing around 450 tons of CO₂ emissions each year—equivalent to the annual emissions from about 100 passenger cars or the carbon absorbed by nearly 20,000 mature trees over the same period. By integrating solar power into our operations, we not only enhance energy efficiency but also deliver measurable, tangible impacts that align with our broader decarbonization roadmap and the global transition toward clean energy.

In addition to the ongoing solar panel projects in our Bangladesh operations, Laws Textile has expanded its renewable energy initiatives by introducing the use of purchased green electricity in our Vietnam facilities. Through the International Renewable Energy Certificate (I-REC) scheme, we have started sourcing approximately 10% of our total electricity consumption from certified renewable energy. This initiative enables us to target and address around 10% of Scope 2 carbon emissions at the site, marking an important step forward in our decarbonization roadmap toward achieving long-term carbon reduction goals.

To further embed sustainability into our daily operations, Laws Textile places strong emphasis on staff education around energy saving. Through ongoing training initiatives and the continued implementation of our Green Office Policy, employees are guided to use electrical devices more efficiently and reduce unnecessary energy consumption. These behavioral improvements not only cultivate a culture of environmental responsibility but also play a meaningful role in lowering Scope 2 emissions as part of our sustainability roadmap.

In 2024-25, we achieved a reduction of 480 tons of carbon emissions from scope 2 sources, representing a 4.5% decrease compared with last year’s performance.

WASTE MANAGEMENT

At Laws Textile, we continue to enhance our approach to waste management with a focus on resource efficiency, compliance, and circularity. Our waste management practices are guided by the principle of reducing waste at the source, ensuring responsible handling, and seeking opportunities for reuse and recycling whenever possible.

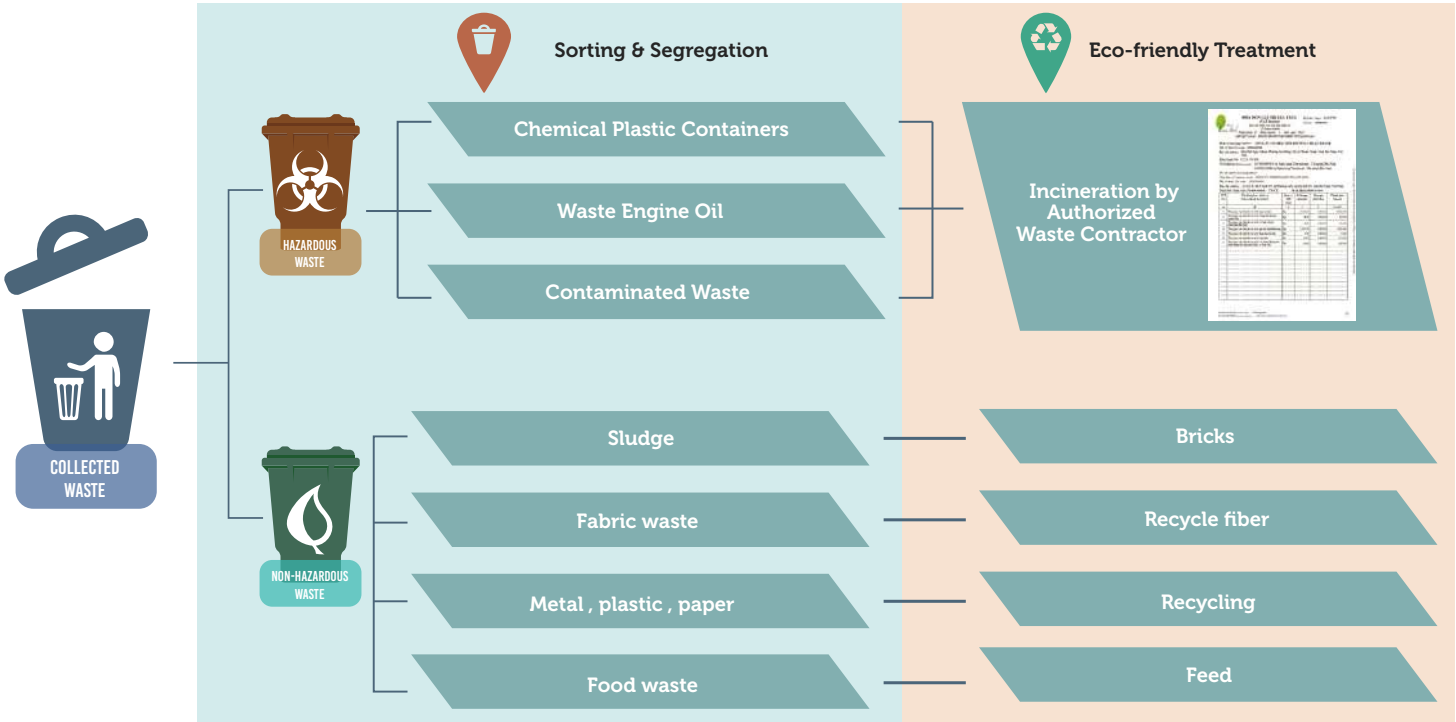
All our production sites operate under a structured waste management framework that includes:

- Source reduction and material efficiency to minimize the generation of waste at the design and production stages.
- Segregation and classification of hazardous and non-hazardous waste in accordance with local legal requirements and globally recognized standards such as HIGG FEM, Oeko-Tex, and ISO 14001.
- Safe handling and disposal of hazardous waste, ensuring strict adherence to regulatory guidelines.
- Circularity initiatives for non-hazardous waste, with prioritized efforts to reuse materials internally or channel them to trusted recycling partners.

In FY 2024–25, we recorded approximately 30 tons of hazardous waste and 795 tons of non-hazardous waste (see Appendix I). Building on these results, our strategic target is to achieve a 15% reduction in total waste by 2030, supported by improved production efficiency, stronger recycling partnerships, and closed-loop material flows.

Recognizing the global challenge of plastic pollution, we have also set a goal to transition fully to recycled plastic in our packaging by 2030. This commitment reflects both our environmental responsibility and our determination to align with international best practices in sustainable material use.

Through consistent compliance, innovation, and collaboration with external recyclers, we aim to turn waste into value and contribute to a lower-impact textile industry.



CHEMICAL MANAGEMENT

Responsible management of chemicals is fundamental to ensuring safe operations, sustainable products, and minimal impact on the environment. By controlling chemical inputs and closely monitoring their use, we reduce potential risks to employees, customers, and surrounding communities.

Our Chemical Management Guideline provides a structured framework that covers the full chemical lifecycle to ensure that all chemicals are handled responsibly and in compliance with applicable regulations.

Key pillars of our approach include:

- Alignment with global standards such as the ZDHC Manufacturing Restricted Substances List (MRSL), Oeko-Tex, and ISO 14001 to ensure responsible practices.
- Approval and documentation of all chemical inputs, with emphasis on safer formulations and green chemistry solutions.
- Digital monitoring systems, where the BHIVE platform is used to track chemical usage and compliance status. The results are then shared transparently with customers through the ZDHC InCheck Report, strengthening trust and accountability.
- Routine assessments and audits to evaluate compliance with both local legal requirements and international best practices.

To demonstrate accountability and transparency, regular progress is tracked against our targets. A primary objective is to achieve 100% conformance of production chemicals with ZDHC MRSL standards by 2030, supported by continual substitution of hazardous substances and investment in sustainable innovation. Through these measures, chemical safety is strengthened across our operations, helping build a healthier workplace and contributing to more sustainable textile production.



WATER RESERVATION AND WASTE WATER MANAGEMENT

Clean water and sanitation remain critical global challenges. While our production facilities are not located in areas of high water stress as defined by WWF, we recognize the importance of conserving freshwater resources and ensuring responsible wastewater management.

In FY 2024–25, total water withdrawal was approximately 516,386 m³, representing a significant increase compared to the previous year. This rise was primarily driven by the full operation of our newly launched washing facility in Vietnam. However, when excluding this new facility, total water withdrawal across all other sites decreased by around 4.5%, reflecting continued progress in water efficiency. Key initiatives supporting this improvement include the installation of water meters at multiple points across our facilities to better track consumption and the utilization of rainwater collection systems for on-site reuse. These measures are helping us gain deeper insights into water usage patterns and identify further opportunities for sustainable resource management.

Wastewater management continues to be a priority area. All water used in operations was sent for treatment prior to discharge, reaffirming our commitment to minimizing environmental impact and all factories conducted regular monitoring and testing of these wastewater discharges, ensuring full compliance with relevant local legal standards and requirements.

Looking ahead, we remain focused on achieving our mid-term target to reduce water withdrawal by 33% by 2030. This will be supported by greater efficiency measures, enhanced recycling systems, and continuous investment in water-saving technologies.



Recycle Water Storage Tank



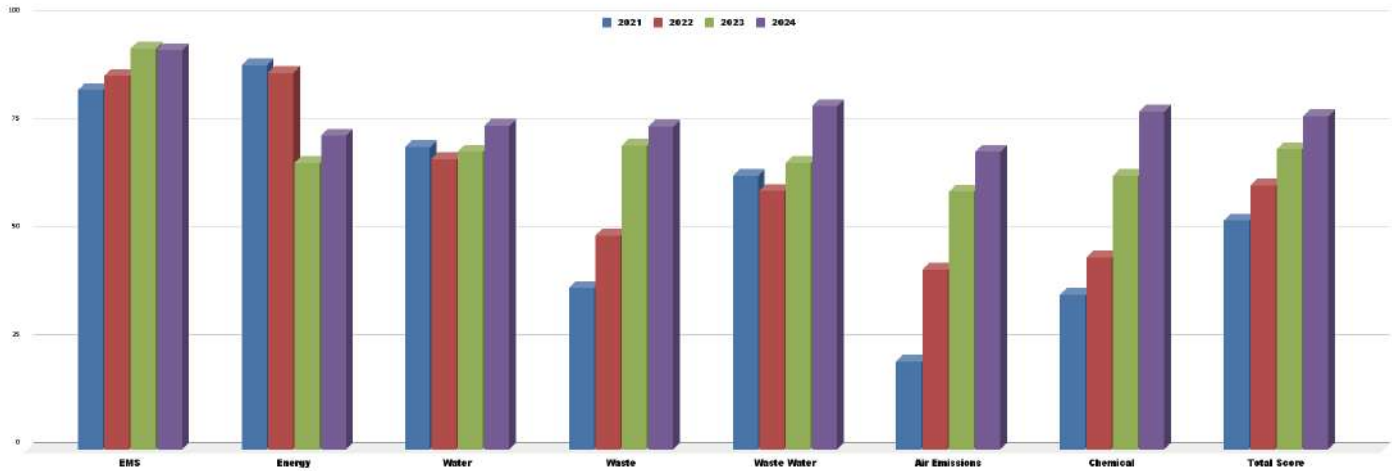
HIGG INDEX

Measuring and improving environmental performance requires a structured and transparent approach. To achieve this, our factories have adopted the Higg Facility Environmental Module (FEM 4.0) to systematically measure and manage their environmental impacts. The Higg Index provides a globally harmonized framework to evaluate key aspects such as energy and water use, chemical management, waste practices, and emissions, enabling us to benchmark performance and drive continuous improvement.

All our factories annually conduct the Higg FEM self-assessment and undergo verification to ensure robust and reliable data. In FY 2024–25, the average FEM score across our factories reached 77.3, a significant improvement from 69.6 in the previous year. This progress reflects our commitment to integrating sustainable practices and enhancing environmental performance across all operations.

To ensure transparency and collaboration, Higg FEM results are also shared with our customers, allowing them to track our progress and engage with us in driving supply chain sustainability.

Laws Textile Higg FEM Score



CORPORATE SOCIAL RESPONSIBILITY POLICY

As a responsible textile manufacturer, we believe that long-term business success depends not only on financial performance but also on our ability to create shared value for people and communities. Our Corporate Social Responsibility (CSR) Policy defines the principles and commitments that guide us in contributing positively to society while ensuring responsible and ethical operations.



This framework guides our efforts to create a workplace rooted in dignity, inclusivity, and well-being while contributing positively to the broader society.

GROWTH OF HUMAN CAPITAL

HUMAN CAPITAL STRATEGY

At Laws Textile, employee growth and well-being are central to our success. Guided by our corporate core values—Happiness, Integrity, and Teamwork (H.I.T. Culture)—we foster a workplace where people are encouraged to stay positive and passionate, act with high ethical standards, and build strong, cohesive teams. These values reflect our young and energetic spirit, embracing change with humility and openness to learning.



LAWS ACADEMY

To deliver consistent training opportunities across global operations, we established the Laws Academy, which provides structured learning pathways and development programs. Its mission is to ensure employees have the skills, knowledge, and confidence to tackle challenges effectively. The Academy also embeds Design Thinking into our training approach, encouraging creativity, collaboration, and problem-solving from senior management to frontline employees.

OVERSEAS TRAINING PROGRAMS

Our training framework extends beyond headquarters to factories and business units in mainland China, Bangladesh, Myanmar, and Vietnam. Training covers technical skills, management and supervisory development, team building, sales, and compliance. Employees are also supported through a Study Allowance, which subsidizes external, work-related training courses upon completion of probation.



TRAINING ACHIEVEMENTS

In FY 2024–25, we delivered nearly 114,305 training hours across all categories and geographies, reflecting our strong commitment to continuous learning. Regular workshops, seminars, and compliance training sessions continue to strengthen knowledge sharing, cultural integration, and employee empowerment across our global workforce.

Through these initiatives, we build an engaged, skilled, and future-ready workforce, capable of driving innovation and sustaining long-term growth for both our company and stakeholders.

HEALTH AND SAFETY

Occupational health and safety (OHS) remains one of our highest priorities, as we regard our employees as the company’s most valuable assets. Laws Textile is committed to creating a safe, healthy, and supportive workplace that sustains the well-being, morale, and productivity of our workforce. Our strategy and programs are designed to keep all operations as free from risks and hazards as possible, while ensuring full compliance with local occupational health and safety regulations, international best practices, and customer requirements.

To achieve these goals, Laws Textile has established a comprehensive Occupational Health and Safety Management System that drives continuous improvement across all operations. The system ensures regular risk assessments, performance monitoring, internal audits, and prompt corrective actions. It also defines clear roles and responsibilities for safety at every organizational level—from management to front-line employees—promoting shared accountability. In practice, we conduct routine workplace inspections, evaluate potential risks, and apply preventive and corrective measures through engineering controls, proper use of personal protective equipment (PPE), and well-defined safety procedures. Active participation from safety committees and worker representatives further strengthens our efforts by identifying issues early and implementing practical solutions to enhance workplace safety.

Laws Textile also provides a range of health and welfare services to support our employees’ well-being. These include on-site medical facilities, periodic health check-ups, first aid stations, and access to professional healthcare providers. In collaboration with external medical specialists, we conduct regular occupational health assessments to monitor and manage issues related to ergonomics, exposure to chemicals, noise, and other work-related hazards.

We actively promote a culture of health and safety awareness by organizing ongoing training sessions and awareness programs for employees at all levels. These include induction training for new hires, refresher courses for existing staff, emergency response drills, and specialized training on topics such as machine safety, fire protection, chemical handling, and ergonomics. Posters, safety signage, and digital communications are used to reinforce safe behaviors and encourage reporting of unsafe conditions.

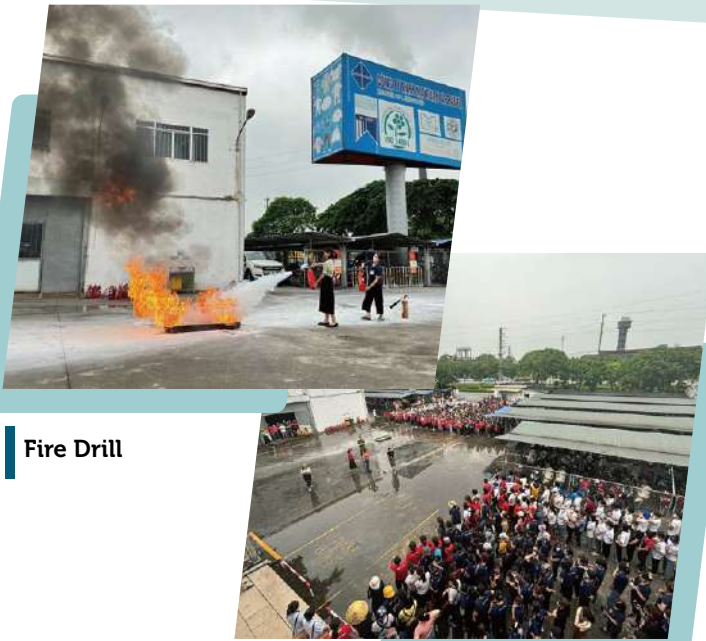
Through these initiatives, we aim to foster a workplace where every employee feels safe, valued, and empowered to contribute to a strong safety culture—one that underpins our commitment to sustainable business growth and social responsibility.



Health Check

WORKPLACE SAFETY

Our commitment to workplace safety is fundamental to our operations. Safety considerations—covering structural integrity, electrical systems, and fire prevention—are embedded into both facility design and daily practices. We conduct regular inspections, independent audits, and safety drills to ensure compliance and maintain high standards. Employees at every level receive tailored training on occupational safety, enabling them to identify and address risks effectively and to contribute to a strong safety culture throughout the company.



Fire Drill

POSITIVE ENERGY

To strengthen employee well-being, we promote a workplace culture centered on physical vitality and positive energy. A series of fitness and wellness activities—including stretching, running, boxing, pilates classes, and health and meditation lectures—encourage staff to adopt healthier lifestyles and maintain strong energy levels at work. These initiatives help employees remain active, motivated, and resilient, resulting in better performance and long-term business success. Recognizing that overall well-being also includes mental health, we incorporate elements of mindfulness and stress awareness into our wellness programs, ensuring a more holistic approach to supporting our people.



PERFORMANCE IN FY 2024-25

In the reporting year, we recorded 32 injury cases across all facilities, with no work-related fatalities. These cases accounted for a total of 142 lost working days, representing less than 0.01% of total working person-days. While overall performance is positive, we remain committed to reducing incidents further through continuous improvements in training, monitoring, and hazard-control measures.

UPHOLDING HUMAN RIGHTS
AND LABOR STANDARDS

Respect for human rights is deeply embedded in our corporate values and business practices. As a family-founded organization with global operations, we are committed to ensuring that every individual in our workforce is treated fairly, ethically, and with dignity. This commitment guides not only how we recruit and manage employees, but also how we nurture a diverse, equitable, and inclusive workplace.

RESPONSIBLE RECRUITMENT

Responsible recruitment is central to our human rights agenda. We maintain a zero tolerance stance on child labor and forced labor, ensuring all workers are of legal working age and have chosen employment voluntarily.

The ESG & Climate Risk Committee provides governance oversight, while our ESG Working Group and Human Resources collaborate to safeguard recruitment practices through:

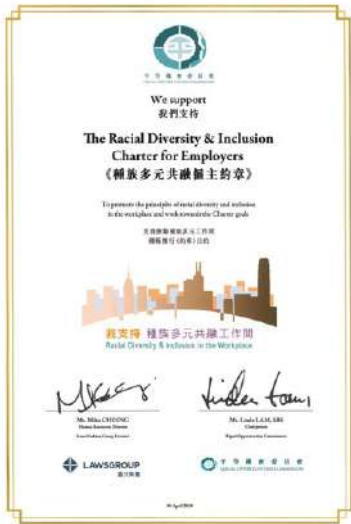


- Alignment with local regulations and international labor standards.
- Targeted training for HR and management staff on risk prevention and remediation.
- Implement remediation mechanisms to address any detected cases swiftly and responsibly.
- Ongoing monitoring and auditing across operations and supply chains.

By prioritizing responsible recruitment, we help to secure decent work opportunities, protect worker rights, and contribute positively to the well being of local communities.



Equal Opportunities Commission



Racial Diversity & Inclusion Charter for Employers

DIVERSITY , EQUITY AND INCLUSION

Alongside fair labor practices, we strive to create a workplace enriched by diversity, strengthened by equity, and sustained through inclusion. A varied workforce enhances innovation, broadens perspectives, and builds a resilient culture capable of meeting global challenges.

Our DEI strategy is anchored in the following commitments:

- Equal Opportunity: Employment and advancement are based strictly on qualifications and performance, without discrimination.
- Inclusive Development: Recruitment and career pathways are designed to be transparent and fair for all employees.
- Family Friendly Practices: Programs supporting work life balance, including flexible work arrangements and parental leave, are continuously strengthened.
- Awareness and Education: Training on unconscious bias, cultural competency, and inclusive leadership helps embed fairness in decision making.
- Safe Workplace: We uphold zero tolerance for any form of discrimination, harassment, or bullying, backed by effective reporting and protection mechanisms.

Through these initiatives, we aim to foster a culture where every voice is valued, every individual has equitable opportunity, and inclusion drives collective success.

In year 2024-25, Laws Textile has a total of 11,519 employees worldwide, with 15% male and 85% female.



RISE Digital Project



Barrier-free access ramp

COMMUNITY ENGAGEMENT AND INVESTMENT

At Laws Textile, we continue to uphold our commitment to giving back to society and contributing to the sustainable development of the communities in which we operate. Building upon our belief in creating shared value, we proactively engage with stakeholders to foster meaningful partnerships and drive positive social impact. Our community initiatives are guided by the United Nations Sustainable Development Goals (UN SDGs), with a particular focus on SDG 1: No Poverty, SDG 3: Good Health and Well-Being, SDG 4: Quality Education, SDG 6: Clean Water and Sanitation, SDG 13: Climate Action, and SDG 15: Life on Land.

In the reporting year, our employees actively participated in various volunteering and donation programs designed to strengthen community resilience and well-being. Locally, we organized blood donation events and fundraising initiatives to support families living in poverty—extending care to those most in need and fostering a shared sense of compassion and social responsibility.



Blood Donation



Fundraising for families in poverty



Internationally, Laws Textile extended its support to communities facing the adverse impacts of climate-related events. We donated funds and materials to assist flood-affected communities in Bangladesh and provided relief to areas in Vietnam impacted by typhoons, helping local residents recover, rebuild, and restore their livelihoods. Beyond emergency relief, we also invested in long-term community development programs, including environmental education on recycling practices in local schools, community tree planting initiatives, and donations to repair and improve school facilities.



Volunteer and donation work for school renovation at Myanmar



Tree planting activities in Vietnam



Donations to support flood victims in Bangladesh

AQUA TOWER PROJECT

Complementing these efforts, our ESG Working Group led a special volunteering initiative to build a clean water tank at a local kindergarten near our Hanoi factory. This initiative was particularly meaningful to our team, as many employees’ children attend this school. The project was co-funded by our valued customer, Carter’s, and managed by Planet Water Foundation, a global non-profit organization dedicated to providing access to clean drinking water, sanitation, and hygiene education to communities in need.

Our ESG team actively participated in the on-site construction and installation of the clean water filtration system, working closely with Planet Water’s technical team to ensure efficient setup and long-term operational sustainability. The project successfully improved the water quality at the kindergarten, now providing safe and clean drinking water to students and teachers on a daily basis—a tangible improvement in community health and well-being.



Hanoi TV News



Building clen water tank with Carter’s & Planet Water

In addition to the infrastructure installation, Planet Water facilitated an engaging hygiene education program for the children, teaching them important practices such as handwashing, proper sanitation, and water conservation. This educational component fosters healthy habits from an early age, creating lasting behavioral change aligned with SDG 6 – Clean Water and Sanitation.

The project culminated in a grand opening ceremony attended by representatives from the local government, Carter’s, Planet Water Foundation, and Laws Textile. The event received media coverage on Hanoi’s local television news, underscoring the positive collaboration between the private sector, NGOs, and local authorities in driving community transformation.

This clean water initiative not only addressed a critical infrastructure need but also embodied our ESG principle of “Caring for People and Planet.” By combining our internal resources with the expertise of our partners, we demonstrated how collaborative action can deliver long-term social and environmental value to the communities where we operate.

Through these strategic initiatives, Laws Textile continues to cultivate sustainable partnerships and nurture resilient communities across our regions of operation. Our approach to community engagement not only strengthens social cohesion but also reflects our broader ESG vision — to empower people, protect the environment, and promote inclusive growth aligned with the UN SDGs, creating shared prosperity for both present and future generations.

ENVIORMENTAL PERFORMANCE

Unit		2023/24 Base Year	2024/25
GHG Emissions			
Direct Emission (Scope 1)	tCO2e	20,364	10,772
Indirect Emission (Scope 2) ^①	tCO2e	10,771	10,291
Indirect Emission (Scope 3) - Category 1 : Purchased goods and services - Other ^②	tCO2e	/ 106,882	95,351 12,533 107884
Total GHG Emissions	tCO2e	138,016	128,947
Energy Consumption			
Eletricity - Purchased non-renewable electricity	MWh	19,122	17163
Eletricity - Purchased green electricity	MWh	0	913
On-site green electricity	MWh	619	885
Natural gas	MWh	0	646
Petrol	MWh	237	257
Diesel	MWh	9,036	5551
Fuel oil	MWh	2,101	1653
Furnace oil	MWh	8,300	1839
Biomass	MWh	25,485	17517
LPG (Liquefied petroleum gas)	MWh	1269	1103
Total Energy Consumption	MWh	69,874	47,527
Resource Consumption			
Water withdrawal	m3	428,546	516,386
Water discharge	m3	/	438,928
Hazardous			
Chemical Waste	Ton	30	124
Non-Hazardous			
Sludge	Ton	12	15
Plastic	Ton	14	25
Meal	Ton	35	10
Paper	Ton	53	17
Mixed Fabric	Ton	553	1323
Food	Ton	128	91

① In calculating scope 2 emissions, we used the location-based method

② In calculating scope 3 emissions, we excluded the following categories :

- Category 8: Upstream leased assets
- Category 10: Processing of sold products

- Category 11: Use of sold products
- Category 13: Downstream leased assets

- Category 14: Franchises
- Category 15: Investments

SOCIAL PERFORMANCE

2023/24 Base Year		2024/25
Workforce Statistic		
Total number of existing employees	10,993	11,519
Full time or Permanent	10,993	11,519
Part time or Temporary	0	0
By Gender		
Female	9,608 (87%)	9,781 (85%)
Male	1,385 (13%)	1,738 (15%)
By Age		
Under 30 years old	4,741	4,908
30-50 years old	5,957	6,283
Over 50 years old	295	328
By Geographical Region		
Hong Kong & China	940	469
Vietnam	5,854	5,407
Bangladesh	2,801	5,626
Myanmar	1,398	55
Employee Turnover Number		
By Gender		
Female	2,846	3,585
Male	783	803
By Age		
Under 30 years old	2,352	2,653
30-50 years old	1,244	1,594
Over 50 years old	33	141
By Geographical Region		
Hong Kong & China	126	310
Vietnam	1,520	1,284
Bangladesh	1,983	2,794
Myanmar	0	0
Training Details		
Total number of Training hours	232,237	114,305
By Gender		
Female	212,679	100,274
Male	19,558	14,031
By Employee Category		
Management	1,348	772
Supervisor	9,195	7,408
General staff/ workers	221,694	106,125
Fatality Rate		
By Geographical Region		
Hong Kong & China	0	0
Vietnam	0	0
Bangladesh	0	0
Myanmar	0	0

ENVIRONMENTAL

	Description	Reference Section
Aspect A1 : Emissions		
Direct Emission (Scope 1)	Policies and compliance with relevant laws and regulations that have a significant impact on the issuer	Environmental Policy
KPI A1.1	Types of emissions and respective emissions data	Appendix I *
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Appendix I *
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Appendix I *
KPI A1.4	Total non-hazardous waste produced (In tonnes) and,where appropriate, intensity (e.g. per unit of production volume, per facility)	Appendix I *
KPI A1.5	Description of emission target(s) set and steps taken to achieve them	Climate Targets Aligned with the Science Based Targets initiative (SBTi)
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Waste Management
Aspect A2: Use of Resources		
General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	Environmental Policy
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Appendix I *
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Appendix I *
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Appendix I
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	Water Reservation
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Waste Management
Aspect A3: The Environment and Natural Resources		
General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	Environmental Policy
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Environmental Policy
Aspect A4: Climate Change		
General disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	Climate Related Risks & Opportunities
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Climate Related Risks & Opportunities
1. Employment and Labour Practices		
Aspect B1: Employment		
General disclosure	Policies and compliance with relevant laws and regulations that have a significant impact on the issuer	Growth of Human Capital
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	Appendix I
KPI B1.2	Employee turnover rate by gender, age group and geographical region	Appendix I
Aspect B2: Health and Safety		
General disclosure	Policies and compliance with relevant laws and regulations that have a significant impact on the issuer	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Health and Safety
KPI B2.2	Lost days due to work injury	Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Health and Safety

* Intensity information is subject to confidentiality and cannot be disclosed.

ENVIRONMENTAL

	Description	Reference Section
Aspect B3: Development and Training		
General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Growth of Human Capital
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Appendix I
KPI B3.2	The average training hours completed per employee by gender and employee category	Appendix I
Aspect B4: Labour Standards		
General disclosure	Policies and compliance with relevant laws and regulations that have a significant impact on the issuer	Corporate Social Responsibility Policy
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	Appendix I
KPI B4.2	Description of steps taken to eliminate such practices when discovered	Appendix I
2. Operating Practices		
Aspect B5: Supply Chain Management		
General disclosure	Policies on managing environmental and social risks of the supply chain	Building a Sustainable Value Chain
KPI B5.1	Number of supplier by geographical region	Building a Sustainable Value Chain
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	Building a Sustainable Value Chain
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Building a Sustainable Value Chain
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Building a Sustainable Value Chain
Aspect B6: Product Responsibility		
General disclosure	Policies and compliance with relevant laws and regulations that have a significant impact on the issuer	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Product Responsibility
KPI B6.2	Number of products and service related complaints received and how they are dealt with	Product Responsibility
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Product Responsibility
KPI B6.4	Description of quality assurance process and recall procedures	Product Responsibility
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Product Responsibility
Aspect B7: Anti-corruption		
General disclosure	Policies and compliance with relevant laws and regulations that have a significant impact on the issuer	Business Ethic and Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Business Ethic and Anti-corruption
KPI B7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored	Business Ethic and Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff	Business Ethic and Anti-corruption
Aspect B8: Community Investment		
General disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	Community Engagement and Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Community Engagement and Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	Community Engagement and Investment

APPENDIX III
GRI CONTENT INDEX

Laws Textile has reported in reference to the GRI Standards for the period from 1 April, 2024 to 31 March, 2025.

Disclosure item	Disclosure Title	Section
GRI 1: Foundation 2021		
GRI 2: General Disclosures 2021		
The organisation and its reporting practices		
2-1	Organisational details	About Laws Textile
2-3	Reporting period, frequency and contact point	About this Report
2-4	Restatements of information	About this Report
2-5	External assurance	Appendix IV
Activities and workers		
2-6	Activities, value chain and other business relationships	Building a Sustainable Value Chain
2-7	Employees	Growth of Human Capital
Governance		
2-9	Governance structure and composition	Corporate and ESG Governance
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate and ESG Governance
2-13	Delegation of responsibility for impacts	Corporate and ESG Governance
2-14	Role of the highest governance body in sustainability reporting	Corporate and ESG Governance
2-17	Collective knowledge of the highest governance body	Corporate and ESG Governance
2-20	Process to determine remuneration	Corporate and ESG Governance
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Our ESG Strategy & Priorities
2-23	Policy commitments	Our ESG Strategy & Priorities
2-24	Embedding policy commitments	Corporate and ESG Governance
2-25	Processes to remediate negative impacts	Corporate and ESG Governance
2-26	Mechanisms for seeking advice and raising concerns	Grievance policy
2-27	Compliance with laws and regulations	Corporate and ESG Governance
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Materiality Assessment
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Materiality Assessment
3-2	List of material topics	Materiality Assessment
GRI 205: Anti-corruption 2016		
3-3	The management approach and its components	Business Ethic and Anti-corruption
205-1	Operations assessed for risks related to corruption	Business Ethic and Anti-corruption
205-2	Communication and training about anti-corruption policies and procedures	Business Ethic and Anti-corruption
205-3	Confirmed incidents of corruption and actions taken	Business Ethic and Anti-corruption
GRI 302: Energy 2016		
3-3	The management approach and its components	Environmental Policy
302-1	New suppliers that were screened using social criteria	Appendix 1
302-2	Negative social impacts in the supply chain and actions taken	Appendix 1

Disclosure item	Disclosure Title	Section
302-3	Energy intensity	*
302-4	Reduction of energy consumption	Appendix I
302-5	Reductions in energy requirements of products and services	Not disclosed due to insufficient data
GRI 303: Water and Effluents 2018		
3-3	The management approach and its components	Water Reservation and Waste Water Management
303-1	Interactions with water as a shared resource	Water Reservation and Waste Water Management
303-2	Management of water discharge-related impacts	Water Reservation and Waste Water Management
303-3	Water withdrawal	Appendix I
303-4	Water discharge	Not disclosed due to insufficient data
303-5	Water consumption	Appendix I
GRI 305: Emissions 2016		
3-3	The management approach and its components	Environmental Policy
305-1	Direct (Scope 1) GHG emissions	Appendix I
305-2	Energy indirect (Scope 2) GHG emissions	Appendix I
305-3	Other indirect (Scope 3) GHG emissions	Appendix I
305-4	GHG emissions intensity	*
305-5	Reduction of GHG emissions	Appendix I
305-6	Emissions of ozone-depleting substances (ODS)	Not disclosed due to insufficient data
305-7	Nitrogen oxides (NOx) , sulfur oxides (SOx) , and other significant air emissions	Not disclosed due to insufficient data
GRI 306: Waste 2020		
3-3	The management approach and its components	Waste Management
306-1	Waste generation and significant waste-related impacts	Waste Management
306-2	Management of significant waste-related impacts	Waste Management
306-3	Waste generated	Waste Management
306-4	Waste diverted from disposal	Waste Management
306-5	Waste directed to disposal	Waste Management
GRI 308: Supplier Environmental Assessment 2016		
3-3	The management approach and its components	Responsible Sourcing
308-1	New suppliers that were screened using environmental criteria	Responsible Sourcing
308-2	Negative environmental impacts in the supply chain and actions taken	Responsible Sourcing
GRI 401: Employment 2016		
3-3	The management approach and its components	Corporate Social Responsibility Policy
401-1	New employee hires and employee turnover	Appendix I
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	N/A
401-3	Parental leave	Not disclosed due to insufficient data

*Intensity information is subject to confidentiality and cannot be disclosed.

APPENDIX III
GRI CONTENT INDEX

Disclosure item	Disclosure Title	Section
GRI 403: Occupational Health and Safety 2018		
3-3	The management approach and its components	Health and Safety
403-1	Occupational health and safety management system	Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety
403-3	Occupational health services	Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety
403-5	Worker training on occupational health and safety	Health and Safety
403-6	Promotion of worker health	Health and Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety
403-8	Workers covered by an occupational health and safety management system	Health and Safety
403-9	Work-related injuries	Health and Safety
403-10	Work-related ill health	Not disclosed due to insufficient data
GRI 404: Training and Education 2016		
3-3	The management approach and its components	Growth of Human Capital
404-1	Average hours of training per year per employee	Appendix I
404-2	Programmes for upgrading employee skills and transition assistance programmes	Growth of Human Capital
404-3	Percentage of employees receiving regular performance and career development reviews	Not disclosed due to insufficient data
GRI 405: Diversity and Equal Opportunity 2016		
3-3	The management approach and its components	Diversity, Equity and Inclusion
405-1	Diversity of governance bodies and employees	Diversity, Equity and Inclusion
405-2	Ratio of basic salary and remuneration of women to men	Not disclosed due to insufficient data
GRI 408: Child Labour 2016		
3-3	The management approach and its components	Responsible Recruitment
408-1	Operations and suppliers at significant risk for incidents of child labour	Responsible Recruitment
GRI 409: Forced or Compulsory Labour 2016		
3-3	The management approach and its components	Responsible Recruitment
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Responsible Recruitment
GRI 414: Supplier Social Assessment 2016		
3-3	The management approach and its components	Responsible Sourcing
414-1	New suppliers that were screened using social criteria	Responsible Sourcing
414-2	Negative social impacts in the supply chain and actions taken	Responsible Sourcing
GRI 416: Customer Health and Safety 2016		
3-3	The management approach and its components	Product Responsibility
416-1	Assessment of the health and safety impacts of product and service categories	Product Responsibility
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product Responsibility

APPENDIX IV
INDEPENDENT ASSURANCE



INDEPENDENT ASSURANCE
OPINION STATEMENT

LAWS TEXTILE INDUSTRIAL LIMITED
ESG report and CDP Disclosure (climate information)

Statement No.: SRA-HK 833960
To the stakeholders and management of LAWS TEXTILE INDUSTRIAL LIMITED
The British Standards Institution (BSI) has conducted a limited assurance engagement on the Climate information (described in the "Scope") in the ESG report and CDP Disclosure of LAWS TEXTILE INDUSTRIAL LIMITED (hereafter referred to as "LAWS TEXTILE" in this statement).
Scope & Criteria
The Scope and verification criteria of engagement agreed between LAWS TEXTILE and BSI includes the following:
1. The assurance covers the information and data, focus on systems and activities during the April 1, 2024 to March 31, 2025 on the LAWS TEXTILE INDUSTRIAL LIMITED operates eight factories or offices in Hong Kong, Zhu Hai, Vietnam, Myanmar, Bangladesh (consistent with the ESG report and CDP Disclosure scope).
2. Evaluation of the specified climate performance data management disclosed in the ESG report and CDP disclosure, evaluating the reliability of climate data, including but not limited to the following, in accordance with ISAE3000 (Revised) with limited assurance:

Boundary	Scope	Climate Information	Disclosure data (tCO ₂ e)
LAWS TEXTILE INDUSTRIAL LIMITED: Eight factories or offices in Hong Kong, Zhu Hai, Vietnam, Myanmar, Bangladesh. (Consistent with the ESG report and CDP Disclosure scope) 2024.04.01-2025.3.31	Scope 1	Stationary Combustion	9,594.74
		Mobile Combustion	556.25
		Fugitive Emission	620.98
	Scope 2 (Location Based)	Electricity Grid	10,290.98
Total			21,062.58

Opinion Statement & Conclusion
1. We have conducted a limited assurance engagement on the sustainability information described in the "Scope" above (Sustainability Information).
2. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that sustainability data and information stated in the LAWS TEXTILE's ESG report and CDP Disclosure is not correctly presented or with omission in any material respects. We consider that LAWS TEXTILE has provided that the climate-related information and data in its ESG report and those submitted to CDP are true and valid.

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Issue Date: 2025-09-11 Effective Date: 2025-09-11 Page: 1 of 2



SUSTAINABILITY THROUGH TRANSCENDENCE
MOVING BEYOND LIMITS