

Hayco Group

2024 Sustainability Report



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ABOUT THE REPORT

At Hayco, sustainability serves as the core strategic pillar that guides our long-term growth direction and value creation. We are pleased to present our second Sustainability Report to provide a clear, data-backed view of how we performed against our sustainability goals in 2024. This report elaborates on how we embed sustainability in our daily operations and further details how we create shared value that benefits our business and stakeholders.

REPORT SCOPE

• Reporting Period

The report covers the period from January 1 to December 31, 2024.

• Reporting boundary

The report covers the Hayco Group (referred to herein as “the Company”, “Hayco”, “our”, or “we”), encompassing the following entities:

Hong Kong Headquarters

- Hayco Manufacturing Limited

Shenzhen Sites (referred to herein as “Hayco Shenzhen”)

- Hayco Technology and Development (Shenzhen) Ltd.
- Hayco Enterprises (Shenzhen) Ltd.
- Hayco Enterprises (Shenzhen) Ltd. Luotian Branch.
- Hayco Industries (Shenzhen) Ltd.

Dominican Republic Site (referred to herein as “Hayco Dominican Republic”)

- Hayco Dominican Republic Co., S.R.L

• Reporting Frequency

We plan to report our sustainability performance to share our progress and engage with our stakeholders.

• Restatements of information

The report has no restatements of information made from previous reporting periods.

REPORTING FRAMEWORK

This report is prepared in accordance with the GRI Standards issued by the Global Reporting Initiative (GRI) and aligned with the recommendations outlined by the Sustainability Accounting Standards Board (SASB). Please refer to the Reporting Standards Indexes.

STATEMENT OF RESPONSIBILITY

It is important to note that the highest governance body of Hayco is responsible for reviewing and approving both this report and the organization's materiality. The review and approval process ensures the accuracy and completeness of the reported information, reflecting our commitment to transparency and accountability.

REPORT ASSURANCE

We invited a third party to validate the accuracy of key environmental, social, and governance data, reinforcing stakeholder confidence in the credibility of our sustainability performance.

We have obtained third-party reporting assurance for the 2024 Sustainability Report to enhance transparency, please refer to the Independent Verification Statement for details.

REPORT AVAILABILITY

This report is available in electronic format and can be viewed or downloaded online via the official Hayco website. We welcome stakeholders to provide suggestions for our sustainable development, and feedback can be submitted via the link:

<https://forms.microsoft.com/r/YS44bZ8PNp> For further inquiries, please visit Hayco's website: www.hayco.com

ABOUT HAYCO

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- ➔ About Hayco
- ➔ A Note from Our CEO
- ➔ Our Value
- ➔ Our Honour & Awards
- ➔ Our Certifications & Qualifications
- ➔ 2024 Highlights

ABOUT HAYCO

Hayco started out as a family business in 1983. We have been pursuing manufacturing excellence for over 40 years, delivering quality and consistency for many of the world's leading consumer brands.

Hayco's fully integrated manufacturing processes ensure innovation, reliability, and security at every step—from product design, prototyping, mold design and fabrication, injection molding, product assembly and packaging, all verified and validated in-house, and always exceeding the highest certified quality standards. Our commitment to partnership, innovation, and excellence has made us a global leader in plastics engineering and device assembly.

We're proud to be an employer of choice, and we value the wellbeing of our 7,000-strong team, which is why we prioritize their comfort, security, ongoing training, and career development. Being a team member at Hayco means participating in a community that is relentlessly creative and motivated. Every day we work to make things better for our people, our customers, and our planet.

In 2023, Hayco acquired Portugal based CTR, a world leading developer and manufacturer of diffusion devices and consumables for air care,

pest control and pet care. This acquisition provides Hayco a broader offering for customers, access to new market segments, and greater capacity for the creation and manufacture of reliable consumer products.

Hayco is a global company headquartered in Hong Kong, and operates seamlessly across six locations worldwide, ensuring global accessibility and exceptional service delivery to our esteemed customers. We treat every customer as a partner, working closely with them to develop products and end-to-end solutions that save time, money and delight consumers worldwide.

Hayco China in Shenzhen is EcoVadis Gold-certified factory and our Global Technology Center for the Hayco Group. From design and development to precision mold making, injection molding, automated and manual assembly and manufacture electronic components, industrial cleaning equipment and even quality-assured baby products. Our Mainland China sites offer end-to-end solutions. Engineers work closely with design teams to solve problems collectively and meet the challenges of each new product. By investing in state-of-the-art equipment and new technology, we have earned the Smart Manufacturing Capability Maturity Level 3 for the manufacturing process of our plastic products in China.





Hayco Dominican Republic is LEED Platinum Plastic Molding Facility. The Donald Espie Hay Building focuses on high-quality injection molding and assembly. Our presence in the Caribbean puts us in close proximity to our United States and European customers. This enables us to respond quickly to changes in demand, new product promotions, marketing requirements, packaging alterations, and more. We stay nimble and flexible so that we can fully support the changes facing our customers' businesses. Our state-of-the-art facility is not only the first LEED-compliant plastic molding facility; it also runs 1.5 MW of solar panels on the roof, helping us to move towards sustainable power dependence and reducing our carbon footprint to create a better future.



Our mission is to partner with customers for their success by co-innovating in product development, sustainable manufacturing, and global distribution, leveraging plastics engineering and device assembly. As a fully vertically integrated organization, from first design sketch to final delivery, from mold-making to injection stretch blow molding, and from packaging assembly to

packaging-print solutions and beyond, Hayco works closely with our partners to understand the complexities of their businesses and deliver simple, seamless production solutions. We also continue to invest in equipment that is more efficient, cost-effective, and environmentally conscious.

A NOTE FROM OUR CEO

→ At Hayco, accountability and sustainability are at the core of who we are and how we operate. We continue to hold ourselves to the highest standards, recognizing the important role we play in shaping a more sustainable future—both for our industry and the communities we serve.

Since our founding, our vision has always been to be a trusted partner to the world's leading consumer brands, guided by innovation, excellence, and responsibility. As we build upon this legacy, I am proud to share our latest Sustainability Progress Report, reflecting the significant strides we have made together over the past year.

Our commitment to a “50% Reduction in GHG Emissions Target” has driven us to deepen collaboration and transparency. We launched our Customer Collaboration and Reporting initiative, publishing Hayco's actions and progress on the “Manufacturing 2030” platform. This open approach not only supports our own goals but also strengthens our partnerships as we work together for real and lasting impact.

I am pleased to report remarkable progress in our Carbon Disclosure Project (CDP) score, moving from D to B this year—a direct result of improvements in our water usage monitoring practices, now aligned with ISO14064 standards. These achievements reflect the dedication of our teams and our drive to continually raise the bar.

Our partnerships with suppliers remain a key part of our sustainability journey. In 2024, our Supplier Forum, themed “Let's shape our Sustainability Journey together,” reinforced our shared focus

on sustainability. We saw a 35% increase in Supplier Code of Conduct signatories, reaching 79% this year, and a 60% increase in supplier trainings and assessments for environmental and social responsibility globally.

Internally, I'm proud that our Ethics Compliance Employee Awareness Trainings reach every site and employee, reinforcing a strong culture of integrity and accountability. Supporting our people remains fundamental, with ongoing programs like our Employee Assistance Program and Sunshine Program continuing to create an inclusive, supportive workplace for all.

Beyond compliance, we are committed to global standards and best practices. This year, we proudly became a signatory of the United Nations Global Compact (UNGC), strengthening our alignment with the Sustainable Development Goals (SDGs). Our continued partnership with EcoVadis ensures that our practices are independently assessed and continually improved.

To advance our efforts, we have appointed a Corporate ESG Lead, who works closely with our ESG Committee to guide and communicate Hayco's sustainability roadmap—ensuring our actions remain aligned with our customers' needs and global industry initiatives.

As we look to the future, sustainability will remain a top priority at Hayco. Our progress would not be possible without the dedication of our employees, the trust of our customers, and the support of our partners and communities.



**Thank you for standing with us as
we work toward a brighter,
more sustainable future—together.**

OUR VALUE

At Hayco, we partner with customers for their success, by co-innovating in product development, sustainable manufacturing and global distribution, leveraging plastics engineering and device assembly. At the heart of pursuing this mission is the collective strength of our people in our transformation journey from regional to global provider with footprint extended to multiple continents.

We grow our business, strengthen our organization capability and also cultivate our people capability to meet the business needs not only today but also the future. Hayco cultivates a bias-free and safe environment for our employees where everyone is committed and engaged to contribute their best. In our culture of continuous improvement and collaboration, we value ownership, can-do attitude and extra miles which is also related to our value – Partnership, Innovation and Excellence.

At Hayco, our people are at the heart of everything we do. We believe that our employees are our most valuable asset, and we are committed to creating a supportive and inclusive work environment where everyone can thrive.

Our philosophy centers around the following principles:



• Respect and fairness:

We treat all employees with respect, fairness, and equality, fostering a culture of trust and collaboration. We value diverse perspectives and encourage open communication.



• Growth and development:

We are dedicated to the professional and personal growth of employees. We provide opportunities for learning, skill development, and career advancement through training programs, mentorship, and continuous feedback.



• Recognition and rewards:

We recognize and celebrate the achievements and contributions of our employees. We have a comprehensive rewards and recognition program in place to acknowledge their hard work, dedication, and exceptional performance.



By embracing these principles, we create a positive and engaging work environment where our employees can thrive, grow, and achieve their full potential. Our philosophy of people is the foundation of our success and drives our commitment to building a strong and motivated team.

OUR HONOUR & AWARDS

In 2024 Hayco joined the United Nations Global Compact (UNGC). This membership underscores our commitment to sustainability and ethical business practices. Together, we will drive positive change and contribute to a more sustainable future for our planet.

United Nations Global Compact (UNGC) member ▶



WWF's Corporate Membership Awards recognize us as WWF Diamond Member, recognizing our contributions to conservation and continuing support for driving sustainable business practices.

WWF Diamond Member ▶



In April 2024, we were awarded the EcoVadis Gold Medal, which represents the highest level of excellence in the industry (top 5%) in a number of areas, including the environment, labor and human rights, business ethics, and sustainable sourcing.

EcoVadis Gold Medal Award ▶



Due to our actively engagement in community public welfare activities and our heartfelt care for vulnerable groups, we were awarded the title of "Public Welfare Enterprise" in January 2025.



We were awarded by the Hong Kong Council of Social Service for recognition of our positive contributions in the areas of "Caring for the Community", "Caring for the Employees" and "Caring for the Environment" in 2024.

5 Years Plus Caring Company ▶



We were recognized and awarded the "Healthy Enterprise" certification for our strictly implementing occupational health and safety management measures.



OUR CERTIFICATIONS & QUALIFICATIONS

We have obtained relevant certifications to validate our efforts in sustainable development, including ISCC PLUS and the ICTI Ethical Toy Program.

The achievement of ISCC PLUS -- a globally recognized standard for sustainable supply chain management, with a strong focus on bioenergy, biomaterials, and circular economy practices—signifies our alignment with international benchmarks for traceable, low-carbon, and responsible supply chain operations.

ISCC PLUS Certifications



Meanwhile, our compliance with the ICTI Ethical Toy Program, an industry-leading initiative dedicated to upholding ethical labor standards, safe working conditions, and anti-exploitation practices across the global toy value chain, demonstrates our unwavering commitment to safeguarding the rights and well-being of workers in our supply chain.

ICTI Ethical Supply Chain Program Certifications

2024 HIGHLIGHTS

March

- Awarded “Caring Company” by Hong Kong Council of Social Service (for 9 Years)

April

- Awarded EcoVadis Gold Medal
- Hayco Strategy Day Organized

May

- We conducted Carbon Disclosure Project (CDP) training by External Expertise to Hayco Shenzhen team to fully understand CDP Standard requirements and knowledge to improve energy usage and waste control.

June

- Annual EHS Week – planted approximately 200 trees in Dominican Republic Bonao community

November

- Supplier Forum at Dominican Republic focuses “Let’s Shape our Sustainability journey together”
- We conducted Lean Management Training to Department heads and Supervisors for process improvement and efficiency.
- Townhall Meeting
- Hayco Quality Month – “Do It Right the First Time”. Journey to Zero Defects.

October

- We replaced a significant and old Power Transformer with brand new energy efficient one to reduce Energy wastage hence GHG Emission.
- Supplier Forum at Shenzhen focuses “Let’s Shape our Sustainability journey together”

August

- Hayco Shenzhen passed Sedex Members Ethical Trade Audit (SMETA) from our customers in August 2024, which covers labour standards, health and safety, environment, and business ethics, demonstrating our compliance with international standards for responsible business practices.



OUR COMMITMENT TO SUSTAINABILITY

03



- Sustainability Strategy
- Sustainability Governance
- Materiality Assessment



SUSTAINABILITY STRATEGY

Our Commitment to Creating a Sustainable Future

At Hayco, we are committed to creating a sustainable future by driving positive environmental, social, and governance outcomes.



We are aimed to lead by example, embedding ethical and responsible practices into everything we do. Our vision is to be a catalyst for change, fostering a healthier planet, strong communities, and transparent equitable governance.



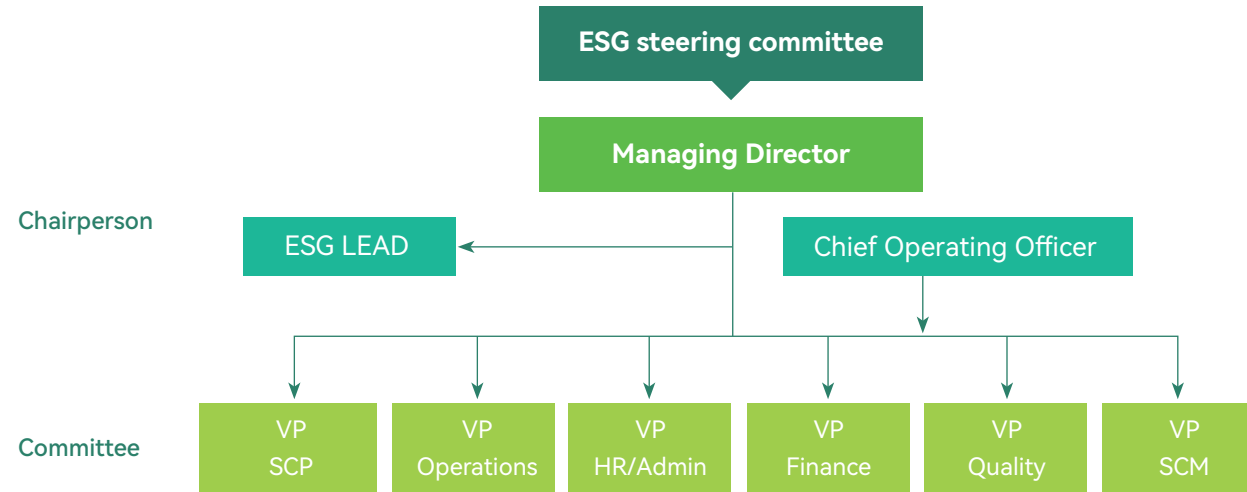
SUSTAINABILITY GOVERNANCE

We have established an ESG Steering Committee to guide the development, integration, and oversight of our sustainability, ethics, and governance practices. The Committee monitors ESG performance, facilitates stakeholder communication, and collaborates with internal and external partners to advance ESG initiatives. It also holds regular meetings with the Board of Directors to report on sustainability progress, align strategic direction, and identify opportunities for continuous improvement, thereby supporting long-term value creation.

The Committee comprises six Vice Presidents with clear ownership of key focus areas: the VP of SCP leads environmental priorities; the VPs of Operations and HR

oversee social initiatives; and the VPs of Finance, Quality, and SCM address governance topics. Through close collaboration, these departments coordinate their efforts to promote sustainable practices and support sustainability targets.

In 2024, we strengthened the Committee by adding the Chief Operating Officer (COO) as a member and appointing an ESG Lead to ensure implementation and compliance with key ESG initiatives across all sites. This step reinforces ESG as a strategic priority while providing dedicated leadership to integrate sustainability into decision-making and daily operations.

**Environmental Lead :**

- Focus on environmental strategy aspects
- Identify improvement areas(e.g., carbon emissions,waste management)
- Implement sustainability initiatives (e.g.,renewable energy)
- Ensure compliance with environmental regulations
- Report on environmental risks and opportunities

Social Responsibility Lead :

- Manage diversity,equity,and inclusion (DEI),labor practices,and community engagement
- Develop diverse and inclusive workplace programs
- Oversee CSR activities(e.g.,charitable giving,volunteerism)
- Monitor and report social KPIs(eg, employee engagement,diversity metrics)
- Ensure human rights and fair labor practices

Governance Lead :

- Focus on corporate ethics,risk management,and compliance
- Develop and monitor governance policies
- Align with best practices in transparency,financial reporting,and anti-corruption
- Report governance risks and recommend improvements

Sustainability Targets

With ESG Steering Committee providing strong support, we have successfully set the sustainability targets as follows:

• Emission Reduction:

Target to reduce overall emissions by 50% by 2030, with a focus on implementing energy efficient machinery and exploring renewable energy options such as the Dominican Republic Solar Project.

• Sustainable Product Initiatives:

Integrating 50% recycled material into new product lines, including plastic bottles, aiming for a circular economy in product design.

• Zero Waste to Landfill:

Committing to a zero-waste approach by enhancing recycling and waste management practices across all facilities.

• reduce overall emissions by
50%

• **50%** recycled material into new product lines

• **Zero-Waste**

MATERIALITY ASSESSMENT

In accordance with the GRI Standards, we follow the four steps to determine our material topics, which have the most significant impacts on the economy, environment, and people. These material topics serve as the core foundation for our long-term sustainable development and a critical guiding compass for our sustainability strategy.



Understand the organization's context

- Create an initial high-level overview of activities and business relationships



Identify actual and potential impacts

- Collect information from diverse sources, such as ESG disclosure standards, sustainability initiatives, ESG ratings, legal reviews, external experts, etc.



Assess the significance of the impacts

- Consult with relevant stakeholders and business partners
- Conduct quantitative and qualitative analysis to decide the significance of the impacts



Prioritize the most significant impacts for reporting

- ESG Steering Committee review and approve material topics

Importance to the Organization



HIGH PRIORITY

- 1 Corporate governance
- 2 Business ethics
- 4 Supply chain management
- 7 Waste and pollutants
- 10 Human rights
- 12 Human capital development
- 13 Occupational health and safety

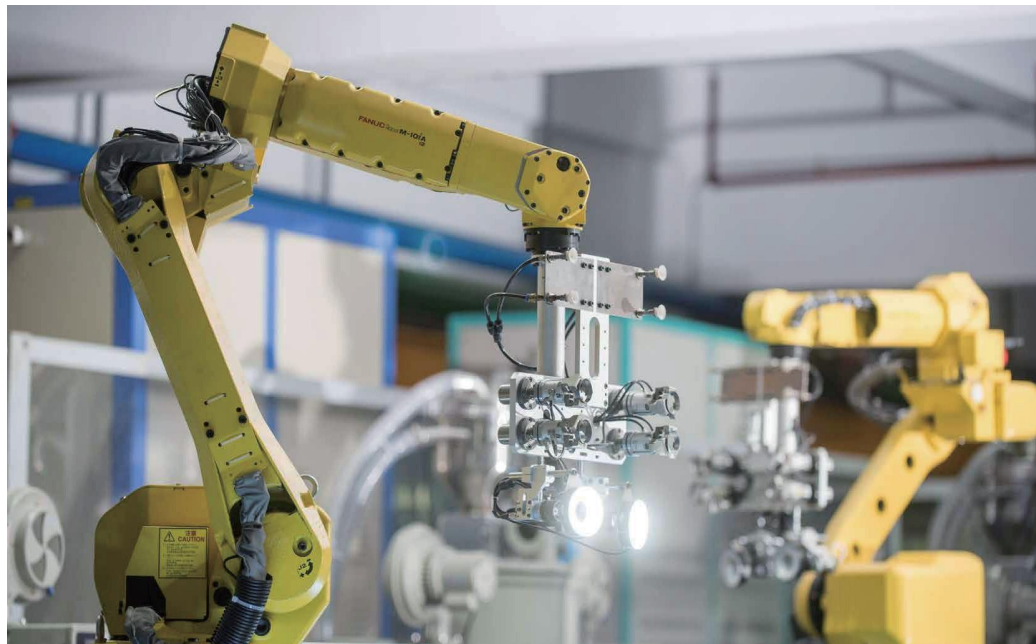
MEDIUM PRIORITY

- 3 Information security
- 5 Climate change
- 6 Water management
- 8 Sustainable product
- 11 Diversity, equity, and inclusion

LOW PRIORITY

- 9 Packaging
- 14 Community

Last year, we conducted a detailed and comprehensive assessment of material topics. This included carrying out over 10 research interviews, distributing and collecting more than 1,000 questionnaires to gather insights into stakeholders’ expectations and concerns regarding Hayco’s sustainable development, as well as inviting them to assess the significance of the impacts. In 2024, we have reviewed relevant internal and external factors, including business model stability, value-chain conditions, regulatory environment, and stakeholders’ feedback, and concluded that material topics identified previously remain accurate and comprehensive.



Nevertheless, we maintain continuous monitoring mechanisms such as stakeholder engagement, environmental scanning, and dynamic sustainability governance practices to promptly detect any emerging topics. Should material changes arise mid-cycle, they will be incorporated in our next reporting iteration.

OUR GOVERNANCE

04



- Our Approach
- Corporate Governance
- Business Ethics
- Cybersecurity
- Sustainable Procurement



OUR APPROACH

Hayco regards governance as the core of sustaining our growth momentum and realizing our long-term sustainable objectives. A robust governance mechanism clarifies strategic directions for sustainability, balances the interests of stakeholders, and drives the company to integrate environmental and social responsibilities into its daily operations.

> Governance Structure:

We establish an organizational structure with clear roles and responsibilities, where each party fulfils its duties to firmly drive sustainable development.

The diversity of our Board Directors by gender



male
71.4%

female
28.6%

> Information Security:

We build a full-lifecycle data management system to protect data security and safeguard the rights and interests of stakeholders.

Responsible information management

Number of confirmed
information security
incidents

0



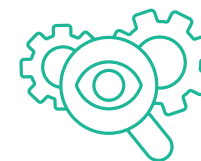
Percentage of sites at which
annual audits for information
security has been performed

100%

> Business Ethics:

We establish clear guidelines for ethical behaviour and instruct employees to adhere to integrity through training and supervision.

Responsible business practices



Number of confirmed
corruption and bribery
incidents

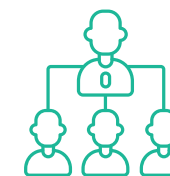
0

Number of confirmed
competitive incidents

0

Percentage of our employees
who received business ethics
awareness training

100%



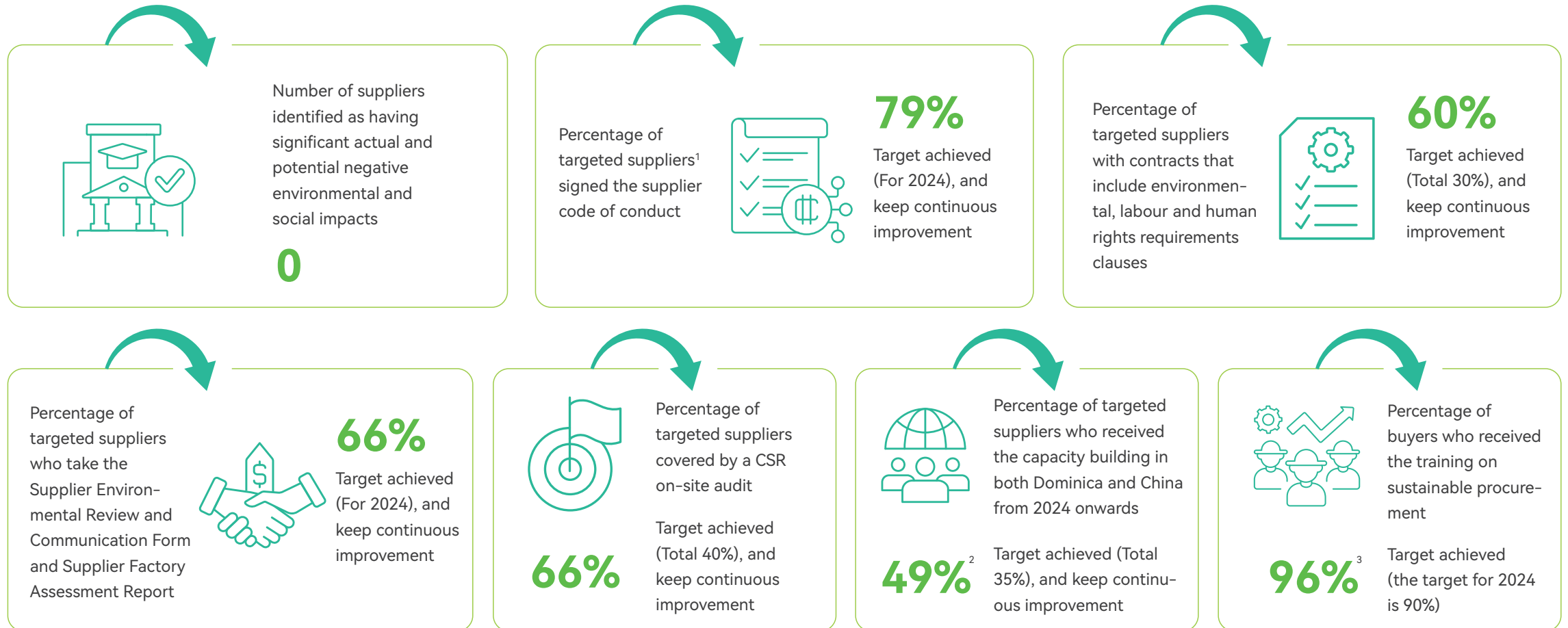
100%

Percentage of our employees and
business partners communicated
about our anticorruption policies
and procedures

► Sustainable Procurement:

We promote sustainable supply chain resilience and enhance suppliers' environmental and social performance.

Sustainable procurement achievements



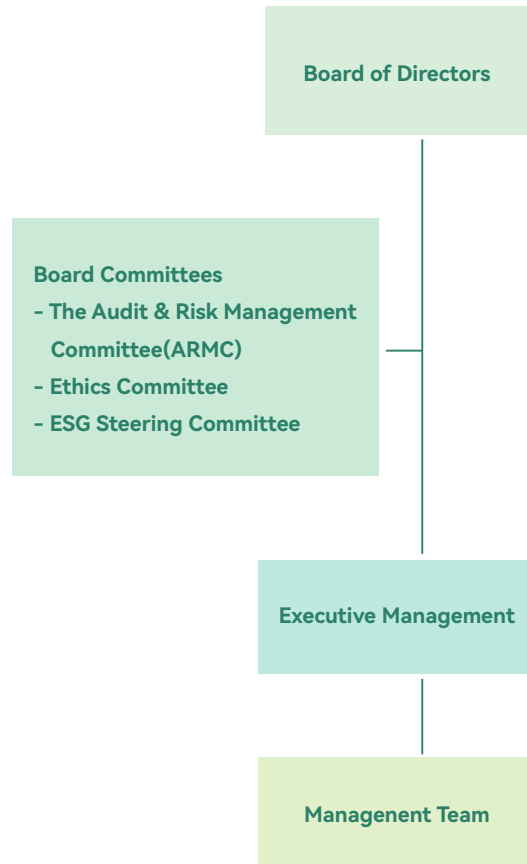
¹ Targeted suppliers: at Hayco, we define targeted suppliers as non-prescribe suppliers in Top 80% spends.

² Targeted suppliers received the capacity building in January 2025.

³ Buyers who received the training on sustainable procurement in January 2025.

CORPORATE GOVERNANCE

We have a robust three-tier governance framework -- the Board of Directors, Executive Management, and Management Team -- that guides our strategic direction and reinforces our commitment to sustainable development.



Our Board of Directors is characterized by diversity in gender, nationality, skills, and experience, enabling forward-looking and well-rounded oversight. The Board ensures alignment between financial and non-financial performance, leads the integration of sustainability into our business strategies, and actively drives stakeholder engagement in sustainable development.

The Executive Management team, led by the CEO, is responsible for implementing the Board's directives,

coordinating across departments to achieve sustainability targets, ensuring ESG regulatory compliance, and driving the integration of sustainable practices throughout the value chain.

The Management Team is cross-functional, responsible for implementing daily sustainability initiatives, embedding ESG practices into daily operations, and ensuring progress toward our sustainability targets.

→ 2024 Strategy Day: Hayco GOES GREEN

This year, our senior leadership hosted a strategic meeting themed "Hayco GOES GREEN" in the Dominican Republic. The event brought together leaders from across the business to explore how sustainability can be more deeply embedded into our operations and long-term strategy. It served as a platform to brainstorm initiatives that support our green transition and align closely with our business model and market positioning.

Participants actively discussed pathways to enhance our environmental and social impact, from reducing our carbon footprint and advancing circular practices to achieving zero to landfill. They also proposed ambitious and innovative sustainability goals designed to help us stand out within our industry, while examining how these aspirations can be translated into measurable targets and actionable initiatives. This meeting strengthens collective ownership of sustainability across the leadership team, underscores our firm commitment to go green and reinforces our sustainable development competitiveness.



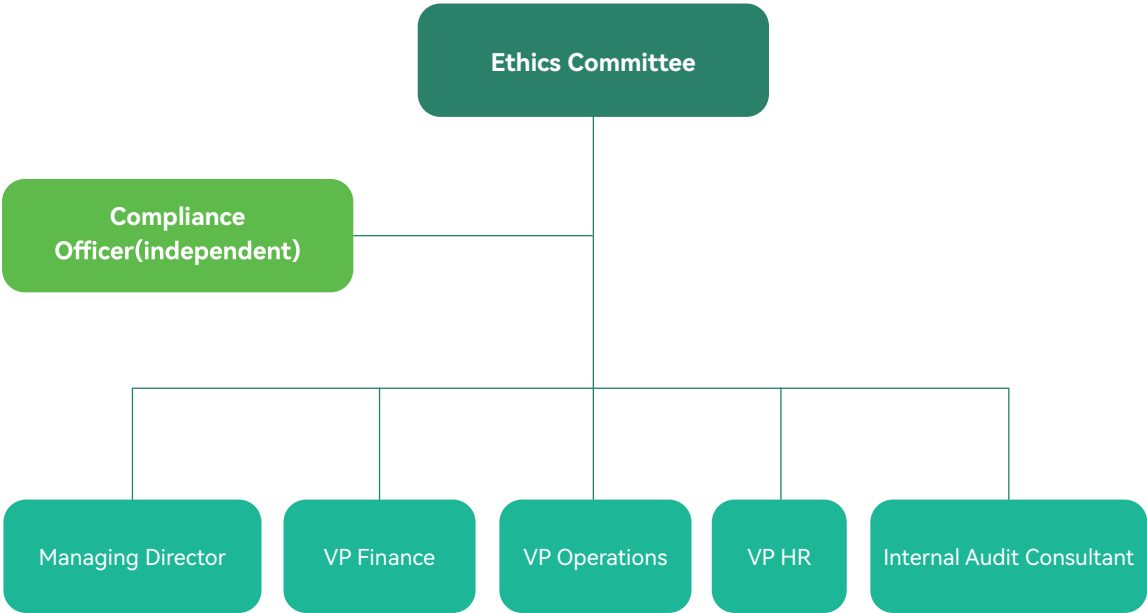
BUSINESS ETHICS

We emphasize integrity, respect, honesty, and fairness as core values that guide all our business operations. We are committed to complying with all applicable laws and regulations, and we ensure that our interactions with stakeholders -- including directors, employees, customers, and suppliers --are conducted in an ethical and transparent manner.

BUSINESS ETHICS GOVERNANCE



The Ethics Committee is dedicated to upholding ethical standards and ensuring regulatory compliance. It promotes transparency and integrity across all business activities and ensures that ESG practices align with Hayco’s values and stakeholder expectations. To support its work, an independent Compliance Office handles reported ethical incidents. Additionally, we have a third-party-operated Business Ethics Hotline provides stakeholders with a confidential channel to voice concerns, further strengthening transparency and accountability.



Hayco Business Ethics Handbook (“Handbook”) serves as a key guide for managing ethical conduct across the company. As an integral part of our anti-bribery and ethics program, it outlines our standards of ethical behavior and provides practical guidance for decision-making. The Handbook supports our employees, customers, suppliers, and other business partners in understanding and upholding our values, fostering an ethical culture of integrity and responsible business practices. And it has been distributed to every employee and supplier to ensure a thorough understanding of our ethical standards and to embed these principles into daily business conduct.



BUSINESS ETHICS



We adhere to all applicable laws and regulations and maintain a zero-tolerance approach to unethical behavior. Any violation of our ethical standards is addressed with the highest level of seriousness, and cases involving legal breaches are promptly escalated to the relevant authorities to ensure accountability.

Bribery and corruption

We maintain a strict zero-tolerance policy against all forms of bribery and corruption. The Handbook sets out clear requirements on the prohibition and management of improper benefits, including cash or financial incentives, loans, gambling, gifts, and other forms of undue advantage. Through these standards, we ensure robust controls are in place to prevent bribery and corruption, safeguarding integrity in all our business dealings.

Conflict of interest

Employees and business partners are expected to avoid situations where personal interests could interfere with professional judgment or company interests. Specifically, we prohibit external employment or investments that conflict with one's job responsibilities, any related-party business conducted by employees or their family members that may harm our interests, and any personal commercial relationships with suppliers.

Misuse of official position, company assets and information

We require all directors and employees to refrain from using their official positions for personal gain and to use company assets solely for legitimate business purposes. No one is permitted to disclose any confidential information without proper authorization.

Anti-competitive practice

We support fair and open market competition. Hayco prohibits unfair or anti-competitive practices, bribery in transactions, and misleading or false advertising regarding products. We also ensure customers are free to purchase from any operator, fostering a transparent and competitive marketplace. This commitment ensures a level playing field and fosters trust with our stakeholders.

Information security

We safeguard personal and sensitive business information through adherence to high standards of security and privacy. The Company stores a wide range of confidential information, intellectual property, and company records, all of which are valuable assets. All employees and contractors are required to handle this information with care, safeguard its security, and promptly report any breaches or irregularities to the Company.

Anti-money laundering

We provide general guidance to prevent unintentionally engaging in money laundering activities. We are committed to verifying customer identities prior before conducting business, ensuring all transactions are genuine, avoiding complex or window-dressing arrangements, confirming that the paying party matches the billed party, and minimizing the use of cash payments.

RESPONSIBLE BUSINESS PRACTICES

• Strengthening ethical governance and reporting mechanisms

In 2024, we enhanced our approach to managing potential conflicts of interest by issuing the Corporate Conflict of Interest Declaration HR Handling SOP. This initiative builds on our existing governance framework by providing clear procedures for initiating declarations, reviewing reported cases, and determining appropriate actions. The SOP strengthens oversight, promotes transparency, and reinforces our commitment to ethical decision-making across the organization.

We also issued a Standard Operating Procedure (SOP) for Whistleblowing to formalize a clear and effective process for reporting suspected unethical conduct involving the Company or its stakeholders. While our Ethics Handbook has long included a no-retaliation policy, this SOP strengthens our governance framework by providing detailed guidance on handling reports, ensuring confidentiality, and complying with relevant laws and regulations. It reflects our ongoing commitment to ethical conduct, transparency, and a safe reporting environment.

• Ethical risk assessment

The Risk Management Policy and Risk Assessment Guideline governs our risk assessment exercise. At the beginning of 2024, we engaged an external consultant to assess Hayco Group's 2023 ethical environment. The assessment, which covered three key areas -- top management support, organizational integration, and the effectiveness of our ethics program -- resulted in a compliance score of 27 out of 28. This review not only provided valuable insights into our progress but also offered opportunities for continuous improvement, reinforcing our commitment to strengthening business ethics management. The ethical risk assessment covered 100% of operations related to corruption and identified no significant risks.



99%
compliance score

The ethical risk assessment covered
100%
operations related to corruption
was covered

• Raising ethical awareness

From day one, all new hires are introduced to ethics as a core part of our onboarding program.

To reinforce ongoing understanding, we operate an online Business Ethics training platform, through which all employees complete annual training. This year's courses covered four key themes: conflicts of interest, integrity, diversity, discrimination & harassment, and anti-corruption & anti-bribery. High-risk functions received additional modules: MKT, Procurement, NPD, and PM teams completed Competition & Anti-Trust training, while Management and Finance teams undertook Money Laundering training. Notably, we have extended our online ethics training to selected suppliers bi-annually since 2023, reinforcing our Business Ethics standards across the entire value chain and promoting ethical conduct throughout our operations. In 2024, 92% selected suppliers have completed our ethical training.

92%

selected suppliers
have completed
our ethical training.



Hayco Business Ethics Training 2024

General Course: for General Staff

Conflict of Interest

Integrity

Diversity
Discrimination
HarassmentAnti-Bribery &
Anti-Corruption

Course B: for MKT Procurement NPD & PM

Competition & Antitrust

Course C: for Mgmt.+FIN team

Money Laundering

• Supplier ethics requirements

Our Supplier Conduct incorporates relevant sections of the Handbook that apply to suppliers. We have distributed the Supplier Conduct to all suppliers, both new and existing, and require them to acknowledge, agree to, and be bound by its provisions. This approach helps promote ethical practices across our entire value chain, reinforcing our commitment to responsible business conduct.

BUSINESS ETHICS REPORTING CHANNELS

Hayco maintains a dedicated Business Ethics Hotline that welcomes all stakeholders to report suspected unethical behavior, either anonymously or by name. All of our sites have implemented the whistleblowing mechanism for reporting ethics accidents, such as corruption, anti-competitive practices, information security, fraud and anti-money laundering.

All reports are managed in accordance with the Standard Operating Process for Whistleblowing, under which independent investigation personnel is assigned to ensure impartiality, fairness, and credibility throughout the review and resolution process. Throughout the process, we ensure strict confidentiality and robust protection against retaliation, reinforcing our commitment to responsible business conduct and ethical governance.

Business Ethics Reporting Channel



<http://ethics.hayco.com>



- Hong Kong: 800 906 069

- China: 400 120 3062

- Dominican Republic: 1 829 200 1123



ethics@hayco.com

CYBERSECURITY

We place a strong emphasis on safeguarding company and stakeholder information through robust security practices. Our *Group Information Security Policy*, modified, aligned with ISO/IEC 27001, is designed to ensure the confidentiality, integrity, and availability of sensitive information processed, transmitted, and stored across our systems. This policy applies to all employees, business units, contractors, and partners, ensuring that comprehensive protection measures are implemented throughout our operations.

We keep our *Group Information Security Policy* updated with the latest industry trends and threat landscapes. In February 2025, we further enhanced the policy by integrating dedicated provisions for AI security, ensuring robust governance of our AI-related systems and risks amid evolving technological demands.



CYBERSECURITY ROADMAP

We have structured our information security protection into five levels, with clear definition of accountable parties and standardized handling protocols for each level. The cybersecurity roadmap ensures that no matter the nature or scale of information security risks, we can activate the corresponding response mechanisms promptly and minimize potential negative impacts.

Focus Area	Objective
People awareness	Increase phishing email awareness
System protection	1) Trust → zero-trust network 2) Operational technology security
Security operations center	24x7 monitor and detect cybersecurity threats
Incident response	Dedicated incident response team to tackle cyberattacks
Recovery	Resume critical services within 48 hours



CYBERSECURITY RISK MANAGEMENT

We adopt a risk classification tool to conduct regular cybersecurity risk assessments across five dimensions: identification, protection, detection, response, and recovery. Risks are categorized by severity into high, medium, and low levels, enabling us to prioritize mitigation actions for high-severity risks, so that we could ensure our cybersecurity risks remain manageable and controlled.

Furthermore, we engage in a third-party cybersecurity platform to perform vulnerability scanning, facilitating real-time cybersecurity risk identification. The platform employed delivers comprehensive monitoring and real-time threat detection across multiple host types, including workstations, servers, and domain controllers.

CYBERSECURITY AWARENESS IMPROVEMENT

We aim to deliver high-quality cyber hygiene training to all users and adopt a proactive, comprehensive approach to security awareness initiatives. On a monthly basis, our IT team facilitates offsite cybersecurity training sessions, with a focus on effectively embedding critical cybersecurity skills among participants. Complementing this, all employees receive regular monthly security knowledge updates to reinforce core security concepts and sustain a high level of cybersecurity vigilance across the workforce. Additionally, we enroll all indirect labor personnel in annual cybersecurity training via the Hayco Cybersecurity Awareness Training Platform. This organization-wide training effort ensures that every individual, regardless of role, receives consistent education on the latest cybersecurity best practices and emerging threat landscapes, thereby strengthening our collective defense against cyber risks.

It is said that 91% of all cyberattacks begin with a phishing email to an unexpected victim⁴. In 2024, we enhanced our internal phishing simulation testing: a key upgrade was expanding the test scope from selected users to all employees across the company, and we have since seen a steady improvement in overall participation rates. The internal phishing test could help reduce the likelihood of accidental exposure to actual threats and safeguard our sensitive data.

⁴ This statement is from Deloitte's press release.

SUSTAINABLE PROCUREMENT

We are committed to implementing sustainable procurement by integrating sustainability criteria into every stage of the supply chain, which enables us to systematically mitigate environmental and social risks. Beyond that, we also proactively provide support to our suppliers to accelerate their transition toward more sustainable operational models, fostering a collaborative ecosystem that aligns with long-term sustainability targets.

SUSTAINABLE PROCUREMENT POLICY

In January 2025, we revised the Sustainable Procurement Policy, which outlines our general expectations on suppliers’ business conducts with regards to social and environmental practices. To promote supply chain responsibility and ensure that suppliers are aligned with our motives and goals of sustainable procurement, we set the fundamental principles for suppliers’ environmental and social performance.

The policy provided a clear guideline toward sustainable procurement practices, covering general practices, responsible sourcing, environmental practices, and social practices, to better integrate sustainable procurement into our supply chain management. Moreover, the policy updated the sustainable procurement target plan, aiming to achieve more sustainable collaboration across the supply chain.

• Fundamental Principles

Environment	Social
• Toxic waste: recycle toxic waste by a qualified vendor	• Compliance: meet labor laws and regulations of the country
• Greenhouse gas (GHG) reduction: reduce energy consumption and GHG emissions	• Health and safety: minimize and prevent work-related injury and fatality
• Water: ensure efficient water usage and minimal water wastage	• Fair wage and benefits: ensure all employees compensated fairly
• Local pollution: reduce fume, particulate and noise	• Career management: support and develop employees’ capabilities
• Material, chemical & waste: reduce dependence on materials and ensure efficient material consumption	• Discrimination and harassment: create a zero discrimination and zero harassment workplace
	• Child and fore labor: not engage any form of child and forced labor
	• Free of association: all labor engaged shall be voluntary
	• Business ethics integrity: conduct business ethically

UPDATED TARGET OF SUSTAINABLE PROCUREMENT

90%

of targeted suppliers will have signed the supplier code of conduct by 2027.



80%

of targeted suppliers will have contracts including environmental, labour, and human rights requirements clauses by 2027.



60%

of suppliers in both Dominican Republic and Shenzhen will take the Supplier Environmental Review and Communication Form and Supplier Factory Assessment Report from 2027 onwards.



90%

of buyers in both Dominican Republic and Shenzhen will have received training on sustainable procurement by 2027.

60%

of targeted suppliers in both Dominican Republic and Shenzhen will have received capacity building from 2027 onwards.



60%

increase in the percentage of targeted suppliers covered by a CSR on-site audit will be achieved from 2027 onwards.



SUPPLIERS QUALIFICATION REQUIREMENTS



In the supplier selection stage, we impose clear and structured requirements on potential partners to embed environmental and social responsibility before entering a partnership and to ensure customer health and safety. Additionally, we have established preferred criteria for suppliers of paper-based packaging materials to reduce the ecological footprint of our packaging supply chain.



Beyond these core requirements, we conduct supplier risk analysis before establishing a partnership to identify potential social and environmental risks associated with their operations, products and service.

Supplier Qualification Requirements

Mandatory requirements	Preferred requirements
1. Valid business license/permit.	Suppliers providing paper packaging materials are encouraged to maintain certifications from: - Forest Stewardship Council (FSC) - Sustainable Forest Initiative (SFI) - Programme for the Endorsement of Forest Certification (PEFC)
2. Compliance with laws, regulations, and quality standards.	
3. Completion of a self-assessment form (Supplier Factory Assessment Report) with a minimum acceptable score.	
4. Certification of some locations with ISO 9001:2015, ISO 13485:2016, and ISO 14001:2015.	
5. Completion of REACH Compliance Declaration Form, ensuring: - Compliance with European Regulation (EC) No. 1907/2006 (REACH). - No Substances of Very High Concern (SVHCs) exceeding 0.1% content. - Providing information on request within 45 days. - Notifying Hayco if any Substance of Very High Concern is present in products.	

SUSTAINABILITY IN SUPPLIER AGREEMENTS

We embed sustainable procurement practices directly into our supplier engagements, primarily through the Purchase of Goods Agreement and the Supplier Code of Conduct.

The Purchase of Goods Agreement incorporates dedicated environmental and social clauses that set clear expectations for our suppliers. These include requirements to advance environmental sustainability, uphold business ethics, source pulp and paper for packaging exclusively from certified sustainable resources, and ensure the protection of labor rights and human rights.

The Supplier Code of Conduct sets out the requirements and expectations of the ethical conduct, value and principles which our suppliers need to adhere. We distribute the Supplier Code of Conduct, along with the Business Ethics Handbook, to all new and existing suppliers, and require them sign, agree and be bound by the conditions before business commences as well as throughout the partnership. It covers nine aspects, including labor and human rights, health and safety, sustainability, animal testing, information and reporting, security and anti-terrorist compliance, and reporting responsibilities.

SUPPLIER PERFORMANCE APPRAISAL

We conduct systematic supplier performance assessments on an annual basis using a set of standardized performance metrics. This process allows us to evaluate and benchmark suppliers across multiple dimensions, providing a comprehensive view of their capabilities, efficiencies, and alignment with our supply chain objectives. The assessment framework is structured around four key areas: commercial performance, operational excellence, innovation, and partnership.

Within the commercial dimension, we place particular emphasis on supplier diversity, social responsibility, and environmental sustainability. Specifically, suppliers are evaluated against a range of sustainability-related criteria, including labor practices; health and safety; environmental protection; business ethics; GHG reduction efforts; and sustainable procurement practices. Starting from 2025, we add diversity, equity and inclusion (DEI) as one of evaluation criterion. To further prioritize DEI, suppliers with strong performance in this area will receive an additional incentive score of up to 5%.

→ To ensure our supplier sustainability assessment is targeted and impactful, we have designated key priority questions that go beyond basic compliance. Specifically, these highlighted areas are:

Highlights for sustainability performance assessment metrics

GHG reduction management:

- Carbon compliance –
- CDP survey performance –
- Corporate Social Responsibility (CSR) –
- /sustainability report

Sustainable procurement:

- Sub-supplier environmental & social assessment
- Sub-supplier CSR Code of Conduct
- Sub-supplier contracts with social/environmental clauses
- On-site environmental & social audits for sub-suppliers
- CSR violation reporting channels (sub-suppliers to suppliers)

Diversity, equity and inclusion :

- A formal written diversity policy
- Ongoing DEI training for employees
- Promote supplier diversity programs
- Gather regular feedback from employees on DEI issues

→ Each year, our sourcing team leads a cross-functional to audit targeted suppliers' performance. Suppliers that rank in the top 10 or achieve an overall score above 85% are recognized as candidates for our annual supplier recognition program.

SUPPLIER TRACEABILITY



Supply chain traceability plays a key role in our overall supply chain management. For metal suppliers specifically, we have implemented a strict requirement for the submission of Conflict Minerals Reporting Template (CMRT) documents. This measure is designed to rigorously screen out conflict minerals that may finance armed conflicts or contribute to human rights abuses in conflict-affected regions, thereby upholding ethical procurement standards throughout our supply network.



⁵ We encourage suppliers to disclose ESG ratings from reputable third-party organizations such as EcoVadis and CDP, as these independent assessments provide credible evidence of their environmental and social performance.

EMPOWERING OUR SUPPLIERS



We place strong emphasis on strengthening suppliers⁵ sustainability capabilities and awareness. In 2024, we hosted supplier conferences in both China and the Dominican Republic to communicate the key priorities of our sustainable procurement strategy. The topic of 2024 supplier forum is “Let’s shape our sustainability journey together”, underscoring the importance of joint efforts with our suppliers to drive sustainable practices. At the China conference, we invited expert trainers from EcoVadis² to deliver a dedicated CSR workshop to deepen suppliers’ understanding and practical knowledge.

This year, we also organized two targeted training sessions for suppliers, focusing on business ethics and diversity, equity and inclusion (DEI). These sessions were designed to reinforce our ethical business requirements and to help suppliers build a clearer understanding of DEI concepts, laying a strong foundation for integrating sustainability principles into their day-to-day operations.

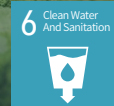


OUR ENVIRONMENT

05



- Our Approach
- Climate Change
- Water Management
- Waste And Pollutants
- Sustainable Products
- Green Logistics



6 Clean Water And Sanitation



7 Affordable And Clean Energy



13 Climate Action





OUR APPROACH

We integrate environmental stewardship into our core business growth, uphold the interests of current and future stakeholders, and enhance the company's long-term resilience amid the global transition to a low-carbon economy. All our sites have obtained ISO 14001 environmental management system certification and regularly conduct environmental risk assessments to proactively identify and mitigate potential environmental risks. In 2024, our CDP score has improved, reflecting enhanced performance in environment-related management.

CDP Climate Change Questionnaire: from D- to C
CDP Water Questionnaire : from D- to B

We collaborate closely with our customers. 100% of our sites engage with customers to support the achievement of GHG emission reduction targets, and all sites have increased the proportion of recycled content in packaging, aligning fully with our customers' sustainability objectives.

• Climate Change:

We manage climate change risks in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) framework and implement measures to reduce GHG emissions.

Climate Change



Solar energy consumption
of Hayco DR by year 2025

8.2%

• Water Management

We enhance water monitoring systems and conduct ongoing campaigns to promote water conservation.

Water recycled and reused



Discharge of industrial wastewater from Hayco Shenzhen

0

Percentage of the total amount of water recycled and reused

Increased
16.4%
compared to 2023

• Sustainable Products:

We incorporate greater amounts of recyclable plastics and refine packaging materials to create sustainable products, reducing our environmental footprint.

Circular economy



Percentage of plastics recycled for input materials at Hayco Shenzhen

Increased
9%
compared to 2023

• Waste and Pollutants:

We manage waste in compliance with regulations and improve recyclable waste recycling.

Waste management



Percentage of the hazardous waste

Decreased
14.4%
compared to 2023

Percentage of the air pollutants at Hayco Shenzhen

Decreased
19.7%
compared to 2023

• Green Logistics:

We reduced carbon emissions from transportation by optimizing transportation routes, strengthening logistics management capabilities, and leveraging logistics platforms.

Green logistics



Percentage of local procurement for paper packaging (within the territory of Dominican Republic)

Around
90%
for Hayco Dominican Republic

CLIMATE CHANGE

As a responsible organization, we are committed to advancing global decarbonization efforts while fostering a sustainable future for our business and stakeholders. We actively reduce our own carbon footprint and collaborate with our supply chain to collectively mitigate climate change impacts.

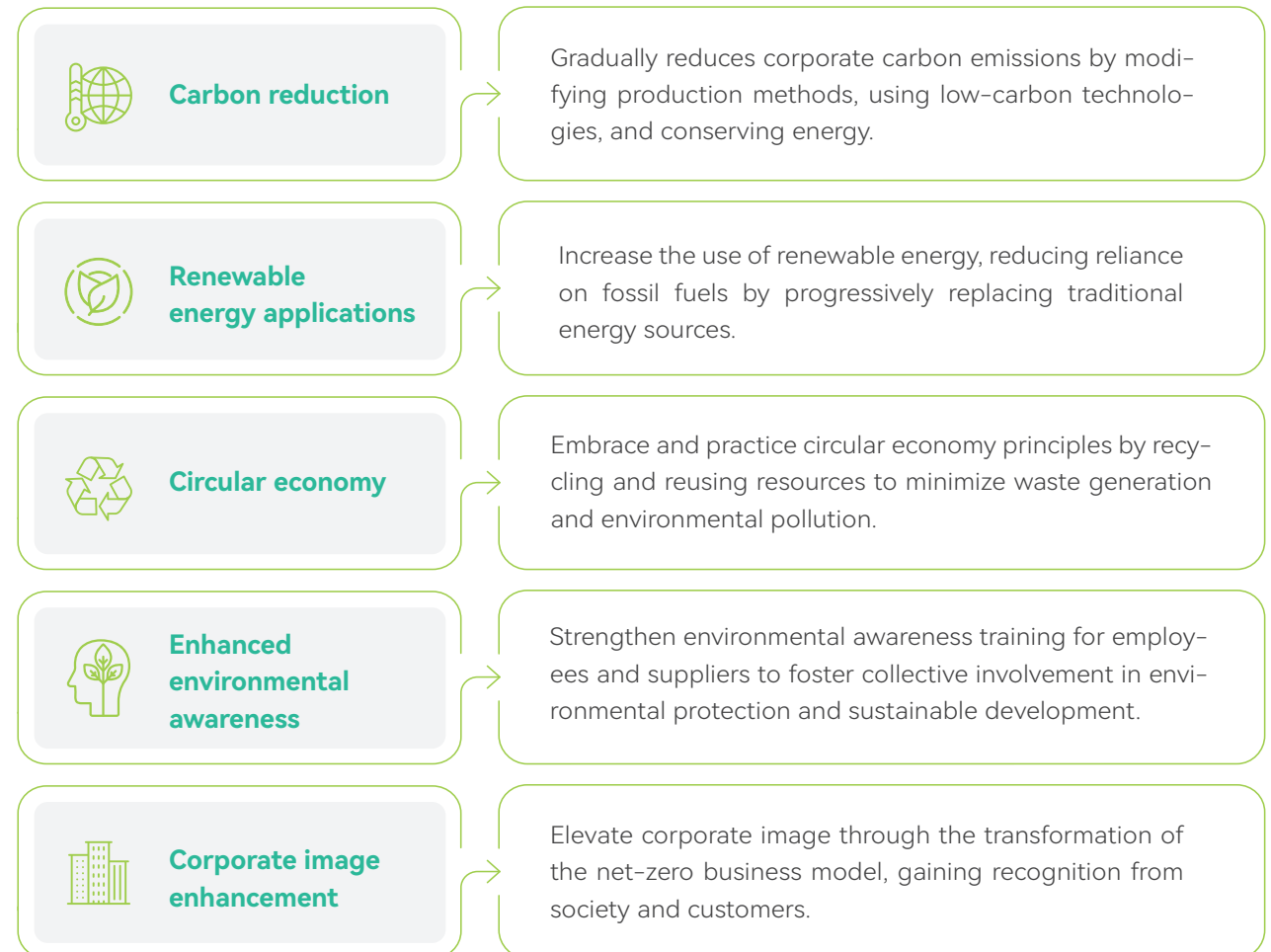
GOVERNANCE

The governance structure is well-structured to ensure systematic oversight and execution. At highest level, the Board of Directors serves as the ultimate accountable body, approving the company's long-term climate strategy, reviewing annual GHG emission reports, and ensuring sufficient resources are allocated to climate-related initiatives. Reporting to the Board, the ESG Steering Committee translates the Board's climate targets into actionable plans and takes charge of cross-departmental coordination and strategic implementation: At the operational level, the EHS (Environment, Health, and Safety) Team manages daily tasks such as monitoring carbon emissions and energy use, verifying data accuracy, and improving energy efficiency. This three-tier structure embeds climate management into both strategic decision-making and day-to-day operations, forming a closed loop of accountability and execution.

To ensure consistency in climate management, we develop key guiding documents including the Climate Response Policy Guidelines, the Risk Management Policy Guidelines and the Greenhouse Gas Inventory Management Guidelines. These documents define standardized methodologies for GHG inventory accounting, outline climate risk assessment processes, and provides actionable guidance on climate change adoption and mitigation.

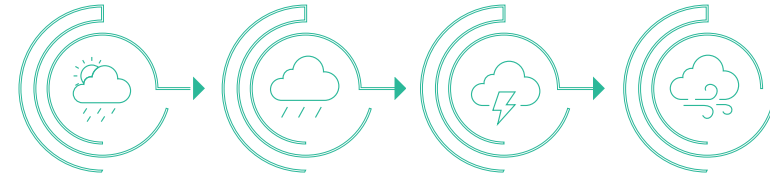
STRATEGY

Hayco has implemented short-, medium-, and long-term low-carbon transition goals encompassing greenhouse gas reduction, clean energy applications, and improvements in resource efficiency. The Net-Zero Business Model Transformation Plan identifies five pathways toward achieving net-zero emissions, which guide the company's approach to climate strategy.



RISK MANAGEMENT

Our climate risk management follows ISO 31000 and COSO ERM, ensuring a structured process of identification, assessment, analysis, and action. This approach enables us to mitigate potential risks, contain emerging issues, and secure business resilience against climate-related challenges.



Identification of Climate Risks and Opportunities

In line with TCFD, Hayco identifies a list of relevant climate risks and opportunities by assessing external environments, industry factors, and the unique characteristics of Hayco's business.

Conduct of Scenario and Financial Impact Analyses of Key Climate Risks and Opportunities

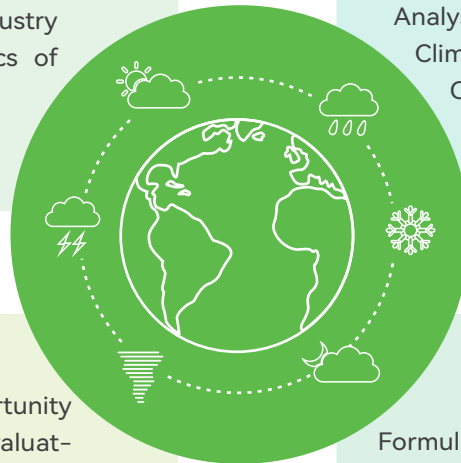
In collaboration with various business units and divisions, Hayco identifies and evaluates the potential business and financial impacts of each significant climate risk and opportunity, as well as the current management status. Scenario and financial impact analyses are conducted in line with actual business conditions.

Assessment of the Importance of Climate Risks and Opportunities

Based on Hayco's climate risk and opportunity matrix, each risk and opportunity are evaluated across four dimensions: timeframe, impact on the value chain, probability of occurrence, and severity of impact. This assessment establishes the priority ranking and matrix for climate risks and opportunities.

Formulation of Control Measures for Key Climate Risks and Opportunities

We assess the suitability of the current controls for significant climate risks and opportunities and adjust as necessary. For risks, Hayco implements measures for risk prevention, loss mitigation, and recovery; for opportunities, we adjust business strategies or allocate appropriate resources.





The system help save

15% - 20%

energy in Heating

We proactively explore energy-saving initiatives to reduce greenhouse gas emissions. For Shenzhen site, we upgraded some high-energy-consuming transformers and dryers to energy-efficient models, achieving an effective energy savings of 48,896 kWh. Additionally, we optimized our energy structure and lowered operational costs by analyzing our electricity usage patterns. We retrofitted electric streetlamps with solar-powered ones and eliminated unnecessary energy-consuming equipment. For Dominican Republic site, we implemented building management system, enhancing operational reliability, improving occupant comfort, and optimizing energy consumption through data-driven scheduling and predictive control. The system help save 15% - 20% energy in Heating, Ventilation, and Air Conditioning and utilities consumption.

Solar panels project in Hayco Dominican Republic



Launched in 2019, the solar panels project was designed to reduce energy costs and support sustainability goals. Installed in three stages, the system includes 4,180 Hyundai panels and 26 SMA Solar Technology AG inverters, with a total capacity of 1.5 MW DC and a DC/AC ratio of 1.2. By 2024, the project achieved an average energy savings of 8.2%, delivering both operational efficiency and a meaningful reduction in the company's carbon footprint.

Looking ahead, Phase 2 aims to expand capacity to 1.9 MW DC through the installation of approximately 3,374 additional panels, further strengthening the company's commitment to clean energy and sustainable growth.

The LEED Platinum certification of Hayco Dominican Republic



Dominican Republic site earned LEED Platinum certification by prioritizing energy efficiency, renewable energy, and sustainable resource management. The project achieved 38.7% energy cost savings and generated 15.38% of its energy on-site through solar power, while also reducing potable water use by 41% and eliminating permanent irrigation systems. Additional strategies included promoting sustainable mobility, diverting almost 89% of construction waste, maximizing the use of recycled, regional, and FSC-certified materials, and ensuring high indoor environmental quality with low-emitting products and advanced air quality management. Implemented by innovative measures such as reverse osmosis water systems and green cleaning practices, these initiatives positioned the factory as a benchmark in sustainable industrial development.



METRICS AND TARGETS

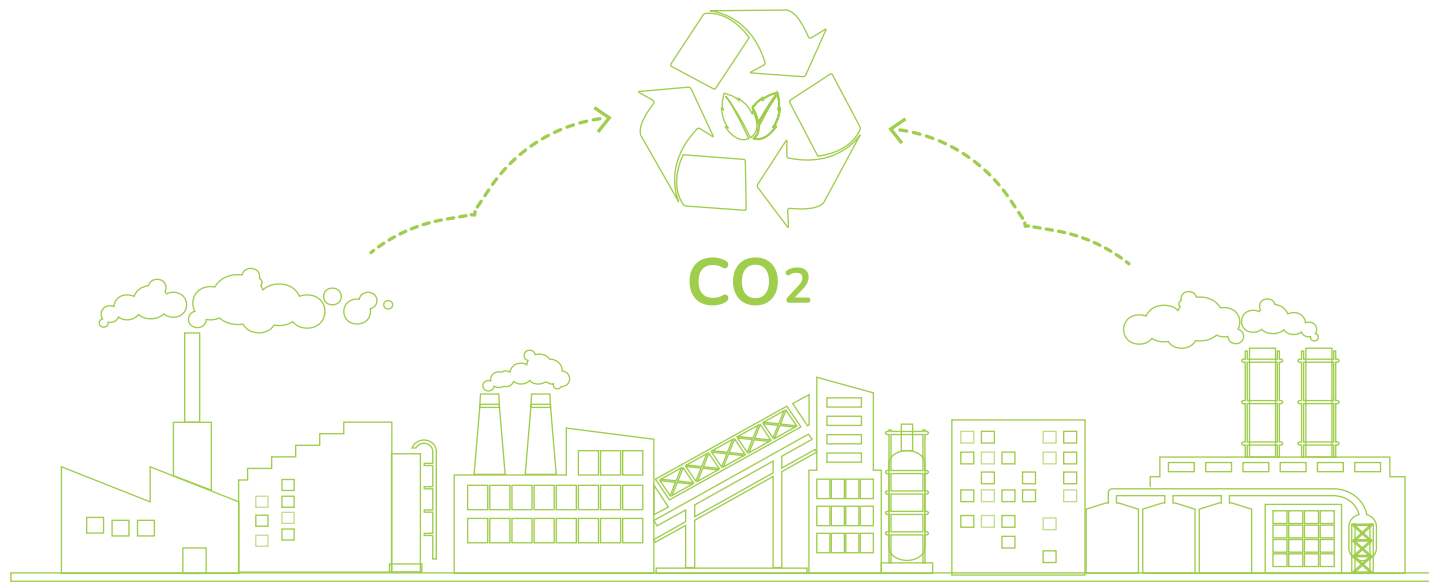
To effectively assess the performance of its climate strategy, Hayco conducted a systematic inventory of Scope 1, Scope 2, and Scope 3 carbon emissions in reference to ISO 14064-1 standards, disclosing annual data in the CDP and EcoVadis questionnaires. In 2024, the scope 1 GHG emissions is 1,113.41 metric tons CO₂e, the scope 2 is 37,463.33 metric tons CO₂e, and the Scope 3 GHG emissions data for 2024 hasn't been verified internally yet. Also, we consumed 60,619 MWh energy this year, with 2,095 MWh derived from renewable sources.

In 2024,
the scope 1 GHG emissions is

1,113.41
metric tons CO₂e

the scope 2 is

37,463.33
metric tons CO₂e



Targets of energy consumption and GHG emissions

10%

solar energy consumption of Hayco Dominican Republic by year 2025

3%

annual energy savings of Hayco Shenzhen by 2030

2024 Progress

8.2%

In progress

WATER MANAGEMENT

Effective water resource management is a critical pillar of our sustainability strategy and operational resilience. To put this commitment into practice, we have established a comprehensive water management framework, which aligns with ISO 14064 standard.

WATER RESOURCE MANAGEMENT

First, we formalized a set of governing policies, such as the Water Supply and Consumption Management and the Guidelines for Water-Saving Equipment, which set clear standards for rational water use across all departments. Second, we established a dedicated Water Conservation Management Team responsible for developing company-wide protocols, monitoring usage patterns, and setting measurable water-saving targets. The team meets quarterly to review key metrics, address anomalies in water usage, and track progress toward annual goals.

WATER CONSERVATION PRACTICES

We further promote water conservation through operational measures, including optimizing water usage processes, water-use planning and quota management to curb excessive consumption, integrating incentives and penalties into performance evaluations, and strengthening metering and statistical systems to improve accuracy. Hayco Shenzhen upgraded our aluminium tube cleaning process from a water-based method to a hydrocarbon-based chemical cleaning approach. The hydrocarbon-based cleaning uses recyclable chemical solutions that eliminate the generation of industrial wastewater entirely since 2022. In addition, Hayco SZ noticed a monthly increase in water consumption in a specific area; after conducting targeted inspections, we identified the water leakage points, and subsequent repairs successfully, savings of approximately 8,500 m3 of water per month in 2024.

In daily operations, the Water Conservation Management Team also raises organizational awareness through training sessions and educational campaigns in high-traffic areas (e.g., restrooms and production facilities), fostering a company-wide culture of responsible water use.



Targets of water management	2024 Progress
To achieve direct 100% of wastewater to treatment facilities by year 2025	33%
To implement and maintain annual water audits by year 2025	33%
To increase the usage of recycled water for production, irrigation and cooling processes to 5% by year 2025	2.95%

WASTE AND POLLUTANTS

We have developed the Waste Operation Procedure document to standardize waste handling practices and ensure compliance with environmental management requirements. By enforcing rigorous waste classification, monitoring, and recycling practices, we reduce overall waste generation, minimize dependence on virgin resources, and support the transition toward a circular economy.

Our waste stream is systematically categorized into four distinct types: general waste, recyclable waste, hazardous waste, and kitchen waste, each with tailored disposal or recycling protocols. The general

waste is collected by licensed waste management contractors for centralized treatment, while hazardous waste is exclusively handled by third-party agencies that hold valid certifications for hazardous waste disposal, ensuring adherence to strict safety and environmental regulations.

For recyclable waste, we implement a targeted reuse and recycling strategy: aluminum scraps and aluminum powder generated during aluminum tube processing, for instance, are returned to our suppliers to be repurposed in their aluminum production cycles. Additionally, reusable plastic materials are

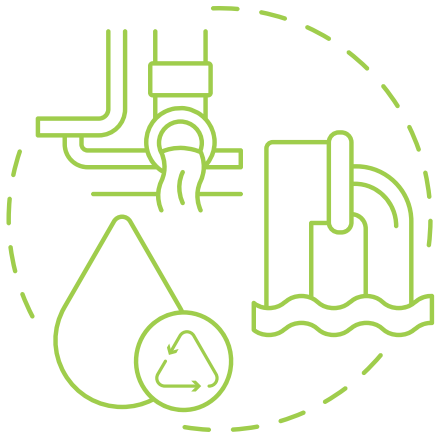
reintegrated into our own operations, such as for product manufacturing, prototype development, or the production of turnover plastic crates. Reusable boxes provided by suppliers are also stored in dedicated weather-protected areas to facilitate their repeated use in logistics and storage processes. In 2024, the total weight of recycles waste reached 1,871,336.60 KG.

As for other pollutants, we also implement strict compliance-based management and control measures. First, we manage water pollutants in compliance with regulations, with our wastewater

from Hayco Dominican Republic directly discharged to treatment facilities. Second, we strictly control air pollutant emissions. With VOCs equipment installed, we achieved a 19.7% reduction in emission weight at Hayco Shenzhen in 2024 compared to 2023. Additionally, the noise levels of Hayco Shenzhen and Hayco Dominican Republic plant operations areas are up to 85 decibels. Last, we have implemented odor control measures at both Hayco Shenzhen and Hayco Dominican Republic, which improves the working environment for employees and enhances the quality of life for nearby residents.



Targets of waste and pollutants	2024 Progress
100% coverage rate of all Hayco sites implemented the procedure of handling hazardous goods and substances to minimize any associated dangers by year 2025	100%
To install dust filters at 90% of manufacturing sites by year 2025	100%
To keep 80% of noise levels within the plant operations areas to 85 decibels by year 2025	100%



SUSTAINABLE PRODUCTS

We are committed to reducing the carbon footprint of our products throughout their lifecycle, with targeted actions across two key areas: product development and packaging. The sustainable products meet the growing demand for eco-friendly options and mitigate risks from resource scarcity or stricter environmental regulations.

SUSTAINABLE PRODUCT DEVELOPMENT

For product development, we prioritize single-material or recyclable eco-friendly materials for new products to minimize landfill waste. Also, we assess environmental impacts across all product lifecycle stages to quantify GHG emissions and evaluate climate-related risks and opportunities for our business. In 2024, the amount of Post-Consumer Recycled Polypropylene (PCR PP) resin used in products for one customer increased more than ninefold compared with 2023, while the recycled plastic runners were reused more than five times compared with 2023.

SUSTAINABLE PRODUCT PACKAGING

For product packaging, we prohibit aluminum or steel in packaging due to recycling challenges, and do not recommend use plastic material on the primary packaging level. If plastic packaging is not avoidable, we also ensure all packaging materials display recycling symbols to facilitate consumer recycling practices correctly. In addition, we prefer the pure vegetable inks for printing. This year, we switched the packaging of more of our products to recyclable materials, used biodegradable thermo materials for packaging, and phase out single-use plastic packaging gradually.



The achievements of our green packaging initiative



- 96% of product package is recyclable in US, Europe market
- 2,320.6 Tons of FSC certified material of product package used in 2024
- 44.6 KG of PLA (a biodegradable thermoplastic of product’s poly bag used in 2024
- 20.4 Tons of recycled RPET plastic of package blister tray used in 2024
- Saved 478 Tons of PET plastic of product blister package by phased out single-use plastic packaging weight with recyclable paper in 2024
- Saved 1.18 Tons of PE plastic of product package shrink wrap film by phased out single-use plastic packaging weight in 2024
- Saved 401 Tons of paper of product package by reducing design size of package and removing corrugated shipper/carton box and directly ship with color box in 2024
- Container Loading Improvement by redesign (eliminate the empty space) of the product package

Targets of sustainable product		2024 Progress
Percentage of sites at which recyclable plastic products have been marked with resin designation		67%

GREEN LOGISTICS

Logistics constitutes a notable part of our overall carbon footprint and environmental impact. Green logistics goes beyond mere cost optimization; it embodies a systematic approach to minimizing environmental harm throughout the logistics chain.

Actions	 Transportation route optimization	 Warehouse capacity improvement	 Reverse logistics for local vendors	 Implement Lithium Batteries for Forklift Operations	 Localization procurement
2024 Progress	By streamlining the routes from our Shenzhen factory to Yantian International Container Terminals, Hayco Shenzhen has managed to shorten the distance by 12 – 15 kilometers per vehicle. This reduction accumulates to approximately 36,000 kilometers annually, significantly cutting down fuel consumption and greenhouse gas emissions during transportation⁶.	Hayco Dominican Republic has built semi-automatic compact racking system to increase warehouse capacity and improve the utilization rate of the main warehouse’s floor space -- eliminating the previous need to relocate materials to external warehouses, which in turn has reduced both costs and environmental impact.	Hayco Dominican Republic has implemented a reverse logistics program with one of the main corrugate local vendors to use plastic pallets, recycling the used pallets and minimizing waste sent to landfill.	Hayco Dominican Republic has kicked off a program to replace the lead-acid batteries on our forklifts with lithium batteries. In FY24–25, we completed the replacement on 33% of our forklifts, upgrading them to lithium batteries. This program reduced GHG emissions significantly and increased the forklift productivity.	Over the past three years, Hayco Dominican Republic has consistently strengthened our localized procurement strategy for packaging materials. By 2024, around 90% of our packaging materials come from local suppliers, cutting down the shipping-related GHG emissions, and 100% of our paper packaging is certified paper. As for procurement budget for local suppliers, around 68% of the procurement budget in China is allocated to local suppliers, and 63% of the procurement budget in Dominican Republic is spent within Dominican Republic.

⁶ Route 1: Depart from Xigao Factory, take Nanguang Expressway, then enter Yanpai Expressway, and finally arrive at Yantian International Container Terminal. The distance of this route is approximately 65 kilometers. Calculated based on transporting 3,000 vehicles per month, the total driving mileage is 65 km × 3,000 vehicles = 195,000 kilometers.

Route 2: Depart from Xigao Factory, take Longda Expressway, then drive into Yanba Expressway, and finally reach Yantian International Container Terminal. The distance of this route is also approximately 65 kilometers (similar to that of Route 1).

The distance of the regular route from Xigao Factory to Yantian International Container Terminal is about 77–80 kilometers, while the distance of the optimized logistics route is approximately 65 kilometers. Each vehicle can reduce the driving distance by 12–15 kilometers per transportation. Assuming 250 vehicles use the optimized route for transportation per month, the total reduced driving mileage per month is calculated as the number of vehicles multiplied by the reduced distance per vehicle, which is 250 vehicles × 12 km/vehicle = 3,000 kilometers. The total reduced driving mileage in a year (12 months) is the monthly reduced mileage multiplied by 12 months, which is 3,000 km/month × 12 months = 36,000 kilometers.

OUR PEOPLE

06



- Our Approach
- Human Rights
- Diversity, Equality and Inclusion
- Workforce Development and Engagement
- Health, Safety and Well-being
- Community Engagement



OUR APPROACH

Our approach is fundamentally people-centric, recognizing that our employees are our most valuable asset. We strive to create a supportive and inclusive work environment where everyone's dignity and well-being are prioritized.

• Human Rights:

We commit to protect human rights for both our employees and all partners across our value chain.

Human rights protection ►

0

Number of confirmed human rights incidents



100%

Percentage of potential hires on which ID checks has been implemented

100%

Percentage of sites at which child labour and/or slavery risk assessments have been conducted



100%

Percentage of employees receiving annual awareness training on our child and forced labour policy

100%

Percentage of sites at which child labour has been as part of the reportable incidents in whistleblower procedure



100%

Percentage of internal employees and contract workers covered by living wage benchmarking analysis

100%

Percentage of Sites offering Fair and competitive compensation practices



> Diversity, Equality and Inclusion (DEI):

We strictly prohibit all forms of discrimination and harassment and actively advocate for DEI across our organization.

DEI



0

Number of confirmed discrimination and harassment incidents

100%

Percentage of employees received anti-discrimination Training



100%

Percentage of sites at which discrimination and harassment has been included as one of the reportable incidents in the whistle-blower policy

47.67%

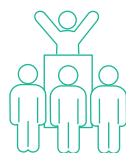
Percentage of women employed



> Workforce Development and Engagement:

We actively advance employee development efforts, collect feedback from employees through a variety of channels to boost organizational cohesion.

Employee development and engagement



100%

Percentage of employees who received skills development trainings

11,367,917

Total hours worked company wide



23.91

Average hours of training per employee



100%

Percentage of sites at which annual town-hall meetings have been held with Hayco Management



100%

Percentage of general employees receiving regular performance appraisals



100%

Percentage of new hires that have received the orientation training

Health, Safety and Wellbeing:

Safety is No.1 KPI at Hayco. We take all feasible measures to safeguard the well-being of both our employees and subcontractors.

**0**

The occurrence of fatality

Health and safety management

0

The occurrence of occupational disease

**100%**

Percentage of employees represented in formal joint management-worker health & safety committees

**100%**

Percentage of operational sites for which an employee health & safety risk assessment has been conducted

**100%**

Percentage of our employees trained on the health and safety risks they are exposed to on an annual basis

100%

Percentage of equipment on which an annual safety audit has been conducted



Community Engagement:

We engage with local communities and participate in community initiatives to drive mutual development.



- Visit to Community Nursing Home



- Donation for Community Care



- Tree Planting



- Cleaning of Community Places



- Blood Donation



- Elderly Care

HUMAN RIGHTS

Respect for human rights is at the heart of our daily operations. At Hayco, adhering to national, local, and international labor laws and regulations is our baseline. We are strongly committed to upholding human rights and following internationally recognized labor standards, as well as the conventions established by the International Labor Organization, the UN Global Compact, and the UN Guiding Principles on Business and Human Rights. During this reporting period, no significant human rights violations occurred.

HUMAN RIGHTS MANAGEMENT

The Labour & Human Rights Policy outlines our commitment towards providing favourable working conditions to all staff and employees, to ensure the satisfaction of our employees and enhance the sustainability of our business. It places particular emphasis on employee health and safety, fair compensation, and welfare, while also encouraging direct communication between employees and management to foster an open and inclusive work environment. Furthermore, we have incorporated human rights-related modules into the mandatory onboarding training provided to all new employees.



For employee compensation, we ensure fair compensation practices for all employees -- across all our global offices and for all full-time roles -- is above the local minimum wage.



Employee Health & Safety

The safety of our workers is of utmost priority. We strive to create a safe environment, as well as all contractors and subcontractors.



Employee Compensation & Benefits

We respect the working conditions and reward the contributions that employees have made to the company.



Social Dialogue

We encourage our employees for transparent conversation and follow 'Open Door' policy from local Management team.



Staying Competitive in a Fast-Paced World

We conduct annual performance appraisal and Goal Setting, and provide both vertical and horizontal career development opportunities, along with different training programs to support our employees' development.



Child Labour, Forced Labour & Human Trafficking

We do not tolerate any form of child labour, slavery or trafficking, and abuse anywhere in our own operations and supply chains.



Being Accepting of All

We respect all employees and treat them with dignity, promoting a culture of equality for all. No employee should be subjected to physical or psychological harassment and/or abuse.

Targets of human rights	2024 Progress	Targets of human rights	2024 Progress	Targets of human rights	2024 Progress
Employee Health & Safety		Being Accepting of All			
To train 100% of our employees on the health and safety risks they are exposed from 2023 onwards	100%	To conduct the orientation training for 100% of our new hires from 2023 onwards	100%	To include discrimination and harassment as one of the reportable incidents in the whistle-blower policy from 2023 onwards	100%
To keep 100% conduct annual audits on the safety of our equipment	100%	Child Labour, Forced Labour & Human Trafficking			
Social Dialogue		To implement ID checks of potential hires at 100% of our site from 2023 onwards	100%	To conduct risk assessment on child labor and forced labor & human trafficking at 100% of our site from 2023 onwards	100%
To hold annual town hall meetings with Hayco Management from 2023 onwards	100%	To conduct risk assessments on all new hires at 100% of our sites to determine if any child labor and/or slavery was involved from 2023 onwards	100%	To include child labor as part of the reportable incidents in whistleblower procedure at 100% of our site from 2023 onwards	100%
Staying Competitive in a Fast-Paced World		To conduct an annual training on our child and forced labor policy to 100% of our employees to increase awareness from 2023 onwards	100%		
To announce vacant positions to current employees through various media	100%				
To maintain regular performance appraisals of 100% of our general employees from 2023 onwards	100%				

HUMAN RIGHT RISK MANAGEMENT

We carry out regular human rights risk assessments to facilitate the identification of potential concerns; leveraging these assessment outcomes, we take prompt action to deploy preventative strategies for risk mitigation and targeted corrective measures for issue remediation.

In 2024, Hayco Shenzhen completed these assessments with the RPN (Risk Priority Number) tool, considering severity, occurrence, and detection factors. The assessment results have led us to implement a range of measures aimed at preventing and reducing adverse impacts, while also ensuring ongoing monitoring of our control measures' effectiveness.

HUMAN RIGHT GRIEVANCE MECHANISM

In the event of any suspected or confirmed incidents involving human rights violations, employees are encouraged and empowered to report through multiple channels to ensure transparency and accountability. These channels include utilizing third-party whistle-blowing platforms that offer an additional layer of confidentiality, submitting reports , or directly addressing complaints within their respective departments for immediate attention. For details on the whistleblower hotline, please refer to the “Business Ethics” section.

We are committed to ensuring the utmost protection and well-being of all whistleblowers, explicitly prohibiting any form of retaliation, harassment, or discrimination. Any regulatory breaches or legal infractions will be promptly reported to the relevant judicial authorities for further action.

DIVERSITY, EQUALITY AND INCLUSION

We unequivocally forbid all forms of discrimination and strictly upholds the tenets of fairness and equality when devising and executing policies related to recruitment, compensation, benefits, training, promotion, dismissal, retirement, and other relevant areas. We ensure zero discrimination on grounds of an employee's race, social class, nationality, religion, disability, gender, sexual orientation, marital status, social inclinations, trade union or political party affiliation, or membership in minority/vulnerable groups. Moreover, we refrain from interfering with employees' beliefs, values, and specific rights in these domains.

Anti-discrimination	Hayco firmly mandates that employees treat one another with respect, refraining from any form of harassment or abuse. The company unequivocally prohibits any superior from harassing, physically punishing, or insulting their subordinates under any circumstances.
Anti-harassment	Hayco mandates that all employees uphold mutual respect in the workplace, strictly banning any form of harassment or abuse directed at subordinates.
Gender equality	We are committed to providing equal employment opportunities to all individuals and do not tolerate discrimination or retaliation of any kind.



We actively support female employees in teaching their skills and realizing their full potential through training and development programs. We take immense pride in the diverse success stories of women who began as operators and, through sustained development efforts, now excel in roles such as Line Leaders, Technicians, Supervisors, and more.



MIRIAN AGUASVIVA



"I joined Hayco six years ago as a Production Operator. It was my first job, and at that time, I didn't even know how to use a computer.

I began taking training courses, starting with basic computer programs and others, but I especially remember the Blue Bird program. It taught me not only technical skills but also emotional intelligence, assertive communication, and personal finance. Those modules changed the way I viewed many things in my professional and personal life.

I continued training in various areas, observing different roles, and volunteering for additional tasks. Today, I am a Warehouse Assistant. I approached each new challenge with the same attitude: to give more, learn more, and develop more. I continue to grow thanks to my effort, dedication, and because someone believed in me.

I am grateful to the people who saw potential in me and to those who motivated me, even when I wasn't sure I could do it myself."



The Sunshine Program is a targeted recruitment initiative aimed at facilitating employment and career advancement for hearing-impaired workers and wheel-chair users in the manufacturing sector. We installed sound and light alarms in the dormitories and provided hearing aids if needed, offer comprehensive on the job training and organized variety of activities to encourage their full participation.



Additionally, we organized the annual dinner for our sunshine workers and prepared a gift for each of them to thank for their contribution for the whole year.

← **Annual dinner for sunshine workers in 2024**

Sunshine Program



In 2024, Hayco Shenzhen visited a disabled students school facility in Guangdong province. Our goal was to provide ongoing support for their subsequent daily lives, helping them navigate challenges and build a more stable and secure life foundation.

→ **Visit from Guangdong Peiying Vocational and Technical School**



↑ **2024 Five Star Operator Award**

Feedback from the Sunshine workers indicates that they feel respected and valued at Hayco. Since 2015, over 400 sunshine workers have been employed, with many retaining their positions beyond three months. We reward sunshine workers with outstanding performance as "Five Star Operator Award" every year.



By 2024, Hayco Dominican Republic has employed 31 sunshine workers working as part of our team. We have built barrier-free facilities and provides door-to-door transportation services to pick up employees with disabilities from their homes to the workplace. In the future, we are in contact with the Association for Education of the Deaf to arrange for interpreters to assist us during meetings, training, and town hall events. Also, we plan to launch sign language courses in 2025, targeting HR personnel, leaders, supervisors, and any other roles that may engage with hearing-impaired employees.

← **Sunshine workers at Hayco Dominican Republic**



The program offers women healthcare services and breast cancer awareness campaigns, including free orientation on early detection, medical evaluation at our facilities. We also have an Employee Assistance Program to provide psychological, legal, and financial counseling to expectant mothers. For mothers-to-be, we offer orientation on personal care during pregnancy and delivery, as well as newborn care guidance. Practical support is also provided, such as a 24-hour breastfeeding room and baby essential baskets. In 2024, 72 expectant mothers benefited from this program, highlighting Hayco's commitment to the well-being of its female employees and their families, and demonstrating our proactive approach to social responsibility.



Women and Motherhood Program

← Care for Mothers-to-be

We fully support for employees during pregnancy and lactation, as well as our proactive efforts to facilitate their smooth return to work. This year, we have a 100% return-to-work rate for employees who took parental leave.



↑ Breast-feeding room



Female Care Activities

We organized an engaging flower-arranging activity for our colleagues on International Women's Day in collaboration with the street union. This marked the first time we co-hosted a Women's Day event with the community, and the activity was widely praised and recognized by our coworkers.



On November 28th, we co-hosted a "Women's Care" event with the Street Women's Federation—this hands-on activity included legal knowledge sessions, DIY micro-landscape green plant crafting, and team discussions, and all participants actively engaged in and thoroughly enjoyed every part of it.



Bluebird Program

The Bluebird Program is a comprehensive employee development and well-being initiative, structured around three key themes: "Happy Life", "Enjoyable Work" and "Harmonious routine". We also offer EAP-based (Employee Assistance Program-based) family communication skills training.

Through the Bluebird Program, we enhance the overall well-being of its employees, fostering a positive work-life balance, and contributing to a more harmonious and productive workplace. In 2024, a total of 719 staff members at Hayco Shenzhen completed the foundational online courses and actively participated in the associated learning activities, demonstrating a widespread interest in self-improvement across various aspects of life. 108 nominated staff took their learning to the next level by completing the advanced offline courses, with 9.75 average satisfaction rating. As for Hayco Dominican Republic, there are 419 graduated employees, with a new group every three months. 88 employees graduated in 2024, including 28% male and 72% female.

WORKFORCE DEVELOPMENT AND ENGAGEMENT

→ We firmly believe that sustained investment in our team's learning and growth is the cornerstone of mutual success. By equipping employees with opportunities to expand their skills, we could not only deepen their expertise and advance their careers but also build the core capabilities that drive our business forward.

TALENT ATTRACTION AND RETENTION

We adopt a continuous talent recruitment strategy, leveraging a multi-channel approach to attract outstanding candidates, including internal job postings, professional recruitment platforms, WeChat official accounts, self-media channels, and targeted advertisements, etc. Throughout the recruitment process, from the release of job announcements to new employee onboarding training, we integrate human rights-related content, explicitly emphasizing our commitment to upholding and protecting human rights.

To enhance employee attraction and support smooth integration, we have implemented a "Buddy Program" for new hires: experienced employees are paired with newcomers to provide guidance and help them adapt to the workplace more effectively. Meanwhile, we recognize the contributions of these veteran "buddies" through official certifications and performance-based rewards, fostering a culture of mutual support and enabling better knowledge transfer.

Also, we conduct annual salary market analyses to benchmark against industry standards. Based on these insights, we continuously adjust and improve our employee management initiatives across four key dimensions (motivation, engagement, compensation, and professional development) with the goal of enhancing employee satisfaction and reducing turnover rates, thereby maintaining a stable and high-performing team.



We have launched the "Young Pilot Program" tailored for talent development in the manufacturing industry, with a focus on nurturing high-potential individuals to grow into professionals.

At Hayco Shenzhen, the program primarily recruits new graduates (accounting for 80% of participants) and 20% of candidates with limited work experience. During the strict selection process, we conduct comprehensive assessments of applicants' academic backgrounds, professional competencies, English proficiency, technical foundation, and career aspirations, ensuring clear alignment between candidate strengths and program requirements. Upon enrollment, participants are first assigned to specific positions with defined development directions, followed by specialized targeted training. Every six months, we conduct performance evaluations and adjust their roles as needed to refine their development paths to boost further growth. Through this systematic cultivation model, participants can develop into qualified professionals in the manufacturing field within two years.

Young Talent Program



At Hayco Dominican Republic, the scarcity of experienced candidates in engineering fields presents both a challenge and an opportunity. It prompts us to take a proactive approach in recruiting and nurturing local engineering talent. Our two-year Young Talent Program, which liaises with local universities, is designed to carve out a clear career path for employees. The program's core objective is to develop local talent in line with our cutting-edge technologies and business model, ensuring a seamless integration of new skills into our operations. In 2024, six young professionals have embarked on this journey with us.





“My name is Carla Sosa. I graduated from UNPHU with a degree in Industrial Engineering a few months ago and immediately started working at Hayco in the Young Talent program. I was not familiar with injection molding or molds. This is my first time working in my field of study, and I’ve learned so much, including how the production floor runs, how all departments rely on each other to get things done, and details about our products, different resins, and how they interact with molds. Right now, I’m working on documenting parameters and monitoring sheets for each injection machine, designing new parts from scratch for mold maintenance, and figuring out how to use the ultrasonic machine to make mold maintenance and cleaning faster. This program has been incredibly supportive the whole time—I couldn’t have learned all this so smoothly without it.”

From Carla

EMPLOYEE DIALOGUE AND FEEDBACK

Understanding the evolving needs and expectations of our employees is paramount to our success. We have different sources of communication to ensure that every employee receive accurate and timely information related to the Company, work schedules, benefits, activities and others. Also, we provide different channels for our workforce to voice their opinions and concerns.

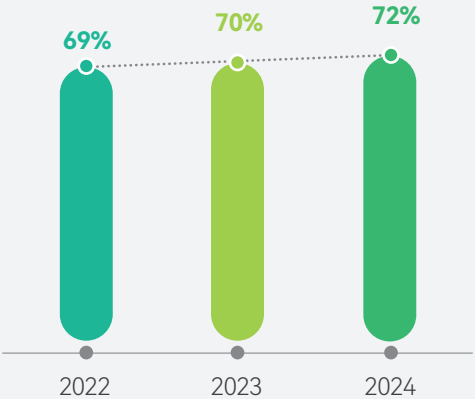


Employee satisfaction survey

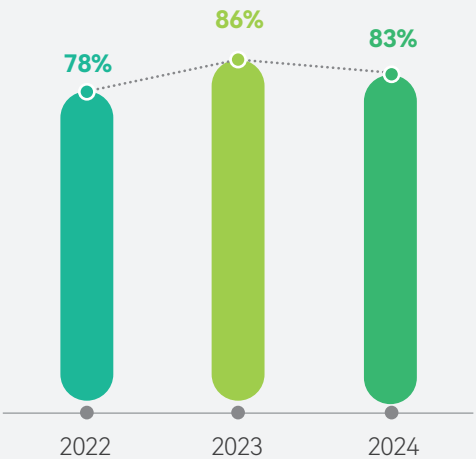
At Hayco Shenzhen, we focus on gathering insights into our employees' satisfaction with their living and dining arrangements. We aimed to identify areas for improvement and enhance the overall quality of life for our employees. The feedback received has been instrumental in guiding our efforts to upgrade facilities, improve meal options, and create a more comfortable and enjoyable living environment.

Satisfaction Survey Result

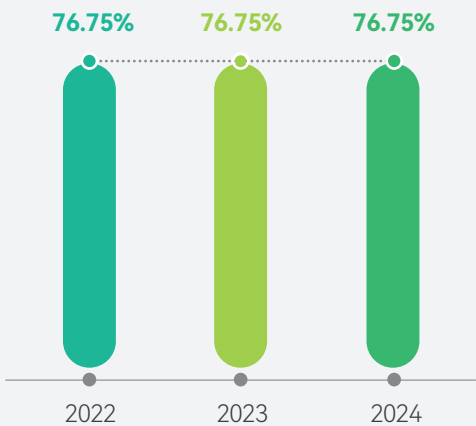
Shenzhen Canteen



Shenzhen Dormitory



Dominican Republic Transportation



Town-hall Meeting



We hold town-hall meetings throughout the year for all employees, covering both business-level updates and the direction and plans of each functional department. The sessions deliver key information including core policies, the company's economic status and operational priorities, major customer concerns, product market opportunities, significant business layouts, organizational strategies and culture, as well as key initiatives.

By including a wide range of topics in our Town-hall meeting presentations, we ensure that employees are well-informed about the company's direction and their role in its success. These meetings also provide a great opportunity to have direct face-to-face communications with senior leadership.



Coffee Time at Hayco

Another way to engage our employees is the monthly "Coffee Time" initiative, where employees from operations and administrative areas are invited to share their suggestions directly with our Site Leader and HR representatives. This informal yet structured session provides a platform for employees to voice their opinions, ask questions, and contribute ideas for improvement.





Employee engagement platform at Hayco Shenzhen

At Hayco Shenzhen, we have a trade union that organizes regular communication meetings with employee representatives to safeguard employees' legitimate rights and interests, and promote open and harmonious communication between the company and our employees.

At Hayco Shenzhen, we have formulated the Whistleblowing Policy to manage employee complaints and reports, providing multiple channels for reporting. Employees may first report to their team leaders and escalate the appeal level by level; alternatively, they can submit feedback via the E-HR platform, call the hotline at 400 120 3062, contact their HRBP, or send an email to the ethics mailbox.

In terms of the E-HR platform, Hayco Shenzhen has operated an E-HR platform for health and safety, administrative, and HR-related consultations since September 2022. Employees can access it via the WeChat Work app or WeChat official account, and we will respond promptly to inquiries. This platform mainly handles non-compliance-related opinions and feedback, receiving a total of 496 inquiries in 2024.



Employee feedback and complaint channels



At Hayco Dominican Republic, our HR Service center is a centralized contact center to support our shop floor employees. At this area the employees can ask questions, complete task, receive orientation about the health insurance and other services. We also have a suggestion box where employees can anonymously submit their ideas for improvements.



PERFORMANCE MANAGEMENT

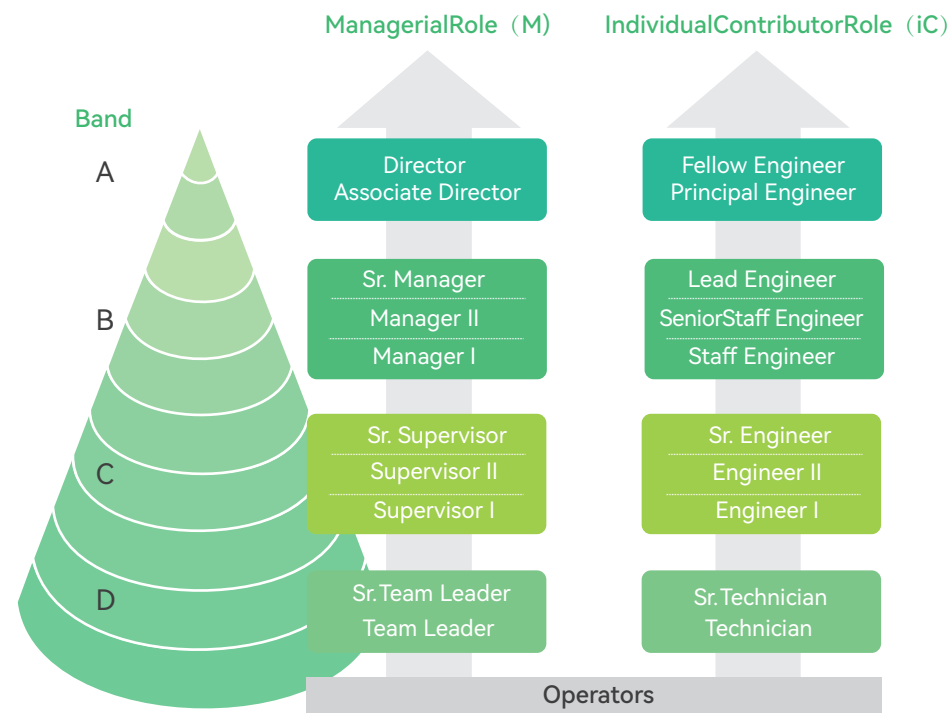
Annual evaluations help employees clarify their achievements and areas for growth, align individual goals with company strategy, and foster a culture of excellence and continuous improvement.

Our career development and recruitment framework ensure fairness. The Performance Appraisal System sets clear promotion paths and assessment criteria, promoting merit-based advancement. The Internal Job Application Management regulates internal recruitment, enhancing inclusivity and reducing turnover. To build a future-ready workforce, we implement the Technical and Multi-Skill Operator Program Policy. It standardizes key job skills and certifications, offers monthly allowances post-certification to incentivize skill development, and formalizes technical operator roles and career paths.

CAREER DEVELOPMENT PATHWAYS

Our career development path stands as a paragon of opportunity, providing a well-defined and structured advancement route from entry-level positions to senior management and technical roles. The transparent career pathways and robust rewards mechanism inspire employees to strive for excellence, thereby bolstering Hayco's long term success and positive societal influence.

Our dual-track career system, encompassing Management and Technical paths, enables each employee to forge a unique career trajectory aligned with their strengths and aspirations. We support both vertical and horizontal promotion for employees: vertical promotion enables those with strong performance and leadership to move up the career ladder, and employees with the will and ability are encouraged to apply for horizontal transfers. We also introduce Individual Development Plans to empower employees to set ambitious career objectives and pinpoint the requisite skills and experiences for their attainment.



Job Grading System & Career Development

CAPACITY BUILDING

We provide 100% of our professional workforce with access to premium learning resources. These resources are delivered through comprehensive development programs, digital learning platforms and in-person training sessions, catering to diverse learning preferences and styles. This approach allows our employees to customize their personal knowledge journeys at their own pace, selecting training programs that align with their current skill sets and future career aspirations.



Online learning
platform-- Hayco
University
at Shenzhen



Our online learning system presents an impressive repository of over 3,000 internal and external courses, providing a rich and diverse array of learning opportunities tailored to meet the evolving needs of our workforce. The courses include Comprehensive Management, Professionalization, Production Management, Human Resources, Leadership, Personal Development, and Political Theory. These courses are designed to equip employees with in-depth knowledge and advanced skills, facilitating both their professional and personal growth trajectories.

Skill Matrix Plan

Our Skill Matrix Plan is designed to clearly identify the skill improvement directions for managers and engineers, providing targeted guidance for talent development. In 2024, we rolled it out for two functional departments, a total of 112 employees (including 11 managers) participated in the assessment, which covered 61 skills across 10 categories (specifically 14 general skills and 47 specialized skills). From the assessment results, we identified the top 3 proficient skill categories and the categories most in need of improvement. The program clarifies skill gaps by benchmarking against standards, helps individuals recognize their skill shortcomings, and defines clear next steps for improvement.



Multi-skill Program

In 2024, the multi-skill program welcomed over 100 employees and currently boasts 496 active participants (46% male and 54% female) at Hayco Dominican Republic. Structured across five levels, it comprehensively covers various operational aspects, providing employees with a well-rounded skill set. Upon successful completion of the program and passing the assessment, employees are certified to perform specific tasks. This certification not only validates their expertise but also comes with a bi-monthly bonus as a recognition and compensation for their enhanced skills.



Second Language Training

This program is designed to equip our employees with the necessary linguistic skills to thrive in a globalized business environment, fostering cross-cultural communication and collaboration.

At Hayco Shenzhen, 72 employees participated in online English learning.

At Hayco Dominican Republic, 26 active employees participated in English learning classes to improve their language proficiency level.



Technical skills improvement

Hayco provides technical training to our employees to improve their skills for the technical challenges. During this year, we provided offer a diverse range of training programs at Hayco Shenzhen, such as QC Tools Training, Red-X Methodology Training Camp, P/R FEMEA Training, etc.

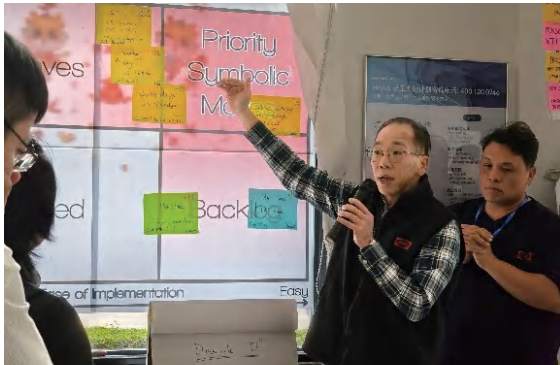
Leadership training

We have consistently invested in leadership training programs to empower our leaders, enhance their management skills, and foster greater employee engagement.

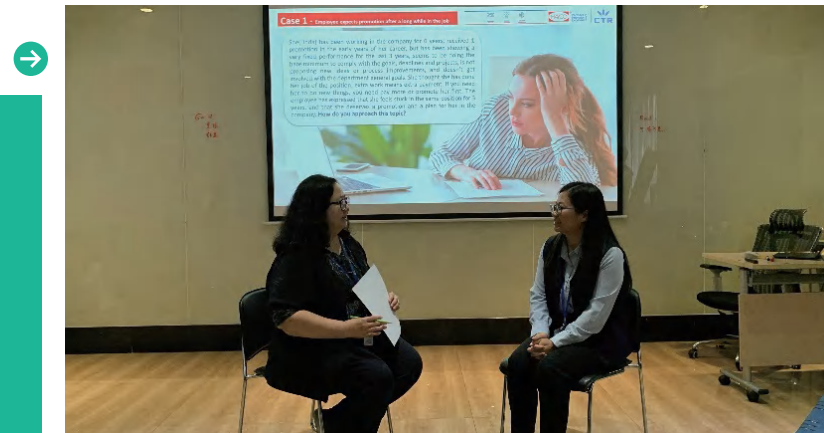
Presentation training: Managers and potential managers participated in the training, which had a combined duration of 240 hours and aimed to develop their agile thinking and professional presentation skills. Throughout the program, trainees took part in multiple presentation sessions—an experience that effectively honed their presentation mindset and abilities. Notably, the inclusion of VPs as judges helped trainees gain clearer insights into the key elements of impactful speeches.



Two sessions of think on your feet: To enhance leaders' communication skills, we organized a training session delivered by vendor instructors, nominated directors and managers participating and a total training duration of 784 hours. Post-training feedback showed an overall satisfaction score of 9.6 out of 10, and participants noted that the acquired skills and 6 communication plans were highly helpful for their work-related communications.



Performance conversation training: To enhance leaders' skills in communicating with employees and coaching them on career development, we held a training program, with a total duration of 100 hours. The training achieved strong effectiveness: it received an overall satisfaction score of 9.5 out of 10, and participants commented that the program was highly helpful, expressing a desire for more similar training opportunities..





EMPLOYEE ENGAGEMENT ACTIVITIES

To empower our employees to perform at their best and reach their full potential, we offer a diverse range of activities to support their work-life balance.

Team Building

Annual garden party

The event featured six distinct games and a prize wheel, all of which generated a joyful atmosphere among the attendees.

Team Buildings

We organized various events to continue to improve Team Work and communication.



Employee birthday party

Since September 2024, the employee birthday party transitioned from dinner to lunch. Everyone can get a small gift. The participation rate rose from 60% to 100%.

Special festivals



Dominican Republic Independence Day

This is a National Holiday we organized a celebration on the previous day with dancers in national customs, flags, music and candies for everyone to celebrate.



Spring Festival couplet writing activity

With the help of the local streets and communities, we invited calligraphy masters from the streets to write couplets and blessings for everyone on the spot.



Christmas Celebration

During this special season, we coordinate different activities for our employees, including a Welcoming activity of the Holiday season, Gifts, and Christmas party which is a special occasion for integration to celebrate the achievements of the year and share good memories with colleagues.



Sport activities



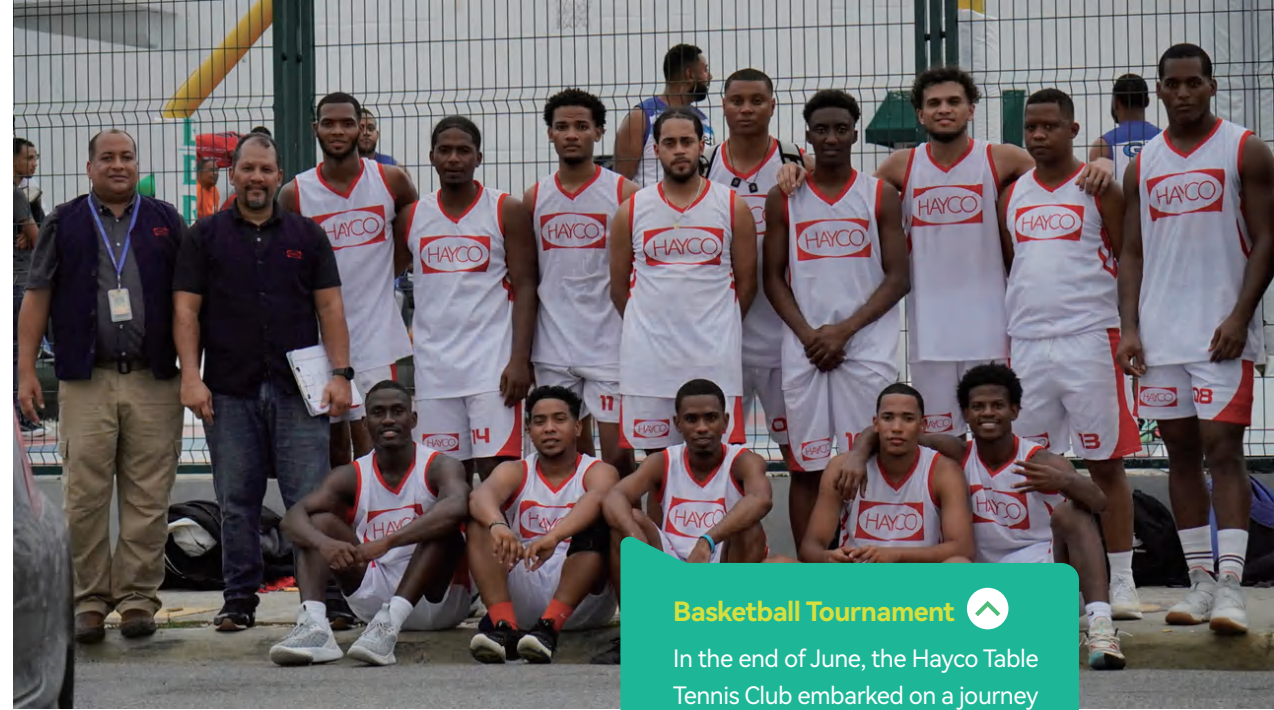
Yoga training courses

In collaboration with the Shenzhen Federation of Trade Unions, we organized a series of yoga training courses for Hayco and community Yoga fans, total of 200 trainees engaged in these two-hour classes on Sunday afternoon.



Hayco basketball club

Hayco Basketball Club's participation in the 2024 Yan Luo Street Union Cup was held successfully. All the players enjoy it and have lots of fun.



Basketball Tournament

In the end of June, the Hayco Table Tennis Club embarked on a journey to compete in the Bao'an District Table Tennis Competition. This marked our first foray beyond the confines of our community, and onto a larger stage.

Hayco table tennis club

Our basketball team obtained the 3rd place in the park Tournament 2024. With the participation of players from various functional teams.



Hayco running club

The running club activities have been actively participated by 46 runners.

Employees Support



Back to School

Before the first day of school, we delivered back packs to employees with school supplies for every child, where each backpack was pre-filled with school supplies tailored to every child's grade level.

Scholarship Program

The purpose of this Scholarship is to support education. We granted 4 scholarships in 2024 to children with outstanding academic achievement in Math's, Natural Science and Social Science. Awarded students can use the benefit for school tuition, school supplies, English classes and special trainings.



Hayco Care Program

We prepared and distributed a learning package for children who will start their primary school, fostering a supportive learning environment for all children.



Parent-child reading event

We brought together parents and their children to engage in a shared reading experience. We read a book named "The Tiger Corps" together.



Hayco Winter Camp

We organized the winter camp for the families of our employees, bringing together children from different backgrounds and age groups to learn, play, and create lasting memories.



HEALTH, SAFETY AND WELLBEING

At Hayco, we recognize that the health, safety, and well-being of our leaders, employees, and partners are not just a legal obligation but a fundamental moral imperative and a key driver of sustainable business success. Achieving and maintaining a safe and healthy work environment demands an unwavering commitment from every stakeholder within our ecosystem.

HEALTH AND SAFETY MANAGEMENT

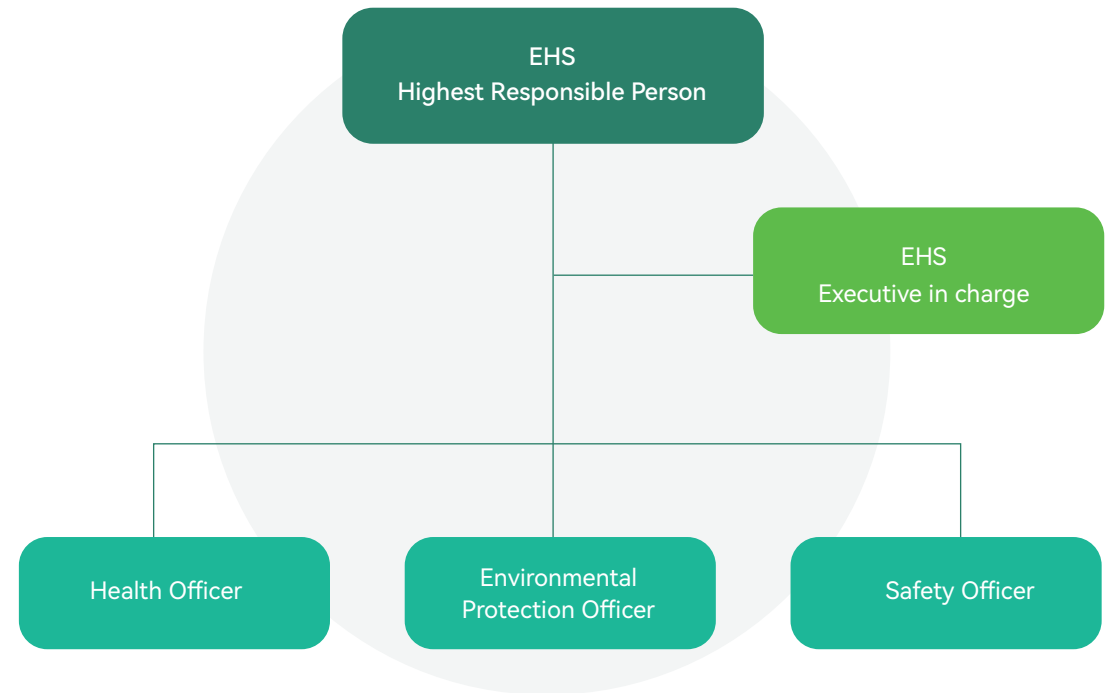
We have developed a comprehensive health and safety management system that aligns seamlessly with local, national, and international Environmental, Health, and Safety (EHS) laws and regulations. Our system adheres to the rigorous standards set by ISO 45001, underscoring our dedication to maintaining the highest levels of occupational health and safety practices. To ensure our health and safety policies remain current and effective, we conduct regular reviews of our policies and procedures, making necessary adjustments to address emerging risks and regulatory changes.

Central to our health and safety management is our EHS Committee. Comprising of senior management representatives the committee assumes overall responsibility for health and safety issues within our organization. Their strategic oversight and proactive engagement ensure that health and safety remain at the forefront of our operational priorities, fostering a culture of safety and well-being across all levels of our workforce.



- In 2024, we added Security Persons at Hayco Shenzhen and Dominican Republic

EHS committee structure

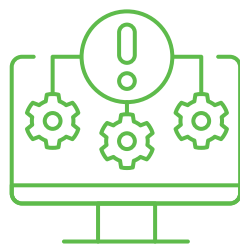


Our Security Personnel play a crucial role in maintaining the safety and security of our premises and employees.

SAFETY RISK MANAGEMENT

We place great emphasis on the identification and assessment of risks in occupational health and safety management. Our systematic risk assessment process is designed to comprehensively identify potential safety hazards that could arise from various sources, including equipment failures, chemical leaks, and human errors.

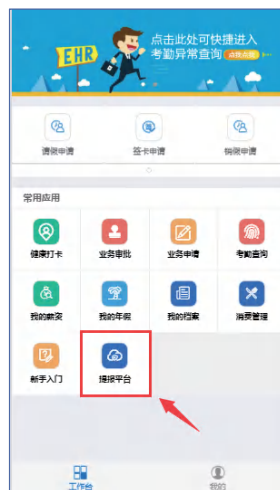
We employ a multi-faceted approach to identify, assess, and mitigate potential hazards. Through Operational Risk Assessment (ORA), Task Risk Assessment (TRA), and Job Safety Analysis (JSA), we systematically evaluate risks associated with various work activities. For high-severity and high-likelihood risks, we implemented engineering controls, such as installing safety interlocks on equipment, improving ventilation systems to prevent chemical exposure, and implementing automated monitoring systems to detect potential hazards in real-time. For risks with moderate severity or likelihood, we focused on administrative controls, including developing standard operating procedures, conducting regular safety training, and implementing job rotation to reduce fatigue-related errors.



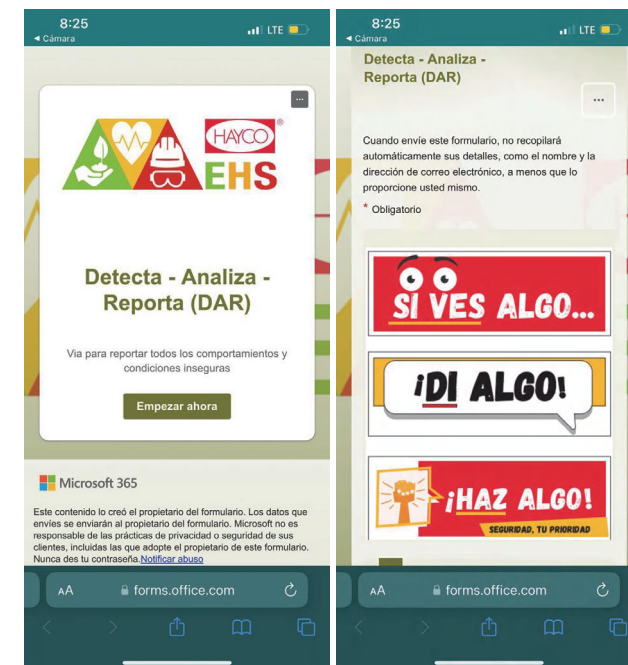
INCIDENT REPORTING AND RESPONSE

We encourage all employees to report any hazard or potential hazard and we commit to protect the reporter from any retaliation. By doing so, we gained a clear understanding of the risk landscape within our operations, enabling us to prioritize and allocate resources effectively.

At Hayco Shenzhen, employees can report via E-HR platform.



At Hayco Dominican Republic, we have DAR (Detect, Analyze, Report) platform for reporting unsafe conditions, unsafe acts, and incidents. In the DAR platform, which is for reporting unsafe events, there is a section that informs employees about confidentiality.



In the event of an incident, we will take the following actions: First, we will arrange for our EHS personnel to act swiftly, ensuring the affected person receives immediate medical attention at our on-site medical unit. Next, we will conduct interviews with the affected person and witnesses, and carry out a thorough verification/inspection of the relevant processes, machinery, equipment, and environment. Then, we will complete a preliminary information form and organize a meeting with area in-charges and relevant parties. After that, we will identify the root cause of the incident and outline actions to eliminate or reduce risks in the form. Finally, we will conduct follow-up monitoring.

SAFETY TRAINING AND PARTICIPATION

All employees have access to and participate in safety and health training. Annual training plans cover specific topics, and activities like EHS week/month and medical days are organized.

• Safety month at Hayco Shenzhen

We organized our 2024 Safety Month Activities, with 7 engaging and impactful activities. These included first aid training, forklift skill competition, use of fire equipment competition, EHS Coordinator sport activity, online EHS knowledge campaign, safety oath & safety production responsibility letter, and safety experience camps. Also, we see strong collaboration and support from all Business Units for the Safety Month Activities.

Beyond the core activities, we also refined and established a structured follow-up process for the safety oath commitment, ensuring accountability post-ceremony. We further prioritized employee voice by actively listening to and incorporating feedback from employee representatives, fostering a more inclusive and effective safety culture across the organization.



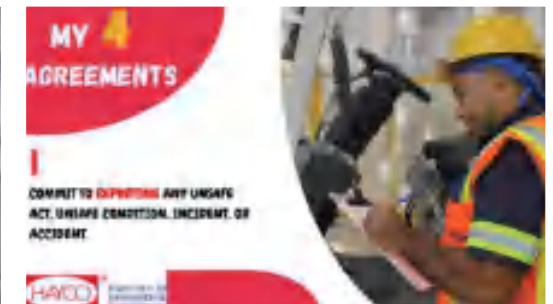
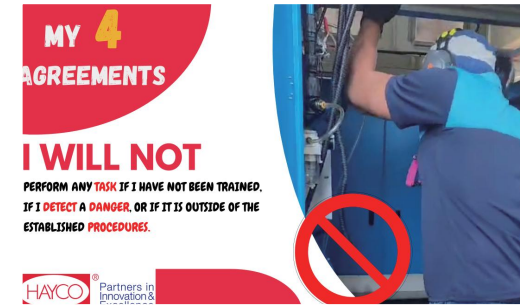
• Safety trainings

We conducted safety trainings annually by category. This year, we had first aid training, fire extinguisher training, crane handling training, etc. Each training was designed to meet industry safety standards and our internal ESG safety metrics, enhancing employees' risk awareness and emergency response capabilities.



⬆ First aid training

⬆ Fire extinguisher training



• My 4 Agreements program

At Hayco Dominican Republic, all employees participated in the launch and promotion of the My 4 Agreements program -- an initiative designed to embed safety consciousness into every aspect of our workplace culture. It reinforced our promise to place employee safety at the center of all operations.



HEALTH AND WELLNESS PROGRAMS

At Hayco Dominican Republic, we provide both permanent employees and contractors accessible medical consultations. We have a Hayco-employed doctor, offering general medicine consultations, conducting thorough evaluations and indicating necessary medical tests. In cases where specialized care is required, the doctor promptly refers the employee to the appropriate specialist, ensuring a seamless transition and providing all necessary documentation to facilitate timely access to medical treatment.



At Hayco Shenzhen, we offer an annual free health check-up to all workers who have completed one year or more of service with the company with a unified vehicle transportation service. For more serious medical conditions that require in-depth hospital examinations, our company provides paid leave on a case-by-case basis to support employees in focusing on necessary medical care. In our continuous efforts to safeguard the interests of our employees, we have arranged for the purchase of AIA accident insurance for all staff members.

● EAP Program

Mental health of our employees is important and we have established a global third-party Employee Assistance Program (EAP) platform that offers comprehensive support. A core service of this platform is a dedicated mental health counseling hotline, complemented by regular training sessions, Q&A workshops, and one-on-one consultation services delivered by professional EAP instructors. The accessibility of these EAP resources is broad covering not only all employees but also their family members and suppliers. Additionally, for new employees, information about EAP benefits is proactively shared upon their onboarding to ensure early awareness.

The counseling hotline of EAP operates 24/7, providing round-the-clock access to online counseling and psychological guidance. In terms of data-driven improvement, the EAP platform issues 1-2 anonymized annual mental health assessment reports for employees each year.



Contact Hayco EAP... Anytime, Anywhere
No cost, confidential solutions to life's challenges.

Confidential Emotional Support
Our highly trained, local clinicians will listen to your concerns and help you and your family members with any issues, including:
• Anxiety, depression, stress
• Grief, loss, life adjustments
• Relationship/partner conflicts

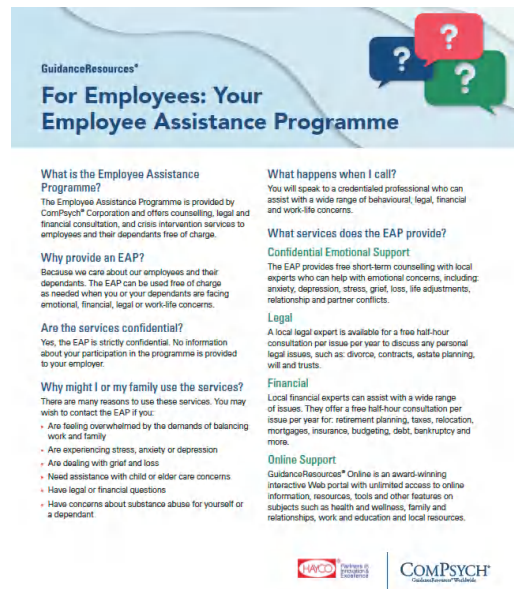
Legal Guidance
Talk to a local legal expert for practical assistance with your most pressing issues. Our experts offer a free half-hour consultation per issue per year on almost any legal topic, including:
• Divorce, adoption, family law
• Wills and trusts
• Landlord or tenant issues, and more

Financial Information
Our financial experts can assist with a wide range of issues. They offer a free half-hour consultation per issue per year for:
• Retirement planning, taxes
• Relocation, mortgages, insurance
• Budgeting, debt, bankruptcy and more

Online Support
GuidanceResources® Online is your 24/7 link to articles and educational content on the subjects that matter most to you:
• Relationships, family, parenting
• Health, wellness, well-being
• Legal, financial, time and more

24/7 Support, Resources & Information

Hayco



GuidanceResources®
For Employees: Your Employee Assistance Programme

What is the Employee Assistance Programme?
The Employee Assistance Programme is provided by ComPsych® Corporation and offers counselling, legal and financial consultation, and crisis intervention services to employees and their dependants free of charge.

Why provide an EAP?
Because we care about our employees and their dependants. The EAP can be used free of charge as needed when you or your dependants are facing emotional, financial, legal or work-life concerns.

Are the services confidential?
Yes, the EAP is strictly confidential. No information about your participation in the programme is provided to your employer.

Why might I or my family use the services?
There are many reasons to use these services. You may wish to contact the EAP if you:
• Are feeling overwhelmed by the demands of balancing work and family
• Are experiencing stress, anxiety or depression
• Are dealing with grief and loss
• Need assistance with child or elder care concerns
• Have legal or financial questions
• Have concerns about substance abuse for yourself or a dependant

What happens when I call?
You will speak to a confidential professional who can assist with a wide range of behavioural, legal, financial and work-life concerns.

What services does the EAP provide?
Confidential Emotional Support
The EAP provides free short-term counselling with local experts who can help with emotional concerns, including anxiety, depression, stress, grief, loss, life adjustments, relationship and partner conflicts.

Legal
A local legal expert is available for a free half-hour consultation per issue per year to discuss any personal legal issues, such as: divorce, contracts, estate planning, will and trusts.

Financial
Local financial experts can assist with a wide range of issues. They offer a free half-hour consultation per issue per year for: retirement planning, taxes, relocation, mortgages, insurance, budgeting, debt, bankruptcy and more.

Online Support
GuidanceResources® Online is an award-winning interactive Web portal with unlimited access to online information, resources, tools and other features on subjects such as health and wellness, family and relationships, work and education and local resources.

Hayco | **ComPsych**

The EAP platform releases two monthly newsletters focused on mental health, aiming to raise awareness and encourage everyone to pay attention to psychological issues. To further reinforce mental health awareness, we also post mental health promotion posters within the Company, addressing their needs across multiple domains including physical and mental health, legal consultations, and financial and tax advisory services.



COMMUNITY ENGAGEMENT



We firmly believe that a thriving business is inextricably linked to a vibrant and well-supported community. Active community participation is not just a responsibility but a cornerstone of sustainable growth. In 2024, we deeply engaged into the local community activity and communication.

↓ Visit to Nursing Home

On January 2024, 10 employees from Hayco Dominican Republic visited a Nursing Home located in the Boca Chica sector of Santo Domingo Este and delivered some essential items for their nutrition and personal hygiene.



↓ Donation of Chairs and tables

On October 2024, Our Dominican Republic management team visited a Parish church and donated 100 chairs and six tables to be used in its multipurpose room, where they provide continuing education to the area's teenagers.



↓ Tree Planting

Dominican Republic volunteer employees gathered in Hayco's facilities on June 20th, 2024 for an activity at Los Reyitos, a community located in San Cristobal. The participants contributed their time and energy to plant trees to ensure the air purification and water conservation in this community.





Volunteer Cleaning Activities

In 2024, we launched two volunteer initiatives focused on environmental care: we partnered with the local community to hold our first joint volunteer cleaning activity, with 40 employees participating; additionally, our volunteer team organized a collective clean-up at Fenghuang Mountain, drawing the participation of 100 employees.



To recognize and encourage the dedicated efforts of the volunteers, we have recognition activities for top 30 volunteers in October.



Blood Donation

As a concrete reflection of our employees' commitment to social responsibility and care for the community, we organized blood donation event a total of 12,400 milliliters of blood contributed to support clinical blood supply.



Take care of the elderly

In the 2024 Dragon Boat Festival, we organized a visit to the elderly residing in the community nursing home, bringing them zongzi as well as heartfelt care to convey our warm festive greetings.

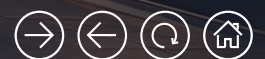


ANNEX

07



- ➔ Metrics
- ➔ Index
- ➔ Independent Verification Statement
- ➔ Feedback form



METRICS

Environment topics

Topics	Metrics	Unit	2022	2023	2024
Energy	Energy consumption within the organization	MWh	53,314	60,190	68,734.07
	- Diesel consumption	L	47,448	151,469.40	109,776.89
	- LPG (Liquefied Petroleum Gas) consumption	Ton	6.34	1.78	4.18
	- Electricity consumption	MWh	51,046.80	57,808.80	66,639.07
	Renewable energy consumption	MWh	2,146	2,268	2,095
	- Solar energy consumption	MWh	2,146	2,268	2,095
	Energy consumption outside of the organization	MWh	0	0	0
Greenhouse Gas	Scope 1 GHG emissions	Tons CO ₂ e	75 ⁷	871.50	1,113.41
	Scope 2 GHG emissions (location based)	Tons CO ₂ e	45,003	35,985	37,463.33
	Scope 3 GHG emissions	Tons CO ₂ e	N/A	106,838.61	Not available ⁸

⁷ Before 2022, the statistics were prepared in accordance with Shenzhen's local carbon compliance standards; starting from 2023, the statistics have been prepared in accordance with the ISO 14064 standard.

⁸ Scope 3 GHG emissions data for 2024 hasn't been verified internally yet.

Topics	Metrics	Unit	2022	2023	2024
Water Resources	Water withdrawal	Megaliters	389.00	327.60	340.60
	Water withdrawal from all areas with water stress	Megaliters	0	0	0
Waste	Hazardous waste generated	Ton	287.30	72.70	67.11
	Non-hazardous waste generated	Ton	2,915.60	2,609.40	1849.20



Social topics

Topics	Metrics	Unit	2022	2023	2024
Diversity and Inclusion	Total number of employees ⁹	Person(s)	5,254	5,226	5,261
	By gender at Hongkong Headquarter & Shenzhen Sites				
	Male	Person(s)	1,537	1,506	1,973
	Female	Person(s)	1,207	1,110	1,086
	By age at Hongkong Headquarter & Shenzhen Sites				
	Under 30 years old	Person(s)	337	370	566
	30-50 years old	Person(s)	2,217	2,041	2,210
	Over 50 years old	Person(s)	190	205	283
Diversity and Inclusion	By gender at Dominican Republic Site				
	Male	Person(s)	931	917	780
	Female	Person(s)	1,665	1,693	1,422
	By age at Dominican Republic Site				
	Under 30 years old	Person(s)	1,968	1,858	1,506
	30-50 years old	Person(s)	606	720	666
	Over 50 years old	Person(s)	22	32	30

⁹ The scope of statistics for 2022 and 2024 cover all employees, and the scope of statistics for 2023 does not include dispatched workers.

¹⁰ work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months.

Topics	Metrics	Unit	2022	2023	2024
Occupational Health and Safety	Fatalities as a result of work-related injury	/	0	0	0
	High-consequence work-related injuries ¹⁰	/	0	0	0
	Recordable work-related injuries	/	15	10	12
	The number of fatalities as a result of work-related ill health	/	0	0	
	The number of cases of recordable work-related ill health	/	0	0	
	Average hours of training per employee	Hours	11.75	20.05	17.64
	By gender				
Training and education	Male	Hours	7.50	13.33	20.61
	Female	Hours	5.54	8.39	14.86
	By employee category				
	Senior Management	Hours	7.00	17.21	22.18
	(Governing bodies: directors, supervisors, senior executives)				
	Middle Management	Hours	12.90	20.84	23.51
	Frontline Management	Hours	15.19	22.61	25.99
	Employees	Hours	4.65	8.20	15.91

Topics	Metrics	Unit	2022	2023	2024
Performance and career development reviews	Percentage of employees by gender and by employee category who received regular performance/career development reviews at Hongkong Headquarter & Shenzhen Sites				
	Senior Management (Governing bodies: directors, supervisors, senior executives)				
	Male	%	100	100	100
	Female	%	100	100	100
	Middle Management				
	Male	%	100	100	100
	Female	%	100	100	100
	Frontline Management				
	Male	%	100	100	100
	Female	%	100	100	100
	Employees				
	Male	%	100	100	100
	Female	%	100	100	100
	Percentage of employees by gender and by employee category who received regular performance/career development reviews at Dominican Republic Site				
	Senior Management (Governing bodies: directors, supervisors, senior executives)				
	Male	%	100	100	100
	Female	%	100	100	100
	Middle Management				
	Male	%	100	100	100
	Female	%	100	100	100
	Frontline Management				
	Male	%	100	100	100

Topics	Metrics	Unit	2022	2023	2024
Performance and career development reviews	Female	%	100	100	100
	Employees				
	Male	%	100	100	100
Customer Health and Safety	Female	%	100	100	100
	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement				
		%	100	100	100
	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services				
		/	0	0	0
Marketing and labelling	Percentage of significant product or service categories covered by and assessed for compliance				
		%	100	100	100
	Number of incidents of non-compliance concerning product and service information and labeling				
		/	0	0	0
Customer Privacy	TNumber of incidents of non-compliance concerning marketing communications				
		/	0	0	0
	Total number of substantiated complaints received concerning breaches of customerprivacy				
		/	0	0	0
	Total number of identified leaks, thefts, or losses of customer data				
		/	0	0	0

INDEX

Index A: GRI Standards Index General Disclosure

Statement of use	Hayco has reported in accordance with the GRI Standards for the period 1 January to 31 December 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not Applicable

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	About Hayco	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.		
	2-2 Entities included in the organization’s sustainability reporting	Reporting Scope			
	2-3 Reporting period, frequency and contact point	Reporting Scope			
		Reporting Availability			
	2-4 Restatements of information	Reporting Scope			
	2-5 External assurance	Independent Verification Statement			
	2-6 Activities, value chain and other business relationships	About Hayco			
	2-7 Employees	Metrics			
	2-8 Workers who are not employees	Metrics			
	2-9 Governance structure and composition	Corporate Governance			
	2-10 Nomination and selection of the highest governance body	Corporate Governance			
	2-11 Chair of the highest governance body	Corporate Governance			
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance			
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	Statement of Responsibility			
	2-15 Conflicts of interest	Business Ethics			
	2-16 Communication of critical concerns	Sustainability Governance			
	2-17 Collective knowledge of the highest governance body	Sustainability Governance			
	2-18 Evaluation of the performance of the highest governance body	Sustainability Governance			
	2-19 Remuneration policies	/		Confidentiality constraints	Sensitive information
	2-20 Process to determine remuneration	/		Confidentiality constraints	Sensitive information
	2-21 Annual total compensation ratio	/		Confidentiality constraints	Sensitive information
	2-22 Statement on sustainable development strategy	Sustainability Strategy			
	2-23 Policy commitments	Our Honour & Awards			
	2-24 Embedding policy commitments	Sustainability Governance			
	2-25 Processes to remediate negative impacts	Business Ethics			
	2-26 Mechanisms for seeking advice and raising concerns	Business Ethics			
	2-27 Compliance with laws and regulations	Business Ethics			
	2-28 Membership associations	Our Honour & Awards			
	2-29 Approach to stakeholder engagement	Materiality Assessment			
	2-30 Collective bargaining agreements	Business Ethics			
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment		A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.	
	3-2 List of material topics	Materiality Assessment			
Economic performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	/		Information unavailable	Non-listed company

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	/		Information unavailable	Non-listed company
	201-2 Financial implications and other risks and opportunities due to climate change	/		Information unavailable	Non-listed company
	201-3 Defined benefit plan obligations and other retirement plans	/		Information unavailable	Non-listed company
	201-4 Financial assistance received from government	/		Information unavailable	Non-listed company
Market presence					
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Rights			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Human Rights			
	202-2 Proportion of senior management hired from the local community	Community Engagement			
Indirect economic impacts					
GRI 3: Material Topics 2021	3-3 Management of material topics	Community Engagement			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Community Engagement			
	203-2 Significant indirect economic impacts	Community Engagement			
Procurement practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	Green Logistics			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Green Logistics			
Anti-corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Ethics			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Business Ethics			
	205-2 Communication and training about anti-corruption policies and procedures	Business Ethics			
	205-3 Confirmed incidents of corruption and actions taken	Business Ethics			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Anti-competitive behavior					
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Ethics			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Ethics			
Tax					
GRI 3: Material Topics 2021	3-3 Management of material topics	/		Confidentiality constraints	Non-listed company
GRI 207: Tax 2019	207-1 Approach to tax	/		Confidentiality constraints	Non-listed company
	207-2 Tax governance, control, and risk management	/		Confidentiality constraints	Non-listed company
	207-3 Stakeholder engagement and management of concerns related to tax	/		Confidentiality constraints	Non-listed company
	207-4 Country-by-country reporting	/		Confidentiality constraints	Non-listed company
Materials					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Products			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	/		Confidentiality constraints	Low material impact
	301-2 Recycled input materials used	Sustainable Products			
	301-3 Reclaimed products and their packaging materials	Sustainable Products			
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Climate Change			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Metrics			
	302-2 Energy consumption outside of the organization	Metrics			
	302-3 Energy intensity	/		Confidentiality constraints	Confidential production volume or sales volume
	302-4 Reduction of energy consumption	Metrics			
	302-5 Reductions in energy requirements of products and services	Sustainable Products			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Water and effluents					
GRI 3: Material Topics 2021	3-3 Management of material topics	Water Management			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management			
	303-2 Management of water discharge-related impacts	Water Management			
	303-3 Water withdrawal	Water Management			
	303-4 Water discharge	Water Management			
	303-5 Water consumption	Water Management			
Biodiversity					
GRI 3: Material Topics 2021	3-3 Management of material topics	/		Not applicable	Low material impact
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	/		Not applicable	Low material impact
	304-2 Significant impacts of activities, products and services on biodiversity	/		Not applicable	Low material impact
	304-3 Habitats protected or restored	/		Not applicable	Low material impact
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	/		Not applicable	Low material impact
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	Climate Change			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate Change			
	305-2 Energy indirect (Scope 2) GHG emissions	Climate Change			
	305-3 Other indirect (Scope 3) GHG emissions	Climate Change			
	305-4 GHG emissions intensity	/		Confidentiality constraints	Confidentiality constraints
	305-5 Reduction of GHG emissions	Climate Change			
	305-6 Emissions of ozone-depleting substances (ODS)	/		Information unavailable	No data available
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	/		Information unavailable	No data available

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Spills					
GRI 3: Material Topics 2021	3-3 Management of material topics	/		Not applicable	Low material impact
GRI 306: Effluents and Waste 2016	306-3 Significant spills	/		Not applicable	Low material impact
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	Wate and Pollutants			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Wate and Pollutants			
	306-2 Management of significant waste-related impacts	Wate and Pollutants			
	306-3 Waste generated	Wate and Pollutants			
	306-4 Waste diverted from disposal	Wate and Pollutants			
	306-5 Waste directed to disposal	Wate and Pollutants			
Supplier environmental assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Procurement			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Sustainable Procurement			
	308-2 Negative environmental impacts in the supply chain and actions taken	Sustainable Procurement			
Employment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Workforce Development and Engagement			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	/		Confidentiality constraints	Sensitive information
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Workforce Development and Engagement			
	401-3 Parental leave	Diversity, Equality and Inclusion			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Labor / management relations					
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Rights			
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Human Rightsn			
Occupational health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Health, Safety and Wellbeing			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health, Safety and Wellbeing			
	403-2 Hazard identification, risk assessment, and incident investigation	Health, Safety and Wellbeing			
	403-3 Occupational health services	Health, Safety and Wellbeing			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health, Safety and Wellbeing			
	403-5 Worker training on occupational health and safety	Health, Safety and Wellbeing			
	403-6 Promotion of worker health	Health, Safety and Wellbeing			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health, Safety and Wellbeing			
	403-8 Workers covered by an occupational health and safety management system	Health, Safety and Wellbeing			
	403-9 Work-related injuries	Metrics			
	403-10 Work-related ill health	Metrics			
Training and education					
GRI 3: Material Topics 2021	3-3 Management of material topics	Workforce Development and Engagement			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Metrics			
	404-2 Programs for upgrading employee skills and transition assistance programs	Workforce Development and Engagement			
	404-3 Percentage of employees receiving regular performance and career development reviews	Metrics			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Diversity and equal opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity, Equality and Inclusion			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity, Equality and Inclusion, Metrics			
	405-2 Ratio of basic salary and remuneration of women to men	Diversity, Equality and Inclusion, Metrics			
Non-discrimination					
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Rights			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Rights			
Freedom of association and collective bargaining					
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Rights			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Rights			
Child labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Rights			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights			
Forced or compulsory labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Rights			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights			
Security practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	Health, Safety and Wellbeing			
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Health, Safety and Wellbeing			
Rights of Indigenous Peoples					
GRI 3: Material Topics 2021	3-3 Management of material topics	/		Not applicable	Low material impact

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 3: Material Topics 2021	411-1 Incidents of violations involving rights of indigenous peoples	/		Not applicable	Low material impact
Local communities					
GRI 3: Material Topics 2021	3-3 Management of material topics	Community Engagement			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Engagement			
	413-2 Operations with significant actual and potential negative impacts on local communities	/		Not applicable	The organization does not have operating points with significant actual or potential negative impacts on local communities
Supplier social assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Procurement			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sustainable Procurement			
	414-2 Negative social impacts in the supply chain and actions taken	Sustainable Procurement			
Public policy					
GRI 3: Material Topics 2021	3-3 Management of material topics	/		Not applicable	Low material impact
GRI 415: Public Policy 2016	415-1 Political contributions	/		Not applicable	Low material impact
Customer health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Procurement			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Metrics			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Metrics			
Marketing and labelling					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Products			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Metrics			
	417-2 Incidents of non-compliance concerning product and service information and labeling	Metrics			
	417-3 Incidents of non-compliance concerning marketing communications	Metrics			
Customer privacy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Cybersecurity			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Metrics			

Index B: Alignment to UNSDGs

SDGs Targets	Report Alignment	SDGs Targets	Report Alignment	SDGs Targets	Report Alignment	SDGs Targets	Report Alignment	SDGs Targets	Report Alignment
1 No Poverty	Workforce Development and Engagement Community Engagement	4 Quality Education	Workforce Development and Engagement	7 Affordable and Clean Energy	Climate Change	12 Responsible Consumption and Production	Sustainable Procurement Sustainable Products Green Logistics	17 Partnerships for the Goals	Sustainable Procurement
2 Zero Hunger	Community Engagement	5 Gender Equality	Human Rights Diversity, Equality and Inclusion	8 Decent Work and Economic Growth	Workforce Development and Engagement	13 Climate Action	Climate Change		
3 Good health and welfare	Workforce Development and Engagement Health, Safety and Wellbeing Community Engagement	6 Clean Water and Sanitation	Water Management	10 Reduced Inequalities	Human Rights Diversity, Equality and Inclusion	16 Peace, Justice and Strong Institutions	Corporate Governance		

Index C: Alignment to SASB Household and Personal Products standard

Topics	Metrics	Unit	2022	2023	2024
Water management	Total water withdrawn	m3	389.00	327.60	371.20
	Total water consumed	Megalitre	389.00	327.60	371.20
	Percentage of each in regions with High or Extremely High Baseline Water Stress	%	0	0	0
Product Environmental Health and Safety Performance	Revenue from products that contain substances of high concern	CNY	Confidential		
	Revenue from products designed with green chemistry principles	CNY			
Packaging Life cycle Management	Total weight of packaging	Metric tonne	Confidential		
	percentage made from recycled or renewable materials, and	%	Not available		
	percentage that is recyclable, reusable or compostable	%			
Environmental & Social Impacts of Palm Oil Supply Chain	Amount of palm oil sourced, percentage certified through the Roundtable on Sustainable Palm Oil (RSPO)	Metric tonne	Not applicable		
	supply chains as (a) Identity Preserved	%			
	(b) Segregated	Metric tonne			
		%			
	(c) Mass Balance or	Metric tonne			
		%			
	(d) Book & Claim	Metric tonne			
		%			

Index D: Alignment to UNGC United Nations Global Compact Ten Principles

Principles	Content	Section
Human Rights		
Principle I	Businesses should respect and uphold all internationally recognized human rights	Human Rights
Principle II	Companies will not be involved (“complicit”) in any disregard or abuse of human rights	Human Rights
Labour Standards		
Principle III	Companies should uphold freedom of association and recognize the right to collective bargaining between labor and management	Human Rights
Principle IV	Companies should eliminate all forms of forced labor	Human Rights
Principle V	Enterprises should eliminate child labor system	Human Rights
Principle VI	Companies should eliminate any discrimination in employment and occupation	Human Rights
Environment		
Principle VII	Businesses respond to environmental challenges in a proactive manner	Climate Change Water Management Waste and Pollutants
Principle VIII	Companies should take the initiative to increase their responsibility for environmental protection	Climate Change Water Management Waste and Pollutants
Principle IX	Companies should encourage the development and promotion of environmentally friendly technologies	Sustainable Products
Anti-corruption		
Principle X	Businesses should oppose all forms of corruption, including extortion and bribery	Business Ethics

INDEPENDENT VERIFICATION STATEMENT

SGS

ASSURANCE STATEMENT
CN25/00008156

SGS-CSTC'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE HAYCO GROUP 2024 SUSTAINABILITY REPORT

NATURE OF THE ASSURANCE/VERIFICATION

SGS-CSTC STANDARDS TECHNICAL SERVICES CO., LTD. (hereinafter referred to as SGS) was commissioned by Hayco Group (hereinafter referred to as Hayco) to conduct an independent assurance on the entire sustainability performance information included in the English version of its 2024 Sustainability Report (hereinafter referred to as the Report).

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all Hayco's Stakeholders.

RESPONSIBILITIES

The sustainability performance information in the Report and its presentation are the management of Hayco.

Our responsibility is to express an opinion on the sustainability performance information within the scope of assurance with the intention to inform all Hayco's stakeholders.

SGS hereby states that it shall not be held responsible or liable for any direct, indirect, incidental, or consequential damages or losses arising from or in connection with the use of information provided in this report.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance (SRA) protocols used to conduct assurance are based upon internationally recognised assurance standards including ISAE3000.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options	Level of Assurance
ISAE3000	Limited

SCOPE OF ASSURANCE

This assurance engagement is confined to verifying the accuracy and reliability of the entire sustainability performance information presented in the Report.

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, onsite interviews with relevant employees at No. 2 Longshan 5th Road, Xiangshan Avenue, Bao'an District, Shenzhen City, Guangdong Province.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

SGS

LIMITATIONS AND MITIGATION

Data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

The greenhouse gas emissions related data in the Report has not undergone verification by an independent third-party auditor. In the context of the present assurance engagement, our procedures were limited to sample-based validation.

This assurance engagement was restricted to the group level of Hayco and did not include traceability of original data from all subordinate institutions.

This assurance engagement was limited to conducting interviews with departmental managers and selected employees of Hayco, in addition to reviewing relevant documents and records. External stakeholders were not included in the interview process.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and certification, operating in multiple countries and providing services. SGS affirm our independence from Hayco, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment.

FINDINGS AND CONCLUSIONS

ASSURANCE/VERIFICATION OPINION

On the basis of the methodology described and the assurance engagement performed, no inaccuracies or reliability issues were identified within the scope of the sustainability performance information covered by the Report.

Signed:



For and on behalf of SGS-CSTC

David Xin
Sr. Director – Business Assurance
16/F Century Yuhui Mansion, No. 73, Fucheng Road, Haidian District, Beijing, P.R. China

Dec. 3rd, 2025
WWW.SGS.COM



FEEDBACK FORM

We highly value the opinions of our stakeholders. Your comments and suggestions are essential for us to further improve the quality, clarity, and relevance of our sustainability reporting. We kindly ask for your support in completing the feedback form below and sharing your input with us.

1. Multiple-Choice Questions (Please tick “√” in the corresponding box)

	Excellent	Good	Fair	Poor
This report comprehensively and accurately reflects the company’s material impacts on the economy, society, and environment.				
The information, indicators, and data disclosed in this report are clear, complete, and accurate.				
This report is easy to read, with clear language, logical content structure, and user-friendly graphic design.				

2. Open-Ended Questions

- 1) What is your overall evaluation of this report?
- 2) What aspect of this report are you most satisfied with?
- 3) What information do you believe is missing from this report?
- 4) What suggestions do you have for our future ESG management and reports?

3. Optional: please Provide Your Contact Information (If Convenient)

Name:

Organization:

Phone Number:

Email Address:

Alternatively, we warmly invite all our stakeholders to provide feedback and comments on our 2024 Sustainability Report by completing the feedback form via <https://forms.microsoft.com/r/YS44bZ8PNp> or scanning the QR code below :



For more corporate updates, please visit our official website: <https://www.hayco.com/>