



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024/25

**Solidarity in  
Sustainability**



**維珍妮國際(控股)有限公司**  
**Regina Miracle International (Holdings) Limited**  
(Incorporated in the Cayman Islands with limited liability)

Stock Code : 2199

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# SOLIDARITY IN SUSTAINABILITY

## PERIOD AND SCOPE OF REPORTING

Regina Miracle International (Holdings) Limited (Regina Miracle or the Company) and the Company's subsidiaries (collectively, the Group or we) are pleased to announce our ninth Environmental, Social and Governance Report (the Report), which covers the sustainable development performance during the period from 1 April 2024 to 31 March 2025 (the Reporting Period). Unless otherwise expressed, the reporting scope of the Report covers the office in Hong Kong, and the offices and production bases in China and Vietnam. The Report aims to summarize the Group's sustainability approach, policies, initiatives and effectiveness in environmental, social and governance (ESG) aspects.



## REPORTING STANDARDS AND PRINCIPLES

The Report has been prepared in accordance with the Environmental, Social and Governance Reporting Code (the Code) as set out in the Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the Stock Exchange). The Report complies with the “comply or explain” provisions in the Code and follows the reporting principles of materiality, quantitative, balance, and consistency as the basis for preparation.

Materiality	The Report is prepared based on the results from the comprehensive materiality assessments with stakeholder engagement. The Board and senior management have reviewed and identified the materiality of the topics.
Quantitative	Significant key performance indicators (KPIs) in respect of environment and social aspects are provided in the Report to illustrate its performance.
Balance	The content and data provided in the Report are based on objective facts and free from bias to disclose the Group’s ESG achievements and areas for improvement.
Consistency	The Report has adopted the same KPIs and statistical methods as it used to compare ESG data in an effective manner.

## SOURCE OF DATA AND RELIABILITY

The information disclosed in the Report is derived from the Group’s official documents, statistical reports and relevant public information. The Board of Directors (the Board) of Regina Miracle undertakes that there are no false statements, misleading representations or material omissions, etc. and is responsible for the authenticity, accuracy and completeness of the Report. The Report provides detailed disclosure of the progress and effectiveness of Regina Miracle’s ESG efforts and was approved by the Board.

## ACCESSING AND RESPONDING TO THE REPORT

The Report is available in both Chinese and English versions, which can be accessed and downloaded from the “HKEXnews” websites of Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and Regina Miracle ([www.reginamiracleholdings.com](http://www.reginamiracleholdings.com)).

We value stakeholders’ views and suggestions. For any feedback on our sustainability management and the Report, please contact us via email at [info@reginamiracle.com](mailto:info@reginamiracle.com).



# THE INNOVATIVE DESIGN MANUFACTURER

Founded in 1998 and headquartered in Hong Kong, Regina Miracle has established presence in different categories and sectors following a series of product expansion over the years, offering the Company's world-renowned brand partners a diverse range of unique and high-quality products through innovation, mainly across four categories of intimate wear, sports products, consumer electronics components as well as bra pads and other accessory products. The Group is committed to the operation of a multinational manufacturing platform, with production bases in China and Vietnam that boast advanced and digital production equipment. As a global leader in the intimate wear manufacturing industry, with innovation being its core competence, the Group takes relentless approach in product R&D and achieved technological advancements one after the other.

## GROUP VALUE

### Vision



Promote sustainable development of the industry through innovation and technology, becoming an outstanding global conglomerate

### Mission



Create first-class products, deliver industry value and fulfill social responsibilities

### Value



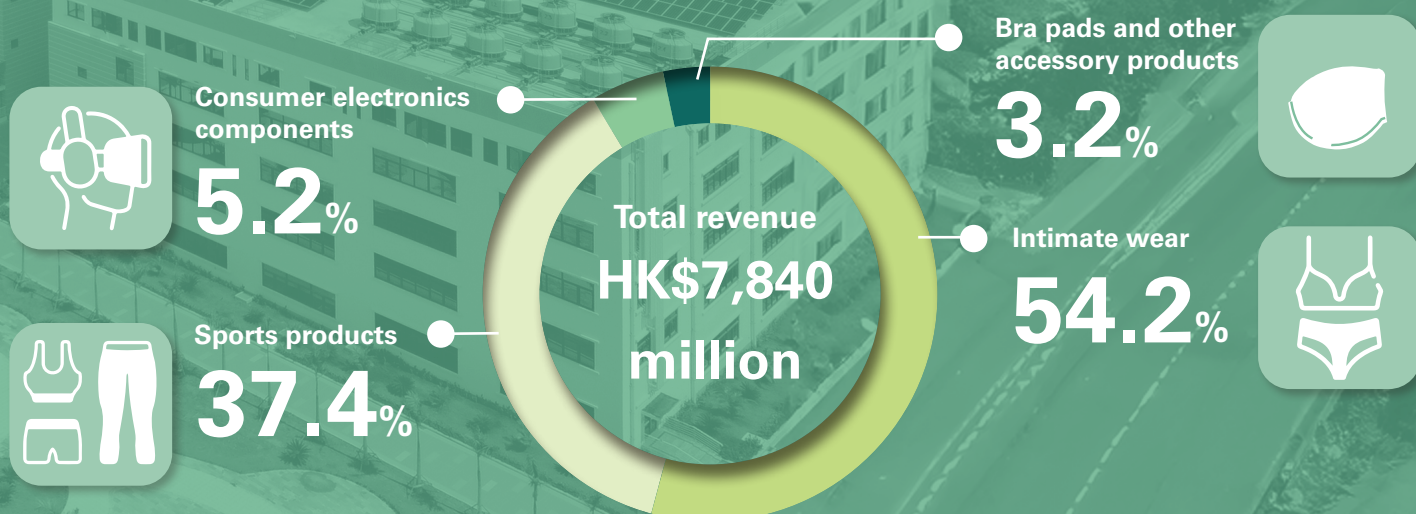
Integrity and pragmatism, people-oriented, innovative development, cooperation

### Belief

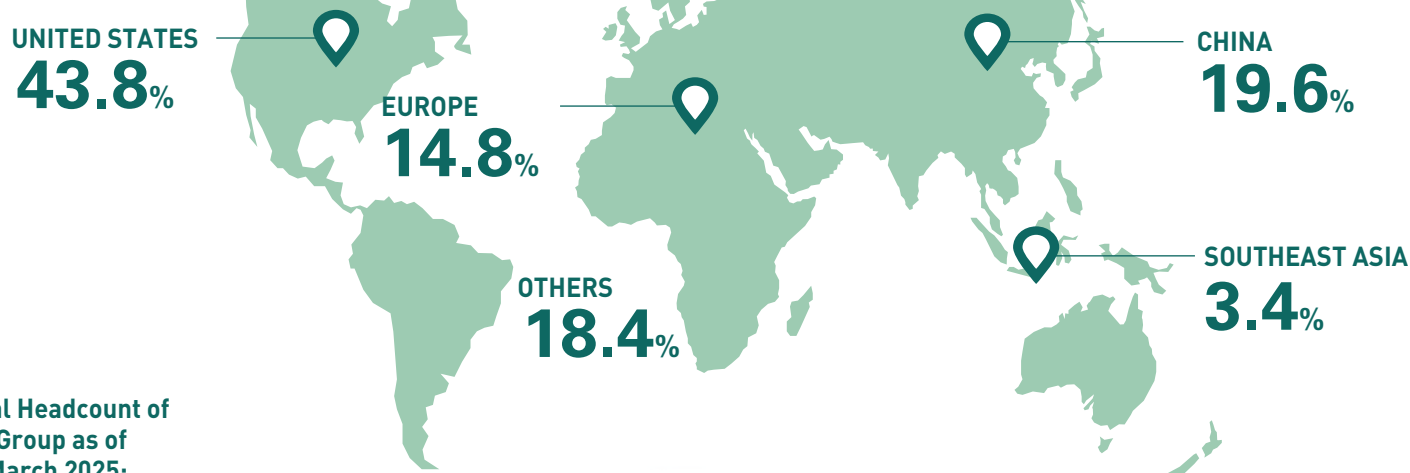


Together We Soar

## FISCAL 2025 REVENUE BREAKDOWN BY BUSINESS SEGMENTS



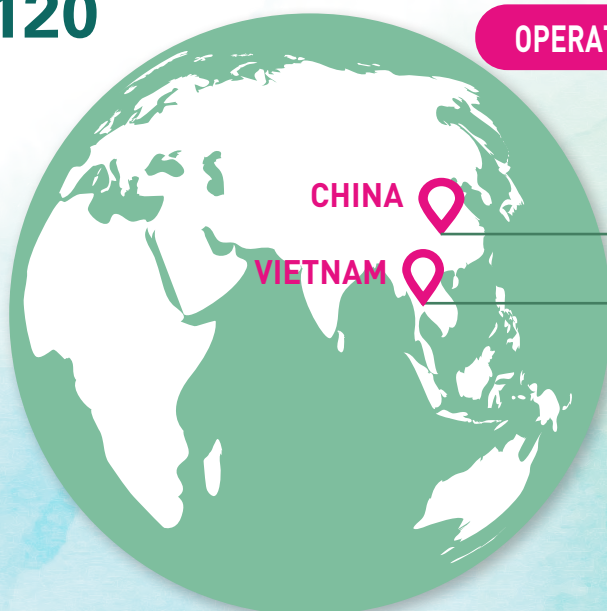
## FISCAL 2025 REVENUE BREAKDOWN BY SHIPMENT DESTINATIONS



Total Headcount of the Group as of 31 March 2025:

**37,120**

## OPERATIONAL PRESENCE



### CHINA

- Company Headquarters
  - Hong Kong
- R&D and Production Base
  - Shenzhen
  - Zhaoqing

### VIETNAM

- Production Base
  - Hai Phong (5 factories)
  - Hung Yen (1 factory)





**YY Hung**

*Chairman, Executive Director and  
Chief Executive Officer*

# CHAIRMAN'S MESSAGE

Looking back on the past year, we demonstrated resilience amid challenges in a global economic and geopolitical landscape. Through production differentiation and business strategies optimization, we have actively adapted to changes and maintained stable operations. Moving forward, we will continue to uphold innovation, quality, and efficiency as our very core principles alongside innovative technology and sustainable practices, with an aim to meet the evolving demands of our brand partners and the market for sustainable development.

## INTEGRATING ESG PRINCIPLES INTO BUSINESS OPERATIONS

We keep integrating ESG principles into our business operations. In addition to “Leadership in Energy and Environmental Design” (LEED) Gold certification (Building Design and Construction), Zhaoqing New District Industrial Park, our production base, obtained Energy Management System certification: ISO 50001. Practising energy efficiency in management has not only enhanced the efficiency of energy use, it also strengthened our energy management. These accreditations underscored our commitment to sustainable development in the design and operations of our factories.

In terms of smart operations, we actively pursued and piloted digital solutions, in a bid to enhance operational intelligence and efficiency while maintaining innovative craftsmanship. The cloud-based inspection system has enabled the management to monitor production line performance in real time from remote locations, giving flexibility in the decision-making process and greater operational transparency.





## STEADY PROGRESS TOWARD NET ZERO EMISSIONS BY 2050

We remain steadfast in our commitment to achieving net zero emissions. In addressing climate change, it is important to establish Science-Based Targets (SBTs) and set a clear direction for decarbonization. Although the target validation is still underway, we take pride in contributing to global decarbonization and actively advancing toward a low-carbon future.

To mitigate the impacts from climate change, we continue to explore viable solutions, including the installation of solar panels at our facilities, development of sustainable materials, and investment in R&D activities. Apart from this, we engage employees through diverse sustainability initiatives to raise awareness on and foster participation in environmental protection. While reducing our operational carbon footprint, we recognize collaboration with our supply chain partners as a critical role in carbon reductions along the entire value chain.

## LOOKING AHEAD

Innovation and sustainability are the driving force behind the meaningful progress we made. In the future, we will continue the implementation of energy-saving and carbon reduction initiatives – including improving energy efficiency, reducing consumption, optimizing production capacity, as well as expanding solar photovoltaic applications. We have established a net zero roadmap, demonstrating our firm commitment to addressing long-term climate challenges in attaining our goals: to reduce CO<sub>2</sub> emission intensity by 30% by 2030 (compared to Fiscal 2020 as base year) and to achieve net zero emissions by 2050.

We strive to create lasting value for brand partners, communities, and the environment. Staying true to our targets and vision, we will work alongside our employees to advance ESG. Through bolstered collaboration with business partners, we are building a brighter, more sustainable future for our society and our planet.





Data validation of

**Science-Based Targets**

is in progress

**25,931 m<sup>3</sup>**  
of recycled water

**251,275**  
employee  
training hours

**15.9 MW**  
solar photovoltaic  
capacity

Renewable energy  
**reduced carbon  
emissions by  
8,923 tons**

**9,237**  
female staff  
joined **women's  
empowerment  
training**

Generated  
**6.15 GWh**  
solar power

FISCAL  
**2025**  
HIGHLIGHTS

**64.9%**  
female employees

Hai Phong factories  
in Vietnam achieved  
**Zero Landfill**  
of production waste



**41.45%**  
female managers



**Sustainable  
materials**  
were used in  
**1,000+**  
products



## AWARDS AND HONORS

**Worldwide Responsible  
Accredited Production (WRAP)  
Gold Certificate**



**Hong Kong Investor Relations Association  
The 10th Investor Relations Awards 2024  
Best ESG (E)  
Best ESG (S)**



**CarbonCare InnoLab  
CarbonCare® Star Label 2024**



**BetterWork  
High Performance Factories**



**The Underfashion Club  
2024 Femmy Awards  
Sustainable Innovation Award**



**Caring Company  
"Caring Company" Logo since 2015**



## PARTNERSHIP WITH





## FIRST FIVE-YEAR PERFORMANCE

FISCAL 2021 – FISCAL 2025

### Environment

**Internal energy conservation of 5.18 GWh** was achieved in Vietnam Hai Phong factories

Since Fiscal 2020, our **rooftop solar photovoltaic capacity** has significantly increased from **2 MW** to **15.9 MW**

Hai Phong factories in Vietnam have achieved **Zero Landfill** of production waste since Fiscal 2021

A total of **98,249 m<sup>3</sup>** of **recycled water** at Factory E in Hai Phong, Vietnam

### Sustainable and Innovative Development

Approximately **40,000 pieces of virtual samples** were developed in total

### People and Community

**Employee training** reached **1,734,420 hours**

**48,491 female employees** participated in training on **women's empowerment**

**Volunteer service** reached over **67,200 hours**

**Charitable donations** over **HK\$5.6 million**

## 2030 SUSTAINABILITY GOALS

In Fiscal 2021, the Group established the “2030 Sustainability Goals” in line with the United Nations’ Sustainable Development Goals 2030. To achieve the vision of net zero emissions and integrate sustainable development into our core business, we have established a comprehensive sustainable development framework to facilitate changes based on the following strategies: environment, sustainable and innovative development, and people and community. For each ESG area, we have set specific targets and conducted annual assessments on its progress to ensure that we remain committed to creating sustainable value for our employees, partners, communities, and the planet.





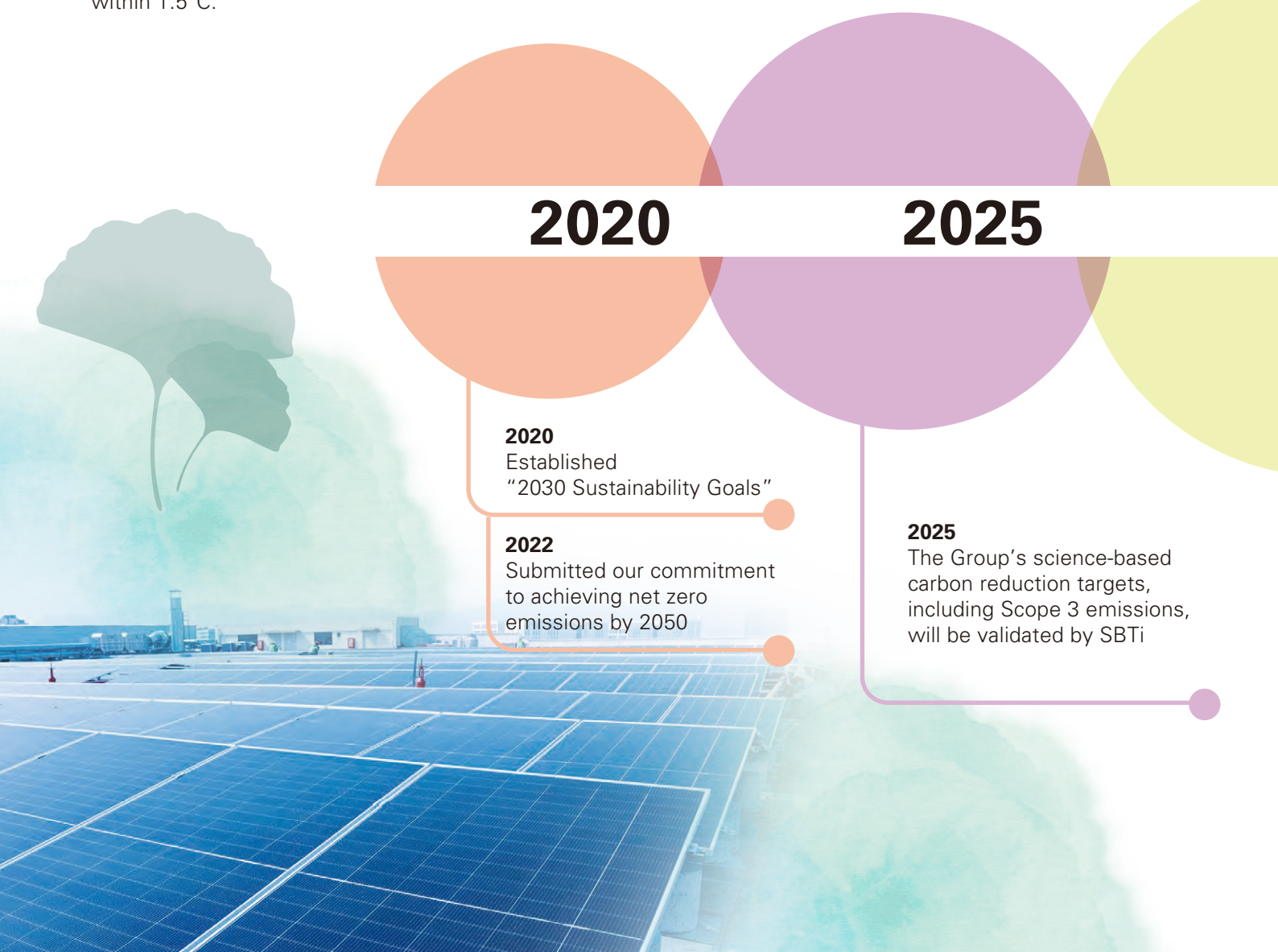
# SUSTAINABILITY VISION

## THE 2050 VISION FOR NET ZERO EMISSIONS

The Group is committed to achieving carbon neutrality by 2050 or earlier through energy transformation and innovation, which includes achieving better energy conservation of buildings, internal energy conservation and solar PV projects, clean electricity purchase agreements and purchasing renewable energy certificates (IREC).

## OUR NET ZERO ROADMAP

To support the response measures to climate change, we have set a mid-term carbon reduction target and are committed to achieving 30% reduction in CO<sub>2</sub> emission intensity by 2030 (compared to Fiscal 2020 as base year) and advancing toward net zero emissions by 2050. We aim to achieve science-based net zero targets established by the Science-Based Targets initiative (SBTi), thereby helping to limit global temperature rise to within 1.5°C.





**2030**

**2050**

**Net Zero  
Emissions**

**2030 Mid-Term Target**

Reduce CO<sub>2</sub> emission  
intensity by 30%  
(base year: Fiscal 2020)

**Solar PV Project**

Extend the implementation of  
rooftop solar PV projects to  
all factories by June 2025

**Expand Renewable  
Energy Usage**

Raise the proportion of  
renewable energy in  
operations and encourage  
suppliers to transition  
to clean energy

**Smart Energy Systems**

Optimize energy  
monitoring and adopt  
advanced automation  
technologies to enhance  
energy management

**Prioritize Sustainable Materials**

Increase the use of biodegradable,  
recyclable, or bio-based raw  
materials in products



## ESG GOVERNANCE

Regina Miracle highly values the importance of ESG topics, in order to make significant contributions to a sustainable future. We have been updating and improving our ESG governance structure to empower the Board to act as a proactive leader in participating in and supervising the Company's ESG matters. While maintaining the ongoing growth of our business, the Board gives great weight to the administration of its sustainable development management. We have established a multi-tiered, efficient, and actionable ESG governance system.

## ESG GOVERNANCE STRUCTURE

Success of the Group is attributable to the robust corporate governance framework that incorporates sustainable development management into various aspects of business operations and decision-making processes.

This governance framework ensures that the Group keeps its operations on track and has effective management over its sustainability policies. The Group's sustainability commitments and the impact of relevant topics (including climate-related topics) on our business operations are discussed at the Board level.

The Board, the ESG Committee and the ESG Execution Team are authorized to be responsible for the management, implementation and review of ESG topics.

### BOARD

- Comprises five executive Directors and three independent non-executive Directors
- Formulates and approves the long-term ESG and climate-related strategies and objectives of the Group
- Considers and oversees material ESG topics during the Reporting Period
- Reviews and approves the ESG report

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE (ESG COMMITTEE)

- Comprises two executive Directors and one independent non-executive Director
- Takes overall responsibility for ESG strategies, and oversees the process of developing approaches, executing strategies and preparing relevant reports by the management
- Supervises and monitors the Group's progress against climate-related strategies, policies, planning, objectives, commitments and execution processes
- Gives advice to the Board and provides the Board with the assistance on the management of relevant matters; and holds at least one meeting per year

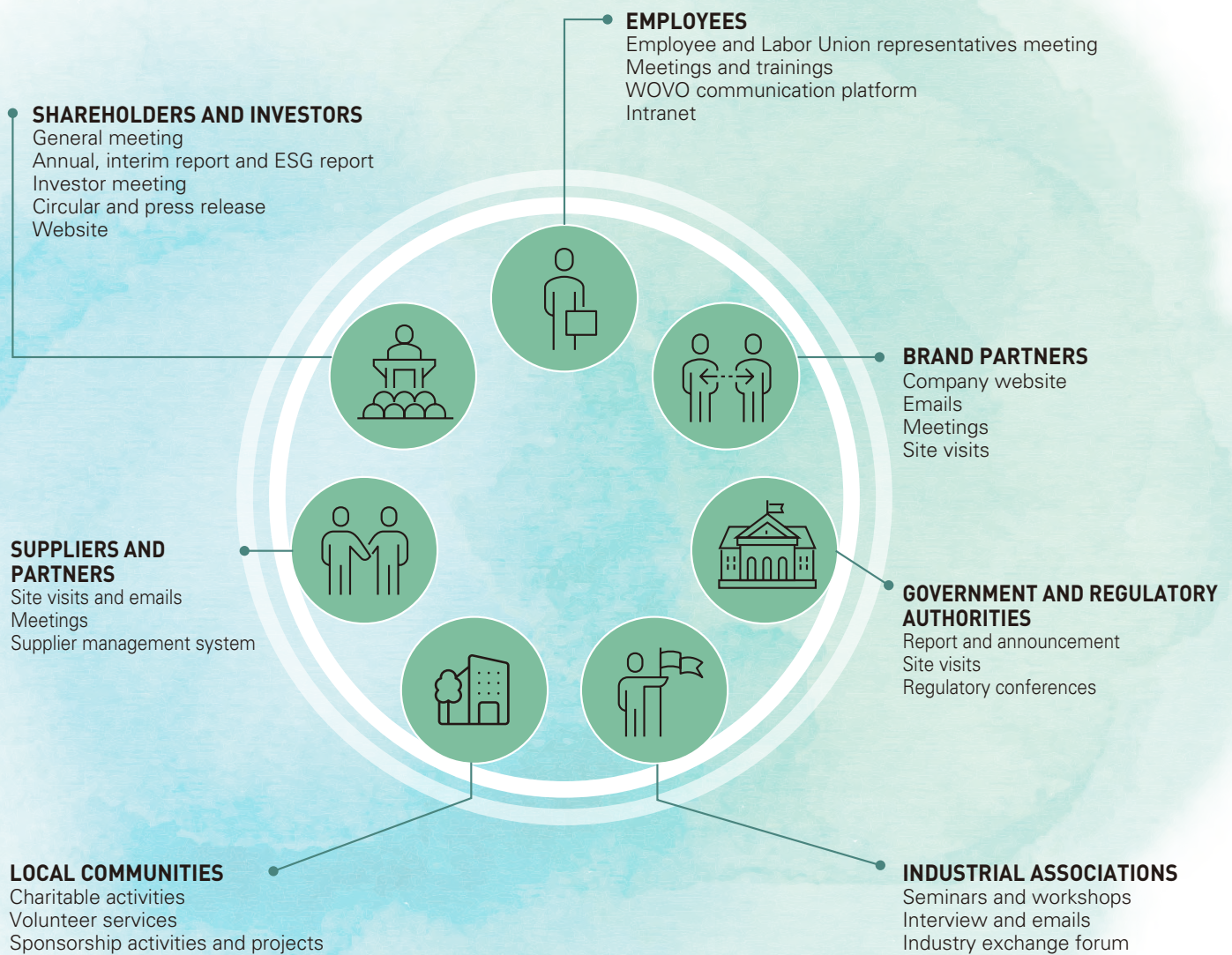
### ESG EXECUTION TEAM

- Leads by the Chief Operating Officer, comprising factory department representatives from different business segments for managing and reviewing various ESG matters, including innovation and materials, environmental projects, human resources, operation, external communication, compliance and information technology
- Dedicates to integrating ESG initiatives into the business operations of the Group for fostering ESG culture
- Takes responsibility for implementing sustainability strategies and achieving ESG objectives
- Reports ESG work-related progress and potential risks and opportunities to the ESG Committee on a regular basis

## STAKEHOLDER ENGAGEMENT

Committed to aligning with the market trends, Regina Miracle responds to the increasingly stringent needs and expectations of regulatory authorities, shareholders, brand partners, employees and other stakeholders to maintain a high standard of governance. We actively maintain contact with stakeholders, identify important ESG topics, and prioritize related recommendations, so as to continuously respond to the needs and expectations of our stakeholders, thereby attaining the sustainable development goal of the Group together.

## COMMUNICATION WITH STAKEHOLDERS



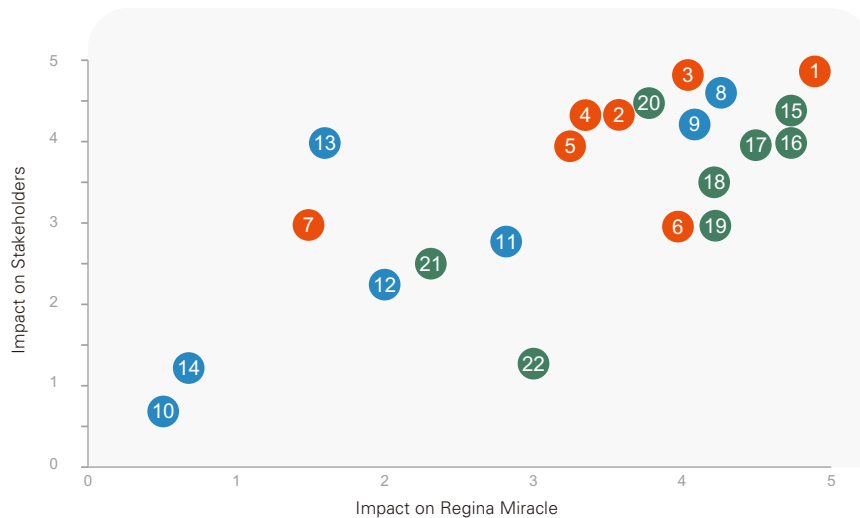


## MATERIALITY ASSESSMENT

Through proactive communication with stakeholders via various channels, the Group maintains close contact with key stakeholders to understand their expectations and needs. By incorporating their advice in the decision-making process, we actively understand and respond to the concerns and expectations of our stakeholders, thereby attaining the sustainability goal of the Group together.

There has not been any material change in the Group's business nature and strategic planning, the priority and materiality matrix of the ESG topics thus remain unchanged compared to last year.

### MATERIALITY MATRIX



Sustainable Innovation and Development	Environment	People and Community
1 Product quality and safety*	8 Energy and carbon management*	15 Labor rights protection*
2 Brand partners' satisfaction and brand protection *	9 Packaging and waste management*	16 Occupational health and safety*
3 R&D and innovation*	10 Using green energy	17 Employee training and development*
4 Intelligent production *	11 Tackling climate change	18 Charity activities and charitable donations*
5 Supply chain risk management	12 Water resources management and sewage treatment	19 Remuneration system and welfare caring*
6 Intellectual property protection	13 Development of environmentally friendly materials	20 Corporate governance and anti-corruption*
7 Suppliers environment and labor management performance	14 Exhaust gas management	21 Information security
		22 Diversity, equality and inclusion

\* Top-priority key subjects

## ANTI-CORRUPTION

The Group has formulated relevant anti-corruption and whistle-blowing policies and strictly complies with the laws and regulations of the countries in which we operate. We uphold the principle of integrity and compliant operations, and endeavors to maintain a culture of corporate integrity. We have zero-tolerance for any forms of bribery and corruption. Employees are required to avoid any conflict of interest or perceived conflict of interest, and are not allowed to solicit or accept any form of bribe, benefits or gift, including reward, present or hospitality, from any person in the course of conducting the Group's affairs in any other regions.

The Group has a code of conduct for the suppliers. The code sets out the proper governance on our suppliers and is designed to remind our suppliers that it is vital importance to the Group that they fulfill their anti-bribery and anti-corruption commitments.

We encourage our stakeholders to report any corruption through a number of separate whistle-blowing channels, including email, telephone and postal mail. We take serious actions to follow up the complaints on anti-corruption and business ethics related matters, and will ensure that complaints are dealt with fairly and effectively.

We treat all complaints confidentially and endeavor to protect the legitimate interests of whistleblowers from being infringed upon.

During the Reporting Period, the Group had no illegal behaviors related to bribery and corruption.

## INFORMATION SECURITY

We are committed to driving digital transformation. We safeguard network and information security through rigorous management systems, and submit relevant special reports to the Group's management.

### ISO/IEC 27001 Information Security Management System



During the current fiscal year, the Information Technology Department of our headquarters obtained the information security management system certification (ISO/IEC 27001), signifying that our information security management has reached international standards. Meanwhile, the Group's factories are actively promoting the adoption of the ISO/IEC 27001 management system, and plan to obtain the certification in the coming year.

To implement the requirements of the ISO/IEC 27001 Information Security Management Systems, we focus on process and system monitoring, compliance with relevant laws and regulations, employee training and technology application, thereby strengthening our security and protection capabilities in respect of data, information systems, equipment, and network communications, and effectively mitigating risks such as theft, misuse, leakage, tampering, or destruction of information assets caused by human error, malicious intent, or natural disasters. These efforts are to ensure our commitment to all stakeholders and attain our goal of guaranteeing the Company's business continuity.

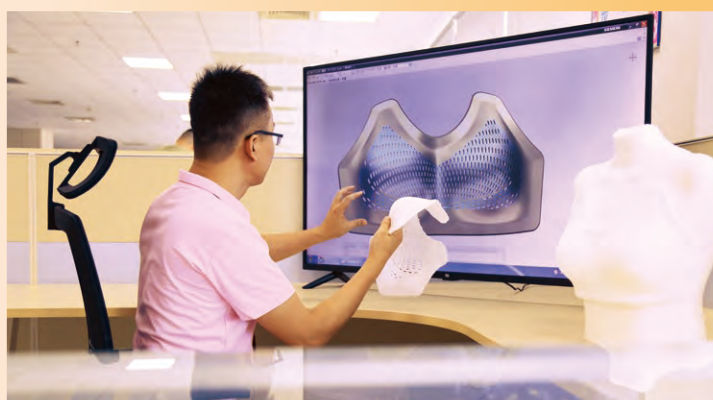
During the Reporting Period, the Group experienced no data breaches, information security vulnerabilities, or other cybersecurity incidents.



# PRODUCT R&D AND INNOVATION



At Regina Miracle, we firmly believe that innovation serves as the core impetus for business growth and sustainable development. The Group continuously explores new materials, introduces novel equipment, researches and develops innovative technologies, and revamps our production models. This commitment enhances our research, development, and innovation capabilities across all areas, allowing us to provide more innovative, distinctive, and functional products to our brand partners and consumers. We are proud to operate a state-level laboratory and boast a strong R&D team, holding numerous international patents and receiving accolades from our brand partners for our achievements.

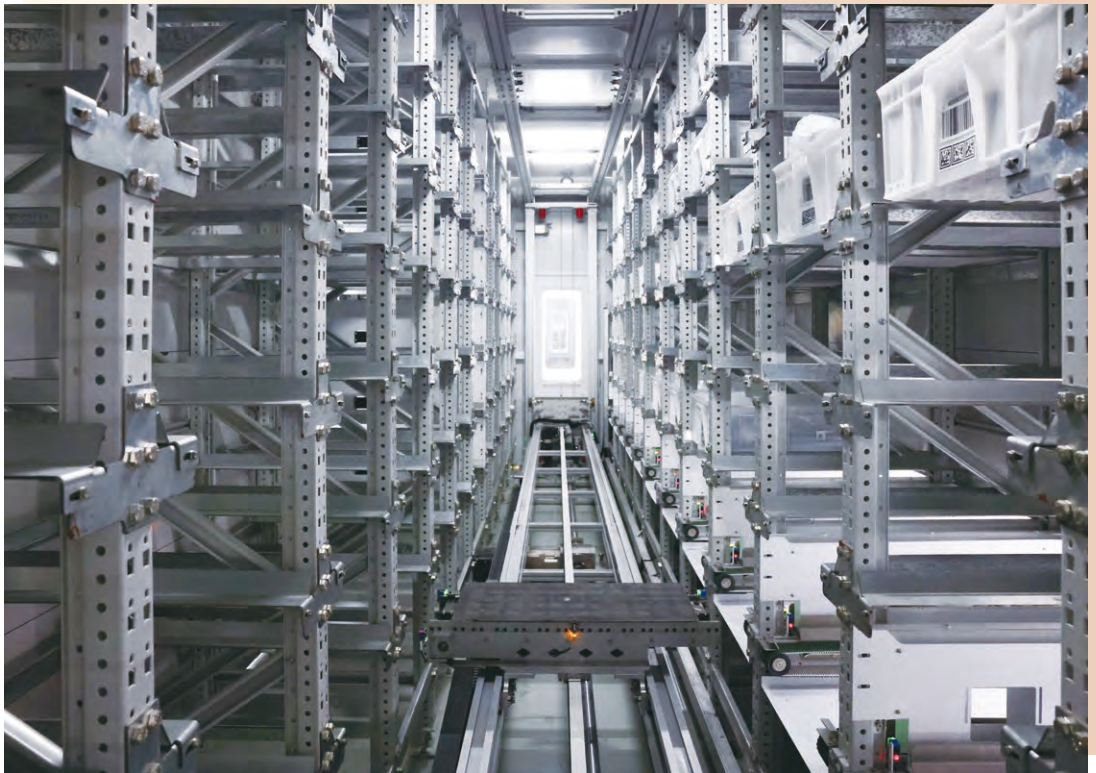






### SMART MANUFACTURING

We actively invest in smart manufacturing and environmental sustainability to optimize operational systems and continuously deploy automated equipment. In combination with digitalization, a vertically integrated production chain is formed to allow real-time monitoring and predictive maintenance, thereby enhancing production efficiency and minimizing downtime, effectively reducing operational costs, and driving industrial upgrades, all of which are to meet business demand and establish long-term, stable cooperative relationship with strategic partners.



Smart Warehouse

### DIGITAL INTEGRATION

We continuously integrate the Internet of Things (IoT) system by constructing a unified digitally – connected production system that combines machinery, personnel and big data. Such system enables more effective collaboration across all stages of the production process, thereby improving overall production efficiency and ensuring the stability and reliability of the products.

## AUTOMATED PRODUCTION EQUIPMENT

We implement intelligent operation in all aspects, from production and monitoring, inspection and equipment management, workflow management, supply chain management to system integration. The values brought by production line automation are as follows:

- Equipment status monitoring, which uses online systems to collect and analyze data in real time, improving the implementation accuracy of production planning
- Visualized data analysis, which can enhance the productivity, accuracy and flexibility of production
- Predictive maintenance, which can increase equipment reliability and reduce downtime as well as failure rate
- Shortened inventory holding time, which lowers warehousing costs



Automated Cutting Machines

## ENHANCED TRACEABILITY

At our smart material center, an automated warehouse is established for raw material management and semi-finished cut pieces management. It enables the collaborative operations of automated guided vehicles (AGV) in the warehouse and, with the combination of QR code information systems and radio frequency identification (RFID), achieves material traceability and production-related information accessibility, thereby enhancing the accuracy and immediacy of material data.



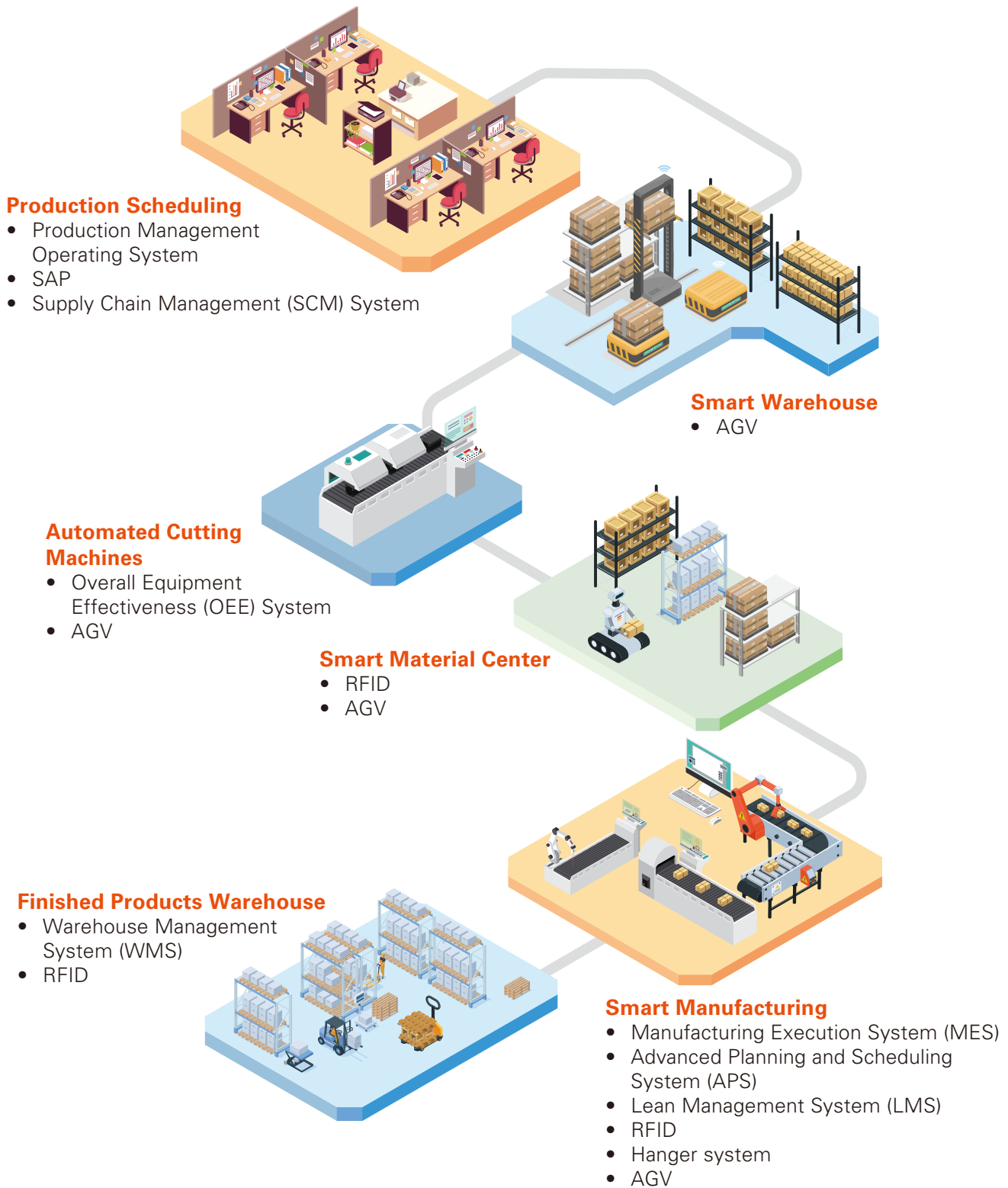
AGV

## AI-BASED TEXTILE MATERIAL INSPECTION MACHINE

To comprehensively enhance our smart manufacturing capabilities, we have continued to jointly develop an AI textile material inspection machine with a team from The Hong Kong Polytechnic University, addressing the pain points of being prone to fatigue-induced errors and high misjudgment rates as a result of relying on traditional manual visual inspections. By integrating AI algorithms and high-resolution optical technology, the machine identifies defects on fabrics at high speed while keep optimizing the recognition of various flawed patterns. Currently, the detection accuracy rate for woven fabrics is as high as 85%, and we are updating our algorithms to progress toward 95% while expanding applications to knitted fabric inspection. Once the research and development is completed, the inspection cycle will be shortened and the warranty period will be brought forward for risk aversion.

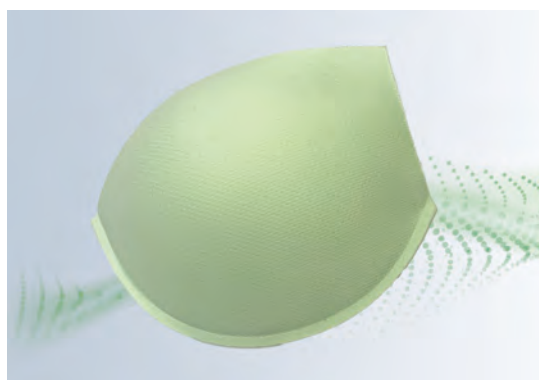


## Transformation towards Smart Manufacturing



# CRAFTSMANSHIP REVOLUTION

Regina Miracle launched various advanced technologies, including **REwickMax™**, **REmatrixPad™**, **REsiltech®** and **REpersBond™**. With a highly automated production model and streamlined production processes, we improved our precision, flexibility and productivity. We have also synergized the **REherbafoam™** and **REmatrixPad™** technology for effective realization of environmental-friendly development of both raw materials and production processes.



## REherbafoam

### BIO-BASED FOAM TECHNOLOGY

**REherbafoam™** is a proprietary bio-based foam jointly developed by Regina Miracle and our suppliers. By utilizing vegetable oil-based instead of petroleum-based raw materials, the technology effectively reduces CO<sub>2</sub> emissions and has obtained the Life Cycle Assessment (LCA) certification, the US "Anaerobic Degradation Test Method" (ASTMD5511) and United States Department of Agriculture (USDA) Certified Biobased Product Label.



## REpersBond

### GLUE BONDING TECHNOLOGY


**REpersBond™** glue bonding technology enables automated mass production, not only reducing adhesive wastage but also realizing the production of non-toxic and light products. The streamlined production processes and significant decrease in manual operations help improve efficiency and quality while reducing energy consumption. This bonding technology, together with the use of bio-based adhesives, can reduce emissions and put the concept of environment protection into practice.



## REsiltech

### SILICONE TECHNOLOGY

**REsiltech®**, the new silicone technology uses organic materials and, together with highly automated production lines has substantially increased production efficiency and mitigated environmental pollution, creating a more environmental-friendly and safer workplace. The highly automated mass production design achieved breakthroughs by implementing electrostatic absorption, soft gripper, negative pressure suction and bionic clamp technologies, which have further improved work efficiency and quality while lowering energy consumption.



## REwickMax

### INSTANT-DRY UNI-DIRECTIONAL TECHNOLOGY

**REwickMax™**, features instant-dry uni-directional technology, combines with TurboDry® inner lining and highly breathable foam of the injection molding technology **REmatrixPad™** to deliver rapid moisture absorption and quick-drying performance. Coupled with excellent breathability, it helps maintain a comfortable wearing experience, making it a high-performance bra cup for both daily and sports activities.



### DIGITALIZATION OF PRODUCT DEVELOPMENTS

With in-depth understanding of our clients' needs, we ensure our alignment with the industry standards for 3D digital fashion technology. Our digitalization capabilities have been continuously enhanced through cooperation with leading 3D software providers.

In response to the rapid evolution of digitalization, starting from 2023, we have established a professional 3D team to implement 3D digital product design, develop digital fabric solutions, and build a 3D material library at the Group's R&D centers in the PRC. Since 2025, a 3D team has also been set up at our Vietnam factories, where we have researched and developed our proprietary material scanning technology through programming.

Beyond basic apparel categories, we integrate 3D technology into the development of fashion accessories products, which directly bring us more new business opportunities. We provide seamless digital creation services and remote digital solutions to meet our brand partners' needs, which include the following online operations:

- Displaying high-definition 3D marketing materials
- Virtual fashion show, putting "3D samples" on virtual models
- Developing original samples and modifying patterns until the styles are finalized
- Selecting color and components, modifying sizes and other details

Leveraging the advantages of simultaneous real-time visualization, 3D virtual samples can significantly shorten the development time for new products while cutting costs and minimizing the need for physical samples, which reduce the carbon emissions due to transportation and waste generation is reduced.

From Fiscal 2021 to this fiscal year,  
we developed approximately  
**40,000 pcs**  
**Virtual Samples**

### SUSTAINABLE MATERIALS

Through technological innovation and with **REherbafoam™**, a biodegradable foam that we developed, we have been increasing the proportion of environmentally friendly materials in our products, and further bringing down energy consumption and greenhouse gas emissions in the course of production. In the meantime, we constantly prioritize the use of sustainable raw materials in product design to offer brand partners with more sustainable material options.

All of our Vietnam factories and PRC factories have obtained the Recycled Claim Standard (RCS) certification and the Global Recycled Standard (GRS) certification and the Vietnam Hai Phong factories have also obtained the Responsible Wool Standard (RWS) certification.



## QUALITY MANAGEMENT SYSTEM

Guided by its mission of “create first-class products, deliver industry value and fulfill social responsibilities”, the Group attaches great importance to product quality and safety while continuously advancing technological R&D and innovation. We have established a comprehensive product quality management system and actively promoted the globally recognized standard certification in all of our factories. All production bases under the Group have obtained ISO9001 Quality Management System certification, providing superior products and services to brand partners.

## QUALITY MANAGEMENT PROCESS

We continue to strengthen product quality and innovate product craftsmanship with an array of quality product offerings, striving to be a leading and renowned design manufacturer trusted by global customers.

We strictly comply with the laws and regulations while implementing internal management systems including our “Quality Verification System” and “Right First Time” to meet brand partners’ requirements. We continuously optimize quality control processes to enhance product quality and safety management capabilities. Through strict controls on product design, raw material procurement, production, inspection, acceptance and delivery, we ensure that our products meet relevant quality requirements.

## SMART QUALITY MANAGEMENT

Through smart manufacturing, we utilized data analytics and automation equipment to achieve intelligence and digitalization in production processes, which effectively improved production efficiency and quality:

- Equipment status monitoring for collecting and analyzing real-time data by online system to improve accuracy when executing production plan
- Digital dashboards and analysis for enhancing execution and management efficiency of on-site production
- Production process inspection for minimizing common defects
- Standardized quality control for elevating product quality
- Reduction in inventory age for lowering warehousing costs
- Active promotion of Radio Frequency Identification (RFID) for realizing material traceability and checking product-related production information to enhance material accuracy and timeliness





## PRODUCT RESPONSIBILITY

### QUALITY ASSURANCE AND SAFETY

In terms of quality monitoring and risk control, we have established an internal audit team in each production department. We set quality targets each month, carry out internal appraisals for the quality monitoring works, and implement timely correction for any inadequacies identified. We have also formulated methods and processes for product quality examination to review the implementation of the quality risk management measures.

#### Restricted Substances List (RSL)

The Group is committed to safeguarding consumers, employees and the environment. By regularly updating Restricted Substances List (RSL), we ensure that our products comply with product regulations and safety standards across product development, supplier procurement management and the use of safe chemicals in the production process.



#### ISO/IEC 17025 Laboratory Management System



In September 2024, the laboratory of our factory in Hai Phong, Vietnam officially obtained ISO/IEC 17025 certification, a globally recognized standard for laboratory quality management systems, which was verified by the Vietnam Institute of Accreditation (VACI). It signifies the validity and traceability of test results of the forensic laboratories and denotes our high standard on staff training, instrumentation and equipment, testing techniques and operation procedures.



In addition, we continue to organize quality training programs and Quality Day for the managers and frontline employees from production-related processes, and carry out trainings on comprehensive quality management and evaluation criteria on excellence in performance, which further enhances our practices in quality management.

## ENHANCE BRAND PARTNERS' SATISFACTION

We promptly respond to brand partners' diversified demands by enhancing our products' performance and quality in all aspects to meet brand partners' requirements and expectations, and refine our complaints and marketing management to protect brand partners' privacy. In addition, we have also been strengthening brand protection and intellectual property rights, so as to build a long-term win-win cooperation with our brand partners.

### Our Performance

Observed Quality Level (OQL) **0.95%**

The Company handled customer complaints with a **100%** response rate

Certified and authorized by various brand partners to perform in-house product quality assessment and validation in our Vietnam factories instead of customers' or third parties' auditing.

## COMPLAINT MANAGEMENT

The Group has established a quality-related complaint management system, under which brand partners may provide feedback or lodge complaints via phone call or email. After receiving complaints, relevant departments will convene special meetings to effectively categorize and address such complaints, communicate with brand partners in a timely manner, and formulate solutions or improvement plans. We will then summarize and analyze complaints on a monthly basis, develop corresponding rectification plans and continuously monitor the performance of relevant departments.

During the Reporting Period, we have not received any material complaints about product quality and safety.

## PRODUCT RECALL MANAGEMENT

When a product is found to be defective or poses a risk of harm to consumers and is required to be replaced or returned, it is considered a product recall.

The Group has established a clear product recall process. If recall is necessary, we will organize a dedicated team to conduct risk investigation and assessment, identify root causes for improvement, and communicate with and explain to customers and stakeholders, product replacements and other immediate actions, to ensure the recall is carried out effectively, thereby eliminating the potential risks to consumers.

During the Reporting Period, no sold or shipped products of the Group were subject to recalls for safety and health reasons.



### INTELLECTUAL PROPERTY AND BRAND PROTECTION

The Group is committed to protecting its intellectual property rights. We strictly comply with the laws and regulations of the countries where we operate. We have set our patent management system and integrated technological innovation with patent management throughout the entire process of research and development, production and operation, and included the optimization of patented assets in the Group's strategic plan. Some of the measures we have taken:

- Establish comprehensive intellectual property management processes to protect brand partners' legal rights and interests
- Secure development and design achievements through patent registration and monitoring of our intellectual property assets, including copyrights, patents, trademarks, designs and others
- Implement physical monitoring and code conversion information technology security management measures to safeguard intellectual property rights and corporate interests
- Proactively conduct intellectual property-themed training sessions to heighten employees' awareness towards intellectual property rights and brand protection

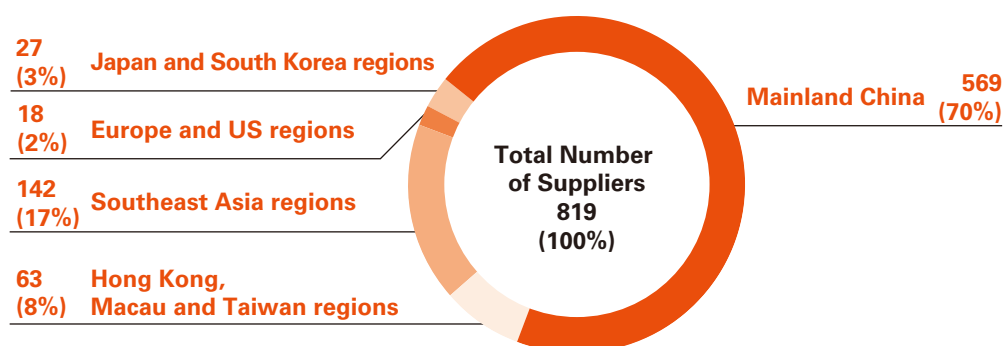
During the Reporting Period, the Group did not suffer or infringe upon the intellectual property rights, patents and related interests.



## SUPPLY CHAIN MANAGEMENT

We cooperate closely with our suppliers and are important partners to each other. In compliance with the laws and regulations of the countries where we operate, the Group formulates and strictly enforces policies for supply chain management to ensure that its suppliers meet compliance standards in terms of environment, labor rights and business ethics, thereby reducing supply chain risks, creating synergies for the Group and optimizing supply chain efficiency for stakeholders.

Supplier Distribution by Registration Region



The Group continues to promote localized production and sourcing. Supply chain localization not only reduces overall supply chain carbon emissions and supports the local economy, but also mitigates overall supply chain risk.

## SUPPLIER MANAGEMENT PROCEDURES

We actively expand reliable new partnerships. Through our supplier management policy which includes a process consisting of four major phases, namely admission, assessment, audit and continuous improvement, we actively promote continuous improvement in environmental and social aspects on the supplier side, with an aim to gradually realize our sustainability goals. New suppliers are required to pass the assessment and sign a declaration of compliance with our "Code of Conduct" before they are listed as our official suppliers.



SUPPLIER SELECTION

We develop appropriate procurement strategies to select suppliers that best meet our requirements and deliver value at an acceptable level of risk. When selecting suppliers, we evaluate their ability to meet a wide range of requirements (including quality, health and safety, environment, delivery, sustainability and cost), and prioritize the key elements below:

			
Quality	Society	Governance	Environment
Price determination	Prohibition of child labor	Regulatory Compliance	Local environmental laws and regulations
Quality performance	Prohibition of forced labor	Ethical business	Efficient use of resources
Delivery	Health and safety	Confidentiality	Responsible waste disposal
	Local minimum wage		

To ensure that its contracts can protect the interests of stakeholders, the Group sets out the commitments and responsibilities of suppliers, including compliance with legal and regulatory requirements, protection of intellectual property rights, maintenance of data confidentiality and security.

SUPPLIER ASSESSMENT

The Group’s business and functional departments are responsible for regularly reviewing the past performance of the suppliers, as well as integrating the future business needs of the Group with technology and innovation roadmaps so as to identify risks and opportunities, and to ensure sustainable development of the supply chain through a mechanism of continuous oversight and periodic assessment.

**55 major suppliers**  
were comprehensively assessed during the Reporting Period

The evaluation process includes daily surveillance, self-assessment, evaluation questionnaires and on-site visits, etc. We focus on the product quality and the impact of the operations on the environment and the community.

We adjust our cooperation mode on a quarterly basis based on their performance scores. If a supplier does not meet our standards in the audit, it will be required to take relevant corrective actions; if a supplier ultimately fails to meet our standards, we may consider terminating business relationship with such supplier.



# SUSTAINABLE DEVELOPMENT AND IMPROVEMENT

## Measures to promote sustainable development of suppliers

Promotion of green supply chain	Encouraging and promoting suppliers to use sustainable raw materials and green chemicals, establishing an environmental management system and adopting the Restricted Substances List (RSL) of the industry
Supply Chain Management (SCM) system	Enhancing supply chain transparency and traceability, flexibility and responsiveness
Advocacy of sustainable procurement	Promoting local procurement to reduce carbon emissions from transportation
Support and training	Providing workshops and training activities on procurement practices, social and environmental standards for suppliers when required

Through a stringent supply chain management mechanism, the Group continuously monitors the compliance performance of our suppliers with respect to environmental and social standards and analyzes their sustainability-related risks. At the same time, we also keep exploring methods to communicate with, educate and encourage our suppliers, including but not limited to topics relating to climate change and human rights, so as to fulfill our commitment to sustainable development.

# ENVIRONMENTAL MANAGEMENT

Regina Miracle is dedicated to environmental protection and is determined to evolve into a world-class enterprise. We closely monitor global trends in sustainable development and remain committed to a new industrialization approach characterized by "high technology, low energy consumption, and eco-friendliness." We focus on green manufacturing and continue to invest in green technologies, equipment and processes. Regina Miracle has established a series of environmental goals to facilitate a green and low-carbon transformation across the Group.









# RESPONSES TO CLIMATE CHANGE

In recent years, we have experienced more and more extreme climate events. Among them, the strongest typhoon in Asia, “Yagi”, which hit Southeast Asia in September 2024 and with its strong wind and heavy rain that caused severe damage to infrastructure, has once again reminded us of the potential impacts of climate change on our lives and economy. The Group is therefore committed to reducing its carbon footprint and building greater climate resilience in its operations.

## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)



The Group recognizes the impact of climate change on the sustainability of our business. During the Reporting Period, we took into account the frameworks of the TCFD, continued the evaluation of our approach to address climate-related risks and opportunities and made appropriate disclosures. We are proactive in addressing climate change in a holistic manner and have strengthened our efforts to address climate change. We are committed to sustainable development in order to achieve our goal of carbon neutrality by 2050.

We have identified a range of climate-related risks and opportunities that may have impact on our business and have undertaken a qualitative assessment of these potential impacts. We are actively pursuing innovative solutions to improve climate resilience and implementing controls to mitigate climate-related risks, thereby ensuring the sustainable and steady development of the Group’s business.

We actively manage and respond to the impacts, risks and opportunities relating to sustainability outlined in the table below.



## SUMMARY OF PRIORITY RESPONSES TO IMPACTS, RISKS AND OPPORTUNITIES RELATING TO CLIMATE CHANGE

Risk Category	Timeframe	Potential Impact	Mitigation Plan/ Response Measures
<b>Physical Risks</b>			
<b>Acute</b>  Increased frequency and intensity of rainstorms and river flooding	Short-term  (0-1 year)	<ul style="list-style-type: none"> <li>Damage to facilities and assets</li> <li>Disruption to supply chain and logistics</li> </ul>	<ul style="list-style-type: none"> <li>Development of Extreme Weather Contingency Plans</li> <li>Review of Infrastructure Adaptation Plans for Climate Change</li> </ul>
<b>Chronic</b>  Rising temperatures	Medium term  (1-5 years)	<ul style="list-style-type: none"> <li>Increased energy use</li> <li>Increased equipment maintenance costs</li> <li>Reduced production efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Issuance of guidelines on working under the Very Hot Weather Warning</li> <li>Regular maintenance of equipment</li> </ul>
<b>Transition Risks</b>			
<b>Policies and Laws</b>  More progressive climate-related policies, laws and regulations	Long-term  (more than 5 years)	<ul style="list-style-type: none"> <li>Increased compliance costs</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring of energy consumption</li> <li>Regular review of regulations and policies</li> </ul>
<b>Technology</b>  Technology and innovation	Medium term  (1-5 years)	<ul style="list-style-type: none"> <li>Increased capital investment in technology</li> <li>Lower operating costs due to improved energy efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Increasing the use of renewable energy</li> <li>Reducing greenhouse gas emissions from operations</li> </ul>
<b>Reputation</b>  Increasing concerns of stakeholders	Medium term  (1-5 years)	<ul style="list-style-type: none"> <li>Failure to meet the expectations of our stakeholders could have a negative impact on our reputation</li> </ul>	<ul style="list-style-type: none"> <li>Obtaining accredited third-party certification</li> <li>Dedicating to enhancing sustainability performance and transparency in information disclosure</li> </ul>
Opportunity Category	Timeframe	Potential Impact	Mitigation Plan/ Response Measures
<b>Markets</b>  Research and development of low carbon and sustainable products	Long-term  (more than 5 years)	<ul style="list-style-type: none"> <li>Enhanced brand competitiveness</li> <li>Increased revenue</li> </ul>	<ul style="list-style-type: none"> <li>Active development of green and low-carbon products</li> <li>Use of sustainable materials</li> </ul>

## ENVIRONMENTAL MANAGEMENT SYSTEM

In order to improve the energy efficiency of our factories, we have not only enhanced the efficiency of energy use in product design, research and development and manufacturing processes, but also strictly complied with the laws and regulations related to the environmental requirements of the countries where we operate. We have planned and formulated emission reduction policies in this regard, and each factory is committed to devising cost-effective energy-saving optimization solutions to facilitate a green and low-carbon transformation.

### ISO Certificates



In terms of environmental management, all of our factories were accredited ISO 14001 Environmental Management System Certification, and our Zhaoqing factories in the PRC were accredited ISO 50001 Energy Management System Certification, enabling us to pursue our sustainability goals through systematic management.

### Science-Based Net Zero Target



We are committed to achieving the 2050 Net Zero target. During the current fiscal year, we conducted an official verification of Science-Based Targets (SBTs), demonstrating our steadfast commitment to this long-term climate goal and marking an important step in carbon reduction and sustainable development.

### Higg Index FEM 4.0



During the Reporting Period, all of our Vietnam factories and Zhaoqing factories in the PRC have completed the transition to Factory Environmental Module (FEM) 4.0, the latest version of the industry environmental performance assessment, with an average score of 73.



FEM 4.0 introduces new and revised items that cover more key aspects of environmental management and provide a more comprehensive environmental assessment. This signifies that we have reached higher levels in environmental management system, green production standard, and low-carbon manufacturing capabilities.



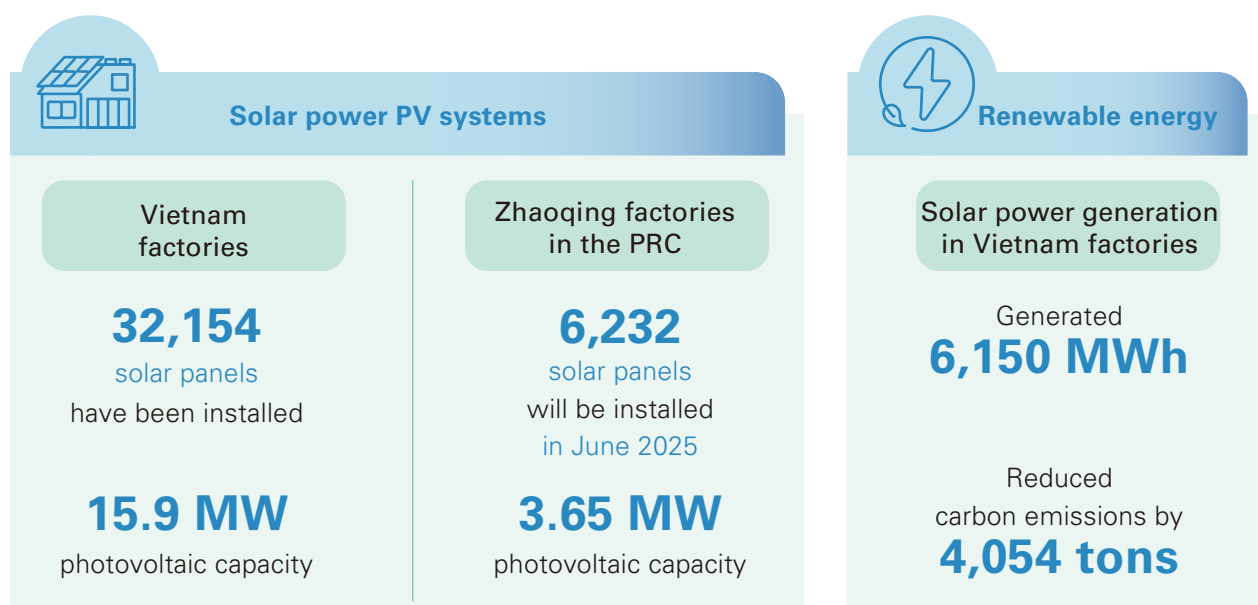
# RENEWABLE ENERGY

## SOLAR POWER PV SYSTEM

Installation of solar power PV system at our Vietnam factories, which started in 2020, has completed. A total of 32,154 solar panels with solar photovoltaic installed capacity of 15.9 MW have been installed in 6 factories.

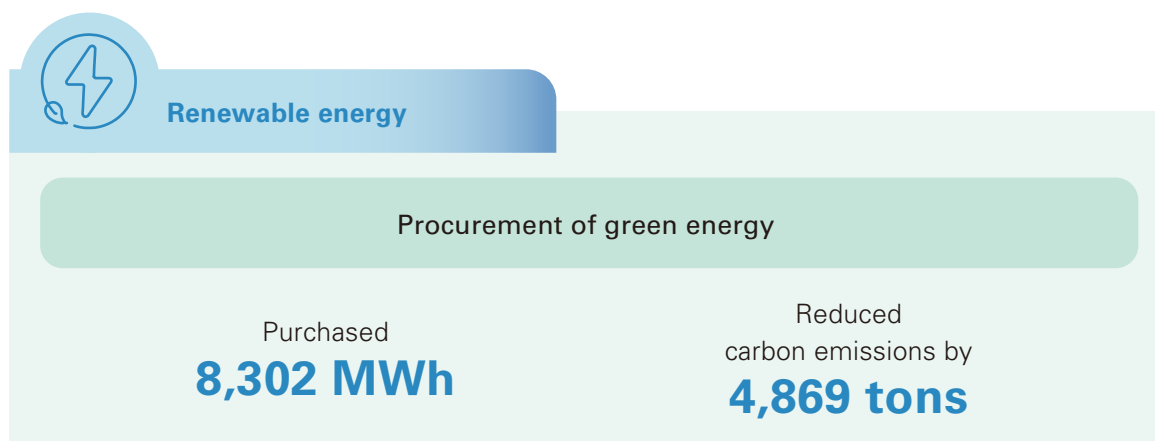
In June 2025, our Zhaoqing factories in the PRC will complete the installation of 6,232 solar panels with solar photovoltaic installed capacity of 3.65 MW.

During the current fiscal year, the solar power PV system generated 6,150 MWh of renewable electricity for our Vietnam factories, equivalent to a reduction of carbon emissions by 4,054 tons.



## PROCUREMENT OF GREEN ENERGY

During the current fiscal year, our factories in China and Vietnam through cooperation with local electricity companies, purchased a total of 8,302 MWh of renewable energy, equivalent to a reduction in carbon emissions by 4,869 tons.



# ENERGY CONSERVATION AND CONSUMPTION REDUCTION

We are committed to improving the efficiency in our manufacturing process and reducing energy consumption by continuous implementation of energy management measures.

Energy conservation measures include:

- Improvement of equipment such as air compressors, heat press machines, and air conditioning systems
- Application of smart control in lighting systems
- Energy monitoring

Vietnam Hai Phong Factories  
conserved a total of  
**5.18 GWh**  
of electricity and  
reduced carbon  
emissions by  
**3,466 tons**  
from Fiscal 2020 to the current  
fiscal year



## ENERGY MONITORING SYSTEM

Our Zhaoqing factories in the PRC adopt a smart operation model with energy monitoring systems. Through smart meters, air conditioning, and temperature and humidity monitoring systems, such model enables real-time monitoring and optimization of all major electricity-consuming systems in the factories, such as air conditioning systems, lighting systems, and manufacturing equipment. It can also provide energy consumption records for analysis, which effectively controls and enhances the efficiency of energy use, thereby realizing energy saving and carbon reduction, and reducing operating costs, making energy conservation and emission reduction part of the sustainable development.

## MAGNETIC LEVITATION AIR CONDITIONING SYSTEM

Our Zhaoqing factories in the PRC adopt magnetic levitation air conditioning systems, in which magnetic levitation centrifugal units are designed with oil-free lubrication to minimize friction losses and significantly improve the cooling efficiency of the air conditioners. Compared to conventional air conditioning systems, such systems reduce energy consumption by over 15%.

## CARBON AND ENERGY DATA FOR FISCAL 2025

### SCOPE 1 AND 2 GREENHOUSE GAS EMISSIONS

Scope 1  
**3,886.40**  
Ton CO<sub>2</sub>e

Scope 2  
**161,824.46**  
Ton CO<sub>2</sub>e



Total greenhouse  
gas emissions  
**165,710.86**  
Ton CO<sub>2</sub>e

Intensity of total greenhouse gas emissions is 0.02 Ton CO<sub>2</sub>e/Sales amount (HK\$'000)

### ENERGY CONSUMPTION

Direct:  
Petrol, diesel and  
liquefied petroleum  
gas consumption of  
**15,011.60**  
kWh ('000)

Indirect:  
Electricity  
consumption of  
**255,093.30**  
kWh ('000)

Indirect:  
Solar energy PV and  
purchased green electricity  
consumption of  
**14,452.54**  
kWh ('000)

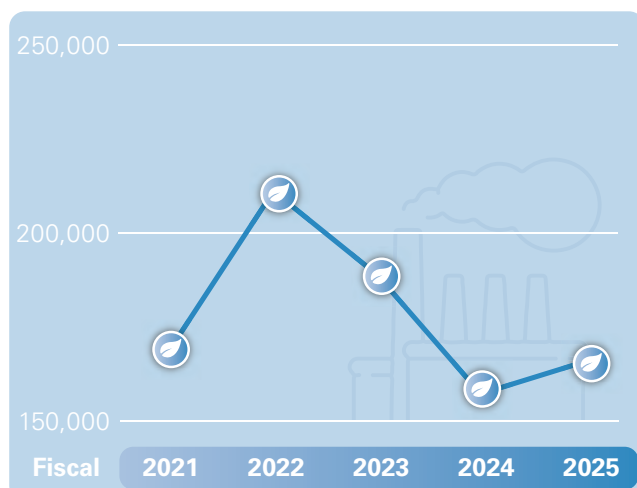


Total energy  
consumption of  
**284,557.44**  
kWh ('000)

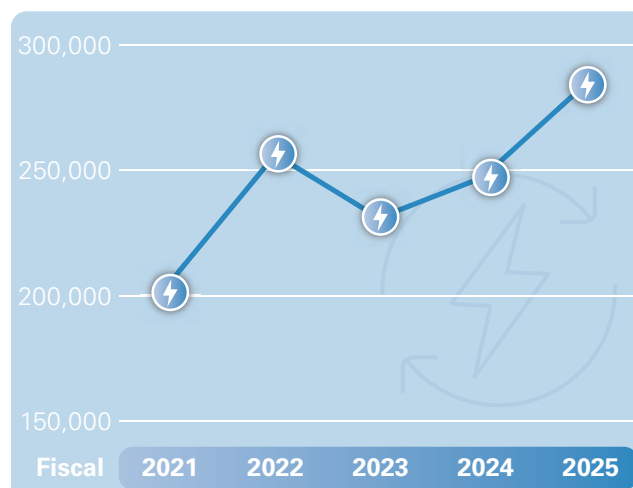
Energy consumption intensity is 0.04 kWh ('000)/Sales amount (HK\$'000)

We set greenhouse gas scope 1 and 2 emission targets with Fiscal 2020 as the base year, 2030 as the near-term target year, and 2050 as the long-term target year. We also regularly track and monitor greenhouse gas emission performance. Below are the data for the past five fiscal years.

**Total greenhouse gas emissions (Ton CO<sub>2</sub>e)**



**Total energy consumption ('000 kWh)**





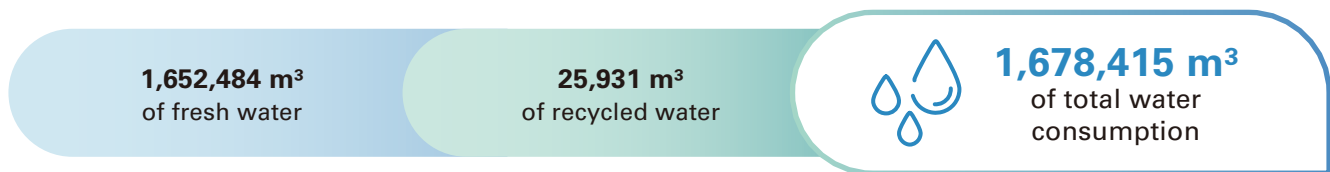
### WATER CONSERVATION

As an integral part of environmental management, protection of water resources is of paramount importance. Therefore, the Group never stops strengthening its water resources management practices to reduce water consumption and wastewater discharge, ensuring the efficient use of water resources. During the Reporting Period, the Group's water consumption for production and operation were from the municipal water supply and recycled water, and there was no interruption to supply or difficulty in obtaining other water sources.

We have taken various measures to reduce the use of water resources, continuously monitor our water resources consumption indicators, so as to enhance the effectiveness of water usage and mitigate the risks of water resources wastage.

- Publicity on water conservation is enhanced by posting water conservation slogans at major water use areas to enhance staff's awareness of water conservation
- The condensed water can be directly collected and stored in the central hot water tank for heating by electric boiler
- Rainwater is collected in our rainwater collection system for irrigation
- Wastewater in Hai Phong Factory E in Vietnam is collected for use in the toilet flushing system to reduce fresh water consumption

### WATER DATA FOR FISCAL 2025



Water consumption intensity is 0.21 m³/Sales amount (HK\$'000)



# WASTE MANAGEMENT

The Group has established stringent waste management standards to ensure that proper waste treatment and disposal procedures are adopted in our business operations. We comply with local regulations strictly and engage qualified waste treatment contractors to handle hazardous and non-hazardous wastes properly. We also keep upgrading our production facilities to minimize wastes produced at source and enhance reuse and recycling of wastes.

## 100% ZERO LANDFILL

Since Fiscal 2021, Hai Phong factories in Vietnam have achieved 100% zero landfill of production wastes.

General Waste Solutions of Qualified Waste Treatment Contractors at Hai Phong Factories in Vietnam		
Collection of waste	Sorting and segregation	Recycling and Waste-to-energy
 <b>Hazardous waste</b>	Chemical containers	Recycling
	Contaminated waste	Waste to energy
	Other liquid waste	Recycling
	Sludge	Recycling
 <b>Non-hazardous waste</b>	Fabric shreds and foam	Recycling and Waste-to-energy
	Plastic, metal and paper product	Recycling

## WASTE DATA FOR FISCAL 2025

	Unit	Hazardous Wastes	Non-hazardous Wastes
<b>Total wastes produced</b>	Ton	1,056.39	17,045.49
<b>Intensity of wastes produced</b>	Ton/ Sales amount (HK\$'000)	0.00013	0.00217

## PACKAGING MATERIALS DATA FOR FISCAL 2025



We reduce the environmental impacts caused by the use of packaging materials across the board through three aspects, namely packaging reduction, sustainable packaging and material reuse.



### GAS EMISSIONS

The Group disposes of exhaust gas generated in production in accordance with the laws and regulations of the countries where we operate, and continuously reduces our production exhaust gas intensity through various measures within the regulatory emission standards to reduce environmental pollution caused by emissions.

We emitted about 567.74 kilograms of nitrogen oxide, 2.49 kilograms of sulphur dioxide and 54.52 kilograms of particulate matter.



### CHEMICALS AND WASTEWATER MANAGEMENT

#### GREEN CHEMICALS

Green chemicals are essential in supporting sustainable development, and we are committed to procuring green chemicals. ZDHC Incheck reports are published via BVE3 (BV Environmental Emission Evaluator) platform in respect of our chemical inventory management to monitor the list and quantities of chemicals used, the quantities and percentages of chemicals included in ZDHC's regulations, and conformity with ZDHC's Manufacturing Restricted Substances List (MRSL).

In addition to prioritizing the use of eco-friendly and certified green chemicals, we have actively implemented the ZDHC Supplier to Zero program.



**Ø ZDHC**

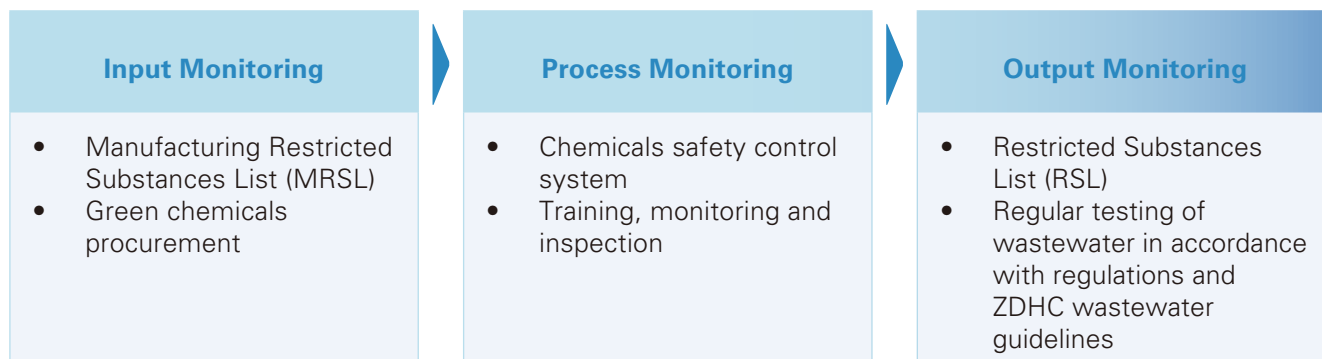


**80%** of the chemicals used in Hai Phong factories in Vietnam met ZDHC MRSL conformance or obtained Oeko-Tex Eco Passport certificate



## CHEMICALS SAFETY MANAGEMENT

With the use of environmentally safe chemicals in the production process, the Group exercises strict control over chemicals safety as far as practicable. We have established a management system in this regard and continuously monitor at every stage.



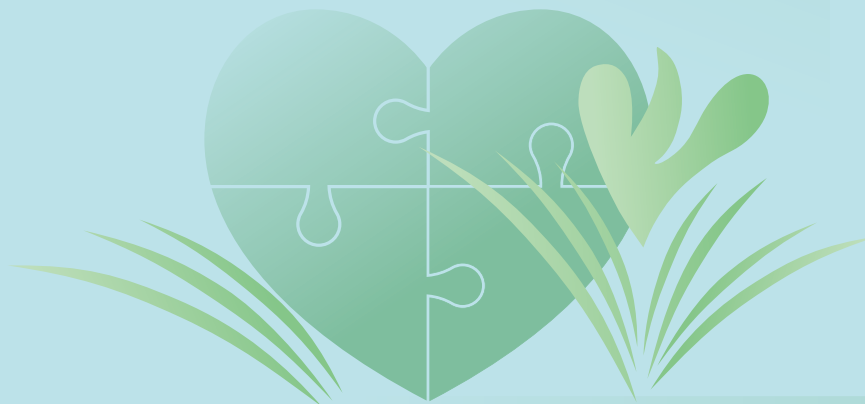
## WASTEWATER MANAGEMENT

The wastewater discharged by the Group is mainly classified into two types: domestic wastewater and industrial wastewater. To protect the ecosystem and biodiversity, we implement systematic measures to reduce wastewater generated from our production and operations, strictly comply with the relevant laws and regulations of the countries where we operate, and test wastewater semi-annually in accordance with the Zero Discharge of Hazardous Chemicals (ZDHC) wastewater guidelines, a standard for our industry, to ensure that the quality of treated wastewater meets the local discharge standards.



# PEOPLE AND COMMUNITY

At Regina Miracle, we uphold the philosophy of “Identifying real talents, appreciating valuable employees, and engaging the right people.” We actively recruit and retain talents, protect labor rights, and prioritize the development and well-being of our employees. While placing a high value on their health and safety, we also make proactive contributions to the communities in which we operate. Furthermore, the Group is committed to sharing the fruit of our achievements with all employees.









### OUR STAFF

Our staff are the main driving force behind the Group's growth. Our principle of hiring that we uphold is to value and cherish our staff. We highly value the importance of fostering and incentivizing them, protecting their rights and interests, continue to take more care of and grow together with them.

### PROTECTION OF OUR STAFF'S RIGHTS AND INTERESTS

We strictly comply with the laws and regulations related to the rights and interests of our staff in the countries where we operate, provide them with decent workplaces and fair wages, and are committed to nurturing a culture of trust and respect for all employees. We act in line with standards of international labor organizations such as the International Labor Organization (ILO) to ensure that our operations align with international human rights practices and ethical behavior.

The Group has formulated and implemented a number of policies and systems to protect labor rights so as to effectively protect our staff's legitimate rights and interests.

- **Prohibition of forced labor:** any form of forced labor, such as traded slave, debt bondage, prisoner labor or slave labor, is prohibited
- **Prevention of child labor:** the employment of child labor is prohibited
- **Prevention and prohibition of harassment and abuse:** any form of inappropriate behavior such as violence, intimidation, bullying and harassment is prohibited
- **Equal pay for equal work:** equal pay for equal work, equal access to work and opportunities for growth are guaranteed
- **Benefits:** working hours that conform to our employment principles, compensation and fringe benefits plans
- **Meritocracy:** recognizing and rewarding employees
- **Safety and health:** providing a safe, healthy and decent environment
- **Women's empowerment:** promoting gender equality
- **Collective bargaining and freedom of association:** employees have the right to voluntarily join a trade union or any other organizations and the right to participate in collective bargaining

During the Reporting Period, there were no cases of child labor or forced labor.



## WRAP Gold Certificate



Since 2016, Hai Phong factories in Vietnam have been awarded the WRAP Gold Certificate for 9 consecutive years, and we are committed to maintaining and developing this certification standard in the future, and actively promoting sustainable development and social responsibility.

- Complying with international labor standards and relevant laws and regulations
- Maintaining a high standard of social responsibility system
- Continuous improvement of our sustainable and responsible production

## BetterWork High Performance Factory



The Hung Yen factories in Vietnam have been awarded the BetterWork High Performance Factory, reflecting our firm commitment to complying with social responsibility and labor management.

- High degree of compliance with laws and regulations
- Effective mechanisms for social dialog
- Effective management system
- Continuous improvement and sustainable development
- High degree of transparency and active cooperation

## Social and Labor Convergence Program (SLCP)



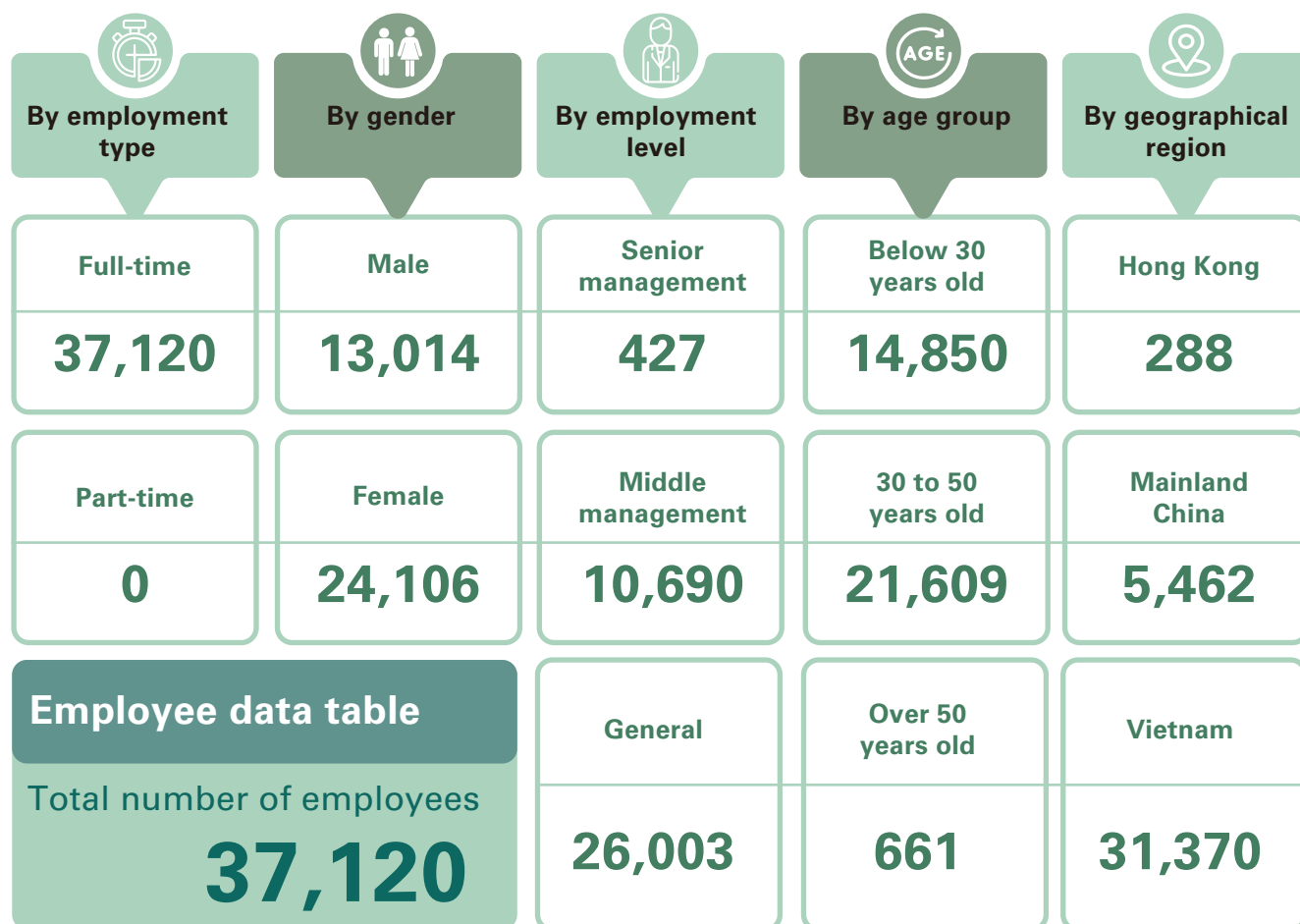
Our Vietnam factories and Zhaoqing factories in the PRC collect and assess social and labor data through the Converged Assessment Framework (CAF) and obtained the Social & Labor Convergence Program (SLCP) validation. Meanwhile, we share SLCP verification reports through hosted platforms such as the Facility Social & Labor Module of Higg FSLM in lieu of customer and third-party audits.

By participating in SLCP, we can reduce the complexity of audit on social responsibility and devote more time and resources to upgrade and improve the working conditions of the workers.

## PEOPLE AND COMMUNITY

### EMPLOYMENT

As an employer who supports equal opportunities, we are committed to practising merit-based hiring and gender equality, and strongly believe that remuneration should not be set based on gender. Our remuneration system is designed to ensure that all employees are treated fairly and that any form of discrimination is eliminated. We are committed to eliminating discrimination in employment, particularly in relation to disability, gender, marital status, pregnancy, age, family status, sexual orientation and race, by integrating diversity into the process of recruitment and talent training.



### AVERAGE MONTHLY EMPLOYEE TURNOVER RATE

During the Reporting Period, our average monthly turnover rate was **2.79%**.

#### By gender

Male	3.42%
Female	2.38%

#### By geographical region

Mainland China	4.35%
Hong Kong Special Administrative Region of the PRC	0.67%
Vietnam	2.40%

#### By age group

Below 30 years old	3.35%
30 to 50 years old	2.33%
Over 51 years old	2.80%



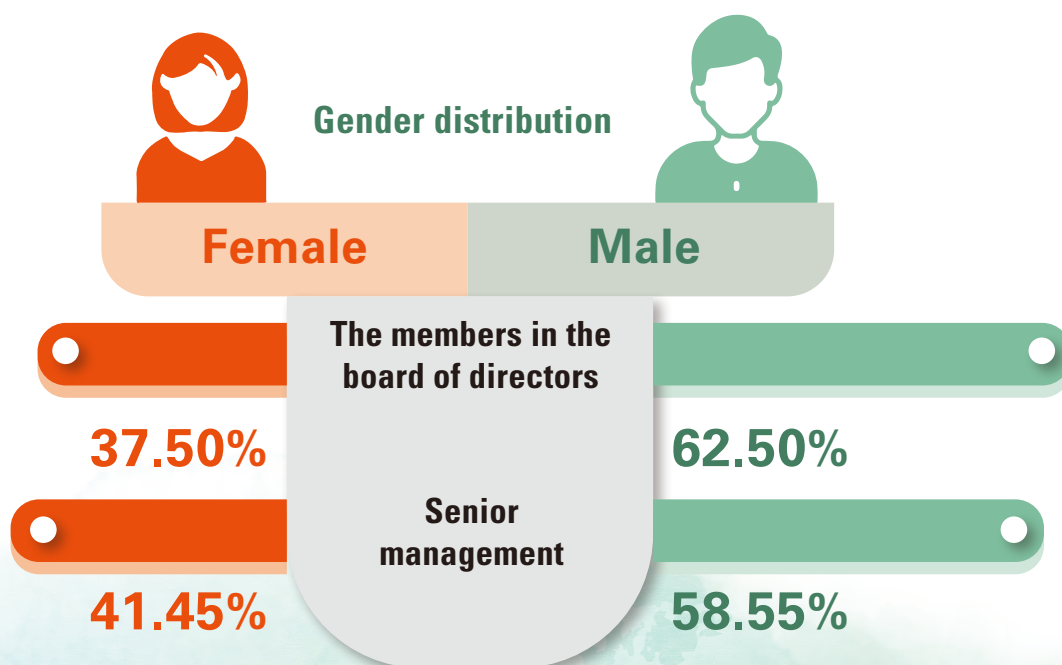
# PROMOTION OF DIVERSITY, EQUITY AND INCLUSION

We uphold the core values of promoting diversity, equity and inclusion, and are committed to creating a workplace that aligns with legal norms and our ethical commitments, and fully protects the rights and interests of our stakeholders. In terms of staff training, we have established a performance-oriented system that attaches importance to training, development and career promotion to attract and retain diversified talents from different age groups and backgrounds. By providing equal access to the opportunity of quality education and training on key skills, we aim at unleashing our staff's potential, enhancing their core competitiveness and supporting them to achieve career breakthroughs.

## DIVERSITY AND EQUAL OPPORTUNITIES

We take full account of different customs, practices and employee needs of the countries where we operate, and provide customized fringe benefit plans for employee groups with different backgrounds to express our humanistic care. We are committed to eliminating discrimination in our practices and policies, promoting a culture of diversity in our workplaces and upholding the principles of fairness and equality in our employment practices. We provide women's health examinations and health talks, and set up breastfeeding-friendly space to support breastfeeding to our female employees.

We supported the "Women's Empowerment Principles" advocated by the United Nations and publicly declared our commitment on and supported inclusion and diversity, which was critical to foresting a corporate culture of mutual respect and sense of belonging. We are committed to monitoring and disclosing the gender balance of our employees. The proportion of female members in the board of directors is 37.5%, and the proportion of female members in senior management is 41.45%. We will continue to strive to promote gender equality in our workplaces.



## WOMEN'S EMPOWERMENT

Regina Miracle is committed to creating a fair working environment where women not only have the opportunity to develop their careers, but are also respected, protected and empowered.

### Fiscal 2025 Women's Empowerment Training



9,237

Female employees



94,552

Hours

In Hai Phong factories in Vietnam, we have accumulatively provided training courses for more than 48,000 female employees on prevention of gender violence and harassment, personal health, financial knowledge, communication and leadership skills from the participation of the P. A. C. E. Women Empowerment Program in 2019 to the Program of the Reimagining Industry to Support Equality (RISE) in the current fiscal year.

The RISE Respect Program has empowered its first 236 change makers.



# TALENT DEVELOPMENT AND CARE

## ESTABLISHING SUSTAINABLE TALENT ECHELON

We provide relevant skills training for our employees in different positions, ranging from induction training for new recruits, specialty trainings to leadership development. We provide a wide range of training programs to help employees unleash their potential and achieve success. We also offer our employees upskill training and development opportunities such as on-the-job training and mentoring programs to establish a sustainable talent echelon.

### Fiscal 2025 Training Hours

251,275

Hours



6.77

Average employee  
training hours

#### Training breakdown by gender

Gender	Percentage of trainees	Average training hours
Female	62.06%	7.42
Male	33.25%	5.56
Total	95.31%	6.77

Training breakdown by employment level	Percentage of trainees	Average training hours
Senior management	0.28%	1.41
Middle management	27.56%	6.17
General	67.47%	7.10
Total	95.31%	6.77

### Professional Skills Training



Experienced technical specialists in the industry were engaged as technical trainers in the Skills Training Center of Zhaoqing Industrial Park, China to provide skills training on equipment operation, craftsmanship standards and quality standards to employees in operating positions, so as to enhance their practical ability, optimize production efficiency and improve product quality.



### Training on Labor Rights Awareness



Each year, we provide employees with training on enhancement of labor rights awareness in anti-discrimination, anti-sexual harassment, prohibition of forced labor and other matters.

### Train the Trainer Programs



We organize senior staff members in the fields of research and development, production, and management to upgrade themselves from individual “experienced experts” to “methodological instructors”, and carry out the “Stepping onto the Podium” program, our training program for internal training instructors, so that they may share their professional experience and draft internal training documents. During the current fiscal year, more than 30 senior staff members were awarded internal training instructor certificates.

At present, we have 120 internal training instructors and 106 training courses to facilitate the continuous and stable operation of our talent training.

### Training on Human Resources System and Process



We organize trainings relating to our human resources system for our production employees to familiarize themselves with the Company’s systems and enhance their relationship management skills.

## NURTURING YOUNG GENERATION

We are committed to nurturing the young generation and providing college students and university undergraduates with valuable work experience to lay a solid foundation for their future career development. In Fiscal 2025, we provided internship opportunities and training to 304 students and recruited 136 graduates who were assigned to work in different business units or functional departments to gain practical work experience.

### Integration of Industry and Education to Promote Sustainable Corporate Development



Through the new talent training mode of “school-enterprise cooperation” with Zhaoqing Science and Technology School, Zhaoqing factories in the PRC achieved the linkage of “industry, vocation and employment” through “practice, internship and training”, and provided students with vocational internship and employment opportunities, and improved their practical skills and chance of employment.

### Internship Program



Hai Phong factories in Vietnam has internship programs with more than 10 universities, aiming at cultivating a new generation of young talents through on-the-job training and internship. Interns will be assigned to different departments to learn industry knowledge and develop professional skills to prepare for career development after graduation.

### CARING FOR EMPLOYEES

Attracting and retaining talents is the key to the success of our sustainable business development. In addition to valuing the needs of our employees, we improve their overall performance and motivate them to unleash their maximum potential by deeply understanding their needs and encouraging an open communication with them. We focus on creating a decent working environment and caring for the well-being of our employees in all aspects. In addition to providing basic benefits in accordance with the laws, we also introduce a number of additional fringe benefits plans to provide better support and protection to our employees for their work and life.





In addition to the provision of a comprehensive fringe benefits plan, we encourage all employees to actively practice work-life balance and organize various recreational and sports activities for them, including football, basketball, yoga, dance and floral art, to provide them with experience and exercise to relieve stress, so as to enhance their sense of belonging and team cohesion.



**Awards for outstanding employees**



**Basketball match**



**Marathon**



**Women's Day activities**



**Football match**



**Dancing**



**Tug-of-war match**



**Food Festival**

HEALTH AND SAFETY OF EMPLOYEES

SAFEGUARDING THE HEALTH AND SAFETY OF EMPLOYEES


The Group attaches great importance to safety management relating to employees’ interests in the countries where we operate and have formulated relevant strategies in accordance with the standards of the occupational health and safety management system to protect the health and safety of our employees in the course of employment. The pillars and elements of the relevant strategy are as follows:

- Formulating and implementing safety and health policies
- Identifying and assessing workplace hazards
- Providing safety training and physical and mental health support to employees
- Formulating emergency response measures and conducting fire or emergency drills
- Implementing continuous improvement the occupational health and safety management systems

**ISO 45001 Occupational Health and Safety Management System**



In Fiscal 2025, the Group’s China factories and Vietnam factories have obtained ISO 45001 Occupational Health and Safety Management System Certification, demonstrating the Group’s determination and action to safeguard workplace safety.



**Fiscal 2025 Safety Training**  
**500,216** Hours

FATALITIES AND RATE OF WORK INJURIES

The Group’s long-term goal is to achieve “zero accident” in the workplace. We are committed to protecting the health and safety of our employees through uniform safety standards, and we have weaved this commitment into every aspect of our operations to provide our employees with solid safety protection.

During the Reporting Period, we recorded zero work-related fatality.

In Fiscal 2025, we recorded a total of 42 work-related injuries involving 1,728 working days lost.

Year	Fiscal 2025	Fiscal 2024	Fiscal 2023
Number of work-related fatalities	0	0	0
Rate of work-related fatalities	0%	0%	0%

The Group makes reference to the Employees’ Compensation Ordinance (Chapter 282 of the Laws of Hong Kong) in defining and conducting data statistics on work-related fatalities.

## Fire Drill in Hai Phong Factories in Vietnam



To ensure that our employees are highly alert and effectively master emergency response skills, a fire drill was arranged with the Fire Department of Hai Phong City, Vietnam for our Hai Phong factories in Vietnam. The drill covered, among others, fire emergency response, gas leakage treatment and rescue operations.

## Safety Management Training in Zhaoqing Factories in the PRC



To strengthen the awareness of occupational safety among our staff, we have arranged safety management trainings in Zhaoqing Factories in the PRC with the participation of over 30 management members, which helps enhance the safety and health awareness of the staff, and the Best Safety Management Quarter Award were awarded to recognize the staff members who actively fulfill their safety management duties.



## OUR COMMUNITY

With our core mission on improving the well-being of our community and fulfilling our social responsibilities as a corporate citizen, the Group has been actively building a caring, inclusive and sustainable community through cash donations, in-kind donations, volunteer activities and other forms of activities over the years.

During the Reporting Period, our performance in public charity activities are as follows:



**420** hours  
of volunteer services



**Recruited**  
**382** volunteers



**Supported** **20** charity  
and community projects



**HK\$1.69 million**  
were donated to charities

We are committed not only to improving the life of the underprivileged and the elderly, but also to promoting environmental protection initiatives and giving back to the community through actions.

We are also committed to inspiring our employees, customers and partners to change some of their daily habits to more environmentally friendly practices so as to work together for the future.

### Planting Hope for Sustainability



We actively participated in the green action events “312 Tree Planting Day” and “1,000 Trees into the Campus” held at Overseas Chinese Town Primary School and Wu Ta-You School in Zhaoqing New District to take practical action to fulfill our corporate social responsibility by injecting vitality into building an ecological environment in the campus.

### Rebuilding the Community Together



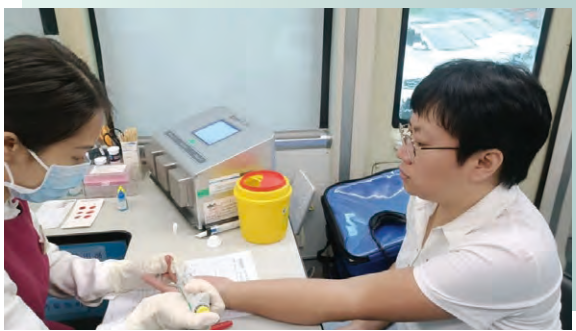
In September 2024, Typhoon Yagi, the strongest typhoon in Asia, struck northern Vietnam, devastating local people’s livelihoods and the local economy. In response, we donated more than HK\$600,000 to the local government to support the post-disaster reconstruction and help the victims to resume normal life as soon as possible.

## Earth Hour 2025



The Group supported the “Earth Hour” activities organized by WWF Hong Kong. Non-essential electric lights were turned off for one hour on 22 March 2025 to promote energy conservation and sustainable living.

## Sharing and Saving Lives



Regina Miracle’s volunteer team and the Two New Organizations Working Committees of Yutang Street of Guangming District, Shenzhen initiated a blood donation campaign in April 2024 to support the patients in dire need of blood transfusion.

## Delivering Warmth to the Community



With our spirit of caring for the community, Regina Miracle’s volunteer team visited Hai Phong Elderly Home and Phoenix Flower Orphanage in Hai Phong City during the Lunar New Year to deliver warmth and sincere care to the elderly and children.

# GLOSSARY

Terms	Definition
AGV	Automated Guided Vehicle
AI	Artificial Intelligence
APS	Advanced Planning and Scheduling System
ASTM D5511	Anaerobic Biodegradation Test Method
BetterWork	BetterWork
BVE3	BV Environmental Emission Evaluator
CAF	Common Assessment Framework
Company/Group/we	Regina Miracle International (Holdings) Limited
ESG	Environmental, Social and Governance
FEM	Factory Environmental Module
FSLM	Facility Social & Labor Module
GRS	Global Recycled Standard
ILO	International Labor Organization
IoT	Internet of Things
ISO/IEC 17025 LMS	Laboratory Management Systems
ISO/IEC 27001 ISMS	Information Security Management Systems
ISO9001 QMS	Quality Management Systems
ISO14001 EMS	Environmental Management Systems
ISO45001 OHSMS	Occupational Health and Safety Management Systems
ISO50001 EnMS	Energy Management Systems
KPI	Key Performance Indicator
LCA	Life Cycle Assessment
LEED	Leadership in Energy and Environmental Design
LMS	Lean Management System
MES	Manufacturing Execution System
MRS�	Manufacturing Restricted Substances List
OEE	Overall Equipment Effectiveness
OQL	Observed Quality Level
P.A.C.E	Personal Advancement and Career Enhancement
RCS	Recycled Claim Standard
Report	the Environmental, Social and Governance Report
RFID	Radio Frequency Identification
RISE	Reimagining Industry to Support Equality
RSL	Restricted Substances List
RWS	Responsible Wool Standard
SBTi	Science Based Targets initiative
SBTs	Science-Based Targets
SCM	Supply Chain Management
SLCP	Social and Labor Convergence Program
Supplier to Zero	Supplier to Zero
TCFD	Task Force on Climate-Related Financial Disclosures
USDA	United States Department of Agriculture
VACI	Vietnam Institute of Accreditation
WMS	Warehouse Management System
WRAP	Worldwide Responsible Accredited Production
ZDHC	Zero Discharge of Hazardous Chemicals

<sup>1</sup> In Fiscal 2025, greenhouse gas emissions (Scope 1) derive from the combustion of fuel (petrol, diesel) in stationary sources and the combustion of fuel (petrol, diesel, liquefied petroleum gas) from our business vehicles. Greenhouse gas emissions (Scope 2) derive from the consumption of purchased electricity. In addition to the calculation of the greenhouse gas emissions (Scope 1) with reference to the “Appendix 2: Reporting Guidance on Environmental KPIs” (the Appendix 2) to the “How to prepare an ESG Report” updated by The Stock Exchange of Hong Kong Limited in May 2021, the greenhouse gas emission factors of our Vietnam factories refer to the greenhouse gas emission coefficient of power grid in 2023 published by the Department of Climate Change under the Ministry of Natural Resources and Environment in Vietnam, and the greenhouse gas emission factors of our Shenzhen factories and Zhaoqing factories refer to the “Announcement on the Release of Carbon Dioxide Emission Factors for Electricity in 2022” (《關於發佈2022年電力二氧化碳排放因子的公告》) published by the Ministry of Ecology and Environment of the People’s Republic of China and the National Bureau of Statistics in December 2024.

<sup>2</sup> Energy heating value coefficient is determined with reference to the “Guidelines on Accounting Methods and Reporting of Greenhouse Gas Emissions for Enterprises in Other Industries (Trial)” (《工業其他行業企業溫室氣體排放核算方法與報告指南(試行)》) published by the National Development and Reform Commission of the People’s Republic of China on 6 July 2015.

<sup>3</sup> Greenhouse gas emissions, hazardous waste emissions, non-hazardous waste emissions, energy consumption and water consumption intensity are calculated by using the Group’s operating income in Fiscal 2025 in HK\$’000 as the denominator.

<sup>4</sup> The scope of disclosure of hazardous waste of Shenzhen factories is defined according to the “Directory of National Hazardous Waste” (2021 edition) (《國家危險廢物名錄》(2021版)) published by the Ministry of Environmental Protection of the People’s Republic of China, while the scope of disclosure of hazardous waste of Vietnam factories is defined according to the “Circular No. 36/ 2015/ TT-BTNMT” (2015 edition) published by the Ministry of Natural Resources and Environment of Vietnam.

<sup>5</sup> Unless otherwise expressed, the statistics on the number of workforce encompass all employees of the Group’s Shenzhen factories, Zhaoqing factories, Vietnam factories, and functional departments in Hong Kong.

<sup>6</sup> Unless otherwise expressed, the number of workforce by geographical region is based on the number of signed employment contracts.

<sup>7</sup> The employee turnover ratio is calculated based on the number of employee who resigned during the year divided by the sum of the number of employees in office and the number of employee who resigned as at the end of the Reporting Period.

<sup>8</sup> The training data covers all employees of the Group’s Shenzhen factories, Zhaoqing factories, Vietnam factories and offices in Hong Kong.



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Regina Miracle International (Holdings) Limited

