恒田企業
HANDA INDUSTRIES

2025 Annual

HANDA INDUSTRIES LIMITED
Sustainable Development Report

恒田企業
HANDA INDUSTRIES

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Handa is Like the Sea

Handa is like the sea. Only the sea can be so broad-minded to embrace all rivers and streams, and purify the polluted into clear water. That is why no matter how difficult, the rolling Yangtze River, the turbid Yellow River, and the sluggish trickle of water vie with each other in rushing into the sea. They converge into an unparalleled spectacular with everlasting flowing green water!

Once merged into the great family of the sea, every molecule will be closely together, forming a united whole on very intimate term. They follow the sea’ s principle and firmly pursue for the same goal, even if it means death. Therefore, there is the magic of the sea liberating.

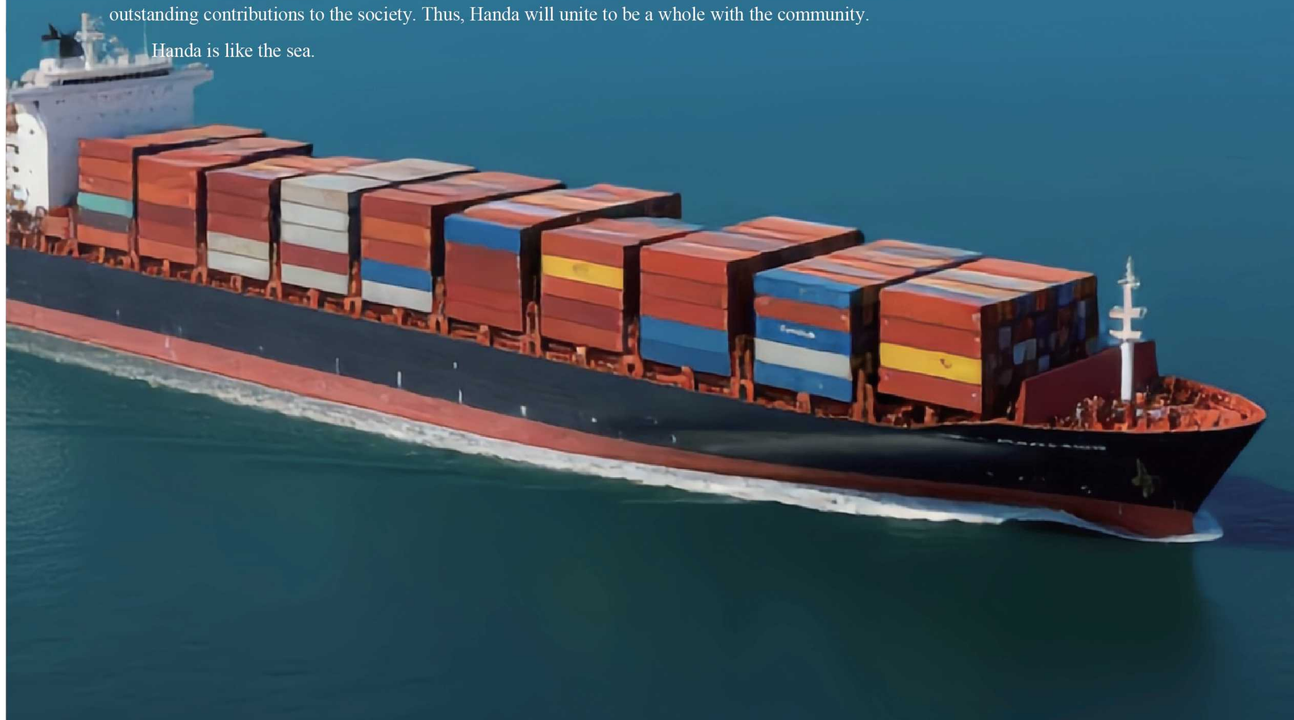
The sea quietly does selfless dedication year after year. This is why it has been widely praised. It is its spirit of "creation without attachment, working without credit", and asking for nothing that helped the sea to achieve eternal existence. And this offers a perpetual living environment to all the creatures in the sea.

Handa should act like the sea. Since it has established the magnificent goal as the sea, Handa should be open-minded like the sea. We should not only embrace the talents from all over the country, but also possess the self-purification ability as the sea, so as to enhance and sublimate the quality of each individual in such atmosphere. Members of Handa should be capable individuals, not redundant or mediocre, because the development of Handa needs the support and assurance of talents in various fields.

We should unite all the members together in Handa to burst out our strength as powerful as the sea. This depends on a spirit of Company which we have always advocated----Innovation, Integrity, Faithfulness, Customer first. When we work together with one heart, we should forget we are separated individuals. And our value should be judged by our contributions, not only diplomas. In this way, lots of impossible things in our hands can be reality, and the huge wave of Handa will break through all the obstacles and rolling forward!

We should make our contribution to the community and mankind like the sea. Like the sea, Handa would own its eternal existence. And every individual in Handa will receive generous rewards for their efforts to bring great benefits for the Company, and their outstanding contributions to the society. Thus, Handa will unite to be a whole with the community.

Handa is like the sea.



The Report Profiles

This is an annual report, and this is the sixteenth report Handa Industries has released to the public since 2010.

Reporting entity: Handa Industries Co., Ltd., hereinafter referred to as "Handa Industries".

Explanation of reference: In this report, "Industries," "company," "Handa," and "we" all refer to Handa Industries, and the corresponding data and facts are limited to Handa Industries.

Time range: January 1, 2025 to December 31, 2025, including some historical data.

Reporting cycle: The company releases information related to sustainable development for the previous year annually.

Writing principles: Objectivity, Standardization, Integrity, and Transparency.

Content scope: The global operations of the company headquarters and all its branches in economic, environmental and social aspects.

Information source: Unless otherwise specified, the data and cases in this report are from Handa Industries and its subsidiaries.

Reference Standard: Global Reporting Initiative's Guide to Sustainability Reporting

China Textile and Apparel Industries Social Responsibility Management System (CSC9000T)

Outline of Corporate Social Responsibility Reporting for Chinese Textile and Apparel Industries (2008 Edition)

United Nations 2030 Agenda for Sustainable Development (A/RES/70/1)

Report Compilation: This report was compiled by the Office of Sustainable Development and reviewed and approved by the Corporate Sustainable Development Committee.

Report access: Website browsing and download: www.handagroup.com

Scan to visit our corporate website

Weaving a Global Network
Fulfilling Qur Ariginal Aspiration of Responsibility

In the grand and surging river of the textile industry, Handa Industries, with its magnificent entire industrial chain as its canvas, has forged a unique new texture for the future, stitching together a grand development answer sheet engraved with social responsibility and corporate mission.

2025 marks the 30th anniversary of Handa Industries. In these significant 30 years, Handa has established a solid foundation for development, characterized by global expansion, digital empowerment, innovative breakthroughs, and responsible commitment. It has broken free from the constraints of traditional manufacturing, building a modern textile industry system that combines quality, innovation, and social responsibility. Handa has not only gained market recognition and customer trust but also earned the respect and praise of the industry. Behind these remarkable achievements, Handa has never forgotten its social responsibility and mission. In an era where sustainable development has become a global consensus, Handa actively responds to the call of the times, deeply integrating the concept of sustainable development into every aspect of its operations. Handa Industries' 2025 Sustainable Development Report, this weighty report card, is not only a rational review and accumulation of Handa's practical experience but also our deepest and most profound expression of gratitude to the times, the industry, and our commitment to giving back to our planet.

I. Globalization Strategy: Building a Value-Sharing Network and Expanding the International Industrial Footprint

The essence of textiles lies in the harmonious interplay of warp and weft; the foundation of an Industries lies in its deep-rooted roots. Handa has always adhered to the original aspiration of manufacturing, refining the synergistic advantages of the entire industrial chain to the extreme. From the precision of weaving to the refinement of dyeing and finishing, and the craftsmanship of sewing, every process is engraved with our reverence for quality.

Since the establishment of our first overseas production base in 2014, we have been steadily expanding our territory and opening up new horizons. With the ultimate craftsmanship, excellent quality and sincere responsibility as our foundation, we have meticulously woven a magnificent industrial ecosystem that deeply integrates intelligent manufacturing and collaboratively empowers the world across the five continents.

We are deeply committed to our globalization strategy, building it into a globally interconnected value-sharing network. We innovatively adopt a core strategy of "localized operation + global collaboration" to accurately respond to international market fluctuations and comprehensively meet the diverse needs of our global customers. Based on our "4+6+9" three-dimensional collaborative system, we have established a strong presence in China, Myanmar, Egypt, Bangladesh, and other locations, ensuring our production chain is closely aligned with market trends and our industrial layout precisely responds to global demands. The second phase of our Bangladesh project is progressing steadily, continuously injecting strong momentum into Handa Industries' international expansion. Currently, the project has officially commenced factory construction, and with the orderly progress of infrastructure development, a solid foundation will be laid for the company's subsequent expansion of overall production capacity. We have never stopped at simply increasing scale; instead, we are driven by responsibility, promoting quality local employment and revitalizing the industrial ecosystem, transforming the power of our corporate development into a source of warmth for local people. At the same time, we have established multiple sales network nodes globally, getting close to our core customers, deeply exploring the real needs of different regional markets, listening attentively to the voice of the market, keeping up with the pace of industry changes, and providing precise and customized services. We quickly achieve efficient transformation from customer needs to end products. Every step we take is firmly moving towards our vision of "working with global benchmark brands to create a better and more fashionable life." This determination to be rooted in manufacturing and give back to society is the core strength that allows Handa to stand tall in the global industry.

Chairman's Address
2025 CSD REPORT

II. Digital Transformation: Unleashing a Wave of Mindset Innovation and Reshaping Core Competitive Advantages

Technological iteration is progressing at breakneck speed, and green development has become an essential necessity of our time. Handa has proactively broken free from the path dependence of traditional manufacturing, continuously guiding itself with "technology, fashion, and green" as its guiding principles. In the midst of transformation, it explores a new paradigm for sustainable development, deeply understanding that intelligentization and digitalization are not merely simple technological applications, but a complete revolution in corporate thinking. This transformation has not only comprehensively changed traditional production methods but also fundamentally reshaped the company's core competitiveness, becoming the core engine for high-quality development.

We leverage digitalization to break down language barriers and temporal and spatial limitations in cross-border collaboration, ensuring that management concepts permeate the entire process and that efficiency and human touch coexist in intelligent collaboration. We use intelligent technology as our wings to build an automated production blueprint, from intelligent logistics in the workshop to refined sewing processes, using technological innovation to reduce energy consumption and optimize product quality throughout the entire process, giving traditional workshops a green new lease on life. With the efficient production model and superior product quality brought about by intelligent empowerment, Handa products have won widespread recognition and praise in the global market, and its global market share continues to expand steadily. In 2025, Handa's outstanding achievements in the field of digitalization and intelligence garnered high recognition from the industry, successfully winning the prestigious honor of "Jiangsu Province Advanced Intelligent Factory." This is not only a strong affirmation of the company's past achievements in intelligent construction but also sets a benchmark for future in-depth development in the field of intelligent manufacturing. Simultaneously, the company stood out in the 2025 competition for innovation tasks in the artificial intelligence industry and empowering new industrialization, fully demonstrating its industry-leading strength in the innovative application of artificial intelligence, making digitalization and intelligence a true core support for the company's global market expansion.

III. Breakthrough through R&D: Grasping the core keys to innovation and leading the revolution in textile technology.

In 2025, we will place R&D and innovation at the core of our corporate development, regarding it as the primary driving force for long-term growth. With unprecedented determination and effort, we will increase resource investment, focusing on the in-depth R&D and practical application of functional textile materials. Building upon our industry-leading position in super-fast-drying technology, we will overcome challenges and delve deeply into research, successfully breaking through the core difficulties of dual-effect cooling technology. We will also launch a series of differentiated, high-quality functional products tailored to the segmented needs of different consumer groups, comprehensively meeting the diversified demands of the market. In the core dimension of sustainable development, we will proactively shoulder green responsibility, launching a series of carbon-negative products. By innovatively applying carbon capture and conversion technology, we will cut off the textile pollution chain at the source of production, creating truly green products throughout the entire process, providing a new and feasible solution for the industry's low-carbon and environmentally friendly development. With R&D and innovation at its core, Handa is gradually breaking away from the homogeneous competition of the traditional textile industry, forging its own path of high-end, differentiated, and green development, defining a new industry benchmark with its technological strength.

IV. Responsible Deep Cultivation: Upholding the concept of health and green development, and fulfilling corporate social responsibility.

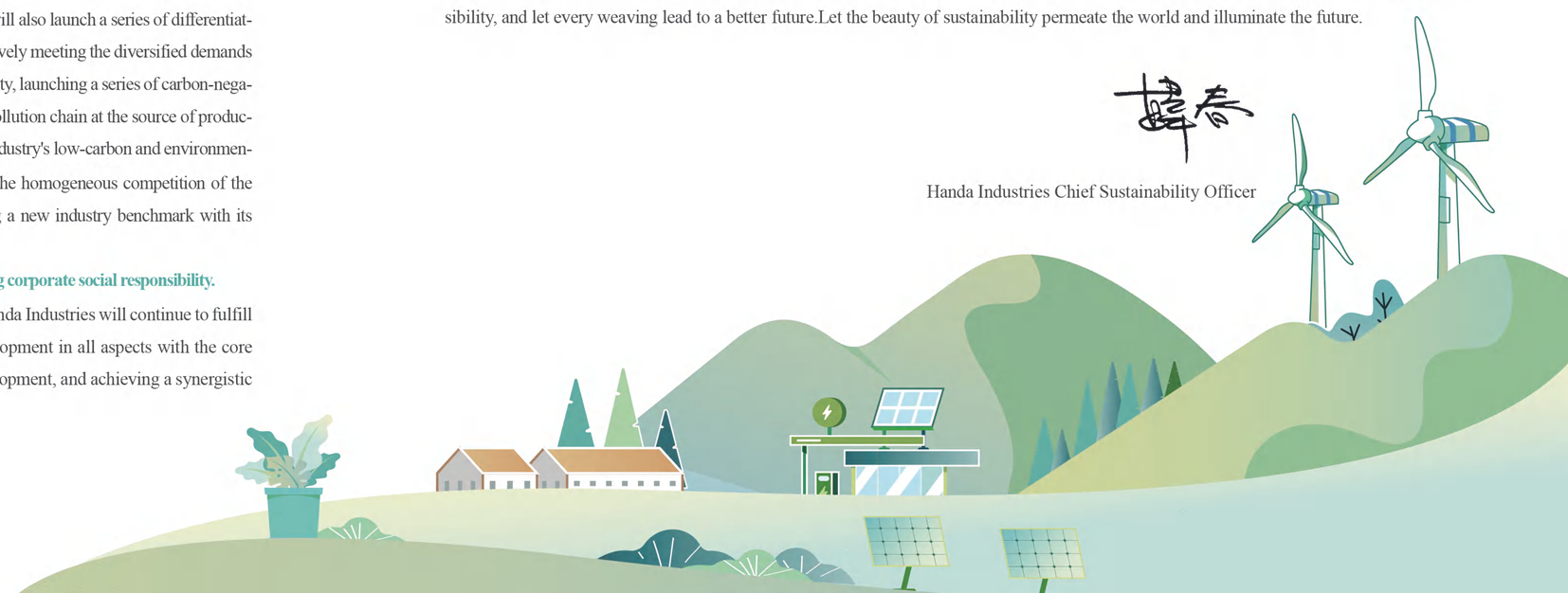
Corporate development is driven by responsibility; progress is based on green principles. In 2025, Handa Industries will continue to fulfill its public welfare mission with a strong sense of responsibility, empowering high-quality corporate development in all aspects with the core concepts of "health and green," deeply integrating social responsibility into the lifeblood of corporate development, and achieving a synergistic win-win situation for economic, social, and ecological benefits.

In this year, the Wuxi Handa Charity Foundation was officially established, and a series of heartwarming charitable projects were implemented in an orderly manner. In 2025, Handa Industries donated to 20 students in need and provided targeted assistance to more than 30 impoverished families, delivering corporate care to those most in need through concrete actions, allowing love and warmth to take root and blossom throughout society. At the same time, the company deeply integrates product health, sustainable development, and employee care into its entire development process. Based on the entire life cycle of textiles and apparel, it focuses on the research and development and application of healthy textile technologies, incorporating the core needs of green environmental protection, health, and comfort into the entire process of product design, raw material procurement, and manufacturing. It promotes green transformation from the source of production, building a sustainable development data dashboard to fully empower green production practices through digital means. Adhering to the core concept of "people-oriented," the company highly values employee career development and humanistic care, regularly conducting professional skills training and high-level industry exchange activities. Through a variety of activities such as outdoor activities, corporate culture festivals, and employee sports meets, it creates a healthy, harmonious, and positive working environment, truly achieving a symbiotic and prosperous relationship between the company, its employees, society, and nature.

Riding the wave of industry transformation and green development, Handa will continue to focus on its core development direction of "technology, fashion, and green," continuously iterating its global industrial layout, deepening digital and intelligent reform and innovation, tackling cutting-edge green textile technologies, and expanding the boundaries of its public welfare responsibilities. We will integrate low-carbon development, quality manufacturing, social responsibility, and humanistic care throughout the entire process of the company's long-term development. We will continue to break down barriers to industrial development, drive industrial upgrading through technological innovation, empower value symbiosis through global collaboration, and demonstrate corporate warmth through public welfare commitment, striving to build a modern benchmark Industry for green, low-carbon, intelligent, efficient, and sustainable development.

Looking ahead, Handa Industries will remain committed to its original aspiration in the real economy, maintain its innovative vitality, fulfill its green mission, and shoulder its social responsibility. We will let our craftsmanship weave together the warmth of industry and drive our efforts towards a green future. With a broader global vision, stronger innovative capabilities, and more pragmatic responsible actions, we will connect global resources, empower industry development, and give back to society and people's livelihoods.Let every thread carry responsibility, and let every weaving lead to a better future.Let the beauty of sustainability permeate the world and illuminate the future.

Handa Industries Chief Sustainability Officer



Thirty years of Handa
2025 CSD REPORT

Thirty years of Handa

Setting sail in 1995, Handa embarks on a new chapter in 2025. 2025 marks the 30th anniversary of Handa Industries. For 30 years, the company has been deeply rooted in the textile industry. From its initial pioneering work to its steady development, generations of Handa people have worked together with one heart and one mind, overcoming difficulties and challenges, and engraving a journey of growth spanning 30 years with perseverance and hard work.

On April 15th, Handa Industries' 30th Anniversary Celebration grandly opened at the Wuxi International Conference Center. The event was adorned with flower baskets and filled with a warm atmosphere. Three thousand representatives from global partners and Handa's employees from home and abroad gathered to celebrate this momentous occasion and witness its glory. At the celebration, Chairman Han Chun delivered a keynote speech, using time as the axis and development as the main theme to look back on the company's pioneering journey, its rise and innovation, and its global expansion. He distilled the essence of three decades of development and clarified the future direction: forging core competitiveness through technological innovation, building a global community of shared future through cultural integration, and cultivating evergreen genes through sustainable development. This was both a tribute to the past and a declaration for moving towards the future.

The entire celebration was rich in content and profound in meaning, intertwining warmth and glory. Awards were presented to long-serving employees for 10, 15, and 20 years, paying tribute to their dedication and contributions. Employee-directed and performed programs showcased the spirit of Handa people, winning praise from the audience. Furthermore, the celebration recognized and thanked ten strategic partner suppliers, and witnessed a milestone handover – Chairman Han Chun presented the company flag to the newly appointed Executive Director and President, Ms. Heng Zeli, marking a new stage for Handa. Simultaneously, representatives from sixteen clients received the "Shared Prosperity Gold" trophy, and Chairman Han Chun also presented the China National Textile and Apparel Council with the "Leading Lighthouse" trophy, expressing gratitude for industry guidance. These thirty years have been a journey of weathering storms together and building shared prosperity.This period is filled with perseverance and glory, and it also lays the foundation for limitless possibilities for the next journey. Handa is poised to embrace a new attitude, joining hands with global partners to embark on a new journey and create even greater achievements.

ESG Key Performance Indicators
2025 CSD REPORT

ESG Key Performance Indicators

Governance

R&D Investment
2,099 (Unit: 10,000 CNY)

Sales Revenue
225,000 (Unit: 10,000 CNY)

Patents Granted
32 Piece

Women in Leadership Positions
63 %

Environment

Annual Carbon Emissions
30,145.46 t CO_2e

Number of Green Products
121 Piece

Social

Jobs Created
12,706 persons

Total Payroll
42,600 (Unit: 10,000 CNY)

Training Attendances
25,412 Person-times

Total Employee Compensation
5,330 (Unit: 10,000 CNY)

Customer Satisfaction Rate
96.7 %

Fabric Production
10,721 tons

Garment Production
6,068 (Unit: 10,000 pcs)

Total Tax Contribution
5,945 (Unit: 10,000 CNY)

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Born of Duty Marching to the Sea

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About Handa

Company Profile

Handa Industries Co., Ltd. (hereinafter referred to as Handa Industries) was established in 1995. It specializes in the research and development, weaving, dyeing and finishing, and garment design and production of weft knitted fabrics. It currently has more than 1,000 employees at home and abroad. With a workforce of tens of thousands, the company is headquartered in Hong Kong and has sales offices and production bases in multiple countries and cities worldwide, including mainland China, Japan, New York, Europe, Myanmar, Egypt, and Bangladesh, forming a service system that radiates across the global market. At the same time, Handa Industries continuously strengthens its intelligent manufacturing, innovative management, and sustainable development, promoting its transformation and upgrading.

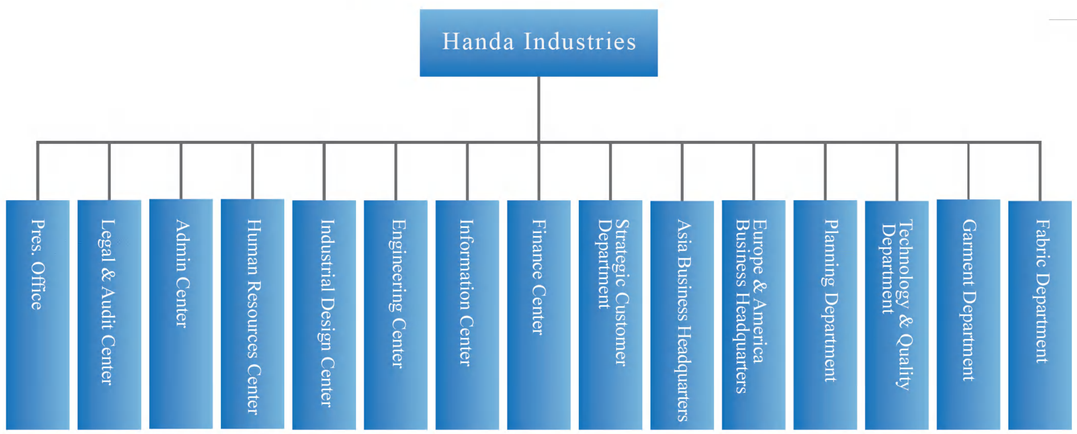
In recent years, Handa Industries has actively built green and smart factories, continuously increasing its investment in digitalization and Industries intelligence, and constructing a smart manufacturing system covering the entire process. The company has successively passed the Level 3 assessment of smart manufacturing maturity capabilities, been rated as a "Jiangsu Provincial Smart Manufacturing Workshop," and further advanced to be recognized as a "Jiangsu Provincial Advanced Smart Factory." In terms of green development, the company adheres to the principle of giving equal importance to low-carbon environmental protection and efficient manufacturing, and has won the title of "Jiangsu Provincial Green Factory," becoming one of the industry's benchmarks for green manufacturing.

Handa Industries has in-depth cooperation with many well-known brands in China, Japan, Europe and the United States. In the production process, it always adheres to the quality principle of "not accepting defective products, not making defective products, and not letting defective products flow into the next process". From yarn and fabric research and development, weaving and dyeing, to regular style design and development proposals, and garment sewing production line production, it forms an in-depth cooperation with the final brand in the form of an integrated supply chain factory, thereby forming long-term stable production and sustainable development, and will become the world's most competitive intelligent manufacturing Industries for clothing and fabrics.

Handa Industries boasts a professional R&D team and advanced production equipment. For many consecutive years, it has been designated as the "Functional Knitted Fabric Development Base of the China National Textile and Apparel Council," and has received the "Product Development Contribution Award of the China National Textile and Apparel Council" for many years. Furthermore, it has been named the "Functional Knitted Fabric Trend Research Center of the China National Textile and Apparel Council" by the National Textile Product Development Center. Collaborative Innovation Center for Functional Knitted Fabrics in the Textile Industry Meanwhile, it has successfully passed the ISO9001 quality management system and ISO14001 environmental management system audits, as well as BSCI, SEDEX, WRAP, GRS and other certifications. It has always adhered to green development, is a member of the Green Manufacturing Industry Innovation Alliance of Textile Supply Chain, and has joined the "30·60 China Fashion Brand Climate Innovation Action Carbon Neutrality Acceleration Plan".

Handa Industries, as a provider of comprehensive solutions for fashion apparel and fabrics, joins hands with leading global brands to create a better and more fashionable lifestyle!

Organization Chart of Handa Industries



Annual Honors

- Recycled Polypropylene Fabric Featured in Nature
- I&I Integration Management System AAA Certificate
- Jiangsu Provincial Green Factory
- National Intelligent Manufacturing Capability Maturity Model (CMMM) Level 3 Assessment
- Jiangsu Provincial Advanced Intelligent Factory
- Collective for Outstanding Contributions to High-Quality Development of Xishan District
- ISO 9001 System Certification
- ISO 14001 System Certification
- Energy Management System Certification
- Ms. Heng Zeli was awarded the title of Outstanding Young Entrepreneur in Jiangsu Textile and Apparel Industry.
- Ms. Yao Xinxin was honored as Annual Science and Technology Innovation Figure of Jiangsu Garment Industry.

Corporate Culture

Enterprise spirit
Innovation Integrity,
Faithfulness Customer first

Staff behavior policy
Dedicated Cooperative
Efficient Progressive

Enterprise mission
Aim to be the world's most competitive fabric and garment intelligent manufacturer

Operating strategy
Full lean, continuous improvement

Enterprise vision
Create a better fashion life together with the global benchmark brands

Quality oncept
Quality base, quality first

Operation strategy
Hi-Tech Handa
Fashion Handa
Green Handa

Three principles of working
Perfect work
Complete work
Self-improvement

Operation philosophy
Strive harder as we are common;
Become remarkable as we strive harder!

Three principles of quality
Do not produce bad products
Do not accept bad products
Do not allow bad products to flow into the next process.

5W1H
What Where When
Who Why How

PDCA
Plan→Do→Check→Action

Born of Duty, Marching to the Sea
2025 CSD REPORT

Global Partners

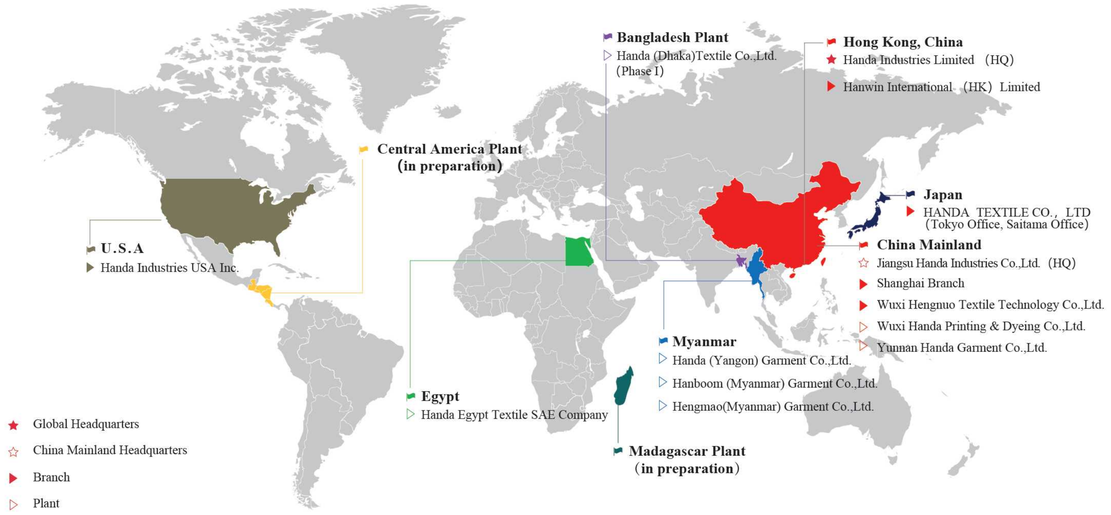
Handa Industries has established long-term and stable strategic partnerships with many leading global apparel brands, covering core markets such as Japan, Europe and the United States, and mainland China. With its integrated supply chain capabilities and sustainable development practices, Handa provides high-quality and responsible products and services to global customers.

Responsible Globalization Strategy

Handa Industries has built a three-dimensional industrial synergy system centered on "4+6+9" through its global strategic layout. This system is headquartered in Hong Kong, deeply rooted in four core markets: Japan, Europe, the United States, and China; supported by six strategic operation centers: its mainland headquarters in Wuxi, Shanghai, Tokyo and Saitama in Japan, Manhattan in New York, and Cairo in Egypt; and based on the company's development and the needs of its brand customers, it has established nine manufacturing bases in key locations around the world—including the Wuxi mainland headquarters factory, a factory in Yunnan, four factories in Myanmar, two factories in Egypt, and a factory in Bangladesh—building a resilient and cost-effective global supply chain network.

This layout enables the global allocation of production resources and precise alignment with market demand, and forms a complete value chain loop from innovation and R&D to end-user delivery, fully demonstrating the strategic depth and rapid response capability of the Group's global operations.

Global Layout Map



Global Industrial Collaboration System

4

Four Major Target Markets
Japan / Europe / the United States / China

6

Six Major Business & Marketing Centers
Wuxi / Shanghai / Tokyo
Saitama / New York / Cairo

9

Nine Garment Factories
Wuxi / Mangshi
Yangon / Cairo / Dhaka

Egyptian government officials visit Handa's egyptian factor

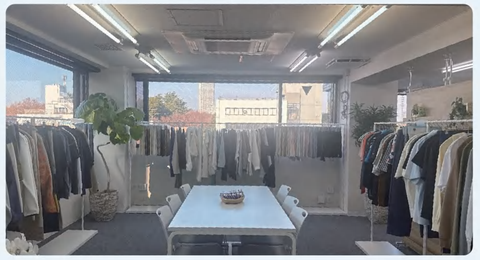
In January 2025, Mr. Essam Elbeheiery, Chairman of the General Authority of Free Zones in Egypt, Mr. Mohamed Elsheikh, General Manager of the Administration Department, and Mr. Khaled Diab, Chairman of the Nasser City Free Zone, visited Handa Industries's Egyptian factory to inspect its production and operations.

During the visit, senior government officials toured the factory's production processes, observed technological innovations, and implemented 6S management practices. They also exchanged views with factory management on topics such as production management and environmental responsibility. They affirmed the factory's achievements in improving production efficiency, optimizing management models, and practicing environmental protection, stating that Handa's Egyptian factory has set a benchmark for industrial development in Egypt.

Japanese subsidiary moves to new address

In January 2025, Handa Corporation's Japanese subsidiary, Handa Textile Co., Ltd., completed its relocation from Shinjuku to a new site in Sendagaya, Shibuya-ku, Tokyo, and held an opening ceremony at the new location. The new office area is adjacent to the Royal Gardens and is equipped with modern office facilities and advanced communication equipment.

This relocation aims to optimize the company's operational layout in the Japanese market, improve the office environment and work efficiency, and provide convenient conditions for business expansion and customer reception. Handa Industries stated that it will continue to deepen its presence in the Japanese market and enhance its localized service levels.



Bangladesh project officially signed

On April 15, 2025, the day of Handa Industries' 30th anniversary celebration, the company signed an investment agreement with the Bangladesh Investment Development Authority (BIDA). According to the agreement, Handa Industries will invest US$150 million in Bangladesh's special economic zones and export processing zones over the next five years to build a full-chain production base covering weaving, dyeing and finishing to garment production.

At the signing ceremony, Sun Wei, Vice Mayor of Wuxi Municipal Government, Yan Yan, Vice President of China National Textile and Apparel Council, and Fazlee Shamim Ehsan, Vice President of Bangladesh Knitting Producers and Exporters Association, witnessed the signing. Previously, the two sides signed a memorandum of understanding at the Bangladesh Investment Summit on April 10th, and Professor Muhammad Yunus, Chief Adviser of the Interim Government of Bangladesh, congratulated both parties via social media.

This project is a strategic initiative by Handa Industries to further improve its global production network and optimize its supply chain layout, building upon its existing operations in Myanmar, Egypt, and other locations.

Chairman of Handa Industries attends the 2025 Textile Industry "Belt and Road" Singapore Forum

On November 20, 2025, the Singapore Forum on the Belt and Road Initiative for the textile industry, themed “Global Textile Industry Collaboration and Innovative Future,” was held. Han Chun, Chairman of Handa Industries, was invited to attend and participate in the roundtable discussion.

During the dialogue session themed "Gathering Strength and Integrating to Create a Shared Future for the Global Textile Industry," Han Chun shared Handa Industries' practical experience in overseas investment. He stated that respecting local culture is the cornerstone of successful overseas investment, and companies need to accurately grasp local business rules and market logic. Simultaneously, digital management helps break down geographical limitations and improve the collaborative efficiency of cross-cultural teams. Regarding talent development, Handa emphasizes selecting local talent, building a professional team with both international perspectives and local experience, and establishing cooperative networks with various local parties to achieve resource sharing.

This forum brought together representatives from the global textile industry to exchange ideas on topics such as technology, green initiatives, fashion, and health. Handa Industries stated that it will continue to uphold the concept of collaboration and integration, working with global industry colleagues to address challenges and promote sustainable development in the industry.

Chairman of Handa Industries attends the 2025 Roundtable Conference of Well-known Entrepreneurs

In November 2025, the 8th World Textile Merchants Conference was held in Shaoxing, Zhejiang Province. During the event, a renowned entrepreneurs' roundtable was hosted under the theme International Competition and Cooperation — Reconstructing a New Pattern of the Global Textile Value Chain. Han Chun, Chairman of Handa Industries, attended as a special guest and delivered a keynote speech.

In his speech, Chairman Han shared the company's experience in global development and intelligent transformation. In terms of global layout, Handa has established a full-fledged intelligent manufacturing system covering four core markets, six marketing hubs and nine production bases. It is also pushing forward the construction of overseas production bases in Bangladesh, Egypt and other regions to further optimize its global industrial network.

When it comes to intelligent upgrading, Handa focuses on two major areas: automation and digital operations. The company actively adopts human-machine collaborative production modes, and works with premium equipment suppliers to optimize sewing procedures and upgrade production workflows, so as to fully elevate overall smart manufacturing efficiency.

Overview of Production Bases

Wuxi, China (Corporate Headquarters)

Handa Industrial Park

Geographical coordinates

Dongbeitang Town, Xishan District, Wuxi City, Jiangsu Province

Strategic Positioning

- China Natfonal Textileand Apparel Counci Pioneer Plant-Functional Knitted Fabric
- China National Textile and Apparel Council Fabrics China Trend Research Center-Functional Knitted Textiles
- Fabrics China Pioneer Plant-Functional Knitted Fabric

Core Industriess

- Jiangsu Handa Industries Co.,Ltd. (HQ)
- Wuxi Hengnuo Textile Technology Co.,Ltd.

Park Size

75,600 ㎡ Modern Industrial Park

Core Functions

- Product Innovation and R&D Center
- Fashion Design Center
- Supply Chain Management Headquarters
- Digital Transformation Operations Center
- Global Production and Operations Hub
- Smart Garment Manufacturing Center

Printing and dyeing industrial park

Geographical coordinates

No. 188, Nongxin Road, Dongbeitang, Xishan District, Wuxi City, Jiangsu Province

Specialty Area

Dyeing and Finishing of High-End Knitted Fabrics

Operating Entity

Wuxi Handa Printing & Dyeing Co.,Ltd.

Park Size

33,000㎡professional dyeing and finishing factory

Technical Features

- Clean production processes
- Digital color management system
- Flexible production configuration

Flexible production configuration

Geographical coordinates

No. 8, Jingda South Road, Xibei Town, Xishan District, Wuxi City, Jiangsu Province

Industry Focus

Large-Scale Production of Weft-Knitted Fabrics

Operating Entity

Hengnuo Textile Factory

Park Size

48,848㎡Automated Weaving Park

Production Capacity Advantages

- Annual production of over 4,000 tons of high-end knitted fabrics
- IncludesItaly and Taiwan, etc. A total of 120 advanced looms
- Specializes in the research and development and production of functional fabrics such as quick-drying and lightweight fabrics.

Yunnan Production Base

Yunnan Production Base

Geographical coordinates

No. 7, Qiangyuan Road, Mangshi Industrial Park, Dehong Prefecture, Yunnan Province

Core Positioning

- A strategic production base serving the Southeast Asian market
- Intelligent garment manufacturing

Size of the facility

2,700㎡garment production factory

Production Features

- Configure automated equipment such as automatic cutting beds
- Implement full-process production control using digital systems such as MES.

Myanmar Production Base

Myanmar Garment Factory No. 1

Geographical coordinates

No. 288, Riverside Road, Thlaingpan Industrial Zone, Hlaingthaya City

Size of the facility

11,000㎡ factory, 25 production lines

Production capacity

Average monthly output of 1.3 million units

Myanmar Garment Factory No. 2

Geographical coordinates

No. 13-15, intersection of Wushuibin Road and Wumu Road, Shuilingban Industrial Zone

Size of the facility

42,000㎡ factory building

Production Features

- **78 stitches** for sewin
- **30 stitches** for printing
- **24 stitches** for embroidery

Production capacity

Average monthly output of 3.5 million units

Myanmar Garment Factory No. 3

Geographical coordinates

No. 480, Wumasuwen Road, Shuilingban Industrial Zone

Size of the facility

16,000 ㎡ factory，41 production lines

Production capacity

Average monthly output of 2.1 million units

Myanmar Garment Factory No. 5

Geographical coordinates

No. 484, Wamasuong Island Road, Shuilingban Industrial Zone

Size of the facility

12,000㎡ factory building，**20** assembly line

Production capacity

Average monthly output: 600,000 pieces (woven products)

Supporting System

Professional Printing & Embroidery Factory

Overall Strengths

- Covers all aspects of knitting and weaving production
- Nearly 7,000 skilled employees, efficient operation through Sino-Myanmar collaboration
- Deeply localized, gaining high recognition from local government and community.
- Possesses extensive management experience and mature management processes

Egypt Production Base

Egypt Factory

Geographical coordinates

Bilbays Aviation Academy Road, Egypt

Base Size

- Egypt Factory No. 1, 35,000 ㎡ Garment Factory
- Egypt Factory 2, 53,000 ㎡ Garment Factory

Production Capacity Advantages

- The Egyptian factory has 47 garment production lines with a monthly capacity of 1.8 million pieces.
- Egypt's second factory has 60 garment production lines with a monthly capacity of 2.3 million pieces.
- Planning and supporting fabric factories
- Duty-free in Europe, Türkiye, and the United States

Bangladesh production base

Bangladesh Factory 1

Geographical coordinates

Savar District, Dhaka Province, Bangladesh

Base Size

10,000㎡ garment factory

Production Capacity

18 garment production lines, monthly capacity of 1,000,000 pieces

Mirsala Project in Bangladesh (under construction)

Geographical coordinates

Mirsharai, Chittagong, Bangladesh

Base Size

210,000㎡ garment factory

Capacity Planning

308 garment production lines, annual capacity of 120 million pieces per year

BEZA Fabric and Garment Manufacturing Base in Bangladesh (Under Construction)

Geographical coordinates

Kelaniganji, Bangladesh

Base Size

300,000 ㎡ garment factory

Capacity Planning

- 280 garment production lines, annual capacity: 120 million pieces
- Annual fabric output: 33,000 tons

Sustainability Management

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ESG Governance Architecture

To ensure the effective implementation of our sustainable development strategy, we have established a five-tiered ESG governance structure directly led by the Board of Directors, fully integrating ESG management into corporate decision-making and operational processes.

Board of Directors

1.As the highest decision-making body, it bears ultimate oversight responsibility for matters related to ESG policies, strategies, objectives, and structures.
2.Listen to the ESG Committee' s recommendations on ESG-related work, performance improvement, and disclosure documents, and make decisions accordingly.
3.As stipulated by laws, administrative regulations, departmental rules, or the company's articles of association, and other powers granted by the shareholders' meeting.

Sustainable Development Committee

1.Research and make recommendations on the company's ESG policies, strategies, objectives, and structure.
2.Review and monitor the implementation and progress of the company's ESG-related work, and provide recommendations on improving the company's ESG performance or related major decisions.
3.Oversee the identification, assessment, and corresponding strategies for the company's significant ESG-related impacts, risks, and opportunities.
4.Review the company's ESG-related disclosure documents and submit them to the board of directors.

Executive Committee

1.Monitor the company's ESG implementation and governance.
2.Responsible for the execution, coordination, and goal achievement of the company's daily ESG work, and subject to the supervision and guidance of the committee.
3.Promote the implementation of the annual ESG work plan and objectives in relevant departments.
4.Assist in identifying and assessing ESG-related impacts, risks, and opportunities in the company's operations, and report regularly to the Sustainable Development Committee.

Office of Sustainable Development

1.Responsible for organizing and coordinating sustainable development management and practices.
2.Routine work such as compiling and publishing the annual sustainable development report.
3.Advance key ESG tasks and ensure effective resource allocation and coordinated action.
4.Collect and organize qualitative and quantitative information related to ESG to provide data support for ESG-related disclosure documents.

Stakeholder Participation

In the process of globalization, Handa Industries actively builds a sustainable development management system that is in line with international standards. It takes improving information disclosure and strengthening stakeholder participation as its core strategies. By benchmarking against international standards, it continuously optimizes information disclosure-related management systems, broadens the dimensions of information disclosure with a global perspective, ensures that the transparency of corporate operations transcends geographical boundaries, and builds a bridge of trust for stakeholders.

In 2025, the communication channels and key concerns of Handa Industries' major stakeholders are as follows:

Stakeholders	Key Focus	Communication channels	Our Actions
Staff	Diversified Rights Protection Occupational Health and Safety Salary, Welfare and Incentives International Career Development Path Cross-cultural Team Collaboration	Regular Meetings Staff Symposiums Trade Union Meetings Multilingual Anonymous Feedback Platform Staff Representative Congress	1.Fully comply with labor laws of all operating countries to safeguard employees' legitimate rights and interests. 2.Conduct training at all levels, achieving a 100% employee training coverage rate. 3.Offer diverse career paths including overseas assignments and participation in international projects. 4.Maintain a refined salary and welfare system. 5.Adopt both material and non-material incentives to enhance employees' well-being.
Customers and consumers	Product Lead Time Quality & Safety Premium Services Innovative Management Corporate Governance Customer Privacy Protection	Satisfaction Survey Multi-channel Instant Communication Bilateral Meetings Factory Audit & Certification Site Visits & Inspections Global Product Exhibitions	1.Strictly abide by contracts to guarantee product delivery, quality and safety. 2.Conduct customer satisfaction surveys every six months to collect feedback and suggestions, and continuously improve satisfaction level. 3.Ensure product quality, safety and on-time delivery. 4.Provide sound after-sales services for clients and consumers. 5.Focus on product R&D and innovation. 6.Establish a comprehensive system for customer privacy protection.
Partners	Ethical Operation Risk Management Code of Conduct Win-Win Cooperation Fair Competition International Certifications	Contracts & Agreements Supplier Conference Anti-Commercial Bribery Agreement Technical Exchange Meeting Global Digital Supplier Collaboration Platform	1.Conduct supplier qualification reviews and establish an ESG access and grading management system for suppliers. 2.Uphold integrity in cooperation and eliminate commercial bribery. 3.Adhere to fair competition and procure homogeneous products at the most competitive prices. 4.Reach a consensus on win-win cooperation and build a sustainable supply chain. 5.Establish strategic cooperation mechanisms with partners. 6.Deliver empowerment training for suppliers and assist them in obtaining international sustainability certifications.
Community	Community Contribution Localized Operation Environmental Protection Public Welfare & Charity	Notices, Publicity, Recruitment and others Participation in Community Projects Interaction via Website and Social Media Public Welfare & Charitable Activities	1.Respect local laws, regulations and cultural customs in all regions to achieve harmonious coexistence with communities. 2.Promote local employment and procurement at overseas factories to drive local economic development. 3.Boost community economic and social progress through sustainable business operations. 4.Actively support and participate in public welfare and charitable causes. 5.Integrate environmental protection and management into the entire production and operation process, and carry out joint environmental projects with overseas communities.

Government	Lawful Operation Tax Payment in Accordance with the Law Value Creation Policy Adaptation	Work Meetings Daily Reporting & Communication Inspection & Guidance Exchange Visits	1.Operate in good faith, abide by laws and regulations, and uphold business ethics. 2.Pay taxes in accordance with the law. 3.Create more employment opportunities. 4.Actively respond to national policies such as carbon peaking and carbon neutrality as well as smart manufacturing, and drive industrial upgrading.
Industry	Fair Competition R&D and Innovation Product Quality and Safety	International Industry Summits Joint R&D of Technical Standards Daily Communication & Exchange	1.Participate in industry events to keep abreast of the latest trends and standards. 2.Take part in the formulation of industry standards to advance sustainable industrial development. 3.Comply with industry standards and norms to maintain a sound development order. 4.Respect intellectual property rights and safeguard a fair competition environment. 5.Share experience in green and smart manufacturing to drive industrial transformation and upgrading.

Awarded the title of "Outstanding Collective for High-Quality Development" in Xishan District

In June 2025, the CPC Xishan District Committee and the Xishan District People's Government of Wuxi City issued a commendation decision, awarding Handa Industries the title of "Outstanding Collective for High-Quality Development in 2024".

In 2024, Handa Industries continued to promote innovation and development in a complex market environment, increased R&D investment, and promoted product upgrades and industrial transformation. In terms of green development, it optimized production processes and reduced energy consumption and pollutant emissions. In terms of social responsibility, it continued to carry out public welfare activities such as poverty alleviation, donations to education, and paid attention to the protection of employee rights.

This recognition is an affirmation from the local government of Handa Industries' contributions to promoting regional economic and social development.

Industries High-quality development has attracted deep attention from the industry

In 2025, leaders from the China National Garment Association visited Handa Industries twice to exchange views on industry trends, innovation and upgrading, and other topics.

In April, Du Yanbing and his delegation visited the company, where Vice President Jiang Yanhui introduced the company's business layout and innovative achievements. Chairman Han Chun accompanied them on a tour of the exhibition hall, showcasing intelligent manufacturing, green environmental protection, and the latest designs. Both sides exchanged views on industry trends and transformation and upgrading. Du Yanbing affirmed the company's achievements and stated that the association would help build a platform for exchange.

In July, President Gong Huijuan and her delegation visited the cultural, fashion, and sports exhibition halls. During the meeting, both sides discussed changes in the domestic market, diversified demands, international competition, and the demands of rapid-response manufacturing on the supply chain. They also exchanged views on addressing these challenges and promoting high-quality development.

The two visits deepened the ties between Industriess and associations and provided strong support for the optimization of Industries strategies.

Gong Huijuan, President of Jiangsu Garment Association, Paid a Visit

Du Yanbing, Full-time Vice President of the China National Garment Association (CNGA), Paid a Visit

A delegation led by the Vice Mayor of Wuxivisited Handa Industries for inspection and research

In November 2025, Zhou Wendong, Vice Mayor of Wuxi, led a research team to visit Handa Industries. Chairman Han Chun and Vice President Jiang Yanhui accompanied and received the team. The research team visited the company's culture exhibition hall, fashion exhibition hall, and sports exhibition hall, and learned about the company's development history, core business layout, and innovative achievements in functional material research and development and sustainable fashion exploration.

During the discussion, Han Chun introduced the company's strategic planning and practices in digital transformation and green development.Zhou Wendong affirmed Handa Industries' achievements in technological innovation and industrial upgrading, pointing out that the company has provided a model for the transformation and upgrading of traditional manufacturing industries.

A delegation from the China National Textile and Apparel Council visited Handa Industries's production base in Egypt

In October 2025, a delegation from the China National Textile and Apparel Council visited Handa Industries' production base in Egypt. Handa Industries Chairman Han Chun and the Egyptian factory management team received the delegation. The two sides exchanged views on topics such as overseas operation experience in the textile industry and Sino-Egyptian industrial cooperation. Handa Industries shared its practices in adapting to local cultural policies and achieving efficient production management at its Egyptian factory.

The delegation visited various workshops at the Egyptian production base to learn about the company's operations in terms of equipment configuration, personnel training, quality control, and production process management. During the discussion, both sides exchanged views on the potential of the Egyptian textile market, local investment policies, and the prospects for Sino-Egyptian industrial collaboration. Handa Industries expressed its continued commitment to...IntegrationIn the Egyptian market, the China National Textile and Apparel Council (CNTAC) stated that it will leverage its platform to promote industry exchanges in technology, talent, and capital. This visit is a practical measure by Handa Industries to conduct exchanges and cooperation with industry associations and promote international collaboration across the industrial chain.

Handa Industries held a product exhibition in Tokyo, Japan

In October 2025, Handa Industries will hold a product exhibition at its Sendagaya office in Tokyo, themed "Sustainable Partnership — you are my guest!", showcasing innovative products and design concepts to Japanese customers. The exhibition will feature several themed sections, including sportswear and casual fashion, exhibiting functional fabrics such as quick-drying, warmth-retaining, and anti-static fabrics, as well as a special series from its Bangladesh factory.

This exhibition focuses onon site The exhibition showcased the application capabilities of Handa's AI design system. All exhibits were completed using the Handa AI design assistance system, and the design process was demonstrated to clients through interactive demonstrations.Special on-site setup Sustainable Development Treesign Link,Inviting customers to sign their names as a memento, conveying the company's green message.Sustainable development Concept. During the exhibition, the business team held one-on-one meetings with clients, providing customized services. This exhibition helped Handa Industries strengthen its connections with overseas clients and demonstrate its commitment to [its mission/ideas].Industries Innovative R&D capabilities.

Substantive Issue Management

Substantive issues are those that reflect the significant economic, environmental, and social impacts of a company in the process of creating value. They directly affect the evaluation and decision-making of stakeholders and are an important cornerstone for improving our sustainable development management level.

In 2025, Handa Industries, adhering strictly to GRI standards and based on the characteristics of the textile and apparel industry and global operational practices, completed a new round of substantive issue assessments. By optimizing the assessment process and deepening stakeholder participation, the company accurately identified core sustainability issues of dual importance to both corporate development and stakeholders. Combining client audit requirements, insights into international industry trends, and internal strategic benchmarking, the company dynamically optimized the substantive issue matrix from two dimensions: "importance to stakeholders" and "importance to business operations," focusing on strategic priority issues such as "green and low-carbon production," "responsible supply chain," and "employee rights and well-being." Based on the assessment results, the company integrated substantive issue management into daily operations and information disclosure to accurately address concerns from all parties and continuously solidify the management foundation for high-quality and sustainable development.

Materiality Assessment Process

Organizational Environment Analysis

- Gain a comprehensive understanding of the organizational environment by considering factors such as corporate activities, business relationships, sustainability context, and stakeholders.
- Key considerations include the company's mission, vision, values, and development strategy; the expectations and demands of stakeholders such as employees, shareholders, suppliers, and customers; major operational risks and opportunities; andrelevant domestic and international laws, regulations, standards, and initiatives.

Issue Identification

- Based on key issues of concern such as the Global Reporting Initiative's "Sustainability Reporting Guide," the corporate social responsibility management system of Chinese textile and apparel Industriess, the "Outline of Corporate Social Responsibility Reports of Chinese Textile and Apparel Industriess," and the United Nations 2030 Agenda for Sustainable Development, and combined with expert advice and stakeholder communication, 31 core ESG issues were identified.

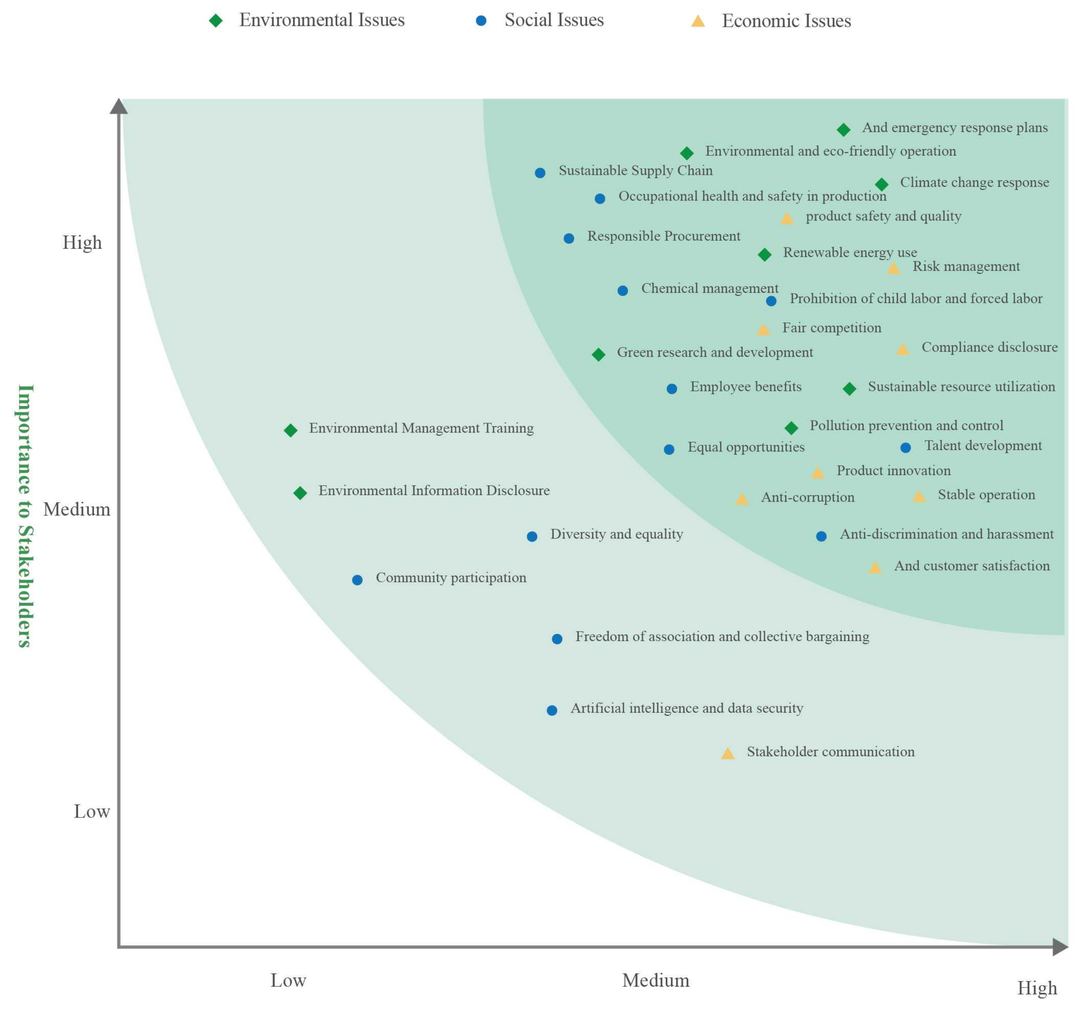
Importance assessment

- Using a combination of quantitative and qualitative analysis, Handa’s high- and mid-level substantive issues are identified by scoring and ranking them from two dimensions: “importance of economic, environmental and social impact” and “importance to stakeholders”, and then submitted to the board of directors for approval and confirmation.

Report Disclosure

- Address and disclose information on all substantive issues, and continuously strive to prioritize reporting on important issues.

Materiality Matrix



Sustainable Development Strategy

Handa Industries adheres to the development philosophy of "integrating intelligent manufacturing and green processes, developing low-carbon circular economy and industrial digitalization, promoting the sustainable transformation of the textile industry, and building a green and symbiotic future together," and firmly believes that responsibility and innovation are the core driving forces for empowering the high-quality development of the industry.

We have fully integrated ESG into our core business strategy of "Technology, Fashion, and Green," building a sustainable development system with four strategic pillars—responsible governance, green transformation, innovation-driven development, and win-win cooperation—and three action dimensions—"People-centered, Environment-oriented, and Market-driven"—and on this basis, we are building a "Green and Everlasting Future."The ESG strategy is implemented through four key actions: green and zero carbon, digital governance, responsible operation, and co-growth.

Governance by Responsibility

Improve the sustainable development management system, strengthen the ESG governance framework, and ensure the implementation of the strategy.

Green Transition

Focusing on low-carbon circularity, promoting emission reduction across the entire value chain, and contributing to the achievement of dual-carbon goals.

Four strategic pillars

Innovation-driven

Empower Industriess to achieve sustainable growth by focusing on technological and managerial innovation.

Symbiosis and win-win

Strengthen collaboration with employees, communities, and supply chain partners to create and share value.

Three core action dimensions

The company's development follows the principle of putting people first, respecting the rights of employees and the community, and promoting the coordinated development of the company and its people.

Human-centered

- **Rights protection**
  Respect and protect the rights and interests of employees, establish a fair employment mechanism, and enable employees to realize their self-worth in the development of the company.
- **Growth support**
  Provide vocational training and diversified development channels.
- **Health and safety**
  Establish a sound EHS management system, achieve zero major safety accidents, implement comprehensive health monitoring for all employees, achieve zero occupational disease incidents, and build a solid safety production defense line.
- **Community building**
  Respect the rights of community residents, carry out public welfare projects, and support local development.

• Climate Action

Optimize the carbon neutrality roadmap, address climate change, and increase the proportion of renewable energy use.

• Circular economy

Promote the recycling of resources and develop and promote renewable and other environmentally friendly products.

• Low-carbon intelligent manufacturing

By innovating processes and upgrading equipment, we continuously reduce energy consumption per unit of output, contributing to our dual carbon goals.

• Chemical safety

100% compliance rate with chemicals used, zero chemical leaks.

Environment

To reduce the environmental impact of its own production and operations, while contributing to the solution of environmental problems.

Fair operation, responsible innovation, enhanced supply chain management, and win-win outcomes with stakeholders.

Market

• Compliant operation

We have established a global compliance and risk control system with zero major violations.

• Innovation-driven

To meet the needs of sustainable development, wewill carry out technological, product, service andmanagement innovation.

• Digital empowerment

Deepen the integration of informatization and industrialization to achieve full coverage of MES systems in global production bases.

• Integrity and win-win cooperation

Strengthen supply chain management and regard integrity as a fundamental principle of production, operation, and market competition.

Sustainable Development Value System

Handa is based on the textile and apparel industry, deeply integrates six types of capital, builds six sustainable development capabilities, and forges three core competitive advantages. It continuously achieves closed-loop management of sustainable development strategy and goals from six dimensions: leadership, strategic planning, organizational and capability support, process operation implementation, performance evaluation, and continuous improvement.

Six major capitals

Finance: Optimize the allocation of financial resources to continuously create economic value and reward stakeholders.

Manufacture: By establishing a global network of production facilities, we provide products and services that are highly efficient and tailored to customer needs.

Wisdom: Deepen investment in innovation and research and development, and enhance the efficiency of knowledge capital accumulation and transformation.

Six major capitals

Human Resources: Focusing on the precise selection, cultivation, utilization, and retention of talent, we are building a development system in which employees and the company grow together.

Environment: Promote the intensive use of resources, increase the proportion of clean energy, and reduce the environmental footprint of the entire industrial chain.

Society: Building a mutually trusting and win-win social ecosystem through sustainable social participation and value sharing.

Three major business strategies

Technology Fashion Green

Decision-making level

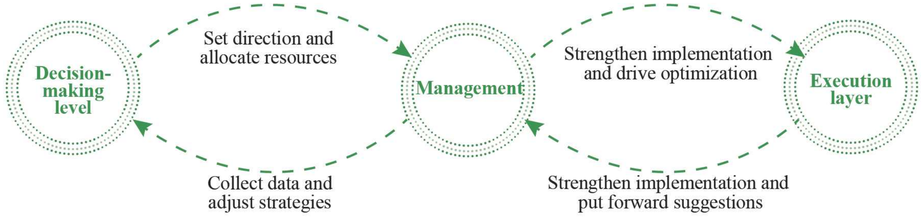
Build a strategic framework
allocate key resources
promote cross-departmental collaboration

Management

Deconstruct strategic goals
optimize business processes
cultivate professional capabilities

Execution layer

Implement standard procedures
provide feedback on practical issues
participate in micro-innovations



Six key capabilities for sustainable development

Innovation and R&D: Innovative management and product quality upgrades

Customer Service: Full-cycle customer relationship management

Supply chain management: End-to-end sustainable supply chain management

Six key capabilities for sustainable development

Environmental Management: Climate and energy, resource recycling, chemical management, pollution prevention

Human Resource Management: Diversity and Inclusion, Talent Attraction and Retention, Talent Development, Health and Safety

Social responsibility: Social value and influence, public welfare and charity, legality and compliance

Compliance and Business Ethics

Upholding integrity in business operations, adhering to business ethics, and complying with all applicable laws and regulations are the core principles consistently upheld by the board of directors and management of Handa Industries.Guidelines Integrity is the cornerstone of Handa's business and is deeply ingrained in its corporate culture and systems. We are committed to establishing a compliance management system that conforms to industry best practices through continuous resource investment, and to implementing compliance management end-to-end in our global operations and processes to maintain a fair and competitive market environment and ensure the company's steady development.

Compliance Management System

We have established a four-tier compliance management system comprising the Board of Directors, Management Team, Compliance Department, and Business Units. In 2025, we continued to improve our compliance system, issuing a series of documents, including the "Red Line Management System," to clarify compliance requirements and codes of conduct. Simultaneously, we formulated localized compliance management rules for the countries where our overseas operations are located, ensuring that our global operations fully comply with local labor, environmental, tax, and trade regulations.

Business Ethics Commitment

We consistently uphold our six core ethical commitments, benefiting all stakeholders:

Beneficiaries: Consumers, customers, employees

Honest business practices, no fraud: We do not produce or sell inferior goods or pass off substandard products as superior ones.

Beneficiaries: Peer companies

Fair competition, no monopoly: Winning the market based on merit, not through cutthroat competition.

Beneficiaries: Suppliers, customers, and consumers

onest cooperation, no bribery: opposing corruption and standardizin business practices.

Beneficiaries: Government, industry, employees, consumers

Abide by laws and regulations, and refrain from malicious violations: operate legally and fulfill corporate social responsibility in accordance with the law.

Beneficiaries: Community residents, government, society

Healthy development without environmental damage: Industries development should not come at the expense of environmental destruction.

Beneficiaries: All stakeholders

Fulfill your duties and do not shirk your responsibilities: Be accountable to employees, customers, consumers, investors, and society.

Anti-Corruption Practices

In our external collaborations, we firmly oppose commercial bribery, corruption, and unfair competition, and maintain a "zero-tolerance" attitude towards any behavior that violates business ethics. In 2025, we signed the "Sunshine and Integrity Agreement" with all our suppliers, customers, and partners, explicitly incorporating the requirements for clean cooperation into our business contracts. Simultaneously, we have established a multi-channel anonymous reporting mechanism to encourage internal and external stakeholders to monitor and report any violations.

Handa Industries Conducts Training on Contract Law Practice and Integrity Building

In January 2025, Handa Industries held a special training session on corporate contract law practice and integrity building. The training was led by the Supply Chain Management Department and attended by the company's chairman, vice chairman and many senior managers. Domestic and foreign employees participated in the training both online and offline.

The training focused on the entire life cycle management of contracts, systematically explaining key aspects such as contract definition, signing and performance, risk prevention and control, and conflict resolution. It incorporated typical case studies to enhance employees' legal awareness and risk control capabilities in practical business operations. Simultaneously, the training included a special session on integrity building and external communication guidelines, clarifying the integrity norms and behavioral bottom lines that employees should adhere to in their daily work.

Following the training, all employees signed the "2025 Handa Industries Integrity and Honesty Agreement" both in person and online, pledging to uphold the principles of honesty, integrity, fairness, and impartiality in their work. This training and agreement signing are concrete measures taken by Handa Industries to promote compliant governance, improve internal control mechanisms, and strengthen business ethics, providing institutional guarantees for the company's stable operation and sustainable development.

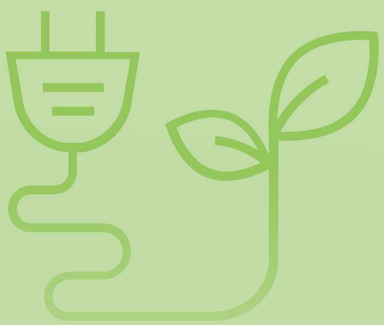
Integrity First, Safeguarding Overseas Projects – Handa Industries Holds Special Meeting on Integrity in International Projects

On October 11, 2025, Handa Industries held a special meeting on integrity for its Phase II investment project in Bangladesh and its photovoltaic project at its factory in Myanmar. Relevant personnel from the Wuxi headquarters attended the meeting in person, while overseas teams participated simultaneously via video conference. The meeting focused on specific arrangements for integrity risk prevention and control in the two overseas projects, aiming to ensure that international business proceeds in a compliant and transparent manner.

At the meeting, the Legal Department systematically explained the company's specially formulated "Internal Integrity Management Measures for the Bangladesh Phase II Investment Project" and "Internal Integrity Management Measures for the Myanmar Factory Photovoltaic/Energy Storage/Steel Structure Reinforcement Series Projects." Both measures clearly regulate key aspects such as project bidding, material procurement, and project acceptance, requiring all project participants, regardless of position or whether they are located domestically or internationally, to strictly adhere to disciplinary red lines. Subsequently, all attendees signed the "Integrity Agreement" both on-site and online. The company will subsequently sign similar agreements with project partners, suppliers, and other third parties to build a comprehensive integrity management system covering the entire project chain.

To enhance the effectiveness of oversight, the company has simultaneously launched a dedicated hotline and email address for reporting violations, and established a rapid response mechanism to ensure timely investigation and handling of any misconduct. Handa Industries stated that it will continue to improve its overseas project oversight mechanism, using integrity as a foundation for its international development.

Repay Society Coexist & Thrive



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Addressing Climate Change

Climate-related information disclosure

Handa Industries attaches great importance to the risks and opportunities brought about by climate change, strictly aligns with the TCFD climate-related financial information disclosure framework, and comprehensively carries out climate-related risk management and information disclosure from four dimensions: governance, strategy, risk management, indicators and objectives, to actively respond to the challenges of climate change and seize the opportunities of low-carbon transformation.

Real-Time Enterprise Carbon Management Platform

To systematically promote green and low-carbon transformation, the company continues to optimize its sustainable development display platform, presenting the full-chain sustainable development practices and achievements in a panoramic way through data visualization.

The platform focuses on two core dimensions:

Dynamic monitoring of carbon emissions

Real-time tracking of the consumption trends of major energy sources such as electricity, steam, natural gas, and diesel at various production bases around the world, accurately quantifying carbon emission data at each base, and achieving full traceability and controllability of emissions; at the same time, it displays daily carbon emissions and carbon reductions, providing data support for carbon management decisions.

Presentation of Emission Reduction Practice Results

Visually showcase the effectiveness of Industries' multi-path emission reduction actions—including the emission reduction contribution of solar photovoltaic power generation, the proportion of environmentally friendly materials (recycled fiber fabrics, recycled polyester, etc.) used, and emission reduction data from environmental protection actions such as electric vehicles, high-temperature direct discharge machines, and waste cloth recycling; key emission reduction projects are presented visually, making the results of green practices more intuitive and concrete.

Through digital means, Industries have achieved full-chain visualized management from "emission monitoring" to "results display," fulfilling their sustainable development commitments in a transparent and data-driven manner and injecting strong momentum into promoting green and low-carbon transformation.

Governance

The Board of Directors bears ultimate oversight responsibility for climate-related risks and opportunities. The Sustainable Development Committee is responsible for coordinating the formulation of climate-related strategies, risk management and target implementation, and holds regular special meetings to review the progress of climate-related work and make decisions on major matters.

The management team has established a special climate task force, composed of heads of departments such as production, R&D, supply chain, and environmental protection, to be responsible for the daily work of carbon neutrality strategy implementation, climate risk identification and management, and emission reduction project implementation, and to report regularly to the Sustainable Development Committee.

Strategy

Identifying and assessing the transitional and physical risks posed by climate change is Handa's first step in addressing the climate challenge. We comprehensively identified the transitional and physical risks brought about by climate change, assessed their impact on corporate strategy, business, and finance, and developed targeted response strategies.

Risk type	Detailed risk description	Impact Assessment	Response strategies
Transformation risks	Global carbon reduction policies are tightening, with increased costs and trade barriers arising from policies such as the EU's CBAM carbon tariff and the expansion of domestic carbon markets.	The medium to high impact mainly involves export business costs and investment in low-carbon technology upgrades.	1.Formulate a carbon neutrality strategic path and accelerate the low-carbon transition. 2.Promote product carbon footprint accounting and establish a carbon emission database. 3.Increase investment in low-carbon technologies and products to reduce carbon emissions from products.
	The rapid iteration of low-carbon technologies poses a risk that companies' technologies and products will lag behind the pace of industry transformation.	The impact on the market is related to a decline in market competitiveness.	1.Increase R&D investment and focus on low-carbon materials and green processes. 2.Deepen industry-academia-research cooperation and keep up with cutting-edge technologies in the industry.
	Increased customer and consumer demand for low-carbon products poses a risk of insufficient supply of sustainable products.	Medium to high influence, involving market share and customer cooperation	1.Improve the sustainable product system and increase the development of environmentally friendly products. 2.Collaborate with clients on joint research and development to align with their sustainability goals.
Physical risks	Acute risks: Extreme weather events such as torrential rain, floods, and typhoons may cause production shutdowns and supply chain disruptions.	The impact of this on China mainly involves Myanmar, Bangladesh, and China Production bases in Wuxi and other regions	1.Conduct flood risk assessments of production bases and implement flood protection renovations for factory buildings. 2.Establish an emergency power supply and supply chain backup mechanism.Improve emergency response plans for extreme weather.
	Chronic risks: Rising global temperatures and more frequent high-temperature weather lead to increased energy consumption in production and enhanced occupational health risks for employees.	The impact is low to medium, mainly affecting overseas production bases in Egypt, Myanmar, and other locations.	1.Implement factory insulation renovation and optimize workshop ventilation and cooling system. 2.Improve the labor protection system for high-temperature operations.Promote energy-saving technological upgrades to reduce energy consumption during hot weather.

At the same time, climate change also presents development opportunities for businesses: increased market demand for low-carbon products enhances their market share in sustainable products; clean energy and energy-saving technological upgrades reduce long-term operating costs; green technology innovation enhances their core competitiveness; and low-carbon transformation helps them meet international standards and expand into global markets. We fully integrate climate opportunities into our corporate development strategy, driving high-quality development through low-carbon transformation.

Handa Industries held a signing ceremony for its 2025 annual target responsibility agreement and a business summary meeting

In January 2025, Handa Industries held its 2024 Annual Business Summary and 2025 Target Responsibility Agreement Signing Meeting. Business leaders reviewed past work, clarified areas for improvement, and signed annual target responsibility agreements on-site. Chairman Han Chun stated that the company should support customer development with high-quality products, emphasizing that product quality and sustainable development are core to the company's response to global climate policies and consolidation of market advantages. The company will deepen carbon footprint management, upgrade green processes, and cultivate low-carbon development competitiveness. This meeting implemented climate risk response and sustainable development strategies as annual tasks, solidified the responsibilities of all employees, and strengthened the management foundation for the company to promote carbon neutrality and address challenges such as carbon tariffs.

Handa Industries Chairman visits production bases in Yunnan and Myanmar

In August 2025, Han Chun, Chairman of Handa Industries, inspected the production bases in Yunnan and Myanmar. He looked into daily operations and exchanged views with staff, focusing on climate risk management, capacity layout and operational resilience.

At the Yunnan base, he discussed global capacity and talent strategies, and put forward a collaboration model of "China's efficiency plus Myanmar's cost advantages". He also urged higher automation, standardized on-site management and a full-process closed-loop management system.

At the Myanmar base, he checked smart equipment upgrades, production processes and work safety. Combining local climate and long-term plans, he launched the "Myanmar Future Star" talent program to recruit and develop local graduates and localize management teams. This will support climate adaptation, energy saving, emission reduction and extreme weather emergency preparedness at the base.

Yunnan Production Base

Myanmar Production Base

Myanmar Production Base

1. Establish a comprehensive management system for climate-related risks and incorporate climate risks into the company's overall risk management framework.
2. A comprehensive climate risk identification and assessment will be conducted annually, and the climate risk list will be dynamically updated and risk levels will be classified.
3. For medium- to high-level climate risks, develop specific response plans and emergency response plans, and clearly define the responsible departments and completion deadlines.
4. Regularly review the effectiveness of climate risk management, dynamically optimize response measures, and form a closed-loop management system.
5. Integrate climate risk management requirements into the supplier management system to help supply chain partners improve their climate risk response capabilities.

Carbon Neutrality Strategic Path

Handa Industries actively responds to global carbon reduction goals. Combining the development patterns of the textile industry with the characteristics of its global operations, it has formulated a scientific and feasible carbon neutrality strategy, clarified phased emission reduction targets, and contributed to global climate action through low-carbon transformation of the entire value chain, fully aligning with the United Nations Sustainable Development Goal 13 (Climate Action).

Corporate dual-carbon planning

Within its own operational scope (Scope 1 and Scope 2)	Across the full value chain (Scope 1, 2 and 3)
2030 To achieve peak carbon emissions Achieve carbon neutrality by 2050	Achieve net-zero emissions by 2055

Core Implementation Path

Energy Structure Transition

We vigorously promote the construction of rooftop photovoltaic projects in factory campuses, continuously expand green power procurement channels, and phase out traditional fossil energy. This initiative further optimizes the corporate energy structure and steadily increases the proportion of renewable energy in total energy consumption.

Energy Efficiency Improvement and Technological Transformation

We regularly implement energy-saving optimization upgrades for production facilities, introduce advanced low-carbon manufacturing processes, continuously reduce carbon emissions per unit of output, and steadily improve the energy efficiency of the entire plant.

Low-carbon Technology and Product Innovation

We scale up R&D investment in low-carbon and zero-carbon materials and improve the product carbon footprint accounting system, targeting a 60% sales proportion of eco-friendly products by 2030.

Supply Chain Emission Reduction Collaboration

We integrate carbon reduction requirements into the supplier management system and empower supply chain partners to enhance low-carbon management capabilities. We aim for 100% of core suppliers to establish science-based carbon targets by 2030.

Carbon Offset and Ecological Compensation

For hard-to-abate carbon emissions, the Company offsets residual emissions by purchasing high-quality forestry and renewable energy carbon sinks, and actively participates in public welfare ecological conservation projects.

Awarded the title of "Provincial Green Factory"

In January 2025, Wuxi Hengbo Textile Co., Ltd., a subsidiary of Handa Industries, was shortlisted."Jiangsu Province Green Factory in 2024"List. Previously, the company had been recognized as a green factory in Wuxi.

In terms of green development, Wuxi Hengbo Textile has continuously promoted energy-saving renovation projects, including replacing steam generators with high-efficiency ones, using energy-saving lighting fixtures, and promoting paperless office practices, effectively reducing energy consumption and environmental impact. At the same time, the company has introduced automated control systems to achieve precise control of various parameters in the production process, further reducing energy consumption while improving production efficiency.

This recognition as a provincial-level green factory is an affirmation of Handa Industries' achievements in its development path of "high-end, intelligent, and green".

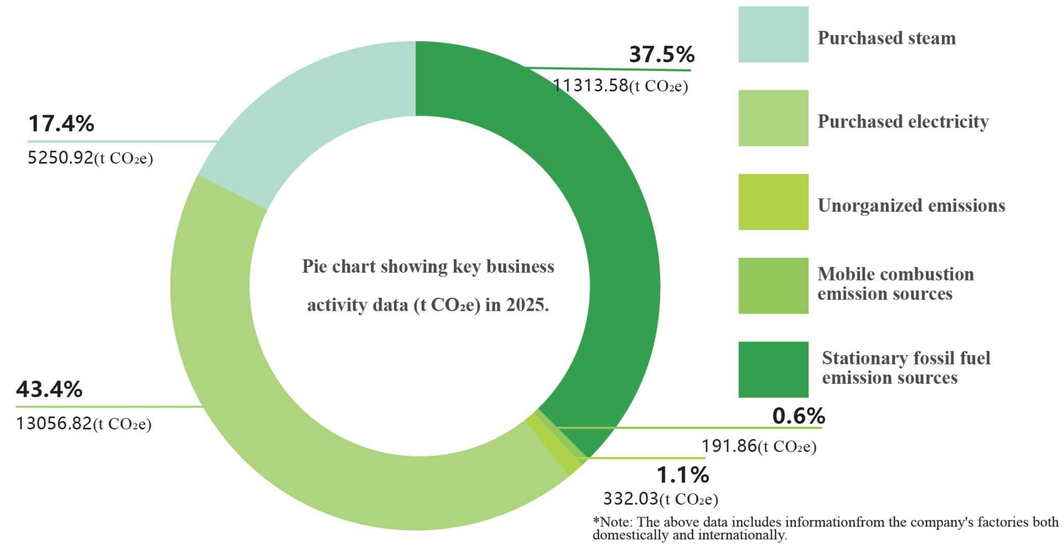
Handa Industries held a sustainability achievement exhibition and Q&A session to raise employees' environmental awareness

In January 2025, Handa Industries held a sustainability achievements exhibition and quiz event, combining poster displays with interactive Q&A to promote the concept of sustainable development to its employees. The exhibition focused on themes such as energy conservation and emission reduction, resource recycling, and green supply chain management, showcasing the company's practical cases and achievements in sustainable development.

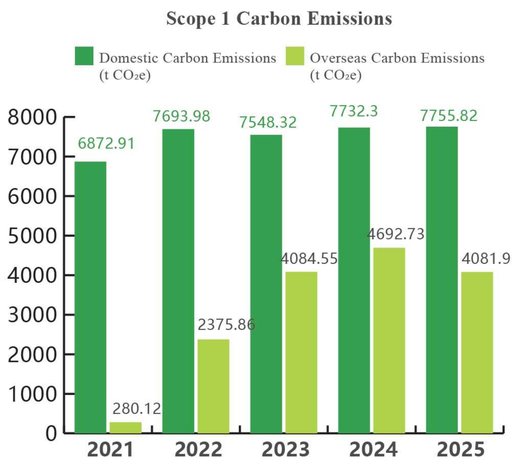
The Q&A session covered topics such as environmental knowledge, green lifestyles, and relevant laws and regulations, with employees actively participating. The activity aimed to foster a culture of sustainable development within the company through engaging and interactive activities, encouraging employees to integrate environmental concepts into their daily work and lives.

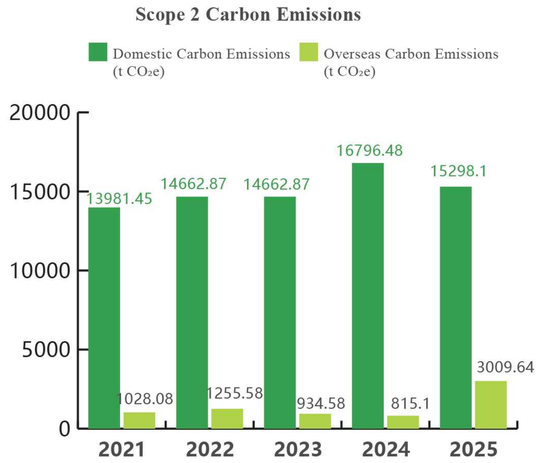
Greenhouse Gas Emission Accounting

Handa Industries adheres to the concept of low-carbon operation and strictly follows the Greenhouse Gas Accounting System and ISO 14064 standards to conduct full-range greenhouse gas emission accounting covering all production bases worldwide, ensuring that the data is accurate and traceable, and providing data support for scientifically formulating carbon emission reduction paths.



*Note: The above data includes informationfrom the company's factories both domestically and internationally.





Core emission reduction actions

Reduce energy consumption in office and production processes and improve energy efficiency to reduce carbon emissions.

- Equipment electrification retrofit.
- Identify energy-saving and emission-reduction measures, including equipment insulation, steam usage efficiency, and optimization of stenter air compressor efficiency.
- Eliminate outdated and energy-intensive production equipment and upgrade it to low-energy, low-power energy-saving equipment.
- Promote the replacement of gasoline vehicles with new energy vehicles, add new energy vehicles, and reduce carbon emissions from mobile sources.
- By adopting an intelligent layout system, the fabric utilization rate is increased to over 96%, reducing raw material consumption and carbon emissions from production.
- Establish classified recycling points to recycle waste fabrics and yarns, thereby reducing carbon emissions from waste disposal.

Green Production and Energy Management

Environmental and Energy Management System

Handa Industries consistently adheres to the "Green Handa" development strategy, strictly abides by environmental protection laws and regulations in its operating locations, and has established a comprehensive "Green Industrial Park" environmental management system. It has successively passed ISO14001 Environmental Management System and ISO50001 Energy Management System certifications, integrating green office practices, clean production, and refined management of waste gas, wastewater, and solid waste throughout the entire production and operation process. The company has established a dedicated EHS management department, staffed with professional environmental management personnel, and regularly conducts environmental training and self-inspections. Through technological innovation and management optimization, it delves into energy efficiency potential to ensure the effective operation of its environmental management system.

In 2025, we conducted a comprehensive environmental risk identification and assessment, and formulated specific control measures for the core environmental risks of the textile industry, achieving full-process management from risk identification to rectification. During the reporting period, the company did not have any major violations of environmental laws and regulations that resulted in penalties, ensuring the park's efficient, high-quality, and low-carbon operation.

Guided by the goal of scientific carbon reduction, Handa Industries is working together across three dimensions: its own operations, green supply chain, and product ecological design. At the operational level, it is increasing the application of renewable energy; at the supply chain level, it is promoting green procurement by suppliers; and at the product level, it is exploring environmentally friendly materials and energy-saving processes, working with global partners to contribute Handa's strength to the zero-carbon transformation of the textile industry.

Environmental risks identified by 2025

Type	Riskdescribe
Wastewater pollution	• Dyeing, rinsing, and other processes use dyes and auxiliaries. If thewastewater is not completely treated and discharged in a harmless manner, it will pollute water bodies and harm ecosystems and human health.
Exhaust gas pollution	• Textile processing dust. • Air pollution caused by substandard exhaust emissions from stenter machines.
Resource consumption	• Overuse of water resources, especially in printing and dyeing factories. • Regions with unstable power supply, such as Myanmar, rely on diese.generators, increasing carbon emissions.
Chemical risks	• Toxic substances remain in the finished product, causing secondary pollution. • Lack of oversight in the use of auxiliaries and other chemicals by Industriess.

Organize World Environment Day themed activities

On World Environment Day on June 5, 2025, Handa Industries launched an environmental protection-themed activity, encouraging employees to document daily green practices through photography. Employees submitted a wealth of works capturing eco-friendly moments in daily life.

Overseas branches also carried out green initiatives simultaneously. The Bangladesh garment department planted vegetation to beautify the factory campus; the Egypt garment department organized tree-planting activities and standardized waste management procedures; the Myanmar garment department promoted plastic bottle recycling programs and advocated cycling and walking to work.

As a regular initiative, this activity engages employees in environmental protection and fosters a corporate green culture.

Clean Energy Transition

Handa Industries actively optimizes its energy structure and vigorously develops renewable energy. By building its own photovoltaic projects and purchasing green energy certificates, it continuously increases the proportion of clean energy used, effectively reduces carbon emissions from production and operation, and comprehensively promotes the company's green and low-carbon transformation and upgrading.

Industries are leveraging their own industrial parks to vigorously promote the construction of distributed photovoltaic power generation projects. In 2025, the rooftop photovoltaic projects in the Wuxi Headquarters Park and the Printing and Dyeing Park were fully operational, with a total installed capacity of 2.2 MW. The total photovoltaic consumption for the year exceeded 6,279,516.78 kWh, accounting for 36% of the total electricity consumption. Among them, the Headquarters Park consumed 4,960,367.88 kWh, the Printing and Dyeing Factory consumed 1,208,540.4 kWh, and the Yunnan Factory consumed 457,439.5 kWh. The total reduction in carbon emissions for the year was equivalent to approximately 6,091.13 t CO_2e.

Building upon its self-generated and self-consumed photovoltaic clean energy, the company further broadened its green energy usage channels by proactively purchasing green electricity certificates to supplement its clean energy consumption. In 2025, the company completed targeted green certificate procurement, including 4,200 green certificates for its dyeing and printing factory and 800 green certificates for its Wuxi headquarters park. Through a dual model of "self-generated photovoltaic power + green certificate purchase," the company further solidified its emission reduction achievements, comprehensively improved its green energy consumption system, and continuously deepened its low-carbon development concept.

Annual photovoltaic power generation

6279516.78 kWh

Carbon emission reduction

6091.13 t CO_2e

Energy-saving technological transformation

In 2025, Handa Industries deepened its commitment to green manufacturing, continuously increasing investment in energy-saving technology upgrades, and focusing on key nodes in dyeing and printing production to implement multiple energy-saving renovation projects. On the one hand, it upgraded the waste heat recovery device of the stenter to recover high-temperature waste gas waste heat for use in heating production cold water, turning waste heat into usable energy. On the other hand, it installed high-temperature direct discharge equipment in the dyeing workshop dyeing vats. After the technical upgrades were implemented, each ton of finished fabric could save 10 tons of water, 22 kWh of electricity, and 0.6 tons of steam. While improving product quality and reducing production costs, it also significantly reduced the consumption of chemical raw materials such as soda ash and sodium hydrosulfite, using technological innovation to contribute to low-carbon and sustainable development.

Energy saving

- Replace and use energy-saving lighting, and modify public areas such as staircases with voice-activated lights and infrared sensor lights;
- We encourage you to turn off your computer screen during lunch and rest periods to save electricity;
- Regularly clean and maintain production equipment, air conditioning, etc., to reduce energy loss.

Water conservation

- Installing water-saving handwashing fixtures in the bathroom greatly reduces water consumption;
- Regularly inspect water pipes and valves to prevent hidden leaks;
- Strengthen water management and publicity, post water conservation signs, and raise employees' awareness of water conservation.

Save paper

- Fully promote the use of the Office Automation (OA) system. All process approvals are uploaded and approved electronically, which greatly reduces paper documents and moves towards "paperless office";
- Strictly control the amount of printing paper used, and advocate measures such as double-sided printing, photocopying, and waste paper recycling;
- Internal archiving and communication should utilize electronic documents and cloud storage systems to reduce paper usage.

Resource Recycling and Pollution Prevention

The textile printing and dyeing industry where Handa Industries operates is a major water-consuming sector. Therefore, water resource management is set as the core of the company's environmental management and runs through all production and operational activities.

In terms of water intake and usage, Handa Industries is supplied by the municipal tap water system. Water is mainly used for production and dyeing, staff accommodation & office work, greening and canteen services. The company has set up a dedicated management team to oversee the daily operation and maintenance of the factory's water supply and drainage systems. It also entrusts qualified third-party institutions to conduct regular water quality tests on drinking water and industrial wastewater, so as to ensure safe and compliant water use.

To handle wastewater produced during printing and dyeing processes, Handa Industries fully complies with environmental protection regulations and has deployed an intelligent wastewater discharge monitoring system. All discharge points are fitted with online monitoring devices and flow meters. Authorized third-party professionals are engaged for routine maintenance and regular calibration, guaranteeing accurate and reliable monitoring data.

For environmental compliance management, Handa Industries has legally obtained national pollutant discharge permits. The company strictly follows the pollutant discharge permit management system and submits standardized implementation reports on a regular basis, advancing the compliance, standardization and transparency of environmental management.

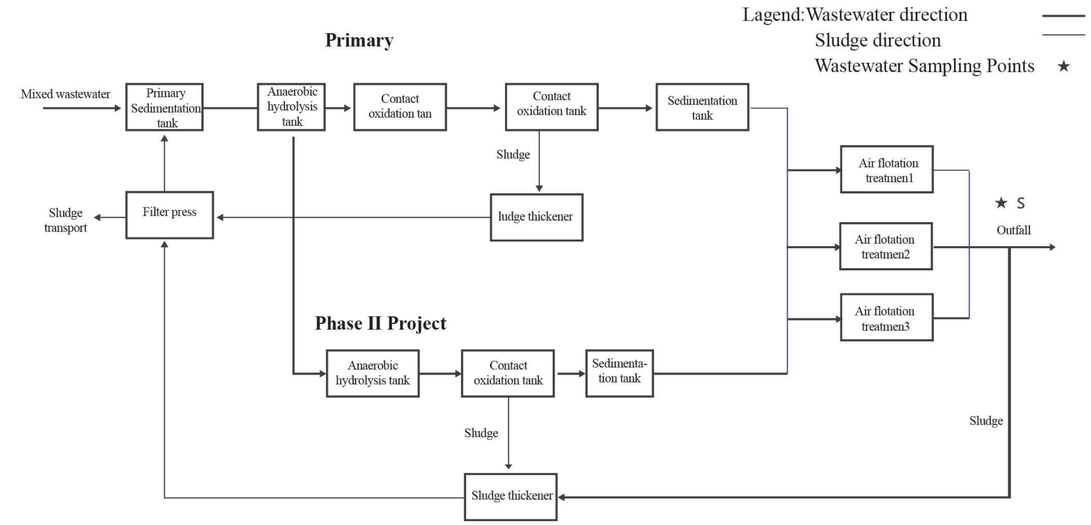
Water resource utilization and emission reduction effectiveness

2025年
Annual total water consumption of the dyeing plant
826 thousand metric tons

2025年
Total volume of recycled and reused water in the dyeing plant
376406 tons
As a percentage of the dyeing plant's total water consumption 45%

2025年
Stable operation rate of corporate environmental facilities
99.5% Above
Wastewater achieves 100% compliant discharge

Wastewater Treatment Process Flow and Wastewater Direction Diagram



We have set up a wastewater treatment monitoring room in the dyeing and printing factory and installed high-definition video surveillance at the sewage discharge outlet and key nodes of the treatment facilities to achieve 24/7 monitoring without blind spots and ensure that the wastewater treatment process is strictly controlled.

Exhaust Gas Management

Handa Industries regards waste gas treatment as an important part of green and sustainable development. It has built a modern treatment system of "source collection + intelligent monitoring + standardized operation and maintenance" for waste gas from dyeing and printing production and daily operation.

Regarding production waste gas, the waste gas from the dyeing and printing process is centrally collected and purified through supporting facilities to ensure compliance with emission standards. All treatment facilities are equipped with online monitoring instruments and high-definition video surveillance, connected in real time to the environmental protection supervision platform, enabling full-process traceability. Meanwhile, regular inspections and professional maintenance ensure the stable and efficient operation of environmental protection facilities throughout the year. Regarding domestic waste gas, kitchen fumes are treated using standard purification devices before being discharged in a regulated manner.

The company commissions qualified third-party organizations to regularly test its exhaust emissions to ensure data accuracy and compliance, and to prevent any exceedances. By 2025, the exhaust gas treatment facilities will be operating stably, and all emission indicators will meet national and local standards. Future...,Industries We will continue to optimize treatment processes, deepen digital supervision methods, and continuously improve our environmental governance capabilities.

Solid waste and waste recycling management

Waste types	Handling method
General industrial solid waste (waste fabric scraps, waste packaging materials)	After being sorted and collected, the materials are handed over to professional recycling companies for resource utilization.
Hazardous waste (waste oil from stenter machines, waste dye packaging bags)	Strictly adhering to environmental protection requirements for classified storage, and entrusted to qualified third-party organizations for compliant disposal, achieving a 100% compliance rate.
Household waste and kitchen waste	Strengthen classified management and actively promote the recycling and reuse of packaging materials.

During the reporting period, the company experienced no environmental pollution incidents, received no complaints about environmental pollution, and was not subject to legal sanctions for violating relevant environmental regulations.

Pollutant Emission Control

Industries have steadily expanded their production capacity and continued to increase product output. At the same time, they have taken multiple measures, including technological upgrades and pollution control facility upgrades, to strictly control pollutant production and emissions. Due to the expansion of production scale, the total amount of pollutant emissions has increased year-on-year, but the pollutant emission intensity per unit product has steadily decreased.

Annual pollutant emissions				
Pollutant Name	2023	2024	2025	Increase/Decrease
Wastewater (tons)	786080	691496	694628	+0.45%
COD (tons)	39.3	36.1	36.26	+0.44%

In 2025, we formulated strict environmental protection work goals and control plans, and all indicators were exceeded, with the level of environmental management continuing to improve.

Key Environmental Protection Goals for Dyeing and Printing Factories in 2025			
Project	Index	Management Measures	Progress by 2025
Wastewater discharge control	1.Wastewater treatment compliance rate: 100% 2.COD ≤ 200 mg/L, total amount less than 50 tons 3.Total wastewater discharge of less than 1 million tons	1.Strengthen management and improve wastewater treatment regulations and operating procedures. 2.Standardize testing and process control 3.Configure wastewater flow meters and online detection equipment for real-time monitoring.	1.Wastewater treatment facilities and monitoring equipment are complete and operate at 100% capacity, ensuring 100% compliance with wastewater discharge standards. 2.COD content does not exceed 200 mg/L.Total amount less than 50 tons 3.Total wastewater discharge694628ton
Chemical spill prevention	Safe storage and transportation Zero leaks	1.Chemicals should be stored separately and labeled in a standardized manner. 2.Conduct chemical safety handling training to ensure employees operate in a standardized manner. 3.Take precautions against leakage during transportation and develop emergency plans.	Emergency response plans for chemical spills were developed and protective training was conducted. No chemical spill incidents occurred during the year.
General solid waste treatment	100% comprehensive utilization rate	1. Waste additive barrels and waste packaging bags are recycled by the supplier. 2. Household waste is handled by the local community. 3. Wastewater and sludge will be purchased by a qualified environmental protection company.	Waste additive barrels and used packaging bags are all recycled by the supplier to the company, and the community regularly comes to the company to clean up household waste; sludge is collected by an environmental protection company and sent to the power plant for harmless incineration.
Hazardous waste treatment	Compliance handling rate100%	Waste oil from stenters, waste dye packaging bags, and other hazardous waste are all collected and disposed of by qualified companies.	Hazardous waste disposal compliance rate is 100%, management records are standardized and complete, and the entire process is traceable.

Collaborative Innovation Win-Win Future

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Innovation-driven

Innovation is the core driving force for Handa's sustainable development. In 2025, we further advanced the "Technology-driven Handa" strategy and established a three-tier R&D system consisting of the corporate R&D center, industry-university-research cooperation and global innovation network. Focusing on sustainable materials, low-carbon processes and functional fabrics, we leverage technological innovation to fuel the company's green transition and high-quality development.

In 2025, the company's R&D investment reached 55.14 million yuan. A total of 32 new patents were granted, including 13 invention patents, 18 utility model patents and 1 design patent. The R&D team has grown to over 100 professionals, covering material development, fabric design, dyeing and finishing processes, intelligent garment manufacturing and other fields.

Industries hold innovation and improvement commendation conference

In February 2025, Handa Industries An innovation and improvement commendation conference will be held to recognize individuals and teams that have made outstanding contributions in the annual innovation competition.

At the meeting,each Department representatives presented their innovative case studies, covering areas such as fabric research and development, market expansion, production control, and customer service. Individual and team awards for innovation and improvement were presented at the conference.

Innovation is key for Industries to cope with market changes and maintain competitiveness. In the future, the company will increase investment in innovation, build a broad innovation platform, and stimulate the innovative vitality of all employees. At the same time, it will accelerate the transformation of innovative achievements and promote a comprehensive upgrade in fabric research and development, market expansion, production control, and customer service.

Core Design and Development Achievements

Ready-to-wear design

Since Handa Industries established its Apparel Design Department in 2020, we have been committed to driving the company's transformation from OEM to ODM through innovative design and in-depth market insights. In 2025, in addition to the existing three core categories of sportswear, casual wear, and workwear, the apparel design department will add an underwear module, officially expanding to four core modules, further enriching the product matrix and meeting diverse market demands. Simultaneously, relying on 3D & AI design technology, we will achieve intelligent empowerment across the entire chain from creative concept to commercialization, significantly improving R&D efficiency and product launch speed, and driving the efficient transformation of design value.

Motion Module

1. Comprehensive Training Series: Designed specifically for running, high-intensity workouts, and professional training, this series includes T-shirts, sweatshirts, training pants, zip-up jackets, and more. Emphasizing a balance between functionality and style, it uses quick-drying, breathable fabrics to meet the demands of high-intensity exercise, providing competitive-grade gear for professional athletes and fitness enthusiasts.

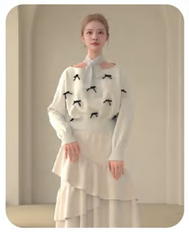
2. Fashionable Sports Series: Focusing on various scenarios such as yoga, light travel, and jogging, the products include yoga pants, vests, and skirts. With lightweight comfort as the core concept, these series use highly elastic and soft fabrics, balancing athletic functionality with everyday style to meet the modern woman's dual pursuit of comfort and fashion.

Leisure Module

1. Urban Commuter Series: Designed specifically for business and daily commuting scenarios, with a core philosophy of simplicity, sophistication, and meticulous craftsmanship. It features carefully selected high-quality fabrics and clean, tailored cuts, enhancing the quality of details and the practicality of wear, meeting the dual needs of modern urbanites for a professional image and comfortable clothing.

2. Fashionable and Modern Series: Focusing on individual expression and design, this series uses special textured fabrics and unique silhouettes, layering, and exquisite details to create fashionable items with an artistic flair, satisfying consumers who pursue avant-garde style and quality of life.

3. Basic Versatile Series: Centered on comfortable fits and versatility, this series includes everyday items such as T-shirts, sweatshirts, and trousers. Made with skin-friendly fabrics and simple designs, these pieces easily blend into various outfits, meeting the daily wear needs of consumers of different ages.



Tooling Module

1. Classic and Practical Series: Designed specifically for working professionals, this series includes work pants, shirts, and jackets. Made with stain-resistant and durable fabrics, it emphasizes practical details such as multiple pockets, meeting both professional and comfortable needs while projecting a polished professional image.

2. Fashionable and Individualistic Series: Targeting professionals who pursue a unique style, this series features polo shirts, jumpsuits, compression garments, and more. It cleverly blends cutting-edge trends with playful design ideas, meeting the functional needs of the workplace while showcasing the wearer's unique taste through creative details, allowing professional image and individual expression to coexist harmoniously.

3. Comfortable and Lightweight Series: Designed specifically for people who need to work for long periods of time, the series includes loose-fitting shirts, knitwear, and lightweight jackets. Made with breathable and durable fabrics, it emphasizes both comfort and natural aesthetics, allowing workers to experience a comfortable and stylish dressing experience in their daily lives.

Underwear Module

1. Basic Comfort Series: Centered on seamless and skin-friendly design, this series includes basic items such as bras, panties, and base layers. Made with highly elastic and soft fabric, it conforms to the body's curves, suitable for daily commutes and loungewear, creating a "second skin" level of comfort.

2. Technological Care Series: Utilizing antibacterial, moisture-wicking, and intelligent temperature-controlled fabrics, this series comprehensively upgrades the wearing experience and health benefits. Suitable for diverse scenarios such as sports recovery and daily care, it precisely meets the upgraded functional underwear needs of modern consumers.

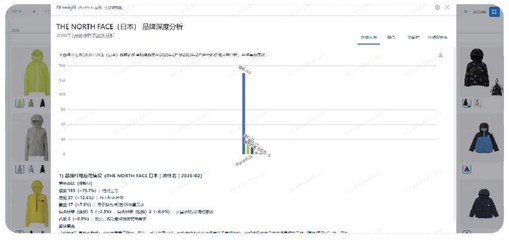
3D & AI Design Helps Sustainable Development

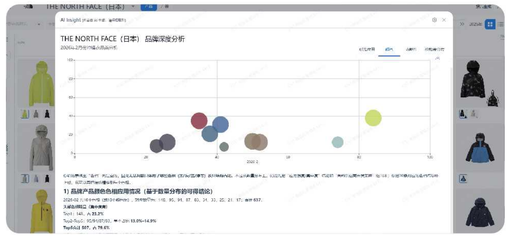
In 2025, Handa Apparel Design Department fully upgraded its 3D digital design system, deeply integrated AI technology, and built a full-chain intelligent process from creative generation, design iteration, virtual display to market feedback, significantly improving product development efficiency and market response speed.

AI-Powered Creative Innovation

1. Intelligent Trend Insight and Analysis: The AI system analyzes global fashion trends, best-selling product categories, and consumer preferences in real time, providing designers with accurate product positioning data support and assisting in forward-looking decision-making.

2. AI Concept Visualization: Input style keywords and core element tags, and AI algorithms will instantly generate multi-dimensional creative solutions and visualize them, breaking through the constraints of traditional inspiration and accelerating the design iteration process.



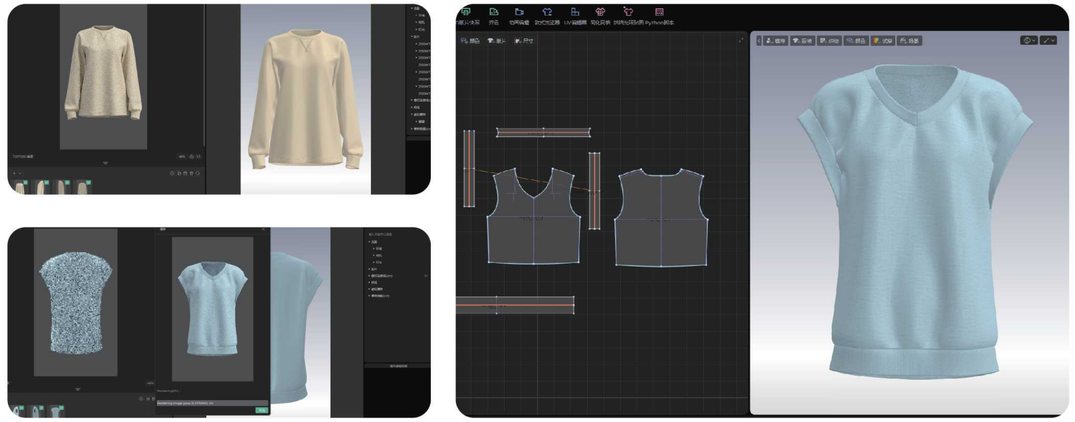


3D Digital Design System

1. 3D digital modeling and prototyping: With the help of advanced 3D technology, high-precision and high-fidelity samples are built in virtual space, reducing the traditional physical sample production process and achieving efficient use and sustainable consumption of resources.

2. 3D Rapid Redesign: Leveraging AI's powerful data analysis capabilities, the system automatically optimizes design schemes for garment structure, pattern, and fabric, thereby improving R&D efficiency.

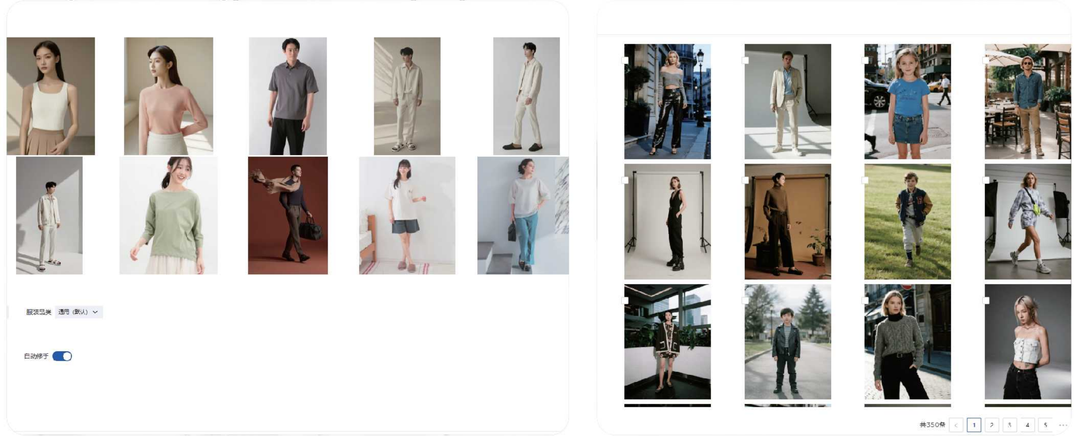
3. 3D rendering simulation technology: High-precision simulation of fabric texture, color presentation and wearing effect, accurately predicting the final physical appearance of the product.



AI-Driven Content Display and Commercial Conversion

1. AI Virtual Fitting and Scene Display: Through virtual models and multi-scene rendering, present the real wearing effect of products, improve customer experience and decision-making efficiency.

2. Intelligent Recommendation and Market Matching: AI analyzes customer brand style and market demand, automatically matching and recommending product solutions to improve product selection success rate and order conversion rate.



In 2025, Handa's apparel design department precisely designed over **1,000+** products using 3D digital technology, with over **100+** of these designs adopted by internationally renowned brands such as Honeys, ADASTRIA, SHIMAMURA, azul, THE NORTH FACE, Columbia, MUJI, WORKMAN, and UBRAS, achieving sales exceeding 55 million yuan. Looking ahead, Handa will continue to deepen the application of 3D & AI technology throughout the entire process, driving apparel design towards greater efficiency, intelligence, and environmental friendliness, bringing more surprises and possibilities to global consumers and brand clients.

Fabric research and development

As the "Functional Knitted Fabrics Trend Research Center of China National Textile and Apparel Council"Collaborative Innovation Center for Functional Knitted Fabrics in the Textile Industry,Handa Industries has always focused on the research, innovation, and promotion of functional and differentiated knitted fabrics. Through continuous research into new domestic and international raw materials, advanced weaving technologies, and advanced finishing techniques, combined with cutting-edge fashion trends and brand direction, the company constantly innovates and upgrades its products. At the same time, the company consistently practices the "Green Handa" development strategy, effectively utilizing environmentally friendly, recycled, and sustainable materials in its research and development to minimize negative environmental impacts from the source.

In 2025, the fabric R&D team focused on upgrading environmentally friendly raw materials, carried out routine iterative optimization of classic categories, and applied recycled or biodegradable raw materials such as wool and paper yarn to continuously improve the eco-friendliness and wearability of products, and promote the transformation of traditional fabrics towards low-carbon and circular transformation.

In terms of cutting-edge technological breakthroughs, we have innovatively developed a series of carbon-negative fabrics. By making groundbreaking use of carbon capture and conversion technology, we can accurately capture waste CO_2 molecules in industrial settings and convert them into green raw materials for polyester fibers. This reduces textile production pollution at the source and creates truly green products.

By leveraging technological innovation, we aim to achieve a leap from zero carbon to negative carbon in fabric carbon footprint. We will reconstruct the low-carbon path of the textile industry with disruptive raw material solutions, providing feasible and scalable environmental protection solutions for the industry's green transformation. We will safeguard ecological balance with the power of science and technology and help achieve the "dual carbon" goals.

Industry-University-Research Collaborative Innovation

In 2025, we will continue to deepen our industry-university-research cooperation with top domestic universities in the textile field, such as Donghua University and Jiangnan University, to jointly build a research and development center. This center will focus on collaborative research in areas such as low-carbon fabrics, green processes, and intelligent manufacturing, accelerating the transformation of scientific and technological achievements. Simultaneously, we will actively participate in the formulation of industry standards, contributing our expertise and cutting-edge technologies to industry norms.

Hengnuo Technology's achievements in recycled polypropylene fabrics have garnered attention from Nature.

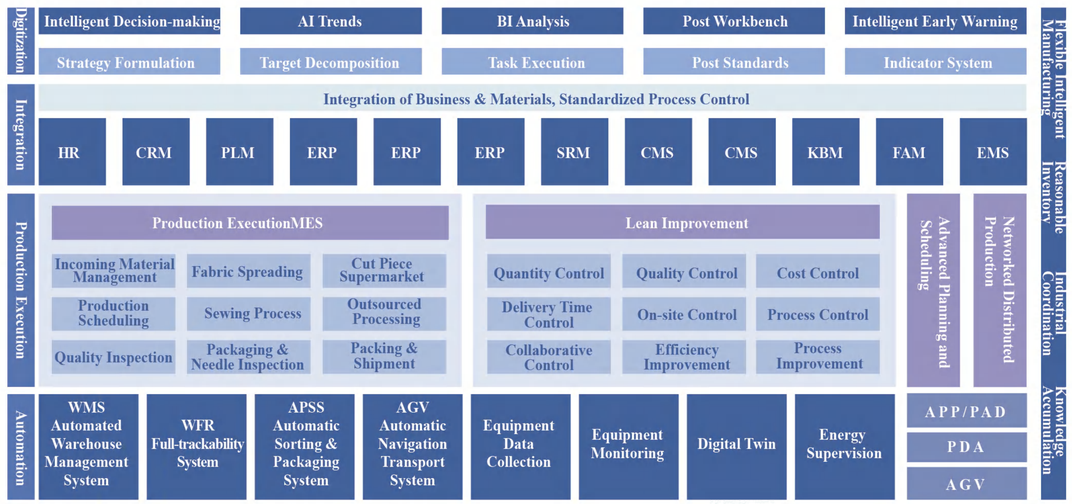
Hengnuo Technology, a subsidiary of Handa Industries, has garnered attention and coverage for its recycled polypropylene fabric developed by the journal *Nature*. This fabric, primarily used in the company's sports T-shirts, is made from recycled polypropylene food containers and PET beverage bottles. Each T-shirt consumes approximately 2.2 discarded polypropylene containers and 10 PET beverage bottles, achieving the recycling of waste plastics. Over its production lifecycle, this recycled polypropylene fabric reduces carbon emissions by about 70% compared to traditional plastic materials.

Digital Empowerment

Digital technologies, represented by big data, artificial intelligence, and the Internet of Things, are driving the textile and apparel industry into a new stage of flexible and intelligent development. Handa Industries, based on industry transformation trends and starting from its original intention of "data-driven manufacturing," deeply integrates digital technologies with garment craftsmanship to build a digital system covering the entire chain of "R&D-production-supply chain-management-service." This system creates a virtual-physical collaborative intelligent manufacturing system, promoting management upgrades and improving operational efficiency through digital transformation, thereby achieving sustainable development empowered by digital intelligence.

Research and Development → Production → Supply Chain → Management → Services

Handa Industries System Integration



The Ministry of Industry and Information Technology visited Handa to jointly draw a new blueprint for intelligent textile manufacturing.

In June 2025, Xie Yuansheng, a member of the Party Leadership Group of the Ministry of Industry and Information Technology, led a research team to visit Handa Industries.,A special survey was conducted on the textile industry. The survey team visited the company's culture exhibition hall, fashion exhibition hall, and sports exhibition hall to learn in detail about the company's development history, technological innovation achievements, and independent research and development of green, environmentally friendly, and functional sports products.

The research team highly praised Handa Industries' more than 30 years of deep cultivation in the textile and apparel industry and its practice of transforming from traditional manufacturing to intelligent manufacturing. They also pointed out that Handa's exploration in the fields of high-end fabric research and development and digital production has provided a transformation model that the industry can learn from, and they look forward to the company continuing to play an exemplary and leading role.

Handa Industries and China National Textile and Apparel Council Discuss New Paths for Digital Transformation and Green Development

In July 2025, leaders from CNTAC paid a research visit to Handa Industries. At the symposium, Handa shared its development strategies focusing on technology, fashion, green development and health. Both sides had thorough discussions on product development, digital supply chain and resource integration, and agreed to set up a regular cooperation mechanism. Handa is now recognized by the industry for its innovation and green initiatives, and actively fuels the transformation of the textile sector.

Electronic signatures empower digital management upgrade

In 2025, Handa Industries actively promoted digital transformation, and its e-signature project was officially launched and put into application. This project is deeply integrated with OA approval and business systems, transforming the traditional offline contract approval and signing process into online and paperless operations. It effectively solves pain points such as opaque offline approval, cumbersome processes, and inconvenient access to terms, significantly improving the efficiency of contract and document processing and reducing operating costs and paper resource consumption.

With the full implementation of e-signatures, Industries can further strengthen risk control and compliance management, improve operational security and standardization, and provide efficient digital support for supply chain management, administrative office work, and other aspects, effectively promoting the upgrading of Industries towards an intelligent, efficient, green, and sustainable development model.

Digital intelligence drives transformation and empowers sustainable development

In 2025, the company achieved significant results in its digital transformation, successfully passing the AAA-level certification for its integration of informatization and industrialization management system and the Level 3 assessment of the National Intelligent Manufacturing Capability Maturity Model (CMMM), marking its leading position in the industry in digital operations and intelligent manufacturing. Based on this system, Handa will create sustainable competitive value for global brand customers with more efficient, agile, and intelligent manufacturing solutions.

Intelligent Manufacturing

The company has implemented the MES (Manufacturing Execution System) across all its global production bases, enabling comprehensive data-driven management, visualized scheduling, and intelligent production planning throughout the entire production process. It integrates multiple business platforms and management systems, including ERP, APS, MES, Handa 3D design cloud platform, GST process software, equipment monitoring system, and energy system, connecting the entire business chain from R&D to delivery and building a closed-loop digital operation throughout the entire process.

In the field of process design, relying on the deep integration of the GST process system and ERP, standardized management of production processes is implemented, and the entire process documentation is digitized simultaneously. Intelligent hanging production lines are deployed in the production workshop, leveraging IoT technology and the MES system for efficient collaboration. This adapts to multi-variety, flexible mixed-flow production modes, automatically completing intelligent material allocation and workstation load balancing. By introducing intelligent production equipment such as automatic hat-making machines and fine-sewing workstations, on-site operations are upgraded to be less manned and even unmanned. AI quality inspection equipment equipped with machine vision accurately completes intelligent defect detection in finished garments. Simultaneously, QR code and RFID traceability technologies are applied to achieve full-chain data traceability management from raw fabric to finished product delivery.

At the production and operation management level, the ERP, APS, and MES systems are deeply integrated and seamlessly linked to achieve intelligent order scheduling, intelligent reverse scheduling of processes, and dynamic scheduling of production resources; relying on the collaborative operation of AGV logistics equipment and intelligent hanging lines, the accurate and timely delivery of production materials is ensured.

With the full implementation of the complete intelligent manufacturing digital system, the company has achieved significant efficiency improvements: production efficiency has increased by 35%, order delivery cycle has been shortened by 50%, and the first-pass yield rate of products has remained stable at 99.2%.

Handa Industries was recognized as an "Advanced Smart Factory" in Jiangsu Province.

Handa Industries has been successfully selected as one of the first batch of "Advanced Smart Factories" in Jiangsu Province in 2025. This selection is based on the national smart factory tiered cultivation system. Selected Industries must achieve intelligent coverage in core links such as production operations and operation management, create no less than 15 typical smart manufacturing scenarios, and reach the national smart manufacturing capability maturity level 2 or above standard.

As early as 2018, Handa proactively launched its digital transformation strategy, with the core objective of building a "fully intelligent garment manufacturing factory," continuously driving improvements in production efficiency and optimization of processes. Prior to the application, the company had already achieved industry-leading levels in intelligent manufacturing, the integration of informatization and industrialization, and data management. This recognition as an advanced-level intelligent factory is an authoritative affirmation of the company's achievements in its digital transformation strategy.

Digitalization of Operations Management

By integrating multiple core systems, including HR, OA, and NCC, into the DingTalk platform, we successfully built a unified and efficient integrated digital portal, enabling fully online operation of process approvals, document management, and daily collaborative work. This integration significantly improved cross-departmental collaboration efficiency and powerfully promoted the implementation of "paperless office"—office paper consumption decreased by 16.9% year-on-year in 2025.

In terms of digitalizing supply chain management, Handa Industries fully launched its SRM supply chain management platform in 2025, and has now achieved systematic management of 1,556 suppliers, with a total of 123,857 processes executed. By building a global supplier digital collaboration platform, the company has achieved fully online operation of the entire process from supplier onboarding, order management, quality control to ESG assessment, significantly improving supply chain collaboration efficiency and operational transparency.

In addition, by relying on the global logistics and inventory management system, the company has achieved real-time monitoring and intelligent scheduling of global inventory, effectively reducing inventory turnover days, reducing resource waste, and promoting the continuous upgrading of the supply chain towards lean and sustainable development.

Handa consistently regards information security as the cornerstone of its digital operations management, establishing a comprehensive data security management system covering key aspects such as data classification and categorization, access control, and disaster recovery to fully safeguard the security of core corporate data and customer information. This system strictly adheres to the requirements of major global data security regulations, providing a solid guarantee for the company's compliant operations and stable development in the global market.

Process Online Migration

Year-on-year reduction in paper usage

16.9 %

Supply Chain System

Supplier Onboarding

1556 several

Supply Chain System

Execution Process

123857 Entry

Responsible Supply Chain

Handa Industries has always adhered to the concept of "win-win cooperation and coordinated development" and has fully integrated the requirements of sustainable development into the entire process of supply chain management, and built a full-link sustainable supply chain management system covering "supplier access - daily management - empowerment and improvement - assessment and elimination".

Supplier Code of Conduct and ESG Admission Assessment

To ensure the sustainable development of our supply chain, we have formulated and implemented the **"Supplier Sustainability Code of Conduct."** This code strictly aligns with international standards and industry norms, setting clear requirements for all suppliers in core areas such as labor rights, occupational health and safety, environmental protection, business ethics, and compliant operations. These requirements constitute the absolute prerequisite for establishing cooperative relationships with our suppliers.

Supplier risk rating and audit

The Company has established a rigorous and comprehensive ESG access assessment system for new suppliers, which adopts a three-tier audit mechanism including qualification review, ESG risk assessment and on-site factory inspection. Suppliers can only be officially shortlisted as qualified ones after passing the full evaluation.

For existing suppliers, we have put in place an annual ESG audit and tiered management system:

Supplier Level	Ddefinition	Management Measures
Grade A High-Quality Supplier	32%	Strategic partners will receive priority support in terms of payment terms and order share.
Grade B qualified supplier	61%	Maintain normal cooperation, conduct empowerment training, and promote continuous improvement in ESG management level.
C-level supplier with room for improvement	7%	A rectification notice will be issued; cooperation will be retained upon successful rectification.
Grade D unqualified supplier	Disuse	Blacklisted, cooperation permanently terminated

Sustainable Procurement Policy

Industries Formulateand implement A sound sustainable procurement policy,Environmental and social performance are incorporated into the core indicator system of procurement decisions. In the procurement of raw materials and products, priority is given to materials with environmental certifications, low carbon footprints, and renewable sources. Simultaneously, a supplier sustainability assessment mechanism is established, using green performance as a key criterion for supplier access and tiered management. Regular capacity building and communication activities are conducted to encourage supply chain partners to jointly practice low-carbon and environmentally friendly production methods, contributing to the green transformation of the entire supply chain.

Supply Chain Capability Building

Only through win-win cooperation can we achieve long-term success.Handa Industries Not only do we use strict standards to screen and require suppliers to ensure their compliant operation, but we also take the concept of sustainable development as the core guide for supply chain development and actively carry out in-depth empowerment of the supply chain.

By building a supply chain ecosystem of "symbiosis, sharing, and progress," Handa is committed to steadily promoting the entire chain towards greater transparency, efficiency, and sustainability.Handa Industries actively We have established a technical exchange platform, organized specialized training and on-site guidance, and provided technical assistance to our partners.initiative share Industries Our practical experience and technical methods in lean production, green manufacturing, and digital management help upstream and downstream Industriess fill gaps in their capabilities and improve collaborative efficiency.

Hold a fabric and yarn proposal meeting

On June 18, 2025, Handa Industries success A fabric and yarn proposal meeting was held, attended by representatives from 25 suppliers. At the meeting, the Purchasing Management Department...A detailed report was given.supply chain Overall Operating status The information center provided a detailed explanation of the supplier system's operating procedures.During the product exchange session, the supplier They all exhibit out Handa's purchasing, R&D, and design teams communicated with suppliers regarding product applications and market demands for their respective fabric and yarn products. The two sides also exchanged views on current industry trends, changing consumer demands, and sustainable development.

Handa Industries held an investment briefing for domestic and international investors.

On April 15, 2025, Handa Industries held an investment briefing themed "Working Together for Win-Win Cooperation and Common Development" at the Wuxi International Convention Center. Government and business representatives, industry associations, and supply chain partners from China, Myanmar, Bangladesh, Egypt, and other countries attended the meeting.

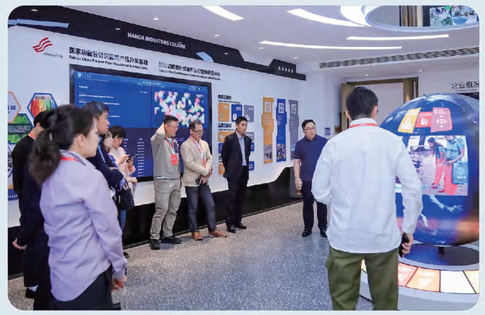
At the meeting, Handa Industries President Heng Zeli introduced the company's globalization strategy, encompassing a smart manufacturing network in Wuxi, Yunnan, China; Yangon, Myanmar; Cairo, Egypt; and Dhaka, Bangladesh, and elaborated on the locational advantages and policy benefits of each base. Representatives from the Myanmar Garment Association introduced local tax exemption policies for foreign investment and the labor force pool; representatives from the Bangladesh Investment Development Authority explained land leasing incentives and mature supply chain support; representatives from the Dehong Prefecture Government of Yunnan Province shared innovative models for cross-border labor management; and representatives from the Egyptian Ministry of State Assets emphasized the country's free trade agreements and geographical hub advantages.

During the interactive session, government and business representatives exchanged views on topics such as policy implementation, supply chain collaboration, and cross-cultural management. This briefing session...This has laid a solid foundation for Handa's global intelligent manufacturing layout and efficient localized operations overseas, and further deepened the consensus on multi-party strategic cooperation.

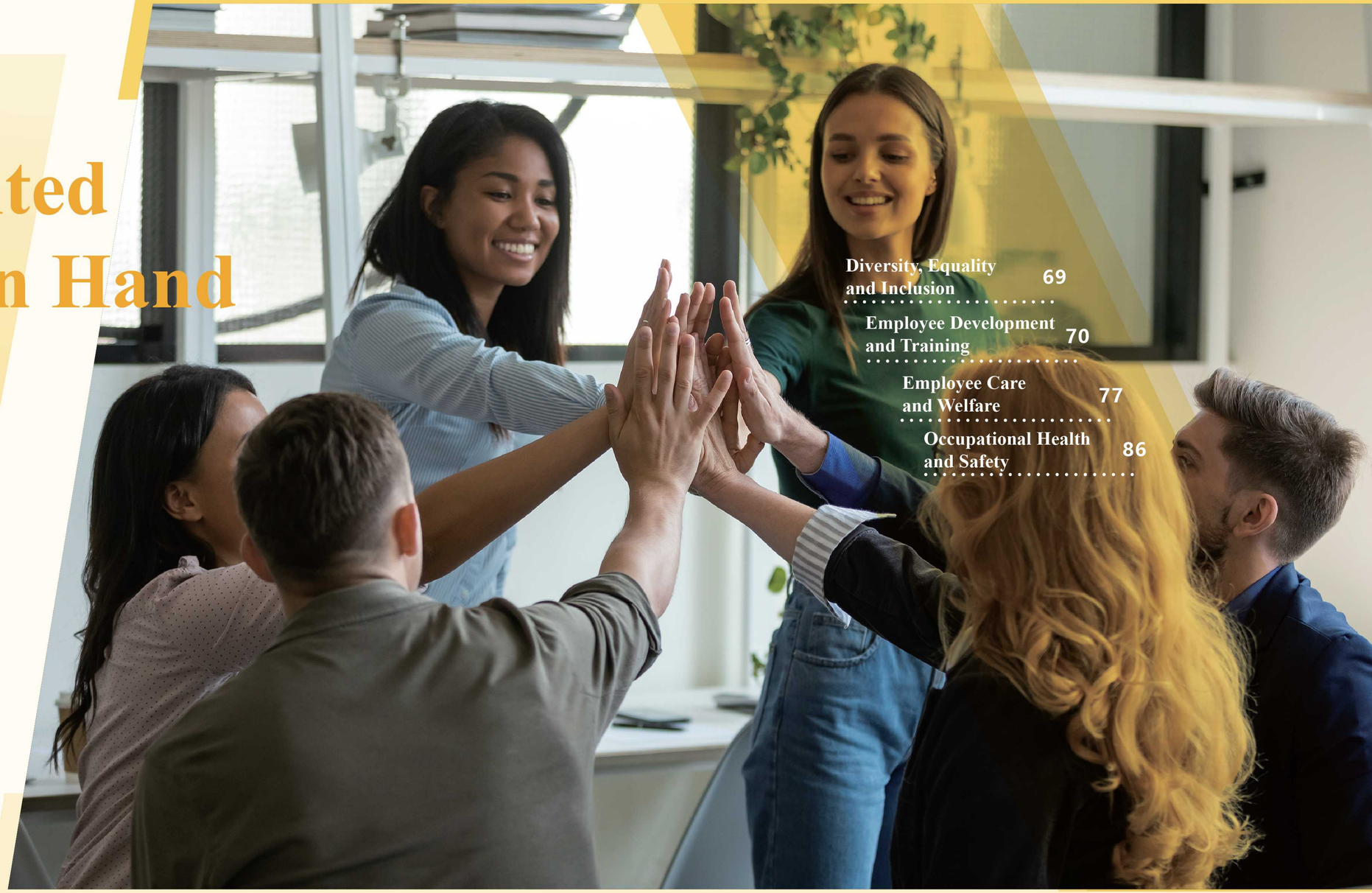
Deepen supply chain collaboration to build a sustainable future.

In April 2025, on the occasion of Handa Industries' 30th anniversary, representatives from 32 partners were invited to Wuxi.-Mainland China The delegation visited the company headquarters, touring the showroom, testing center, cutting center, intelligent workshop, and sample warehouse to understand the actual operational processes of raw material testing, garment production, and warehousing management. During the visit, guests observed the complete production process from cutting to sewing and exchanged views with technical personnel on issues such as fabric technology and quality control.

This in-depth visit further narrowed the distance between partners and Industries, laying a solid foundation for both parties to deepen long-term strategic cooperation and jointly build a new pattern of high-quality development.



People-Oriented Walk Hand in Hand



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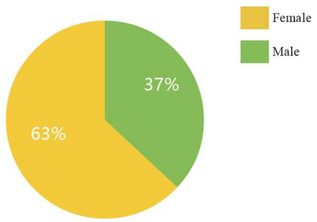
Diversity, Equality and Inclusion

We have always upheld the principles of diversity, fairness, and inclusion, strictly abided by the relevant laws and regulations of the countries in which we operate, and formulated the "Anti-Discrimination and Harassment Management Measures" and the "Equal Employment Management System." We are determined to eliminate any discrimination or harassment based on gender, age, race, ethnicity, religious belief, nationality, physical condition, marital status, etc., and ensure that all employees enjoy equal employment opportunities and career development rights.

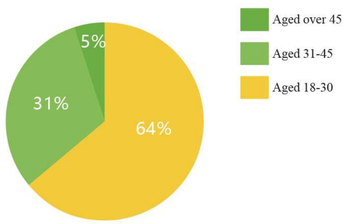
Women's Career Development

In 2025, Handa Industries had 12,706 employees, 85.7% of whom were overseas employees, all of whom were full-time. There were 4,644 male employees, accounting for 37% of the total workforce, and 8,062 female employees, accounting for 63%. Handa Industries is committed to promoting women's career development, providing female employees with equal opportunities for advancement and full-cycle career development support. In 2025, women accounted for 63% of the company's leadership and management positions, fully demonstrating the core value and important role of women in corporate management. At the same time, the company regularly conducts specialized empowerment activities such as women's leadership training and occupational health lectures, and improves thoughtful supporting facilities such as mother-and-baby rooms, taking concrete measures to comprehensively protect the rights and interests of female employees and build an inclusive, equal, and progressive workplace ecosystem.

Gender structure of employees (%)

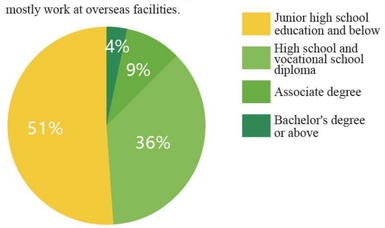


Employee age composition (%)



Staff academic structure (%)

Note: Staff with less than junior high school education mostly work at overseas facilities.



Safeguarding the Rights of Foreign and Ethnic Minority Staff

Handa Industries has always attached great importance to protecting the rights and interests of foreign and ethnic minority employees. Currently, the company has a total of 10,956 such employees. Local foreign staff are mainly from Myanmar, Egypt, Bangladesh and other countries, while ethnic minority employees include those of the Hani, Zhuang, Tujia, Dai, Dong, Lisu, Rakhine, De'ang and Karen ethnic groups.

Adhering to the principle of fair employment, the company treats all employees equally in job allocation, remuneration, benefits and career development. We fully respect the customs, traditions and religious beliefs of employees from all ethnic groups and countries. A Buddhist shrine has been built at the Myanmar factory, and dedicated prayer rooms are equipped in the factories of Egypt and Bangladesh. Working hours are properly arranged to accommodate religious activities. In addition, employees are granted special leave on traditional festivals of their respective ethnic groups. Upholding the humanistic philosophy of diversity and inclusiveness, the enterprise ensures all employees feel respected and a strong sense of belonging.

Handa Industries' overseas factories celebrate Eid al-Adha.

During Eid al-Adha in June 2025, Handa Industries' factories in Bangladesh and Egypt held holiday celebrations and sent festive wishes to all employees.

The Bangladesh factory elaborately decorated the workplace. The Egyptian factory handed out holiday gifts including sweets. Both facilities prepared exclusive festival presents for staff. We thanked employees for their hard work and dedication, and delivered corporate warmth with sincere care.

Employee Development and Training

Talent is the core driving force for Industries digital transformation and sustainable development. Handa, relying on its internal business school, has built a systematic talent development platform covering all levels and the entire lifecycle. From new employee onboarding and professional skills enhancement to management capability advancement, Handa Business School provides every employee with a clear and visible growth path through a diversified curriculum and practical projects.,Empowering talent development in all aspects.

Training System

Training dimensions

Total training sessions

354 sessions

Total training participants

25412 Person-times

Staff training coverage

100 %

Total internal trainers

56 people

Standardized courses

6S Knowledge & Practical Guidelines, Handa New Talent Development, New Employee Training, Etiquette for Work & Daily Life, 192 Management Standards of Benchmark Enterprises...

Skills Training Investment		
Training Program	**Training participants**	**Training Content**
Core professional competency training for general managers and factory directors	General Manager and Factory Director	Strategic Decoding, Policy Development, and Lean Operations .....
Leadership Training	Management personnel	Components, methods, and application scenarios of leadership .....
Specialized training for team leaders	Grassroots team leader	Role perception, communication and motivation, job responsibilities .....
Job skills enhancement training	Front-line production staff	Core skills in weaving, dyeing and finishing, sewing, and quality inspection .....
Intelligent manufacturing skills training	Digital-related positions	MES systems, automated equipment, and AI-based quality inspection applications .....

Handa Industries conducts training on "Core Professional Competencies of General Managers and Factory Directors"

Handa Industries conducted a series of training programs focusing on "Core Professional Competencies for General Managers and Factory Directors," which were successfully completed in two phases. The first phase, lasting 19 days, officially launched in July at the Myanmar Plant 2. Employing a hybrid "on-site + online" model, it covered the main venue in Myanmar and branch venues in Yunnan, Wuxi, Egypt, and Bangladesh, with 51 core managers from home and abroad participating. The training was systematically designed around key modules such as strategic decoding, policy deployment, and lean operations, aiming to comprehensively improve the strategic planning, operational management, and personnel management capabilities of senior management, and to promote the upgrading of management actions towards policy management driven by four elements: target value, responsible person, time limit, and review. In September, the second phase of training was successfully completed at the Myanmar Garment Department, with managers from Bangladesh and Egypt participating online simultaneously. This phase focused on core courses such as rapid cash flow, action economy principles, VSM process analysis, improvement culture, and lean maturity assessment, with a focus on improving managers' lean management thinking and practical skills. At the closing ceremony, Executive Director and President Heng Zeli emphasized that the tools and methods learned in the training must be put into practice, and required managers to achieve the dual goals of "ideology + on-site" within three months, and to test the effectiveness of the learning with actual results.

2025 China Textile New Generation Innovation Class Visits Handa

In July 2025, the 2025 China Textile New Generation Innovation Class, themed "Corporate Globalization Strategic Layout and Planning," was held at Handa Industries.New generation entrepreneurs from the industry gathered to discuss new opportunities and paths for the globalization of the textile industry.

During the event, Jiang Yanhui, Vice President of Handa Industries, introduced the company's global production capacity layout and R&D achievements. Chairman Han Chun shared the considerations and practices of the globalization strategy and engaged in Q&A sessions with the participants. The participants also visited Handa's production workshop, testing center, and sample warehouse to learn about the company's production and operations. Invited experts delivered lectures on topics such as the international supply chain landscape, overseas investment risk control, and brand globalization.

This event is a practical initiative by Handa Industries to participate in industry talent development and share its global experience.

2025 China Textile New Generation Innovation Class Visits Handa

Handa Industries held a skills competition for its employees to promote the spirit of craftsmanship

In November 2025, Handa Industries and the Dongbeitang Subdistrict Federation of Trade Unions jointly held the 18th Skills Competition for Employees of Knitting and Garment Industries. The competition covered four categories: cutting skills & pattern design, sewing skills and garment inspection.

At the opening ceremony, Vice President Jiang Yanhui pointed out that professional skills constitute an enterprise's core competitiveness, and encouraged all contestants to fully showcase their strengths. Zhou Kejun, Chairman of the Dongbeitang Subdistrict Federation of Trade Unions, delivered a speech and recognized the value of such competitions for employee growth.

After fierce competition, winners were announced for all four categories. Leaders from the company and the trade union presented certificates and prizes to the awardees. They also called on all staff to learn from the winners, pursue excellence, upgrade professional capabilities continuously, and make greater contributions to the company's development.

Conduct Leadership Training

On January 19, 2025, Handa Industries held a special training session on leadership development, inviting external experts to give lectures. Management personnel from various departments participated. The training focused on the components of leadership, improvement methods, and application scenarios, and was conducted through case studies, interactive discussions, and practical exercises.

This training focused on teaching participants how to significantly improve efficiency and optimize resource allocation through intelligent upgrades, and encouraged every employee to become a source of innovation. By building a diversified learning and development platform, the team's unlimited potential was unleashed. These innovative measures not only enhanced the company's core competitiveness but also set a benchmark for the industry, proving that seeking opportunities amidst change is an inexhaustible driving force for sustainable corporate development.

Handa Joins CNTAC Experts for Trend Training to Boost Fabric R&D & Innovation

In 2025, Handa Industries invited experts from the Fashion Trends Department of the China Textile Information Center to conduct specialized training and seminars on fabric trends for Spring/Summer 2027 and Autumn/Winter 2026/2027. During the Spring/Summer trend training, experts focused on analyzing the concepts, colors, and fabric styles for Spring/Summer 2027, emphasizing that product development must consider visual appeal, tactile feel, and functional experience. The Handa team also showcased recent product development achievements and the application of AI and 3D technologies. In the Autumn/Winter trend seminar, Design Director Peng Lihua and Senior Trend Researcher Wang Bin interpreted the next season's consumer lifestyles, color proposals, fabric trends, and sportswear direction. Handa also shared its 30th-anniversary static exhibition and runway show examples. Both events included a workshop for design teams, who created multiple trend concept versions or development plans in groups, with expert feedback provided on-site. Participating designers stated that the series of exchanges provided clear initial positioning and trend guidance for product development.

Empower Frontline Supervisors to Improve Productivity | Special Training Held at Egypt Factory

In August 2025, Handa Industries' Egyptian factory held a three-day specialized training program for team leaders, with 40 team leaders from various production workshops participating. Prior to the training, the Human Resources Department and the Production Management Department conducted a joint survey to identify the team leaders' shortcomings in areas such as role awareness, communication and motivation, and job responsibilities.

The training adopted a format of "theoretical lectures + case studies + group competitions," combining the characteristics of local production in Egypt to explain team management knowledge and conduct case studies and solution optimization around practical problems. This training aimed to strengthen grassroots management capabilities, improve the comprehensive abilities of team leaders, and lay the foundation for the factory to promote lean production.

Handa Global Collaboration: Overseas Apparel Teams Visit Headquarters

On June 9, 2025, the management teams from Handa Industries' Bangladesh and Egypt garment manufacturing divisions visited the company's Wuxi headquarters for in-depth exchanges. The overseas team toured the company culture exhibition hall, fashion exhibition hall, sports exhibition hall, and production areas including the cutting, intelligent workshop, sewing workshop, and inspection center, learning about the headquarters' practices in intelligent upgrading, process innovation, and quality control. During the visit, both sides exchanged views and discussed topics such as process refinement, talent development, and quality management.

This event vividly demonstrates Handa Industries' global collaborative development, allowing valuable experiences to be shared through exchange and promoting the common growth of its overseas factories. Looking to the future, Handa will continue to deepen the close collaboration among its factories, working together to drive the high-quality development of the company's global business and create a better, more fashionable Handa!

Ensure smooth promotion channels

Handa Industries consistently upholds the talent philosophy of "appointing people on merit and promoting competent staff". We keep optimizing the promotion mechanism as well as the job rotation and transfer system, and have built a multi-level talent development framework based on job competencies, so as to offer ample career advancement opportunities for high-performing employees.

In 2025, A total of 178 employees received promotions, including 89 local overseas staff.

To fully motivate employees and stimulate their creativity, we have put in place a complete performance evaluation and incentive system. We carry out monthly, quarterly and annual selection campaigns for outstanding employees, excellent managers and technical specialists. These initiatives set role models and foster a sound atmosphere of mutual learning and healthy competition. Standout employees are recognized and rewarded, while all staff are guided to clarify their career development goals.

2025
Total Promotions
178 Person

2025年
Promoted Local Foreign Staff
89 Person

Handa Industries held an awards ceremony to recognize outstanding employees

In 2025, Handa Industries held several commendation ceremonies for outstanding employees, solemnly recognizing advanced individuals and outstanding teams who worked diligently and achieved outstanding results on all fronts. The honors paid tribute to their hard work, and the role models inspired the team, fully demonstrating the spirit of Handa employees who love their jobs, are dedicated to their work, and pursue excellence.

These awards ceremonies not only affirm and encourage the hard work of the past year, but also serve as a mobilization and expectation for future development. All Handa employees will take these advanced models as benchmarks, unite as one, and forge ahead with determination to write a new chapter in the company's high-quality development and global expansion.

The commendation ceremony not only fostered a strong atmosphere of respecting, learning from, and striving to become advanced individuals within the company, but also strengthened employees' sense of belonging and cohesion, injecting lasting spiritual motivation into Handa Industries' in-depth transformation and continuous progress.

Employee Care and Welfare

Handa Industries upholds the people-oriented management philosophy of "Work Happily, Live Earnestly". We integrate employee care into daily operations and foster a warm corporate culture. In 2025, the company's total expenditure on employee benefits, training, meal allowances and accommodation subsidies amounted to 53.302 million yuan.

Compensation and Benefits System

Adhering to the principles of legality, scientific rigor, incentive, and fairness, we have established a comprehensive compensation and benefits management system. We provide employees with compensation commensurate with their job value and work contributions, strictly follow labor laws, and pay wages on time and in full every month. Since our inception, we have maintained a zero-wage-arrears record, and our employees' average income is significantly higher than the local minimum wage standard. We have established a dynamic wage growth mechanism, scientifically adjusting salaries annually based on a comprehensive consideration of industry salary levels, the price index, and the company's operating conditions, achieving a positive interaction between corporate development and employee income growth.

A comprehensive welfare and protection system:

Legal guarantees

- We fully contribute to employees' social insurance and housing fund in accordance with local laws and regulations domestically and overseas. The social insurance covers pension, medical care, work injury, maternity and unemployment.

Catering & lodging support

- Complimentary staff meals are included in the basic employee benefits package. In 2025, we renovated the canteen at Wuxi
- Campus to improve the dining environment and food quality.
  Staff dormitories are fully furnished with air conditioners, private restrooms and Wi-Fi. Qualified employees receive housing subsidies.

Festival & Birthday Benefits

- Holiday gifts are provided for staff during major traditional Chinese festivals.
- Special benefits and events are arranged for female staff on Women's Day.
- Every employee receives birthday gifts and well-wishes from the company on their birthday.
- Overseas factories fully embrace local cultures. We distribute gifts and hold celebrations for employees on major local festivals such as the Water-Splashing Festival and Eid al-Fitr.

Special Incentives & Subsidies

- We have launched a range of special incentives and allowances, including overproduction bonuses, full attendance awards, high-temperature subsidies and overseas assignment allowances.
- We confer special honors and rewards on long-serving employees to recognize their dedication and long-term commitment.

Employee Hardship Support

- We have set up an employee assistance fund to provide targeted support and condolences for staff facing hardships due to severe illness, accidents and other emergencies, effectively helping them resolve difficulties.

Holiday benefits

Handa Industries' Myanmar production base distributed Diwali (Festival of Lights) benefits to its employees.

In October 2025, ahead of Myanmar's traditional Illumination Festival, Handa Industries' Myanmar production base distributed festive gifts to all employees, each consisting of 10 kilograms of rice and 2 liters of cooking oil. The gifts were tailored to local festival consumption patterns, and employees felt the care and warmth from the company during the distribution. This Illumination Festival welfare distribution is a routine measure by Handa Industries to respect local culture and care for its overseas employees.

Handa Industries Yunnan Factory held its 2025 Spring Festival Annual Meeting

On January 23, 2025, Handa Industries' Yunnan factory held its Spring Festival annual meeting, where all employees gathered to review the achievements and challenges of the past year and look forward to the development goals for the new year. Wang Lan, General Manager of the China Garment Division, comprehensively summarized the factory's work in 2024 in terms of target achievement and quality control, and promoted the company's core values of "innovation, integrity, pragmatism, and customer first," calling on all employees to improve product quality and service to higher standards and jointly promote the company's sustainable development.

Yunnan Handa hosts China-Myanmar Water Splashing Festival tug-of-war competition

In April 2025, to celebrate the 30th anniversary of Handa Industries and to promote the integration of diverse cultures between China and Myanmar, Yunnan Handa Garment Co., Ltd. held a water-splashing festival tug-of-war competition, with Chinese and Myanmar employees participating together.

The event consisted of two parts: a tug-of-war competition and a water-splashing blessing ceremony. During the tug-of-war, teams from various departments competed fiercely, with the Yunnan factory's cutting workshop ultimately winning the championship. Between matches, employees splashed water on each other as a blessing, filling the air with laughter and joy. The Water Festival is a traditional Burmese festival, symbolizing the washing away of troubles and the bringing of good fortune. This event incorporated Burmese cultural elements into the company celebration, enhancing understanding and friendship between Chinese and Burmese employees.

Employee care

Handa Industries held a commendation meeting for employees' children who achieved outstanding academic results

On August 23, 2025, Handa Industries held a commendation ceremony to celebrate the outstanding achievements of 30 employees' children in the 2025 college entrance examination. On the day of the event, the students first visited their parents' workplaces, as well as the company's culture exhibition hall, sports exhibition hall, fashion exhibition hall, production workshop, and testing center to learn about the company's production and operations. At the commendation ceremony, Vice President Jiang Yanhui delivered a congratulatory speech, and Executive Director and President Heng Zeli encouraged the students to cherish their achievements and be grateful to their parents, stating that the company will continue to support employee families. The company presented each student with a trophy, flowers, a gift box, and a cash bonus. This event is one of Handa Industries' initiatives to extend employee care to families.

Reminiscing about the past and embarking on a new chapter: Handa Industries holds a symposium for veteran employees

In April 2025, on the occasion of Handa Industries' 30th anniversary, the company held a symposium for retired employees entitled "Remembering the Past and Embarking on a New Chapter," inviting dozens of retired employees to return to the factory for a visit and exchange. Chairman Han Chun, Vice Chairman Qiao Liang, Vice President Jiang Yanhui, and others accompanied the retired employees on a tour of the company's culture exhibition hall and fabric exhibition hall, introducing the company's development history and latest research and development achievements.

During the symposium, veteran employees shared their experiences and feelings about working at Handa, expressing their deep affection for the company. At the end of the event, the veteran employees signed their names on the company's sustainable development tree as a memento.

The symposium for veteran employees is a vivid example of Handa Industries' dedication to caring for its veteran employees, warming the hearts of those who strive, and passing on its family culture with love.

Handa Industries Myanmar Factory Holds Summer Retreat Cultural Activities

In July 2025, Handa Industries' Myanmar factory organized a cultural exchange activity for its Chinese and Myanmar employees in conjunction with the local traditional festival of Vajrasana (Summer Retreat). On the day of the event, the factory set up a ceremony venue, and employees lined up neatly to offer alms to visiting monks. The monks chanted prayers and offered blessings for the factory and all employees. This activity aimed to respect Myanmar's local culture, enhance mutual understanding and cultural integration between Chinese and Myanmar employees, and create a harmonious and inclusive corporate atmosphere. Through joint participation in the traditional festival, employee cohesion was further strengthened.

Democratic Management

Handa Industries emphasizes the role of employees in democratic management, participation, and supervision. Established in June 2004, the trade union, under the leadership of the Industries's Party branch and the higher-level trade union, and with the strong support of leaders at all levels, diligently fulfills its functions, safeguards employee rights, collaborates with administration to conduct various activities for employees, and organizes external learning and training programs. This fosters a healthy, positive, and proactive atmosphere, helps employees improve their skills and overall quality, and enriches their leisure time. The trade union also acts as the "family" of the Industries's employees, attentively listening to their concerns and helping them resolve practical difficulties such as children's schooling and family members' employment, relieving their worries. For employees facing serious illness or other difficulties due to personal or family illness, the trade union provides immediate assistance, offering help to the best of its ability. The trade union plays a positive and effective role in caring for employees' physical and mental well-being, promoting their growth, maintaining workforce stability, and collaboratively building a new type of cooperative relationship between the Industries and its employees in the new era.

Handa Industries has established a comprehensive communication and feedback mechanism in both its domestic and overseas companies. The labor union and employee representatives can communicate with employees at any time and place, regardless of time or location, and hold regular representative meetings. The labor union chairman and employee representatives are elected by the employees themselves; all employees have the right to vote and be elected, and all representatives must serve the employees voluntarily. Employees can provide feedback at any time through email, suggestion boxes, text messages, and forums. The labor union and company will promptly investigate employee opinions, suggestions, and complaints, formulate improvement measures, and provide feedback to employees to continuously meet their reasonable needs.

At the beginning of 2025, the company's labor union, on behalf of all employees, signed four agreements with the company, including the "Collective Wage Bargaining Agreement," the "Labor Safety and Health Agreement," the "Special Rights Protection Agreement for Female Employees," and the "Occupational Disease Prevention and Control Agreement." At the end of the year, the implementation of the four agreements was reviewed, and no violations were found.

New Year's Warmth Campaign: Handa Industries Union Distributes Relief Supplies to Employees in Need

In January 2025, the Handa Industries Trade Union launched the New Year Warmth · Warm Home activity. Cash red envelopes, cooking oil and Godiva thermal apparel gift boxes were distributed to employees in need. Union representatives personally extended care to them, easing their financial pressure and bringing festive warmth. As part of the union's annual assistance initiative for disadvantaged staff, the activity fully reflects the company's enduring care for employees' well-being.

Actions to prevent heatstroke and cool down people in summer.

In the face of persistent high temperatures in the summer of 2025, Handa Industries implemented a series of measures to prevent heatstroke and provide employee care, effectively safeguarding the physical and mental health of employees working in high-temperature positions. Starting in July, the company took the lead in implementing heatstroke prevention measures, providing freshly brewed mung bean soup daily in the headquarters park and weaving factory, and thoughtfully offering barley tea in the dyeing and finishing factory, to help employees working in high-temperature environments cool down and relieve fatigue. This care comprehensively covered all high-temperature positions in all factories. In August, the company's labor union further launched a special "Summer Cooling" campaign, with the union chairman leading a team to visit the production lines in the weaving factory, dyeing factory, and headquarters park, delivering customized cooling packages to frontline employees who remained at their posts in high temperatures. They also visited the factories to understand the employees' working environment and actual needs, expressing sincere respect for their dedication and commitment to their posts despite the sweltering heat. This series of summer heatstroke prevention and care activities is not only an important part of Handa Industries' annual employee care program but also a routine measure of the labor union to provide heartwarming benefits to frontline employees, bringing them warmth and care during the hot summer months.

Activity Implementation

The company consistently adheres to a people-oriented development philosophy, deeply cultivating corporate culture around four dimensions: recreation, Party building, safety education, and team cohesion. It regularly organizes diverse and enriching employee-themed activities. Through a series of events, including fun sports meets, visits to revolutionary sites, patriotic ceremonies, company-wide fire emergency drills, and various team-building activities, the company further fosters employees' patriotism, strengthens their safety awareness, enhances teamwork and cohesion, and continuously creates a positive, harmonious, and united corporate atmosphere, contributing to the steady improvement of the company's soft power for sustainable development.

Handa Industries Party Branch Conducts Themed Party Day Activity of Visiting Ancient Villages

On June 28, 2025, the Party Branch of Handa Industries organized Party members to carry out a themed Party Day activity at Tangyuan Ancient Village in Yanjiaqiao, Wuxi. The group toured scenic spots including the rectangular granary complex, the Exhibition Hall of the Birthplace of Wuxi Opera, the Tang Family Business Exhibition Hall and the Yanjiaqiao Revolutionary History Exhibition Hall. They learned about the Tang family's pioneering endeavors in modern national industry, as well as their family motto: Uphold integrity as the foundation, and inherit the fine tradition of farming and scholarship.

Renowned as a "Village of Professors", Yanjiaqiao has nurtured more than 200 professors in modern history. Its long-standing emphasis on education deeply impressed all participants. Inside the Tang Family Business Exhibition Hall, old account books, receipts and other historical relics embody the core spirit of national industrial and commercial pioneers: Serving the country through industry and conducting business with integrity.

Integrating traditional culture exploration with Party member education, this activity helped participants gain a deeper insight into integrity and accountability from history. It also provided strong spiritual momentum for the company's cultural development.

Organizing employees to watch the September 3rd military parade fosters their patriotism.

On September 3, 2025, the 80th anniversary of the victory of the Chinese People's War of Resistance Against Japanese Aggression and the World Anti-Fascist War, Handa Industries organized its employees to watch the live broadcast of the military parade. Before the event, employees placed national flags at their workstations and wore patriotic stickers, creating a strong atmosphere.

During the viewing, employees in both the workshop and office areas simultaneously watched the live broadcast, collectively reviewing the history of the War of Resistance against Japan and feeling the pulse of a strong nation and a powerful military. This activity is a routine measure taken by the company to carry out patriotic education and enhance employees' sense of responsibility. It aims to inspire employees' patriotism and fighting spirit through collective viewing of the ceremony, integrating a sense of national responsibility into their daily work.

Handa Industries held its 24th Sports Meet and Fire Drill

On November 22, 2025, Handa Industries held its 24th Sports Meet and Fire Drill. Under the theme of "Vibrant Handa, Endless Fun", the event included two main sections: fire emergency drills and sports competitions, aiming to enhance employees' safety awareness and teamwork skills.

A simulated fire emergency evacuation drill was conducted, with workshop and office employees quickly evacuating along a predetermined route in 3 minutes and 10 seconds. Following this, a practical competition on fire extinguishers and fire hydrants was held, where employees practiced firefighting operations and equipment connections to test their emergency response skills. After the evacuation drill, the company's Vice President, Jiang Yanhui, provided on-site guidance, emphasizing the importance of routine safety training.

The sports competitions included events such as carrying ping-pong balls on acupressure mats, a 4x100-meter relay race, team jump rope, and tug-of-war.,The atmosphere at the competition was lively, and all participating teams demonstrated excellent teamwork.

The event concluded with an awards ceremony where medals were presented to the winners of each event. This sports meet is an annual routine activity of Handa Industries, combining safety education with sports competition, aiming to enhance employees' safety awareness and promote team cohesion.

Uniting our hearts and minds to create extraordinary achievements – Holding the 2025 Team Building Activities

On December 14, 2025, Handa Industries organized its annual team-building activity at Longsi Ecological Park in Wuxi, themed "Uniting Hearts to Create Extraordinary Achievements," with 70 employees participating. The activities included a hike along the Junzhang Ancient Trail, a frisbee challenge, and a rope skipping game, among other team-building activities. During the hike, employees shared their work and life experiences, collaborated effectively in the fun competitions, and worked together to build team cohesion. This natural walk fostered a spirit of cooperation and mutual support, integrating it into daily work and further solidifying the company's foundation for a shared vision and extraordinary achievements.

Occupational Health and Safety

We always prioritize the life safety and health of our employees, and have established a comprehensive occupational health and safety management system. We have passed ISO45001 occupational health and safety management system certification and adhere to the principle of "safety first, prevention first, and comprehensive management" to integrate safety production and occupational health management throughout the entire production and operation process.In 2025, the company achieved zero major work safety accidents, zero fire accidents, and zero occupational disease hazard accidents, maintaining a stable work safety situation.

Safety Production Management System

The company has established a four-level work safety management network covering the headquarters, factories, workshops and work teams. It employs 86 full-time safety management staff and formulated a complete set of work safety management systems and operational procedures.

We carry out monthly safety inspections and hazard checks. By the end of 2025, a total of 48 safety inspections had been completed, identifying and rectifying 265 potential hazards with a 100% rectification rate. Regular training and drills on work safety, fire prevention and emergency response were arranged throughout the year, including 16 safety training sessions for all employees and 12 emergency drills covering fire control, chemical leakage and flood prevention. These efforts have effectively strengthened employees' safety awareness and emergency handling capabilities.

16 Venue
conduct/carry out safety training

56 person
Safety staff

12 Venue
Conduct emergency drills

265 Item
Safety hazard correction

48 Times
Safety check

100 %
Hazard rectification rate

Occupational Health Management

The company attaches great importance to employees' occupational health, particularly for staff engaged in dyeing, printing and weaving positions. We conduct regular monitoring, assessment and special rectification of on-site occupational hazard factors to ensure that workplace hazard concentrations fully comply with national occupational health standards. The company provides all employees with standardized personal protective equipment and supervises proper wearing and standardized use of protective masks and other gear. In addition, we organize annual occupational health physical examinations for employees and establish complete individual health files. Staff identified with occupational contraindications are promptly transferred to suitable positions, effectively safeguarding employees' legitimate occupational health rights and interests.

职业健康检查总结报告书

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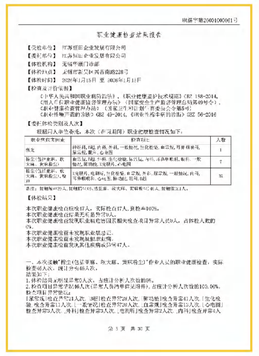
受检单位 江苏仕亚企业发展有限公司

体检机构 无锡华康门诊部

二〇二六年一月二十三日


职业健康检查总结报告

Handa Yunnan Factory Holds Gynecological Disease Prevention Seminar to Focus on Female Employee Health

In March 2025, Handa Industries' Yunnan factory, in conjunction with the Fengping Town Health Center under the organization of the industrial park management committee, conducted a gynecological disease prevention knowledge dissemination and free medical consultation activity for female employees. Recognizing the large proportion of Burmese female workers in the factory and their relatively weak health knowledge, doctors from the health center explained basic women's health knowledge, symptoms and prevention of common gynecological diseases, and infectious disease prevention measures, and provided translation assistance for employee consultations. After the dissemination, the medical team conducted free medical consultations at the park's medical point, offering free health consultations, blood pressure measurements, and ultrasound examinations. This activity is one of Handa Industries' initiatives to focus on the health of female employees and promote health knowledge among its overseas staff.

Strengthen safety awareness and consolidate the foundation for development

During the 24th National "Safe Production Month," Handa Industries, adhering to the theme of "Everyone Talks About Safety, Everyone Knows How to Respond to Emergency Responses—Identifying Safety Hazards Around Us," organized a special safety lecture series in Dongbeitang, inviting senior lecturers in the field of national safety and emergency management training to deliver lectures. During the training, the lecturers used videos of real accident cases to deeply analyze the causes and consequences of typical safety accidents such as fires and mechanical injuries. Through random questions and interactive discussions, they guided employees to deeply consider the implementation paths of safe production in light of their actual job responsibilities, creating a strong learning atmosphere. Team leaders were the first to participate in the training, bringing the learned knowledge back to their front lines and promoting the cascading transmission of safety management concepts.

Handa Industries always prioritizes safety in production, regularly conducting safety competitions, emergency evacuation drills, and fire-fighting skills contests to continuously enhance employees' safety awareness and practical abilities.

Conduct fire safety training and drills

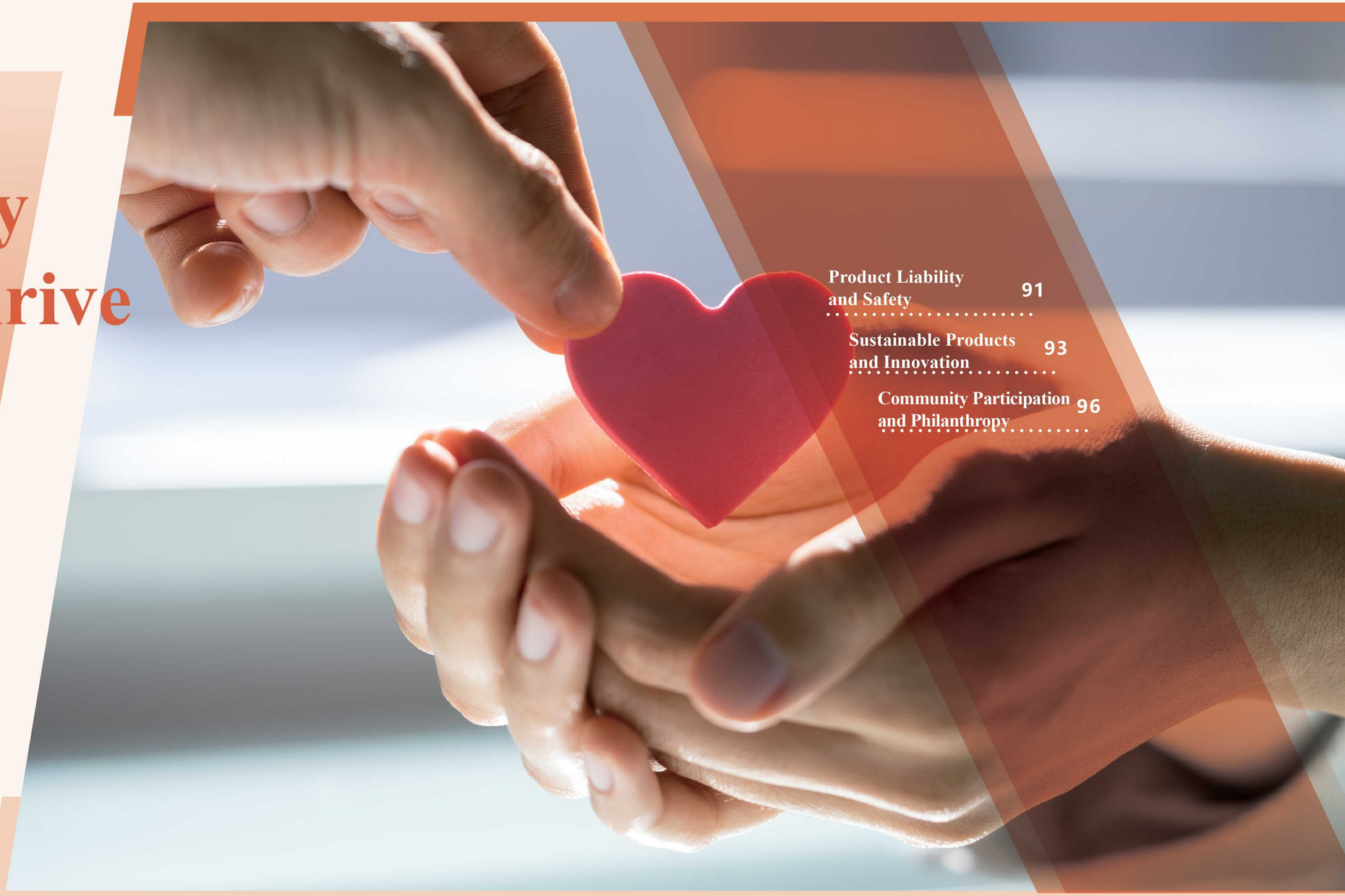
Handa Industries always puts employee safety first and upholds the philosophy of "people-oriented approach, safety foremost". Regular fire safety training and emergency drills are held across domestic and overseas facilities to implement the guideline of "prioritizing safety, focusing on prevention and pursuing all-round management", thus building a robust safety line of defense for the enterprise.

In 2025, two fire drills were carried out at the Yunnan facility under the working model of "self-inspection plus joint supervision by local authorities and the enterprise". In-house drills helped employees master evacuation skills and fire extinguisher operation. A joint drill with Dehong Mangshi Fire and Rescue Brigade achieved a full evacuation within 3 minutes, establishing a closed-loop safety management system covering drill, inspection, rectification and review.

Handa's five overseas factories in Myanmar have invited professional fire safety instructors to deliver targeted training. Combining theoretical lectures, on-site demonstrations and evacuation exercises, the training focused on fire prevention and fire-fighting equipment operation, greatly improving employees' on-site emergency response capabilities.

Going forward, Handa Industries will continue to refine emergency response plans, upgrade management systems, and strengthen fire safety coordination between domestic and overseas sites. We will ensure full implementation of all safety protocols to protect employees' lives and corporate assets.

Repay Society Coexist & Thrive



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Product Liability and Safety

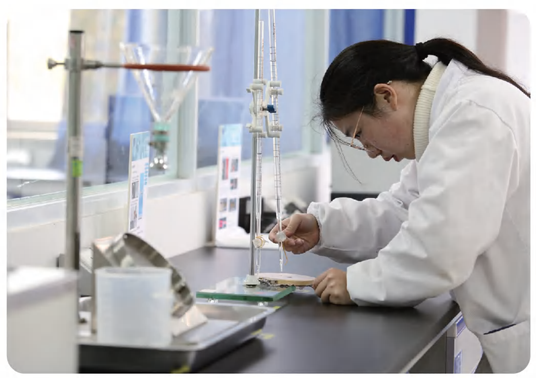
"Quality is the foundation of our factory, and quality comes first" is the quality philosophy that Handa Industries has always adhered to. The company integrates product safety, quality control, and sustainable innovation throughout the entire product lifecycle, providing global customers and consumers with safe, high-quality, and sustainable fabrics and garments.

Full-process quality control

Quality is the lifeline of enterprise development. Handa Industries always adheres to strict standards and implements full-process quality control. We have put in place a three-tier inspection system covering incoming raw material inspection, in-process production inspection and finished product delivery inspection.

Equipped with internationally advanced testing equipment and a professional technical team, the company has built a national-level textile testing laboratory. It can conduct comprehensive tests on indicators including color fastness, shrinkage, fabric strength, harmful substances and product functionality, delivering strong assurance for full-cycle quality management.

As of 2025, the product qualification rate stood at 99.8% and the customer satisfaction rate reached 96.7%.



Control links	Specific measures
Raw material control	All incoming raw materials must undergo strict inspection before they can be put into storage and used.
Process control	Multiple quality inspection points are set up, and dedicated quality inspectors are assigned to conduct full-process inspections.
Finished Product Control	Finished products must undergo full-item inspection and full appearance inspection before leaving the factory.

Product safety compliance

The company adheres to all laws and regulations in the operating locations as its bottom line. Its products fully comply with international and domestic standards such as the EU REACH regulation, OEKO-TEX®, ecological textile standards, and China's GB 18401 National Basic Safety Technical Specifications for Textile Products. A strict hazardous substance control system has been established to ensure that hazardous substances in products meet international standards, achieving zero instances of exceeding limits.

In 2025, our products passed international social responsibility and quality certifications such as BSCI and WRAP, and many of our products obtained international sustainability certifications such as OEKO-TEX®, GRS, OCS, and RWS.

SCOPE CERTIFICATE
Scope Certificate Number CGI-TM162-RWS-2025-01
Scope Certificate Version Number CGI-TM162-RWS-2025-03
Clean Globe International
Certifies that
JIANGSU HANDA INDUSTRIES CO., LTD
Textile Exchange ID (TE-ID): TE-0000093
Clean Globe International Client Number: CGI-T00102
Yancong Dongbeilang, Xishan District, Wuxi City, Jiangsu Sheng, China
has been assessed and found to be in conformity with the
Responsible Wool Standard (Version 2.2)
Product categories mentioned below and further specified in the product annex(s) conform to all the requirements
Men's apparel (PC0001), Women's apparel (PC0002), Dyed fabrics (PC0005), Children's apparel (PC0004), Warm accessories (PC0012)
Process categories carried out under responsibility of the above-named organization for the certified products cover
Manufacturing (PR00106), Trading (PR00108), Manufacturing (PR00106)*
*The production method will be decided at every control visit by auditor/inspector.
The Certificate is valid until: 2026-06-05
Place and Date of Issue
Melbourne, 2025-06-22
Last Updated: 2025-11-26
Status: Valid
Stamp of the issuing body
Standard
Isher Kanwal Singh | Certifier
Certification Body also known as: "Clean Globe Inspection Services CB-CO"
Clean Globe International Pty Ltd, Level 18, 100 Ernest Street, North Sydney, NSW 2060, Australia
Inspection Body: Clean Globe International Pty Ltd
This Scope Certificate provides no proof that any goods delivered by its holder are RWS certified. Proof of RWS certification of goods delivered to customers is a valid Transaction Certificate (TC) issued by them.
This scope certificate cannot be altered/edited by anyone but Clean Globe International.
This scope certificate is a digitally issued document by the official version
TE-ID: TE-0000093
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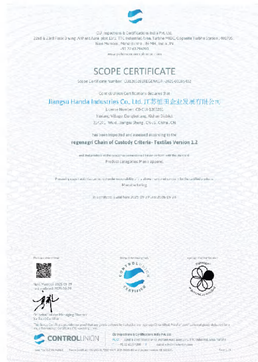
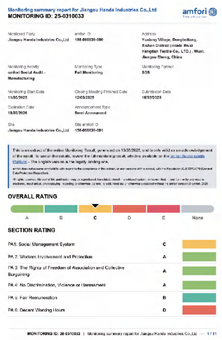

SCOPE CERTIFICATE
Jiangsu Handa Industries Co., Ltd. (江苏恒田企业发展有限公司)
Factory Village, Dongbeilang, Xishan District, Wuxi, Jiangsu Sheng, China, 214105
Scope Certificate Number: CGI-T00102
has been inspected and assessed according to the
regenagri Chain of Custody Criteria - Textiles Version 1.2
and deemed in full compliance. Based on the results of this audit, the above-named organization is hereby certified as a
Product categories that qualify
Processing and Trading
Manufacturing
Trading
Certification Cycle: Valid from 2025-07-07 to 2026-06-24
CONTROLUNION


Monitoring summary report for Jiangsu Handa Industries Co.,Ltd
amfori
MONITORING ID: 25-0310533
Monitored Party: Jiangsu Handa Industries Co.,Ltd
order ID: 100-000320-000
Address: Factory Village, Dongbeilang, Xishan District, Wuxi, Wuxi Jiangsu Textile Co., LTD., Wuxi, Jiangsu Sheng, China
Monitoring Activity: ordinary Social Audit - Manufacturing
Monitoring Type: Full Monitoring
Monitoring Tiering: 0.00
Monitoring Start Date: 15/05/2025
Closing Meeting Finished Date: 15/05/2025
Submission Date: 16/05/2025
Duration Date: 15/05/2025
Announced Date: Been Announced
Site: Jiangsu Handa Industries Co.,Ltd
Site ordER ID: 100-000320-001
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Sustainable Products and Innovation

Material innovation underpins the sustainable development of products. Handa Industries keeps increasing investment in the R&D of sustainable materials, and has systematically built a three major R&D systems covering recycled materials, bio-based materials and functional eco-friendly materials.

For recycled materials, we focus on developing high-value utilization technologies for post-consumer recycled plastics and waste textiles. For bio-based materials, we develop new eco-friendly raw materials derived from plant resources such as crop straw and seaweed. As for functional eco-friendly materials, we promote the application and implementation of high-performance green materials featuring biodegradability, low VOC emissions and low carbon footprint.

Meanwhile, the company has established a collaboration mechanism linking material R&D with product design, manufacturing and supply chain management, accelerating the transformation of sustainable materials from laboratory research to mass production.

Through continuous material innovation and systematic deployment, we steadily reduce the environmental footprint across the product lifecycle and drive the sustainable upgrading of products from source to end user.

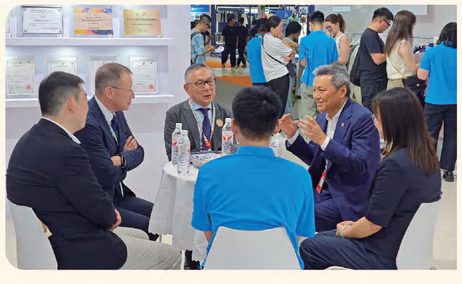
Material Category	Representative products	Environmental benefits
Recycled materials	•Recycled polypropylene fabric •Recycled polyester fabric	The developed eco-friendly T-shirts are made from recycled waste polypropylene containers and PET beverage bottles. Compared to traditional production methods, carbon emissions are significantly reduced.
Bio-based materials	•Bio-based polyamide fabric •Polylactic acid (PLA) fabrics •Lyocell cellulose fabrics	Made from renewable biomaterials such as corn and straw, the product is biodegradable.
Functional and environmentally friendly materials	•Fluorine-free waterproof fabric •Antibacterial and biodegradable fabric •Temperature-regulating and environmentally friendly fabric	While ensuring product functionality, significantly reduce environmental impact.

Hengnuo Technology showcases its products at the 2025 Shanghai Apparel Fabrics & Accessories Autumn/Winter Exhibition

In September 2025, Wuxi Hengnuo Textile Technology Co., Ltd., a subsidiary of Handa Industries, participated in the China International Textile Fabrics and Accessories (Autumn/Winter) Expo, setting up a booth in the International Pavilion. The exhibition focused on three themes: "Fashion, Technology, and Green," showcasing products including textured fabrics, jacquard series, nylon high-elastic fabrics, super quick-drying fabrics, nylon-spandex jacquard cool-feel fabrics, and carbon-recycled series. Among these, the carbon-recycled series utilizes the recycled carbon dioxide generated during the production process to create negative carbon polyester.

During the exhibition, the president of the China National Textile and Apparel Council visited the Hengnuo booth and exchanged views with the company's leaders on industry trends and technological innovation.,The business team provides product explanations and customized solutions to global clients.

This exhibition fully demonstrated Handa's core competitiveness in fashion design, technological innovation and green sustainability, further broadened its international cooperation channels and enhanced the company's influence.



Product lifecycle design

Adhering to the cradle-to-cradle circular design philosophy, the company has established an eco-design system spanning the entire product lifecycle. We fully embed sustainable development requirements into early-stage work including concept formulation, material selection and structural design.

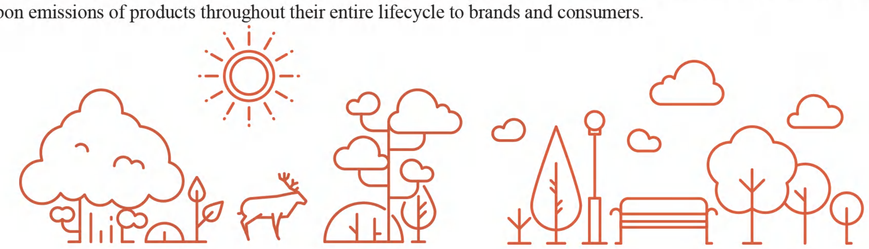
Focused on efficient resource recycling, this system prioritizes renewable materials, adopts modular and easy-to-disassemble structures, and applies non-toxic and eco-friendly production processes. It ensures products can be recycled throughout their lifecycle, effectively cutting waste output and mitigating environmental impacts at the source.

In addition, a dynamic evaluation mechanism is in place to quantitatively assess the environmental impacts of design solutions, including carbon footprint and water footprint. Continuous iteration and optimization are carried out to advance efficiency improvement and low-carbon transformation.

Design Concept	Specific measures
Circular Design	Prioritize the use of single-material designs to improve the recyclability of products after they are scrapped.
Durability design	Optimize product structure and fabric performance to improve key indicators such as abrasion resistance, pilling resistance, and color fastness.
Low-carbon process design	Prioritize the use of low-temperature dyeing and finishing, waterless dyeing and finishing, and low-auxiliary-additive processes, which are low-carbon and environmentally friendly production technologies.
Closed-loop recycling system	Partnering with global clients to establish a recycling and regeneration system for waste textiles.

Product carbon footprint accounting

In 2025, we comprehensively advanced product carbon footprint accounting, establishing a product lifecycle carbon footprint accounting system covering the entire process from weaving to dyeing and finishing to garment manufacturing, in accordance with the ISO 14067 standard. Simultaneously, we collaborated with brand clients to conduct carbon footprint accounting, initially building a corporate product carbon footprint database. Based on this, companies provide core brands with product carbon footprint data, clearly demonstrating the carbon emissions of products throughout their entire lifecycle to brands and consumers.



Community Participation and Philanthropy

Handa Industries has always adhered to the philosophy of "taking from society and giving back to society," deeply embedding corporate social responsibility into its development strategy. We firmly believe that the steady development of an Industries cannot be separated from the nourishment of a harmonious community, and only by integrating its own growth into the overall development of society can it achieve truly sustainable value creation.

In terms of community building, Handa actively participates in local development, giving back to the community through various means such as supporting infrastructure construction, caring for vulnerable groups, and organizing employee volunteer services. We encourage employees to go into the community and convey the company's care and warmth to every corner. In the field of public welfare and charity, Handa focuses on key areas such as education support and disaster relief, gathering goodwill and conveying hope through financial donations, material donations, and project cooperation.

From the community to society, from small acts of kindness to systematic actions, Handa is not only a practitioner of industrial upgrading, but also strives to be a bearer of social responsibility.

Handa Charitable Foundation

On April 15, 2025, the Wuxi Handa Charity Foundation was officially inaugurated. Han Chun, Chairman of Handa Industries, Heng Zeli, President of Handa Industries, and Gu Weijuan, Chairperson of the Foundation, attended the founding ceremony, together with relevant officials from Wuxi Municipal Civil Affairs Bureau, Wuxi Municipal Bureau of Commerce and Xishan District Party Committee.

Initiated by Handa Industries, the foundation has a registered capital of 2 million yuan. It serves as a key public welfare platform for the enterprise to fulfill social responsibilities and give back to the community. Complying strictly with relevant laws and regulations and upholding core socialist values, the foundation lawfully carries out a wide range of charitable activities, including poverty alleviation, elderly care, support for orphans, medical aid, assistance for the disabled and emergency relief. With professional operation, it contributes to local charitable undertakings and the building of a harmonious society.

In daily operation and management, the foundation follows the principles of targeted allocation, transparency and high efficiency in fund utilization. It prioritizes relief assistance, capacity building and emergency response to maximize the value of charitable donations. In terms of organizational governance, the Board of Directors is responsible for overall decision-making and development planning, while the Board of Supervisors conducts independent oversight over finances and project implementation, ensuring standardized and transparent operation across all links.

In 2025, the foundation launched 3 public welfare projects. The total charitable donations reached 1.07 million yuan. All initiatives are mainly delivered within Wuxi, benefiting over 700 local residents.

The founding of the Wuxi Handa Charity Foundation stands as an important milestone in Handa's corporate philanthropy. Going forward, the foundation will keep innovating assistance models and integrating diverse resources to fully support disadvantaged groups. It will pass on kindness to the society and faithfully fulfill corporate social responsibility through tangible actions, striving for coordinated development and shared prosperity between the enterprise and the community.

Educational assistance

We firmly believe that education shapes destinies and holds the key to ending intergenerational poverty. Handa takes educational assistance as a core pillar of its public welfare initiatives. We keep working to improve educational resources in underdeveloped regions and advance educational equity via a diverse range of projects.

In 2025, backed by the Handa Charitable Foundation, we ramped up efforts in education-related philanthropy. We donated funds to upgrade teaching facilities at rural primary schools, creating a safer and more pleasant learning environment for left-behind children. We are convinced that every investment in education helps build a brighter future for families, communities and the nation at large.

Handa Charitable Foundation Launches 2025 Educational Donation Campaign

In November 2025, the Wuxi Handa Charity Foundation, in collaboration with the Dongbeitang Working Committee for the Care of the Next Generation, held a donation ceremony themed “Building Dreams with Love, Empowering Students for the Future”, offering scholarships to financially disadvantaged local students.

The scholarship program mainly supports students from low-income households in Dongbeitang Subdistrict, including families facing financial hardships caused by single-parent structures, family illnesses or unexpected emergencies. At the ceremony, Xin Hongwei, Deputy Secretary of the Dongbeitang Subdistrict Party Working Committee, and Jiang Yanhui, Vice President of Handa Industries, jointly awarded scholarships to student and parent representatives. The remaining grants will be distributed to eligible recipients by the Working Committee for the Care of the Next Generation. A student representative expressed sincere gratitude for the support, stating that they would study diligently and repay society with practical actions in the future.

This educational assistance initiative has delivered warmth and hope to underprivileged students. It also fully demonstrates Handa Industries’ persistent dedication to giving back to its local community and fulfilling corporate social responsibilities.

Poverty alleviation and assistance

In 2025, the company's philanthropic work expanded beyond educational donations to include community support, launching programs to care for disadvantaged groups in local communities. A total of 31 households and over 30 individuals in need received assistance, and special subsidies were provided to ease the living hardships of low-income families. The company also actively participated in Xishan District's "One-Day Charity Donation" campaign, with donated funds allocated to seven charitable support areas: "Happiness Shared" – Helping the Needy, "Light of Life" – Medical Assistance, "Hope Star" – Educational Assistance, "Yilu Tongxing" – Helping the Elderly, "Love Is Like Home" – Helping Orphans, "Bathing in Love and Rebirth" – Assisting the Disabled, and "Rural Revitalization" – Supporting Farmers. The assistance covers a wide range of vulnerable groups, including people on or near the minimum living allowance, low-income residents, needy workers, persons with disabilities, disadvantaged seniors and children, delivering multi-level livelihood support.

Global Philanthropy

As a globally operating company, Handa firmly believes that corporate social responsibility should not be limited by national borders. We extend our philanthropic philosophy to all countries and regions where we operate, practicing it through diversified global philanthropic actions.Corporate responsibility and commitment.

From Asia to Africa, from material aid to humanitarian care, Handa's global philanthropy always focuses on the most genuine needs of local communities. We respect every culture, cherish every connection, and believe that goodwill can transcend language and borders, reaching every corner that needs warmth.

Handa Industries' Myanmar Factory Actively Carried Out Employee Rescue and Disaster Relief Work in Response to the Magnitude 3.28 Strong Earthquake

On March 28, 2025, a magnitude 7.9 earthquake struck Myanmar, with its epicenter located in Sagaing Region and Mandalay Region, causing significant casualties and building damage. Although Handa Industries' four factories in Yangon are located far from the epicenter, the tremors were felt strongly. Following the earthquake, the factory management team immediately activated the emergency response, organized the emergency evacuation of employees, and conducted safety inspections of the factory and dormitory structures. The inspections revealed no injuries or damage to facilities, and production and operations at all four factories remained normal.

In response to potential anxiety among employees, the factory simultaneously conducted psychological counseling to soothe their emotions and initiated a survey of the disaster-affected families of employees. Subsequently, Handa Industries actively responded to the disaster relief initiatives of the Myanmar Chinese Industriess Chamber of Commerce and the Myanmar Jiangsu Chamber of Commerce, donating disaster relief funds through the two chambers and compiling clothing and supplies suitable for disaster areas from within the factory to support post-disaster relief efforts.

Handa Myanmar factory, fulfilling its social responsibility, donated daily necessities to local temples

In 2025, Handa's Myanmar factory, grounded in local religious customs, conducted two charitable donations during two important Buddhist festivals: the Summer Retreat and the Robe Offering Festival. Prior to the Summer Retreat, the factory organized employee voluntary donations, and administration conducted on-site visits to identify and prioritize assistance for nearby impoverished monasteries. During the Robe Offering Festival in November, the four production bases jointly raised 28 million kyats, which was used to purchase robes, food, oil, and other necessities, all of which were donated to local monasteries and monks. By integrating local culture into its charitable efforts, the company effectively integrated itself into the local community and fulfilled its overseas social responsibility.

Eid al-Adha Handa Egypt Garment Department Heart warming Gift

On the occasion of Eid al-Adha, Handa Industries' Egyptian garment division made advance preparations to deliver festive greetings to the local residents of Bilbashi. Each gift, filled with the company's sincere holiday wishes, also conveyed the deep friendship between us and our community.

The gift distribution event was filled with warmth and enthusiasm. Local residents praised Handa's heartwarming gesture, expressing their sincere gratitude for the company's care and commending Handa as a public-spirited and responsible Industries.

Eid al-Adha is a very important traditional festival in the area. We also hope that this visit will provide an opportunity for the community to experience warmth and joy in a festive and peaceful atmosphere.

On the track of sustainable development, Handa Industries will continue to accelerate its progress

Textiles are closely intertwined with people's daily lives, serving as a carrier of warmth and beauty. Meanwhile, they are also bound up with ecological progress, making the sector a core field for green and sustainable development. At present, the textile industry stands at a pivotal stage of transformation and upgrading, facing sweeping and profound changes. As an active advocate and practitioner of sustainable development, Handa Industries is committed to fostering a high-quality and sustainable industrial ecosystem. We align corporate growth with the trends of the times and inject lasting momentum into the sustainable development of the textile industry.

Technology Empowerment: Forging a New Digital Transformation Direction and Driving Fresh Growth Momentum

Handa Industries is advancing steadily toward digital and intelligent transformation on the path of sustainable development. Going forward, we will keep scaling up investment in intelligent manufacturing systems and take digital and intelligent upgrading as a core driver to break through industrial development bottlenecks.

On one hand, we will further upgrade intelligent manufacturing. Building on our existing National Intelligent Manufacturing Capability Maturity Model (CMMM) Level 3 certification, we will advance the integrated application of intelligent equipment and information management systems. We will optimize cross-chain data interoperability across R&D, production and sales, eliminate data silos throughout all business links, and fully empower the intelligent operation of the whole business process.

On the other hand, we will boost digital and intelligent R&D innovation. Leveraging big data analytics, we accurately identify market demands and consumption trends to facilitate in-depth integration of technological and product innovation. We will develop more competitive products that better cater to market needs, reshape the value system of the textile industry, consolidate the technological foundation for high-quality industrial development and lay a solid groundwork for intelligent advancement. In addition, we will keep optimizing production workflows. Intelligent management and control will help raise productivity, shorten production cycles, guarantee product quality, enable flexible production and rapid response to market shifts, and ultimately strengthen our core competitiveness.

Green Development: Leading Eco-Friendly Fashion and Building a Full-Cycle Low-Carbon System

Handa Industries will further embed the green development philosophy and integrate eco-friendly concepts into fashion innovation and production operations, leading the new trend of sustainable fashion in response to global low-carbon consumption demands.

In the R&D of eco-friendly fabrics, we will expand our research scope. Based on our existing achievements in recycled polypropylene fabrics, we will ramp up investment in natural fiber and new recycled fiber materials, explore more application scenarios, and accelerate the large-scale adoption of eco-friendly textiles to pursue new breakthroughs in this field.

For full life-cycle low-carbon management, we will strictly comply with green production standards. In line with the requirements of the Provincial Green Factory, we will continuously optimize production processes, cut energy consumption and waste discharge, and standardize and normalize cleaner production. In product design, we will stick to low-carbon concepts and combine eco-friendly elements with fashionable design, making green a defining feature of our textile products.

Responsibility Fulfillment: Creating a Symbiotic Development Ecosystem for Mutual Progress of Industry and Society

We will always uphold corporate social responsibility. While pursuing high-quality growth, we will keep practicing social dedication, supporting employee development and protecting the environment, so as to build a symbiotic ecosystem connecting the industry, employees, society and ecology.

In terms of employee development, we will refine the training and career development system, diversify learning resources and promotion channels, and foster an inclusive, harmonious and mutually beneficial workplace. We prioritize employee growth and legitimate rights and interests, helping every staff member realize personal value at Handa. This will enhance employees' sense of belonging and team cohesion, and cultivate a high-caliber, dynamic talent pool.

In public welfare undertakings, backed by the Wuxi Handa Charity Foundation and our comprehensive CSR system, we will continue to focus on education, poverty alleviation, environmental protection and other key areas. We will increase public welfare input and launch more targeted and effective initiatives to pass on corporate care and contribute to social harmony.

In environmental governance, we will abide by stringent environmental regulations, promote resource recycling projects, boost the reuse of production waste, reduce resource consumption and environmental impact, and faithfully fulfill our commitments to green development.

Building on past accomplishments, we are ready for a new journey. Handa Industries will stay true to our mission of sustainable development and focus on our core textile business. We will keep pursuing innovation, share our experience and achievements with peers, and work together to embrace the trends of the times. Hand in hand, we will forge ahead on the path of green development, enabling the textile industry to warm people's lives and protect our planet.

HANDA Industries Chief Sustainability Officer

Reader Feedback Form

Thank you for your interest in this report. Handa Industries Co., Limited 2025 Sustainability Report marks our 16th annual sustainability report. It is compiled based on the review and analysis of the previous year’ s report as well as feedback received from stakeholders.

To continuously improve the quality of our report, deliver more valuable information to you and all stakeholders, and further advance our corporate social responsibility and sustainable development initiatives, we sincerely invite you to share your valuable comments and suggestions:

1、Which part of this report interests you the most? Please state your reasons?

2、What information would you like to know more about that is not covered in this report?

3、In your opinion, what are the shortcomings of this report in terms of content, layout, design and other aspects?

4、Do you have any comments or suggestions for us?

5、Please leave your contact information?

Thank you for your support and feedback! You may fill in this form by scanning the QR code, or send it via email to the Sustainability Office of Handa Industries (contact details on the back cover).

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