



## Convenience Retail Asia Limited 利亞零售有限公司

*(Incorporated in the Cayman Islands with limited liability)*  
Stock Code: 00831

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024



A Fung Retailing Company



# Contents

<b>2</b>	<b>About CRA</b> Business Overview	<b>19</b>	<b>Our Product Responsibility</b> Product Safety Responsible Marketing and Labelling Customer Engagement Supply Chain Management
<b>3</b>	<b>Board Statement on Sustainability Performance</b>	<b>28</b>	<b>Our Environment</b> Use of Resources and Emissions Waste Management
<b>5</b>	<b>Feature Story – Our Commitment to a Transparent and Sustainable Supply Chain</b> Revolutionising Food Traceability with Smart Traceability Systems Strengthening Food Safety Through Rigorous Management Practices Elevating Vendor Compliance for Consistent Quality	<b>34</b>	<b>Our Workplace</b> Employment Practices and Employee Engagement Occupational Health, Safety and Well-being Development and Training Business Ethics
<b>11</b>	<b>Our Sustainability Approach</b> Sustainability Strategy and Targets Stakeholder Engagement and Materiality Assessment	<b>45</b>	<b>Our Community</b> Community Engagement
		<b>48</b>	<b>Performance Data Summary</b>
		<b>54</b>	<b>Our Reporting Approach</b>
		<b>55</b>	<b>ESG Reporting Guide Index</b>

*Convenience Retail  
Asia Limited*



## About CRA

As a proud member of the Fung Group, Convenience Retail Asia Limited (the “Company”) and its subsidiaries (referred to as “CRA” or the “Group”) owns Saint Honore Holdings Limited and its renowned bakery chain, Saint Honore Cake Shop. This establishment has become a household name for high-quality bakery products, solidifying its presence in Hong Kong, Macau and Guangzhou. Additionally, the Group has secured the exclusive license for Mon cher, a premium pâtisserie from Japan, covering Hong Kong and Macau. Expanding its portfolio beyond bakeries, CRA manages the licensing rights for Zoff, a leading fast-fashion eyewear brand, covering Hong Kong, Macau, Southern China and Singapore.

Listed on The Stock Exchange of Hong Kong Limited (“SEHK”) (Stock code: 00831), CRA is committed to addressing stakeholder concerns by embracing transparency in sustainability disclosures. To fulfil this commitment, the Group publishes its comprehensive Environmental, Social and Governance report (“ESG Report” or the “Report”) on an annual basis.

## Business Overview

The Group posted solid results for the year ended 31 December 2024 (the “reporting year”), with stable revenue and strong cash position.



Operates a total of

**157**

self-operated stores under the brands Saint Honore, Mon cher and Zoff



Established

**3 factories**

in Shenzhen, Hong Kong and Macau, supporting efficient production and supply chain operations



Supported by

**2,733**

employees<sup>1</sup>



Delivered a profit attributable to shareholders of

**HK\$23.9 million**



Maintains a healthy financial position with net cash of

**HK\$207 million**

and no bank borrowings

More details of CRA’s financial performance and related information can be found on pages 68 to 127 of its 2024 Annual Report, which is available on CRA’s and SEHK’s websites.

<sup>1</sup> Including full-time, part-time and temporary employees.



# Board Statement on Sustainability Performance

Dear Stakeholders,

At CRA, we believe that the strength of our relationships with stakeholders is the foundation of our long-term success. We are deeply committed to delivering value to all stakeholders while advancing our strategic priorities responsibly and sustainably.

Our governance framework ensures that sustainability is embedded in our decision-making processes at every level. The Board of Directors (the “Board”) takes overall responsibility for overseeing sustainability initiatives. Through effective governance, we ensure that we have adequate information and the appropriate level of detail to monitor progress and hold management accountable. Our Corporate Social Responsibility Steering Committee (the “CSR Steering Committee”) delves into sustainability issues in greater depth, ensuring that environmental concerns are prioritised across our operations.

As part of our commitment to sustainability, the Board oversees our risk management, including environmental, social and governance risks. With the Board’s guidance, the Audit Committee regularly reviews our risk management and internal controls systems to ensure they align with best practices. In 2024, the Audit Committee conducted an annual review of the risk management and internal controls systems, and considered the systems and procedures effective and adequate with no significant weakness being identified.

As our bakery business extends beyond retail to B2B, we have intensified our efforts to enhance our product responsibility. The smart traceability system represents a key milestone in our journey to create a transparent, safe and sustainable food supply chain. To maintain the highest food safety standards, CRA revamped its Food Safety Management Team (FSMT) in 2024, with the aims to align its practices with the stringent requirements of the good food safety management practices. These advancements enable us to better support our B2B customers in their sustainability goals, fostering a collaborative approach to reducing environmental impacts across the value chain.

Leveraging our strong relationships with retail and B2B customers, we recognise the urgency of addressing environmental challenges and the responsibility of businesses to act sustainably. Our efforts include the responsible sourcing of ingredients, reducing energy consumption and minimising waste at every stage, from production to packaging. In 2024, our partnership with the “Yindii” mobile application enabled us to tackle food waste by selling surplus bakery products. This initiative not only reduces landfill waste but also strengthens community ties by offering affordable, high-quality food and promoting responsible resource consumption.

We are encouraged by the progress we have made, particularly in creating a transparent and sustainable supply chain. This Report highlights the actions we have taken in support of our environmental commitments and demonstrates the tangible steps we are taking toward a more sustainable future. As we look to the future, we will continue to focus on delivering long-term value for our stakeholders by reducing our environmental impact, mitigating climate-related risks and contributing to a more sustainable world.

**Board of Directors**

20 March 2025

## Feature Story – Our Commitment to a Transparent and Sustainable Supply Chain

At CRA, our dedication to sustainable business practices extends beyond mere compliance – it drives innovation and excellence across every aspect of our operations. From bakery factories to retail storefronts, CRA continually enhances its processes to ensure the highest standards of food safety, supply chain transparency and operational efficiency. Through strategic investments in advanced technologies and proactive measures, we reaffirm our unwavering focus on delivering safe, high-quality products while fostering trust and confidence among our retail and B2B customers.

### Revolutionising Food Traceability with Smart Traceability Systems

In today's interconnected world, supply chain complexity presents significant challenges, including material risk identification, supplier performance evaluation and food safety assurance. CRA recognises the need for an advanced solution that could streamline these processes and provide actionable insights.

As part of its commitment to enhancing supply chain transparency and ensuring food safety, CRA has invested in the development and implementation of a Smart Traceability System. The smart traceability system represents a key milestone in our journey to create a transparent, safe and sustainable food supply chain.





Currently applied to part of our production line as a pilot implementation process, the Smart Traceability System provides critical features designed to enhance operational visibility and accountability:



#### End-to-End Transparency

Tracks every stage of the supply chain, from raw material intake to final product delivery, ensuring comprehensive traceability.

#### Real-Time Monitoring

Provides instant access to vital supply chain data, enabling proactive decision-making and swift responses to potential disruptions.



#### Risk Identification

Utilises analytics to detect potential material quality issues and supply chain vulnerabilities, ensuring rapid resolution.

Even at the beta implementation stage, the system has delivered notable improvements:



#### Improved Traceability

Visibility across manufacturing processes has been significantly enhanced, providing precise data from incoming production and distribution.

#### Streamlined Processes

Operational efficiency has increased, with reduced time required for audits and inspections.



Building on the success of the beta implementation, one of our production lines had a trial run for the relevant teams in February and March 2025 to ensure a seamless transition to the official launch of the Smart Traceability System, targeted for second quarter 2025. Simultaneously, CRA is preparing for a phased rollout of the system across more production lines, reinforcing its commitment to transparency and operational excellence. These developments will ensure that CRA remains at the forefront of responsible supply chain management and continues to meet the evolving expectations of its stakeholders.

## Strengthening Food Safety Through Rigorous Management Practices

The foundation of ensuring product safety lies in the thorough assessment and effective mitigation of safety risks. At CRA, we follow a comprehensive framework of guidelines and protocols that span our entire supply chain, from procurement and storage to manufacturing and final distribution to customers.

To maintain the highest food safety standards, CRA revamped its Food Safety Management Team (“FSMT”) in 2024, with the aim to align its practices with the stringent requirements of good food safety management practices. The primary objective of this initiative was to reinforce food safety awareness across the organisation and strengthen our food safety practices. This involved a renewed focus on identifying, evaluating and mitigating food safety risks in our manufacturing processes.

The revamped FSMT was tasked with two key functions:

- **Identifying Food Safety Risks:** The team undertook a detailed analysis of the manufacturing processes to identify potential food safety risks and vulnerabilities.
- **Enhancing Control Measures:** Based on the identified risks, the team established effective control measures designed to prevent, eliminate or reduce these risks to acceptable levels.



This multidisciplinary team includes representatives from key departments such as Research and Development, Purchasing, Planning, Production, Quality Assurance, Warehouse and Engineering. By fostering collaboration across departments, the FSMT has implemented several significant improvements:

Targeted training programs have raised food safety awareness among FSMT.

Enhanced risk assessment processes now identify and address critical food safety issues.

Robust control measures have been developed and implemented, ensuring compliance with food safety standards.

Periodically review the production processes during changes (i.e. new equipment, new materials, new process, etc.).

To pursue good food safety management practices in our factories, implementation roles and responsibilities have been strategically assigned to the existing factory personnel, leveraging their expertise and familiarity with operational processes. These dedicated efforts are focused on meticulously developing and refining the food safety management system, with the ultimate objective of complying with the most stringent food safety standard in near future. This initiative underscores the factory's unwavering dedication to upholding global food safety standards and delivering high-quality, safe products to its stakeholders.



Middle Management Team from R&D, Purchasing, Planning, Production, QA, Warehouse and Engineering departments

## Elevating Vendor Compliance for Consistent Quality

CRA's commitment to food safety extends to its suppliers, ensuring every partner meets the company's high standards. After the decentralisation of vendor compliance function across Fung Group in 2023, our Quality Assurance Team has expanded responsibilities, including evaluating material risks, assessing supplier performance and strengthening food safety control systems.

The Quality Assurance team is now tasked with a comprehensive evaluation process focusing on three key areas:



### Material Risks

Identifying and mitigating potential risks associated with raw materials used in our products.



### Supplier Performance

Regularly assessing suppliers to ensure adherence to our stringent standards and alignment with our business values.



### Food Safety Control Systems

Implementing and reviewing robust systems to safeguard the quality and safety of our products throughout the supply chain.

In 2024, the team conducted 15 on-site audits, involving comprehensive onsite evaluations to assess suppliers' compliance with our food safety, quality and ethical standards. Each selected supplier was measured against a detailed checklist encompassing raw material sourcing, manufacturing practices, storage conditions and traceability protocols.

Of these, 14 suppliers successfully met CRA's stringent compliance requirements. However, 1 supplier failed the audit due to lapses in traceability systems and hygiene practices, resulting in the immediate termination of the partnership. This example underscores CRA's zero-tolerance approach to non-compliance and its unwavering commitment to delivering safe, high-quality products to its customers and stakeholders.

CRA's efforts in advancing food traceability, safety and vendor compliance reflect its dedication to operational excellence and sustainability. By integrating innovative technologies and fostering a culture of accountability, CRA offer a promise of reliability, safety and quality. Together with our customers and suppliers, we are building a transparent, resilient and sustainable supply chain system that prioritises the well-being of consumers and the planet alike.

For more details of our efforts in engaging suppliers and safeguarding food safety, please refer to pages 19 to 22 and pages 25 to 27.



Our Vendor Compliance Team





# OUR SUSTAINABILITY APPROACH

---



## Our Policy Statement

The sustainability governance structure plays a crucial role in our operations, driving exploration of sustainability potentials across all aspects of our business. At the core of overseeing overarching sustainability trends, the Board assumes the key responsibility of guiding the Group's sustainability journey.

Under the leadership of the Board, the CSR Steering Committee, led by the Chief Executive Officer is responsible for overseeing the Group's sustainability strategies, policies, initiatives and performance, with a primary focus on employment, community engagement, product responsibility, and environmental stewardship. Tasked with identifying, reviewing and tracking sustainability matters, the Committee recommends improvement actions, sets objectives and targets and provides comprehensive reports to the Board on relevant sustainability issues.

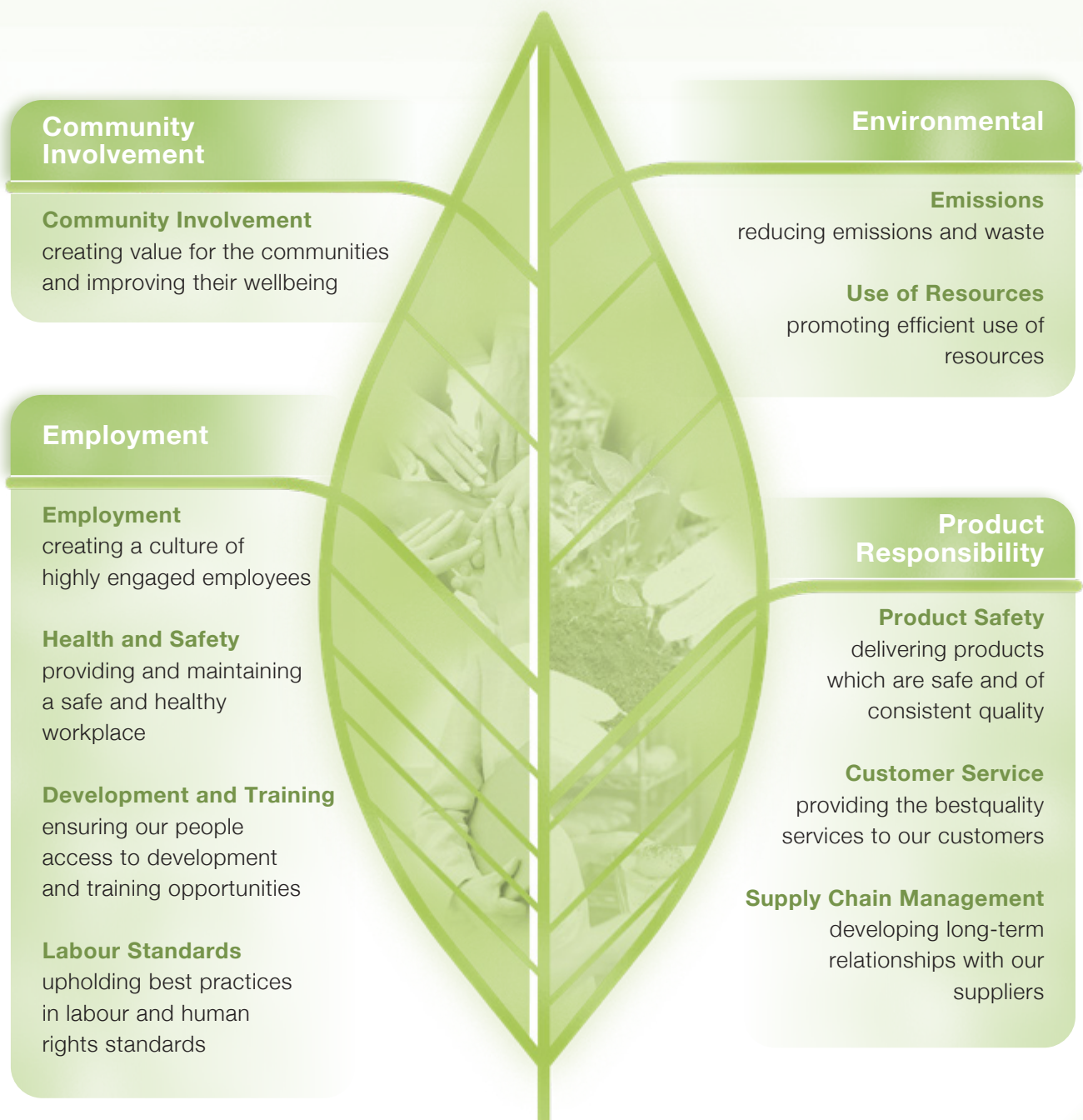
To ensure the cohesive implementation of sustainability initiatives, CRA has implemented the Corporate Social Responsibility Policy ("CSR Policy") supported by a suite of accompanying policies and guidelines. Our Working Committee coordinates activities across the Group, supported by four specialised working teams within various business units – namely, the Environment Team, the Social Team, the Training and Workplace Safety Team, and the Food Safety and Supply Team. The Working Committee regularly reports its actions, performance, and achievements to the CSR Steering Committee. This streamlined reporting mechanism empowers the Committee to provide relevant recommendations to the Board, facilitating efficient decision-making processes.





# Sustainability Strategy and Targets

We adhere to the United Nations Global Compact principles. With 2030 marking a significant milestone for the global agenda of United Nations Sustainable Development Goals, we have embarked on a journey to positively impact society while advancing our ongoing success. Rooted in our commitment to sustainability, we have established four pillars and ten focus areas to serve as the foundation for our efforts. This framework provides a comprehensive and integrated approach to enhancing our sustainability performance across our operations and business plans, complete with predefined targets.





CRA is dedicated to integrating sustainable practices into our operations, striving to protect the environment and conserve natural resources. Our commitment is reflected in our continuous efforts to enhance sustainability across our business, minimizing environmental impact while driving long-term value.

We are pleased to report promising progress in 2024, with measurable improvements in various aspects of our environmental performance. Through ongoing investments in energy-efficient technologies, waste reduction initiatives and sustainable sourcing practices, we remain steadfast in our mission to create a positive and lasting impact on the planet.

We are excited to share an update on our progress toward our 2030 environmental targets:

- **Water Consumption Intensity Reduction Target: Surpassed**

Our reduction target aims for a 20% decrease by 2030. We are pleased to announce that we have already achieved a remarkable 33% reduction in water consumption intensity as of 2024 – well ahead of our 2030 goal. This achievement is the result of our continuous efforts to optimise water usage across operations, including the implementation of water-efficient infrastructure, enhanced recycling systems and more sustainable practices in our production processes. With this early success, we are in a strong position to continue leading in water conservation.

- **Waste Reduction Intensity Target: Nearly Achieved**

Our waste reduction target for 2030 calls for a 30% reduction in waste intensity. As of 2024, we have already reduced waste by 29%. This near achievement is a reflection of our focused efforts in waste management. While we are very close to meeting this target, we will continue to fine-tune our waste management strategies to ensure we reach a full 30% reduction by 2030.

- **Carbon Emission Intensity Reduction Target: 30% by 2030**

Our carbon reduction target is set at a 30% decrease by 2030. While we have made a strong start with an 11% reduction in carbon emissions by 2024, we recognise that there is still a long way to go. However, we are confident that we can achieve this goal through the comprehensive plan we have put in place to achieve energy and carbon metrics and targets. Please refer to page 28 of the ‘Our Environment’ for more details.

Saint Honore proudly received the “15 Years Plus Caring Company Logo” from the Hong Kong Council of Social Service, recognising our long-standing commitment to corporate social responsibility. Additionally, Zoff Hong Kong was awarded the “5 Years Plus Caring Company Logo,” reaffirming our dedication to fostering a positive impact on the community, supporting our employees, and promoting environmental sustainability. These accolades highlight our ongoing efforts to integrate social and environmental responsibility into our business operations, aligning with our broader ESG commitments.

As we look ahead, our commitment to monitoring our environmental footprint remains steadfast, ensuring that we not only meet but consistently surpass our predefined targets. Furthermore, as part of our sustainability vision, we are currently strategising to enhance our decarbonization plan and introduce social performance targets in the near future.



Saint Honore and Zoff awarded “15 Years Plus” and “5 Years Plus” Caring Company Logo respectively

# Stakeholder Engagement and Materiality Assessment

At CRA, we deeply value the insights gained through stakeholder engagement and are committed to creating value for all our stakeholders. We continually refine our approach to ensure our sustainability disclosures align with both operational realities and stakeholder expectations.

In 2024, we continued to engage with our employees, customers and business partners. Building on the foundation established in previous years, we began with a comprehensive review of last year's processes and outcomes, integrating key insights gathered from stakeholders throughout the reporting year. This rigorous and collaborative approach not only ensures that our identified topics remain highly relevant but also reflects evolving stakeholder expectations and the broader societal and environmental challenges we face. By aligning these priorities with our strategic objectives, we continue to strengthen our commitment to sustainable and responsible business practices.

Our Stakeholders	Why they are important	What matters to them
 <b>Customers</b>	We serve thousands of customers every day	<ul style="list-style-type: none"> <li>• Product and service quality and safety</li> <li>• Attractive pricing</li> <li>• Convenient locations</li> </ul>
 <b>Colleagues</b>	We cannot deliver our purpose without our colleagues' dedication	<ul style="list-style-type: none"> <li>• Career advancement opportunities</li> <li>• Work-life balance</li> </ul>
 <b>Business Partners</b>	We deliver great quality products for our customers together	<ul style="list-style-type: none"> <li>• Price fluctuation on commodities</li> <li>• Supply chain disruption</li> </ul>



## Double Materiality Assessment

We adopt a robust double materiality assessment process to align our ESG Reports and strategy with stakeholder expectations and financial resilience. This approach evaluates our environmental and social impacts (impact materiality) and how these factors influence our financial performance (financial materiality).

Our assessment follows a two-step process:

### Step 1

#### Materiality Assessment

In 2023, we carried out a comprehensive review to identify and prioritise material topics. Engaging internal and external stakeholders through surveys and interviews ensured we capture diverse perspectives. A materiality matrix was developed and presented in the 2023 ESG Report.

In 2024, we reviewed the earlier materiality assessment analysis and confirmed that the 12 high importance sustainability issues remained relevant to CRA and our strategic objectives. The board played a pivotal role in validating these findings and endorsing the final prioritisation of material issues. The table below outlines our material sustainability issues and indicates where you can find more information on our management approach and performance in this Report.



Material Sustainability Issues	Our Product Responsibility	Our Environment	Our Workplace
Business ethics and integrity			✓
Customer engagement	✓		
Employee engagement			✓
Employment practices			✓
Labour standards			✓
Occupational health, safety and well-being			✓
Privacy and data security	✓		
Product and service quality and safety	✓		
Responsible marketing and labelling	✓		
Responsible supply chain management	✓	✓	
Risk management	✓	✓	✓
Training and development			✓

## Step 2

### Impact Assessment

Having identified the material sustainability issues, we took a step further during the reporting year by developing a plan to integrate our materiality assessment with our risk management processes. This integrated approach enables us to focus on the topics that could reasonably be expected to impact our business. Meanwhile, this Report will continue to address sustainability topics that have a material impact on the environment and the broader community.

Looking ahead, we will continue to apply this assessment methodology to identify, assess and validate sustainability-related impacts, risks and opportunities.

# OUR PRODUCT RESPONSIBILITY

---

## Our Policy Statement

We maintain rigorous standards for quality, safety, and hygiene throughout our entire production and consumption process. Sustainability, safety, and quality are seamlessly integrated into our products and processes at every stage of the supply chain. Our comprehensive product safety policies, requirements, and procedures are meticulously enforced to guarantee that our products pose no harm to customers or the environment.





# Product Safety

## Management Approach

We adhere to a comprehensive set of guidelines and protocols throughout our entire supply chain, encompassing procurement, storage, manufacturing, and distribution to customers. Our Saint Honore factories have attained certification in several quality management and food safety systems, including the ISO9001:2015 Quality Management System and Hazard Analysis and Critical Control Points (HACCP). Furthermore, the food safety laboratory in Shenzhen has been accredited with the latest version of the China National Accreditation Services for Conformity Assessment (CNAS), affirming its competence in laboratory testing.

ISO9001:2015 Quality Management System	Hazard Analysis and Critical Control Points (HACCP)	China National Accreditation Services for Conformity Assessment (CNAS)
Factories in Shenzhen and Hong Kong	Factory in Shenzhen	Microbiological laboratory at Shenzhen factory

These systems emphasise a risk-based approach, enabling factories to identify potential risks inherent in their business processes. This proactive approach aims to pre-empt latent incidents and facilitate the seamless implementation of our food safety measures, ensuring the integrity of our products from field to plate. Regular internal audits are conducted in both factories and stores to verify compliance with our food safety standards and to uphold a safe working environment. Additionally, to promote consistency across operational units, we have developed a Common Food Safety Assessment Guideline for Saint Honore factories and stores.

## Progress Areas

### Revolutionising Food Traceability with Smart Traceability Systems

At CRA, we are committed to advancing a transparent, sustainable and safe supply chain while driving innovation across our operations. Through investments in technologies like the Smart Traceability System, we enhance not only food safety and supply chain transparency but also operational efficiency.

Currently in its pilot phase, the system offers end-to-end visibility, real-time monitoring and proactive risk identification, which improves traceability and streamlines process. As we prepare to rollout in second quarter 2025, our goal is to ensure a smooth transition and maintain the highest standards of operational excellence. For more information, please refer to the feature story on pages 5 and 6.

# Responsible Marketing and Labelling

## Management Approach

In our commitment to maintain customer trust, the Group diligently adheres to relevant regulatory requirements in marketing its products and services. We prioritise transparency and accuracy by providing truthful product information, including details on allergens, shelf life and consumption advice, on product labels.

## Progress Areas

### Integrating Sustainability in New Product Development

Saint Honore's commitment to environmental responsibility and innovation is exemplified through its journey to integrate sustainability into its new product development processes. Clean Label is a growing trend in the food and beverage industry, emphasising transparency, simplicity, and minimal processing. For consumers, it represents a commitment to understanding what they are consuming — avoiding artificial additives, preservatives and complex formulations. Over the years, CRA has built a reputation for high-quality and innovative products that meet evolving consumer preferences. With the rise of health-conscious consumers, CRA recognised the need to adapt to the Clean Label movement.

In 2024, CRA embarked on its transition to Clean Label with selected products:

- **Ingredient Simplification:** CRA reviewed product formulations on selected products, reducing or eliminating artificial additives, preservatives and non-essential ingredients.
- **Transparency and Communication:** Clear, concise labelling was prioritised to provide consumers with easy-to-understand product details. Ingredients were listed in plain language, avoiding technical terms or obscure additives.
- **Research and Development:** CRA develops alternatives for traditional ingredients that met Clean Label standards while maintaining the quality of the products.
- **Regulatory Alignment:** CRA worked closely with regulatory bodies to ensure that the products with Clean Label are complied with applicable law and regulation.

Offering Clean Label products has been a strategic move to adapt to changing consumer preferences and market demands. Driven by growing health concerns and the need for greater transparency, this movement aligns with consumer expectations for simpler product formulation and clear ingredient lists. By prioritising Clean Label solutions, CRA not only enhance consumer trust but also demonstrate its commitment to innovation in the food and beverage sector. According to Innova Market Insights, the Clean Label trend continues to gain momentum as consumers increasingly seek products with recognizable and natural ingredients.





# Customer Engagement

## Management Approach

In our commitment to elevate customer engagement, we offer multiple communication channels such as leaflets, advertising media, mobile applications, social media platforms, webpages, customer service hotline and emails through which customers can access comprehensive information about our products and services.

## Progress Areas

### Enhancing Customer Engagement through “Cake Easy”

Saint Honore has significantly elevated its customer engagement through the ongoing evolution of its online-to-offline (“O2O”) customer relationship management platform, Cake Easy. This platform showcases Saint Honore’s commitment to providing a seamless and enriching experience for customers in Hong Kong and Macau.

Over 1.3 million members across Hong Kong and Macau have embraced Cake Easy, reflecting the platform’s growing popularity and the value it provides. During the reporting year, Saint Honore has effectively leveraged digital marketing to enhance customer engagement and drive both in-store traffic and sales. Through innovative initiatives like coupon grappling and e-coupon offers, Saint Honore has strengthened its presence in the digital space while increasing brand visibility.

- **Red Packet Grappling:** Saint Honore introduced red packet grappling, which provide exclusive discounts and incentives to users of the “Cake Easy” platform. These limited-time offers effectively attracted customers to physical stores, enhancing both online and offline interactions.
- **e-Coupon Offers:** e-coupons have been used to provide customers with valuable opportunity and enable customers to enjoy extra savings, ensuring a seamless and rewarding shopping experience both online and in-store.

In 2024, Saint Honore’s commitment to enhancing the customer experience through “Cake Easy” was recognised by industry experts. The Hong Kong Retail Management Association awarded “Cake Easy” with the “O2O Customer Experience Recognition.” This accolade highlights the platform’s ability to merge online and offline experiences effectively, offering a superior shopping journey for customers. Saint Honore was named a “Top 10 Quality E-shop” by the Hong Kong Retail Management Association. This distinction further validates the high standards and seamless digital shopping experience provided through “Cake Easy”.

### Efficient Customer Feedback Management and Comprehensive Product Recall Procedures

We have established a dedicated Customer Service Team to gather and address customer feedback promptly. Customers can express their concerns or provide feedback through various channels, including email and phone. All feedback is meticulously distributed and managed by relevant divisions, with escalations to management where necessary. In 2024, we received a total of 228 complaints from our reporting operations. There were no substantiated complaints received relating to the provision and use of products and services that have a significant impact on our operations.

In the event of a product recall, we uphold our customers' rights to seek redress. Our Rapid Response Team is tasked with managing recall procedures and ensuring the allocation of adequate resources to implement immediate corrective actions. There were no product recalls during the reporting year.

### Fortifying Customer Privacy

In safeguarding our customers' information, we have implemented a range of security measures aimed at maintaining data integrity. These include rigorous penetration tests and security vulnerability scanning prior to the deployment of new applications, as well as regular updates to ensure system resilience. We retain only essential personal data, adhering to stringent data privacy regulations.

Furthermore, sensitive information is encrypted to bolster protection against unauthorised access. Employees are required to adhere to the Code of Conduct and Business Ethics, which outlines guidelines for handling and securing customer information. This proactive approach not only safeguards customer privacy but also underscores our unwavering commitment to data security. During the reporting year, there were no incidents concerning the protection of customer information.



Coupon Grappling campaign in May 2024

# Supply Chain Management

## Management Approach

In the midst of evolving social, economic, and political landscapes, ensuring a sustainable supply chain has emerged as a top priority for the Group. Aligned with our commitment to responsible, fair, and ethical business practices, we adopt a risk-based approach towards sourcing ingredients and packaging materials – an essential aspect of our business operations. We firmly believe that achieving a sustainable supply chain necessitates greater knowledge sharing and transparency regarding best practices across the industry.

Assuring the quality and safety of incoming ingredients and packaging materials to meet or surpass our specifications is integral to our food safety management practices. At Saint Honore, we meticulously assess various factors such as product supply, purchase volume, food safety risks, and the potential impacts of safety and quality incidents. Raw materials are categorised into three risk classes, enabling us to implement appropriate control measures based on this classification. For materials deemed to carry higher risks, additional measures such as supplier audits, annual due diligence tests, and incoming material quality checks are mandated, supplementing our standard requirements. These measures enable us to identify and mitigate risks that could potentially disrupt our supply chain.

## Progress Areas

### Elevating Vendor Compliance for Consistent Quality

At CRA, we understand that the foundation of delivering safe, high-quality products lies in a well-managed, ethical and sustainable supply chain, and rely on the expertise of our Quality Assurance Team, which ensures that our suppliers meet or exceed the stringent requirements essential for maintaining product integrity and safety.



In 2024, the team conducted 15 on-site inspections of high risk suppliers to evaluate food safety and hygiene practices. These inspections cover a wide range of criteria to ensure comprehensive compliance, including but not limited to:

Licensing and food safety policies	Supplier and raw material assessments	Control of non-conforming products	Staff facilities and personal hygiene protocols
Food safety management systems and documentation	Water and ice supply standards	Foreign material management	Sanitary facilities, cleaning routines, and pest control management
Staff training and qualifications	Production processes	Receival and storage practices	Repair and maintenance programs

By meticulously assessing these areas, CRA ensures that our suppliers meet the stringent requirements necessary to maintain the quality and safety of our products.

To promote sustainability practices among our suppliers, CRA actively promotes responsible and ethical operations among our suppliers. Through our Supplier's Code of Conduct, we communicate our principles and expectations, fostering a shared commitment to sustainable business practices. To uphold these principles, we regularly:

- Assess supplier performances and ensure their alignment with our standards.
- Conduct routine testing and incoming quality checks to guarantee compliance with our procedures.
- Evaluate material specifications to ensure they meet the required safety, quality, and sustainability benchmarks.

By combining thorough audits with proactive communication and assessment, CRA ensures that its supply chain operates responsibly, ethically and in alignment with our mission to deliver safe, high-quality products. This approach reinforces our dedication to operational excellence and sustainability, fostering trust and confidence among our stakeholders.



External Food Safety Promotions and Communications



Audit of Durian Paste Factory in Malaysia



Inspecting the process of selecting impurities from durian meat of a Malaysian supplier



Inspecting the walnut selection process in Fenyang, Shanxi



# OUR ENVIRONMENT

---

## Our Policy Statement

At the forefront of our agenda, environmental protection remains a pivotal consideration in all our decision-making processes. We are unwavering in our dedication to mitigating the environmental impact of our daily operations, striving to collaborate with stakeholders to foster a cleaner, more sustainable environment. Our CSR Policy serves as a tangible manifestation of this commitment, outlining our steadfast resolve to preserve the natural environment and minimise our operational footprint.



# Use of Resources and Emissions

## Management Approach

Given the substantial consumption of energy, water and raw materials in our operations, prioritising their efficient and sustainable use is fundamental to our business strategy. Our Environment Team collaborates closely with line managers year-round to pinpoint opportunities for enhancing resource utilization. This involves implementing improved processes, upgrading equipment, and integrating new technologies aimed at optimizing resource efficiency across our operations.

At the same time, the Group acknowledges the substantial risks posed by climate change, including both physical and transitional challenges, which affect not only our operations but also global sustainability. We are steadfast in our commitment to mitigating climate impacts and enhancing resource efficiency across our operations.

Aligned with our CSR Policy, we prioritise measuring and disclosing our environmental footprint as an initial step to comprehensively understand and manage our performance. This approach enables us to develop targeted reduction actions and set annual reduction targets.

## Progress Areas

### Driving Green Practices from Factory to Storefront

CRA is committed to cultivating sustainable business practices that span from production to the customer experience. Through our dedication to environmental stewardship, we have integrated comprehensive and impactful sustainability initiatives across every aspect of our operations – ranging from our bakery factories to transportation and retail stores.

#### **Bakery Production**

CRA recognises the importance of reducing the environmental footprint associated with food and packaging waste. We have implemented a variety of sustainability practices:

- **Resource Optimisation:**

Our centralised production of cake bases improves efficiency and resource utilization. Year-round collaboration with line managers helps identify opportunities for process improvement, equipment upgrades and the adoption of new technologies.

For example, at our Shenzhen factory, we have installed a state-of-the-art vacuum cooling machine that rapidly cools food from ambient temperature to desired levels within minutes, significantly enhancing energy efficiency.

- **Water Efficiency:**

Cleaning our baking utensils and containers consumes vast amount of clean water. We have incorporated energy and water-efficient auto-washing machines into our production lines, alongside responsible wastewater management practices. In 2024, the Group sourced water from municipal supplies and faced no issue in sourcing water fit for purpose.

- **Supply Chain Management:**

To address the logistical challenges of handling whole eggs, such as storage inefficiencies and transportation complexities, we have been actively transitioning to pasteurised liquid eggs since 2023, marking an ongoing and continuous improvement in our operations.

These are sourced from suppliers accredited with low-carbon certifications, ensuring alignment with our commitment to sustainability. This shift not only optimises storage and reduces handling risks but also supports a more eco-conscious supply chain by lowering carbon emissions and promoting responsible resource management.

## Transportation

Recognizing the significant logistical waste within our supply chain, we are committed to recycling and waste reduction while ensuring the safe and sustainable transportation of food products.

As an environmentally responsible corporation, we commit to all sustainability measures. We are progressively replacing aging trucks with more environmentally friendly models, with 63% of our in-house fleet now comprising Euro VI standard. These new Euro VI trucks significantly reduce harmful emissions such as nitrogen oxides (NO<sub>x</sub>), particulate matter (PM), and hydrocarbons, which contributes to better air quality in urban areas, benefiting public health.

To further minimise our environmental impact, we collaborate closely with our outsourced logistic partners to adopt sustainable practices, such as implementing fuel efficiency measures, transitioning to low-carbon vehicles, and monitoring fleet emissions. These efforts ensure that both in-house and outsourced logistics contribute to reducing emissions and advancing our sustainability goals.

## Retail Store

CRA is implementing the Cold Zone Project and a Precision Ordering approach at Saint Honore stores. In 2024, 39 Saint Honore stores in Hong Kong and 4 in Macau were upgraded with new sandwich refrigerators. These refrigerators deliver superior cooling performance while enhancing energy efficiency. Additionally, they provide better presentations and increased capacity, ensuring our cool products such as sandwiches and salads are displayed at their best.



Gradually transforming our in-house logistics team with EURO VI trucks



### Ensuring Supply Chain Resilience in the Face of Climate Change

We understand the significant risks posed by climate change to our business, particularly given our reliance on high-quality raw materials sourced globally. Effective supply chain risk management is integral to our sustainable growth strategy. To proactively address potential disruptions caused by climate change, we have implemented measures to mitigate supply chain risks.

A comprehensive approach has been adopted to anticipate and manage supply disruptions resulting from critical climate conditions. We maintain a list of alternative materials or products to address any delays or failures in raw material supplies. For instance, in the case of wheat flour, a key ingredient in our bakery business, contingency plans have been developed to address fluctuations in crop yields due to weather variability. Should major supplying regions experience poor harvests, we remain flexible to source alternative supplies from other regions or countries.

Similarly, for bakery products using fruits from Japan, such as strawberries, contingency measures are in place to shift sourcing to other regions in the event of unstable supply. For example, sourcing may transition from Kumamoto to Nagasaki. Flexible marketing promotion periods for related products are also adopted to enhance resilience.

# Waste Management

## Management Approach

CRA generates certain amount of food waste and other waste such as packaging materials due to our business nature. We fully understand our responsibility to properly manage and reduce the amount of waste throughout our entire production chain. General non-hazardous waste was sent to public refuse stations, while recyclable waste was sent to recyclers for further handling. Disposal of hazardous waste, if any, is carried out by licensed handlers according to local rules and regulations. Sewage produced in the Shenzhen factory undergoes our in-house water treatment facility before discharging to municipal sewage treatment plants to comply with the national discharge standard. Considering plastics, particularly plastic packaging, as a critical global crisis that requires immediate attention, we have set up a cross-business unit team to explore sustainability packaging solutions and actions to reduce plastic packaging and consumables in factory and store.

## Progress Areas

### Tackling Food Waste and Enhancing Operational Efficiency

In 2024, we partnered with the “Yindii” app which allows us to address food waste by offering surplus bakery products at bargaining prices. This initiative not only reduces landfill contributions but also fosters community engagement by providing high-quality, accessible food, encouraging responsible resource usage, and promoting sustainability.

Besides, to minimise waste and improve operational efficiency, we have implemented a precision ordering approach at our storefronts. This strategy ensures that store staff order precise stock level to meet daily demand, avoiding overstocking that can lead to leftovers or spoilage. By aligning orders more closely with actual sales patterns, we not only reduce waste but also optimise inventory management and enhance overall sustainability. This reflects our commitment to responsible resource use and maintaining the highest standards of freshness and quality for our customers.



# OUR WORKPLACE

---

## Our Policy Statement

At CRA, our employees are the driving force behind our success and the sustainability of our business. Exemplifying our dedication to our employees, our HEARTS culture embodies our core values: Happy, Energised, Achievements, Respect, Training, and Success. Our human resources policies and initiatives are designed with these values at the forefront, ensuring a supportive and fulfilling environment for all members of our team.



# Employment Practices and Employee Engagement

## Management Approach

The Group is deeply committed to fostering a culture of fairness, respect, diversity, equity, and inclusion in the workplace. Our Equal Employment Opportunity Policy, along with a robust Code of Conduct and Business Ethics, serve as cornerstones in reinforcing these values across the organization. We are dedicated to providing equal and fair opportunities to all employees based on their abilities, ensuring an impartial and transparent recruitment process. We also offer fair remuneration based on employees' roles and responsibilities, which are reviewed annually. No reportable cases of breaches in legal or regulation compliance was noted during the reporting year.

Recognizing the invaluable contributions of diversity, we unequivocally condemn all forms of discrimination or harassment based on race, religion, disability, gender, age, marital status, sexual orientation, and values. Upholding the highest standards of labour and human rights, we maintain a respectful workplace environment free from any form of discrimination or harassment. Our commitment extends to ensuring equal employment opportunities, comprehensive training, fair performance assessments, and transparent disciplinary and grievance processes.

Furthermore, we steadfastly prohibit the employment of child labour and actively work to eradicate all forms of forced and compulsory labour from our operations. Our employment practices, including recruitment, employee development, and welfare benefits, are clearly outlined in the Employee Handbook to provide employees with a comprehensive understanding of our employment policies and terms.

## Progress Areas

### Fostering a Family-Friendly and Employee-Centric Workplace

At CRA, we prioritise the well-being of our employees by offering comprehensive welfare and benefits schemes. Our remuneration packages go beyond statutory requirements, providing eligible employees with a range of additional benefits.

We recognise that employees may face stress or challenges that require professional support. Through partnerships with third-party counsellors, who are available through both face-to-face sessions and hotline consultations, we ensure that employees can receive the care they need in a comfortable and discreet manner. This resource helps our staff to manage personal and professional challenges, fostering a healthier and more resilient workforce.

Our continuous efforts to support the well-being and satisfaction of our employees are also reflected in the following initiatives:

- **Family-Friendly Leave:** Eligible employees are granted an additional one-day family-friendly leave each year to support work-life balance.
- **Volunteer Leave:** Employees are granted with a maximum of 2-day leaves each year for participating in volunteering works organised by government-approved non-profit charities.
- **Festive Celebration:** To celebrate cultural traditions and promote social well-being, we distribute festive gifts such as mooncakes, dumplings and turnip cake during the respective seasons.
- **Free Influenza Vaccinations:** Free seasonal influenza vaccinations are offered to safeguard employees' health and reduce illness-related disruptions.

In 2024, we organised two information health talks for both office and frontline staff.

- **Health Talk for Office Staff:** "Be Alive with Brain Gym" focused on enhancing mental well-being and promoting brain health through simple, effective exercises.
- **Health Talk for Factory & Store Staff:** "Foot Care" addressed common foot-related issues, offering practical advice on preventing and managing foot discomfort in the workplace.

In 2024, we became a signatory of the Good Employer Charter, reinforcing our commitment to fostering a supportive and inclusive workplace<sup>2</sup>. In recognition of these initiatives, we are proud to have received a Certificate of Appreciation for fostering a Breastfeeding Friendly Workplace. The Group has been acknowledged as a “Super MD” (Manpower Developer) for the years 2020–2025 by the Employees Retraining Board (ERB) under the Manpower Developer Award Scheme. These accolades affirm our ongoing commitment to creating a supportive, inclusive and employee-centric workplace that empowers our workforce and contributes to their holistic well-being.

### Creating Connections and Celebrations

At CRA, we understand that a motivated and engaged workforce is essential to our continued success. To foster a positive and inclusive work environment, we have implemented a variety of initiatives aimed at supporting our employees’ well-being, celebrating their achievements and providing opportunities for growth.

Highlights of our employee engagement program is the annual long service award ceremony, the bi-monthly tradition of hosting birthday parties and the annual dinner of Saint Honore Group. These celebrations are designed to honor the special milestones of each employee, creating a sense of community and appreciation. From themed decorations to heartfelt speeches, these events provide a platform for employees to connect with their colleagues in a joyful and supportive atmosphere.

Besides, the Social Team plays a key role in fostering employee engagement through the annual HEARTS program. This program encompasses initiatives such as career development sessions, work-life balance workshops and social gatherings. These efforts align with our commitment to employee well-being, professional growth and the cultivation of a supportive and collaborative workplace culture.



Bi-monthly birthday party

<sup>2</sup> Including Convenience Retail Asia Limited, Saint Honore Cake Shop Limited, Patisserie Mon cher Company Limited & Omni Beauty Retailing Limited.



# Occupational Health, Safety and Well-being

## Management Approach

At CRA, employee health and safety remain a top priority across all business operations. Guided by our CSR Policy, we are committed to maintaining a safe and healthy working environment through robust risk management and systematic safety measures.

Our Training and Workplace Safety Team plays a critical role in ensuring workplace safety. Routine inspections are conducted to identify and address potential hazards promptly. For general risks, relevant departments are notified immediately and re-inspections are carried out to ensure risks are fully mitigated. In cases of significant risks, comprehensive enhancement projects are initiated to eliminate potential dangers effectively.

To stay ahead of potential safety challenges, we conduct periodic risk assessments for working environment and new equipment. These evaluations allow us to proactively identify potential hazards and implement precautionary measures to safeguard our workforce and operations.

## Progress Areas

### Promoting a Culture of Safety Through Professional Training

CRA has implemented robust emergency procedures and guidelines to manage unforeseen risks, prioritizing employee safety. Regular drills ensure our workforce is well-prepared and capable of responding effectively.

CRA demonstrated its ongoing commitment to fostering a safe and supportive working environment. In 2024, we have 11 employees certified as Occupational Safety and Health Supervisors and 5 employees are participating in the training program.

Following a comprehensive review of employees' professional certification statuses, CRA noticed a decline in the number of first aid-certified team members across the organisation and took proactive steps to address the gap. CRA launched a company-wide First Aid Certification Program. This initiative aimed to equip employees with essential life-saving skills while reinforcing a culture of safety. Employees were trained in essential techniques such as CPR, injury management and emergency response protocols. We have 34 employees passed the First Aid certificate in 2024.

The program was designed to be inclusive, offering access to all employees regardless of their roles or departments. It provided comprehensive first aid training and covered the full cost of certification, ensuring that financial considerations would not be a barrier to participation.

Apart from the above, our employees also attended other workplace-safety training programs during the year include:

- **Manual Handling Operations:** Training employees in safe manual handling techniques to prevent workplace injuries.
- **Qualified Safety and Health Supervisor Certification:** Equipping supervisors with the expertise to oversee and promote safety compliance in their teams.
- **Display Screen Equipment Assessment Certification:** Ensuring employees understand ergonomic best practices to minimise risks associated with prolonged use of display screen equipment.



### **First Aid Certification**

Enhancing employees' ability to provide immediate and effective assistance during medical emergencies.

Alongside our in-house safety training programs, in 2024, 96% of employees working on retail frontlines and production lines successfully completed safety training. We have established comprehensive safety training programs tailored to both new joiners and existing staff:

- All new frontline, factory and warehouse employees are required to complete essential safety modules within their first month of service through our e-Learning platform. These modules cover key topics such as basic workplace safety, safe handling operations, fire safety awareness, chemical safety awareness and display screen equipment safety.
- To maintain and enhance safety awareness among existing employees, refresher training courses are conducted by section leaders. These courses include machine safety, safe use of hand tools, push trolley operations, manual handling, chemical handling, chemical spill management and electrical safety.

In response to participants' feedback, we plan to expand our safety certification programs in 2025. This includes introducing the Automated External Defibrillator (AED) training program to further enhance workplace safety and emergency preparedness.

### **Prioritising Employee Health and Safety**

As part of CRA's commitment to transparency and its dedication to fostering a safe workplace, the company monitors and reports work-related injuries annually. In 2024, CRA continued to strengthen its occupational health and safety protocols, demonstrating its resolve to minimise risks and ensure a secure environment for all employees.

In 2024, CRA recorded 18 work-related injuries. While any injury is deeply concerning, these incidents served as critical learning opportunities for the organization to enhance its safety measures further. Line managers of reported injuries are required to submit an improvement plan and share updated information with their staff. This information will be reviewed by the work safety committee, ensuring it is communicated effectively across all levels of the organization.

Detailed investigations were conducted for each reported case to determine root causes and implement corrective actions aimed at preventing recurrence. Common work injury incidents were sprain, clash, cut, slip and fall. Continuous employee safety training programs are offered to employee to emphase hazard recognition, emergency response and proper use of equipment.



# Development and Training

## Management Approach

We firmly believe that investing in the training and development of our employees is fundamental to cultivating a skilled and motivated workforce. Through a range of learning and development opportunities, our employees have the chance to acquire valuable professional knowledge and skills, thereby enhancing their competencies and facilitating career growth and advancement.

Our Competency Model serves as a comprehensive framework guiding our approach to employee development. It delineates the requisite knowledge, skills, and attributes for various roles within the organization, enabling us to make informed decisions regarding talent recruitment, retention, succession planning, and career development strategies. These competencies are consistently communicated to our employees through our Employee Handbook.

As an integral component of our employee engagement efforts, performance management plays a vital role in identifying and nurturing high-potential employees. We have established a structured performance management and career development process, which includes regular performance evaluations, ongoing feedback provision, and the identification of training needs during annual performance appraisals. This ensures that our employees receive the support and guidance necessary for their professional growth and success within the organization.

## Progress Areas

### Addressing Skill Development and Workforce Needs

In response to uphold our skilled bakery workers, CRA has placed a strong emphasis on professional bakery training to enhance the expertise of our employees. Recognizing the importance of maintaining high standards in bakery operations, we have invested in comprehensive training programs tailored to equip our workforce with the necessary skills and knowledge.

In 2024, our bakery team participated in specialised courses offered by esteemed institutions. A notable achievement was our partnership with the Technological and Higher Education Institute of Hong Kong (THEi) to launch the Bakery Food Sensory Training for in-house professionals. This ground-breaking initiative is the first of its kind at THEi and marks the first time a retail company in Hong Kong has undertaken such a program. The training focuses on Sensory Evaluation, a scientific method used in the industry to enhance food product development and production, further demonstrating Saint Honore's commitment to providing fresh and high-quality bakery food to customers.

Besides, our bakery professionals were invited to take part in the Diploma in German Bread Baking, an international two-week program offered by the Akademie Deutsches Backerhandwerk Weinheim (National German Bakers Academy). This course imparts traditional knowledge, craft skills and modern technology relevant to German bread baking, inspiring technological innovation across all areas of the baking trade.

By investing in continuous professional development, we ensure that our workforce remains adept at delivering high-quality products and adapting to industry advancements. This initiative addresses the current gap in skilled bakery professionals, helping to sustain the craftsmanship and expertise essential to our business.

### **Supporting Employee Development**

At CRA, we are committed fostering a culture of continuous learning by providing employees with specialised training that enhances their skills, expertise and career growth. Our training programs are designed to address evolving industry trends, regulatory requirements and business needs while supporting professional development across all levels of the organisation.

In 2024, CRA delivered a range of in-house training sessions tailored to employees' learning needs. Key programs included:

- **Cybersecurity, Sustainability and Workplace Safety Training:** Equipping employees with essential knowledge to uphold industry best practices and regulatory compliance.
- **Effective Communication through the Personality Dimensions Workshop:** Enhancing workplace interactions and teamwork by leveraging personality insights to improve communication skills.
- **AI in Retail Seminar:** Exploring the fundamentals of artificial intelligence and its practical applications in the retail sector to drive innovation and efficiency.
- **Corporate Training on Performance Management:** Providing comprehensive guidance on the CRA Competency Model and Competency-Based Performance Management System, helping employees establish measurable goals and conduct effective performance evaluations.

In addition to these structured programs, CRA offered e-learning courses and corporate training sessions throughout the year, ensuring accessibility and flexibility in employment development. By prioritizing professional growth, CRA strengthens its workforce capabilities and empowers employees to contribute meaningfully to the company's success. These initiatives underscore our commitment to employee well-being, talent development, and operational excellence as part of our broader ESG strategy.



Our e-learning platform



Our workplace safety e-learning programme



## Business Ethics

At CRA, business ethics are integral to our operations, ensuring transparency, integrity and accountability in all aspects of our activities. We are committed to upholding the highest standards of ethical conduct, guided by a strong framework of policies and practices that promote responsible business practices.

- **Anti-Bribery and Anti-Corruption Practices:** CRA takes a zero-tolerance approach to bribery and is committed to complying with all applicable. Our Code of Conduct and Business Ethics provides guidance to employees on appropriate conduct regarding anti-bribery and anti-corruption. In the coming future, we will take steps to integrate anti-corruption training into our e-learning platform to strengthen our commitment to ethical business practices.

Meanwhile, we maintain a robust Whistleblowing Policy that provides employees with a confidential channel to raise concerns about any potential misconduct, improprieties, or fraud. This policy ensures that concerns are addressed promptly by senior management or the Group Chief Compliance and Risk Management Officer. In 2024, no complaints were reported under this policy.

- **Equal Employment Opportunity and Non-Discrimination:** CRA adopts the Equal Opportunity Policy in connection with all human resource matters including selection and recruitment, training and development, appraisal and promotion, transfer, compensation and benefits, discipline, redundancy and dismissal, etc. We do not discriminate on the basis of gender, age, religion, marital status, race, sexual orientation, disability, pregnancy, trade union and/or political affiliation.
- **Harassment:** CRA upholds values of mutual respect by maintaining a workplace that is free of all forms of harassment including verbal, physical, visual, and sexual, intimidation and threat.
- **Avoiding Conflicts of Interest:** Employee and relevant personnel must make full disclosure and obtain prior approval from senior management before being employed by any organisation outside the Group on a regular or consulting basis or engaging any outside organisation, in which we have a personal interest, to undertake any work for the Group.

CRA consistently adheres to legal and regulatory requirements across all operations. We conduct regular reviews and audits to ensure compliance, and in 2024, no reportable cases of breaches were identified. This demonstrates our dedication to maintaining the highest level of legal and regulatory standards.

The background of the page is a light green gradient. In the top left, there is a large, detailed illustration of green leaves and flowers. In the bottom right, there is a faint, green-tinted image of a city skyline, likely Hong Kong, with the International Finance Centre (IFC) tower being the most prominent building. Three green leaves are also floating in the air between the top left and bottom right.

# OUR COMMUNITY

---

## Our Policy Statement

Our business objectives align closely with our corporate social responsibilities, which revolve around serving the public and making meaningful contributions to the communities where we operate. Through a range of initiatives spanning public education, charitable donations, volunteerism and community programs, we actively engage with and support our communities to foster growth and prosperity.

# Community Engagement

## Management Approach

Aligned with our CSR Policy commitment, the Group places significant emphasis on stakeholder engagement to foster inclusivity within our community. Our dedicated Social Team diligently assesses the needs of both our employees and the communities we serve, forming the foundation for tailored engagement plans that align with their expectations and our overarching strategy.

Encouraging active participation, employees are invited to share their insights and ideas in the development of community initiatives. We firmly believe that employee volunteerism enhances the impact of our engagement efforts, resulting in more meaningful contributions to our communities. In fact, many of these suggestions have been incorporated into our engagement plans and successfully implemented.

To further promote volunteerism, we have established a Volunteer Leave Policy, enabling employees to actively participate in voluntary activities and contribute positively to society.

## Progress Areas

### Engaging Volunteers for Social Impact

Our employees actively participate in community endeavors through our volunteer programs. These volunteers exemplify our company's ethos of giving back, collectively contributing over 9,100 volunteer hours to support various community initiatives. Their unwavering dedication and passion have significantly contributed to our positive impact on society.

In 2024, alongside the mooncake distribution, the Group organised visits to various community centres and care facilities in Hong Kong. These visits offered a valuable opportunity for employees to connect with residents and spread joy through conversation and companionship. By engaging directly with the community, the Group reinforced its commitment to supporting the well-being of those in need.



### Demonstrating Commitment Through In-Kind Donations

As part of our dedication to social responsibility, our company actively supports community initiatives through substantial in-kind donations. By leveraging our resources, we aim to make a meaningful impact in the lives of those in need and promote a more inclusive and sustainable future for all.

In 2024, our commitment to supporting the less fortunate remained unwavering. In collaboration with various charitable organizations, we donated over 358,000 loaves of bread to individuals facing hardship. This ongoing initiative reflects our dedication to making a positive difference within our community.

In celebration of the Chinese New Year, Dragon Boat and Mid-Autumn Festival, the Group generously contributed nearly 5,800 boxes of Chinese pudding, dumplings and mooncakes. These donations aimed to celebrate the festivals with joy and warmth, sharing the spirit of unity and solidarity with those in need. This gesture fostered a sense of togetherness, bringing comfort and support to residents during these festive seasons.

These initiatives demonstrate our commitment to giving back and ensuring that our contributions extend beyond the immediate scope, leaving a lasting and positive impact on the communities we serve.

### Celebrating CSR Excellence

Through various outreach programs, charitable activities and partnerships, Saint Honore and Zoff Hong Kong demonstrate their dedication to creating meaningful change and supporting the well-being of the community. Saint Honore proudly received the “15 Years Plus Caring Company Logo” from the Hong Kong Council of Social Service, recognizing our long-standing commitment to corporate social responsibility. Additionally, Zoff Hong Kong was awarded the “5 Year Plus Caring Company Logo,” reaffirming our dedication to fostering a positive impact on the community, supporting our employees and promoting environmental sustainability. These accolades highlight our ongoing efforts to integrate social and environmental responsibility into our business operations, aligning with our broader ESG commitments.



Visiting The Home of the Elderly



Visiting the elderly in Tai Yuen Estate



Tung Wah Group of Hospitals Flag Day 2024

# Performance Data Summary<sup>1</sup>

## Environmental Performance

GHG Emissions		
Indicator and Unit	2024	2023
Scope 1 emissions (in tonnes of CO <sub>2</sub> -e)	5,730	5,854
Scope 2 emissions (in tonnes of CO <sub>2</sub> -e)	18,101	17,303
Total carbon emissions (in tonnes of CO <sub>2</sub> -e)	23,830	23,156
Intensity of carbon emissions by Saint Honore stores in Hong Kong and Macau (tonnes of CO <sub>2</sub> -e/number of store day)	0.11	0.11
Intensity of carbon emissions by Saint Honore factories in Hong Kong, Macau and Shenzhen (tonnes of CO <sub>2</sub> -e/finished products produced in kg)	0.0009	0.0009
Intensity of carbon emissions by our own logistics team (tonnes of CO <sub>2</sub> -e/travel distance in km)	0.0008	0.0008

Air Emissions <sup>^</sup>		
Indicator and Unit	2024	2023
Nitrogen oxides (NO <sub>x</sub> ) (in tonnes)	5	4
Sulphur oxides (SO <sub>x</sub> ) (in tonnes)	<1	<1
Respiratory suspended particles (RSP) (in tonnes)	<1	<1

<sup>^</sup> Air emissions refer to those emitted by our own logistics team.

<sup>1</sup> Refer to page 54 "Our Reporting Approach" for the scope of the performance data

### Energy Consumption

Indicator and Unit	2024	2023
Petrol (in MWh-e)	82	80
Diesel (in MWh-e)	4,147	3,841
Towngas (in MWh-e)	137	197
Natural Gas (in MWh-e)	8,389	7,584
Electricity (in MWh-e)	33,600	32,346
Total energy consumption (in MWh-e)	46,355	44,048
Intensity of energy consumption by Saint Honore stores in Hong Kong and Macau (MWh-e/number of store days)	0.23	0.23
Intensity of energy consumption by Saint Honore factories in Hong Kong, Macau and Shenzhen (MWh-e/finished products produced in kg)	0.0016	0.0016
Intensity of energy consumption by own logistics team (MWh-e/travel distance in km)	0.0033	0.0032

### Water

Indicator and Unit	2024	2023
Total water consumption (in cubic metres)	160,922	175,070
Intensity of water consumption by Saint Honore stores in Hong Kong and Macau (cubic metres/number of store days)	0.34	0.36
Intensity of water consumption by Saint Honore factories in Hong Kong, Macau and Shenzhen (cubic metres/finished products produced in kg)	0.0074	0.0084



Waste <sup>^</sup>		
Indicator and Unit	2024	2023
Total hazardous waste produced (in tonnes)	0	0
Total non-hazardous waste produced (in tonnes)	1,876	1,762
Intensity of non-hazardous waste produced of Saint Honore factories in Hong Kong, Macau and Shenzhen (tonnes/finished products produced in kg)	0.0001	0.0001

<sup>^</sup> Amount of waste produced only covers Saint Honore factories in Hong Kong, Macau and Shenzhen as waste generation of Saint Honore stores in Hong Kong and Macau is not considered as material to our operations.

Packaging materials <sup>^</sup>		
Indicator and Unit	2024	2023
Total packaging materials used (in tonnes)	1,714	1,527
Packaging materials used per unit produced of Saint Honore factories in Hong Kong, Macau and Shenzhen (tonnes/finished products produced in kg)	0.0001	0.0001

<sup>^</sup> Amount of packaging materials used only covers Saint Honore factories in Hong Kong, Macau and Shenzhen as packaging materials use of Saint Honore stores in Hong Kong and Macau is not considered as material to our operations.

## Social Performance<sup>1</sup>

Employment and Labour Practices		
Indicator	2024	2023
<b>By Employment Type</b>		
Full-time	1,914	1,976
Part-time	634	666
Temporary	3	4
Total Workforce	2,551	2,646
<b>By Gender</b>		
Female	1,672	1,731
Male	879	915
<b>By Age Group</b>		
Below 40 years old	1,145	1,233
40 years old and above	1,406	1,413
<b>By Geographical Location</b>		
Hong Kong	1,418	1,461
Macau	230	240
Shenzhen	903	945

<sup>1</sup> Employment-related indicators for 2023 have been recalculated to align with annual reporting standards, ensuring consistency for year-on-year comparison.

Turnover Rate		
Indicator	2024	2023
Total Workforce	21.0%	21.9%
<b>By Gender</b>		
Female	22.6%	25.8%
Male	17.9%	14.4%
<b>By Age Group</b>		
Below 40 years old	29.0%	30.2%
40 years old and above	14.4%	14.6%
<b>By Geographical Location</b>		
Hong Kong	23.3%	26.6%
Macau	20.0%	25.8%
Shenzhen	17.7%	13.5%

Health and Safety		
Indicator for Work-related Fatalities	2024	2023
Number and rate of work-related fatalities <sup>2</sup>	0	0
Indicator for Work-related Injuries	2024	2023
No. of lost days due to work injuries	517	635
Work-related injury rate	1.1%	1.4%
Hong Kong	1.2%	1.4%
Macau	0.9%	0.4%
Shenzhen	1.0%	1.6%

<sup>2</sup> No work-related fatality and occupational disease in the past three years.



Development and Training								
Indicator	2024				2023			
	Employee Trained Rate <sup>3</sup>	Employee Trained <sup>4</sup>	Total Training Hours	Average Training Hours per Employee	Employee Trained Rate <sup>3</sup>	Employee Trained <sup>4</sup>	Total Training Hours	Average Training Hours per Employee
Total Workforce	144%	3,665	13,642	5.35	104%	2,739	15,906	6.01
<b>By Gender</b>								
Female	134%	2,235	8,267	4.94	88%	1,527	9,375	5.42
Male	163%	1,430	5,374	6.11	132%	1,212	6,530	7.14
<b>By Employee Category</b>								
Office employees	63%	218	2,256	6.48	44%	142	2,047	6.32
Frontline employees	121%	1,384	4,416	3.85	72%	860	5,119	4.29
Factory/Warehouse Employees	195%	2,063	6,970	6.60	154%	1,737	8,740	7.74

Number of Suppliers			
By Geographical Location of Suppliers		Chinese Mainland	Hong Kong
Total number of suppliers for Saint Honore factories		169	121
By Supplier Type		Food	Packaging
Total number of suppliers for Saint Honore factories		225	60

<sup>3</sup> It is calculated by dividing the total number of training attendances by the number of employees in the respective category

<sup>4</sup> Number of training attendances

## Our Reporting Approach

This Report covers the Group's environmental, social and governance performance for the financial year from 1 January to 31 December 2024 ("reporting year"), and focuses on the following operations in Hong Kong, Macau and the Mainland China. These operations account for 85% of the Group's total revenue.

- Saint Honore store operations in Hong Kong and Macau; and
- Saint Honore factories in Hong Kong, Macau and Shenzhen

This Report satisfies the "comply or explain" provisions of the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") issued by The Stock Exchange of Hong Kong Limited. In the preparation of the Report, the Group have also followed the related reporting principles from the ESG Reporting Guide:

- **Materiality:** Material sustainability topics are identified through various stakeholder engagement activities. Different factors including the Group's strategy and stakeholders' concerns are taken into consideration. The issues identified were endorsed by our CSR Steering Committee and approved by the Board.
- **Quantitative:** As approved by the CSR Steering Committee, the Group has established a series of environment targets. The progress towards these targets will be evaluated by the Board regularly. In addition, information is presented with quantitative measures whenever feasible. By doing so, it enables a transparent comparison of trends over years.
- **Balance:** To provide an unbiased picture of its performance, the Group reviews and discloses its achievements as well as areas for improvement.
- **Consistency:** To allow meaningful comparisons of environmental and social data over time, the Group uses consistent methodologies over time. A due diligence process is conducted to ensure quality and accuracy of information disclosed.

Our GHG emissions inventory is prepared in accordance with the Greenhouse Gas Protocol, a corporate accounting and reporting standard developed by World Business Council for Sustainable Development ("WBCSD"). More details are available at Performance Data Summary on page 48.

# ESG Reporting Guide Index

Description of Disclosures		Chapter	Page Number	Remarks
<b>A. Environmental</b>				
<b>A1 Emissions</b>				
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Our Environment	28-33	No reportable cases of breaches in legal or regulation compliance
<b>A1.1</b>	The types of emissions and respective emissions data	Performance Data Summary	48-50	
<b>A1.2</b>	Greenhouse gas emissions in total			
	Intensity of greenhouse gas emissions			
<b>A1.3</b>	Total hazardous waste produced			
	Intensity of hazardous waste produced			
<b>A1.4</b>	Total non-hazardous waste produced			
	Intensity of non-hazardous waste produced			
<b>A1.5</b>	Description of emissions target(s) set and steps taken to achieve them	Our Sustainability Approach/ Our Environment	11-18/ 28-33	
<b>A1.6</b>	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Our Environment	28-33	



Description of Disclosures		Chapter	Page Number	Remarks
A2 Use of Resources				
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	Our Environment	28-33	
A2.1	Direct and/or indirect energy consumption by type in total	Performance Data Summary	48-50	
	Direct and/or indirect energy intensity			
A2.2	Water consumption in total			
	Water intensity			
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Our Sustainability Approach/ Our Environment	11-18 / 28-33	
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	Our Environment	28-33	
A2.5	Total packaging material used for finished products	Performance Data Summary	48-50	
	Total packaging material used for finished products with reference to per unit produced			
A3 The Environment and Natural Resources				
General Disclosure	Policies on minimising the issuer’s significant impact on the environment and natural resources	Our Environment	28-33	No significant impacts of activities on the environment and natural resources
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them			

Description of Disclosures		Chapter	Page Number	Remarks
<b>A4 Climate Change</b>				
<b>General Disclosure</b>	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	Our Environment	28-33	
<b>A4.1</b>	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Our Environment	28-33	
<b>B. Social</b>				
<b>B1 Employment</b>				
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Our Workplace	34-44	No reportable cases of breaches in legal or regulation compliance
<b>B1.1</b>	Total workforce by gender, employment type, age group and geographical region	Performance Data Summary	51-53	
<b>B1.2</b>	Employee turnover rate by gender, age group and geographical region			

Description of Disclosures		Chapter	Page Number	Remarks
<b>B2 Health and Safety</b>				
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	Our Workplace	34-44	No reportable cases of breaches in legal or regulation compliance
<b>B2.1</b>	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Performance Data Summary	51-53	
<b>B2.2</b>	Lost days due to work injury			
<b>B2.3</b>	Description of occupational health and safety measures adopted, how they are implemented and monitored	Our Workplace	34-44	
<b>B3 Development and Training</b>				
<b>General Disclosure</b>	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Our Workplace	34-44	
<b>B3.1</b>	The percentage of employees trained by gender and employee category	Performance Data Summary	51-53	
<b>B3.2</b>	The average training hours completed per employee by gender and employee category			



Description of Disclosures		Chapter	Page Number	Remarks
B4 Labour Standards				
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Our Workplace	34-44	No reportable cases of breaches in legal or regulation compliance
B4.1	Description of measures to review employment practices to avoid child and forced labour			
B4.2	Description of steps taken to eliminate such practices when discovered			
B5 Supply Chain Management				
General Disclosure	Policies on managing environmental and social risks of the supply chain	Feature Story/ Our Product Responsibility	5-10/ 19-27	
B5.1	Number of suppliers by geographical region	Performance Data Summary	53	
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Feature Story/ Our Product Responsibility/ Our Environment	5-10/ 19-27/ 28-33	
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored			
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored			

Description of Disclosures		Chapter	Page Number	Remarks
<b>B6 Product Responsibility</b>				
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Feature Story/ Our Product Responsibility	5-10/ 19-27	No reportable cases of breaches in legal or regulation compliance
<b>B6.1</b>	Percentage of total products sold or shipped subject to recalls for safety and health reasons			There were no recalls concerning the provision and use of products and services for safety reasons
<b>B6.2</b>	Number of products and services related complaints received and how they are dealt with			
<b>B6.3</b>	Description of practices relating to observing and protecting intellectual property rights			Applications for access to information are reviewed and approved by the department head or senior management. In 2024, no complaint was reported
<b>B6.4</b>	Description of quality assurance process and recall procedures			
<b>B6.5</b>	Description of consumer data protection and privacy policies, how they are implemented and monitored			

Description of Disclosures		Chapter	Page Number	Remarks
<b>B7 Anti-corruption</b>				
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Our Workplace	34-44	No reportable cases of breaches in legal or regulation compliance
<b>B7.1</b>	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases			In 2024, there were no concluded legal cases of corruption brought against the Group or its employees.
<b>B7.2</b>	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored			
<b>B7.3</b>	Description of anti-corruption training provided to directors and staff	Our Workplace	34-44	
<b>B8 Community Investment</b>				
<b>General Disclosure</b>	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	Our Community	45-47	
<b>B8.1</b>	Focus areas of contribution			
<b>B8.2</b>	Resources contributed to the focus area			