



Tessellation

2024
SUSTAINABILITY
REPORT

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ABOUT THIS REPORT

Scope of the Report

This Sustainability Report summarizes and reflects Tessellation Group's overall sustainability impacts and performance over the course of the year. As we continue to build the company, the report serves as an important foundation to keep us grounded and accountable to our values.

Except as otherwise stated, this report covers the period from January 1st 2024 to December 31st 2024. Accordingly, uses of the terms "currently", "to date", or similar such expressions refer to data and information up until December 31st 2024.

This report is prepared with reference to the Global Reporting Initiative ("GRI") Standards to provide readers with information and data that are comparable across future sustainability reports. Key performance indicators may also reference notable standards such as the Sustainability Accounting Standards Boards (SASB) standards and the United Nations Global Compact (UNGC) frameworks and initiatives.

We welcome your valuable feedback on this report in relation to our sustainability journey. For any related enquiries, please contact us at info@tessellation.group

MESSAGE FROM CEO



As Tessellation continues to evolve in these early stages, sustainability remains a guiding force that shapes our growth trajectory. We are dedicated to “Defining the Status Quo for Tomorrow,” envisioning a future that harmonizes environmental stewardship, social responsibility, and economic prosperity. This commitment is evident in our strategic expansions this year.

In 2024, our accessories and packaging division launched its new Green Industrial Park, a landmark embodying Tessellation's commitment to people, innovation, sustainability, and excellence. The park is the first in China's textile sector to have received LEED Platinum Certification and was designed with green energy and a focus on people at its core. Through this initiative, we hope to drive sustainable transformation in the textile industry, and as we begin operations, we strive to continuously integrate innovative practices to create a blueprint for the factories of the future.

This year, we also commenced the commercialization of our new technology, the Indigo Recovery System, which adds to our suite of sustainable solutions. By targeting key resources and addressing the notoriously polluting dyeing process, we aim to develop better manufacturing practices across the textile industry and set new precedents for industry practices.

Looking ahead, we will continue to invest in positive growth, expanding our business and building partnerships with stakeholders in ways that aligns with our values and the global sustainability agenda. With this commitment and the belief that together we can create a better world, we look forward to what tomorrow holds.

Edgar Tung
CEO of Tessellation Group



ABOUT TESSELLATION GROUP

Our Business Focuses

Tessellation is a group of visionary pioneers dedicated to **Defining the Status Quo for Tomorrow**, driving innovative and sustainable breakthroughs that create positive impacts for our planet, individuals and ecosystems, forging a better future.

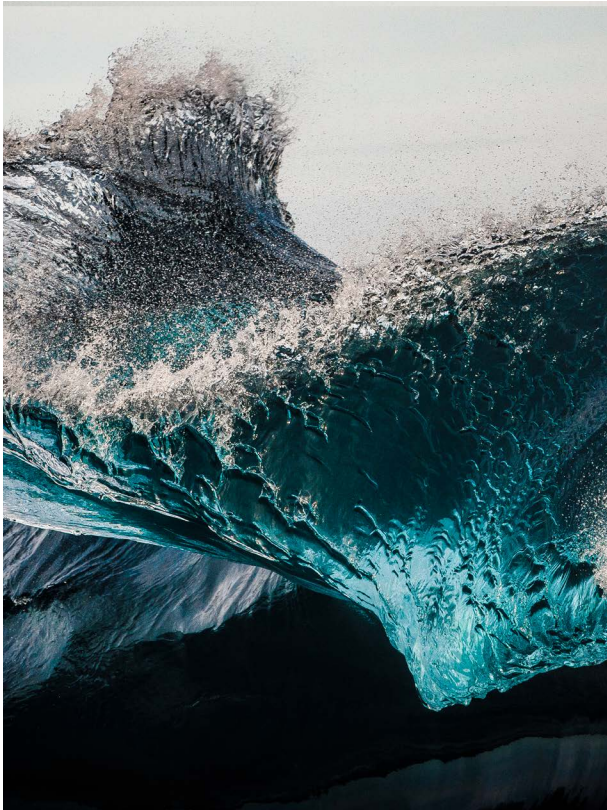
Dynamic, agile and constantly exploring new ideas, we fearlessly challenge the conventional business models and extend our positive impacts across diverse sectors.

We offer one-stop apparel solutions, revolutionize green technologies, establish digital value chain platforms, and harness the power of automation, artificial intelligence, digital reality and more. Furthermore, we embody our pursuit of Defining the Status Quo for Tomorrow through the retail brands we operate. Injecting the concept of **people, innovation, sustainability** and **excellence** into every stitch, we create modern craftsmanship, solutions and lifestyles that truly stand out.



PEOPLE

Nurturing people-oriented technologies and businesses, upskilling and enabling people to add greater value, as we facilitate the harmonious relationship among humans, machines and the digital world.



SUSTAINABILITY

Addressing environmental issues by developing operations, products, services, and brands that actively minimize and eliminate their environmental impact across various sectors.



INNOVATION

Fostering a series of innovation by continuously finding new ways for positive change. This creativity and risk-taking serves as a catalyst for responsible growth, driving progress in a rapidly evolving market.



EXCELLENCE

Consistently delivering exceptional quality products and solutions, and striving for powering excellence across businesses, building trust that leads to long-term success.

OUR PRESENCE SPANS DIVERSE MARKETS

With operations across 23 cities, engaging over 10,000 employees*

**As of December 31st, 2024, we have 10,243 employees*

Headquarters

Hong Kong, China

Apparel Making

Binh Duong, Vietnam
Dong Nai, Vietnam
Hoa Binh, Vietnam

Knitting

Binh Duong, Vietnam

Accessories & Packaging

Foshan, China
Binh Duong, Vietnam

Specialty Yarn Spinning

Guilin, China

Research Lab

Foshan, China
Shanghai, China

Automated Solutions

Foshan, China

Smart IoT

Foshan, China

AI & 3D Solutions

Hong Kong, China

Green Technologies

Foshan, China

Ventures

Hong Kong, China

Merchandising Office & Showroom

New York, USA
London, UK
Istanbul, Turkey
Dhaka, Bangladesh
Shanghai, China
Tokyo, Japan
Hong Kong, China

Retail Stores

Hong Kong, China
Beijing, China
Shanghai, China
Guangzhou, China
Shenzhen, China
Chengdu, China
Foshan, China
Dongguan, China
Fuzhou, China
Xiamen, China
Haikou, China
Guilin, China
Urumqi, China
Hanoi, Vietnam
Ho Chi Minh City, Vietnam

OUR BEST-IN-CLASS OPERATIONS



**TESSELLATION
APPAREL
SOLUTIONS**

One-Stop Solutions to
Apparel Brands, Retailers
and Manufacturers



**康派
COMPASS**

Integrated Branding, Smart
and Sustainable Solutions
for Accessories & Packaging



VERTEX

Sustainable & Innovative
Materials Solutions



Golden Field Tech

Innovative Textile
Manufacturing Information
Management Platform



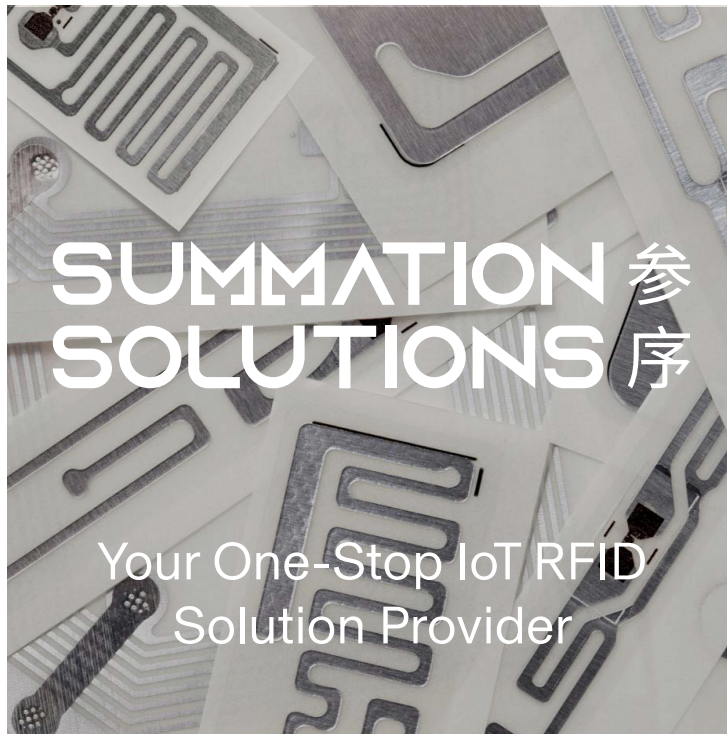
**qonvolv
VENTURES**

One-Stop Solutions to
Apparel Brands, Retailers
and Manufacturers



**qonvolv
SYSTEMS**

Entwining Human and
Machine Intelligence




SUMMATION SOLUTIONS 参序

Your One-Stop IoT RFID
Solution Provider



**EXPONENT
ENVIROTECH
溢 | 维 | 环 | 境 |**

Green Technology for a
Sustainable Future



SYMMPIX

Bridging
Imagination and Reality



DETERMINANT

Purposeful Style for
Modern Life



PYE 派

Working From Seed to Shirt
in Pursuit of Perfection

STAKEHOLDER ENGAGEMENT

Materiality Assessment

Our most recent materiality assessment was conducted in 2023 with an expectation to reassess every 2 years. Our due diligence process, which consists of thoroughly conducted desk research and a comprehensive survey, engaged over 50 internal and external stakeholders covering our own top management, office staff, and frontline employees, as well as suppliers, customers, NGOs, and industry associations. This has been a key way in which we receive feedback from our stakeholders and build our strategy with their priorities in mind.

In 2024, we present the results without the traditional matrix of the previous year to reflect that business and environmental-social impacts are no longer considered two independent criteria of materiality.

1	Hazardous Substances
2	Occupational Health & Safety
3	Water Consumption
4	Product Safety & Quality Assurance
5	Effluents Management
6	Anti Corruption Measures
7	Sustainable Materials
8	Emissions Management
9	Energy Management
10	Clean Technology Opportunities
11	Forced & Compulsory Labor Prevention
12	Training & Education
13	Privacy & Data Security
14	Employment Approach
15	Diversity, Equality, & Non-discrimination
16	Solid Wastes Management
17	Labor/Management Relations
18	Accurate Marketing & Labelling
19	Supplier Social Assessment
20	Supplier Environmental Assessment
21	Market Presence
22	Responsible Procurement Practices
23	Biodiversity
24	Engaging Local Communities
25	Customer Privacy Protection

SUSTAINABILITY GOVERNANCE

The Board of Directors of Tessellation Group (the “Board”) is our highest governing body. Consisting of five directors, two independent and three executive, the Board is responsible for overall strategy and business development. The Board is aided by three critical board committees that form the backbone of effective corporate governance: 1) Sustainability Committee, 2) Investment Committee, and 3) Technology Committee (new in 2024). These specialized sub-groups allow us to delve deeper into critical areas, fostering informed decision-making and enhanced oversight.

The Sustainability Committee (the “Committee”), which is chaired by an external expert and comprised of members of the Board and top management, is crucial to ensuring that sustainability is firmly integrated with our business strategy. Working closely with functional departments such as sustainability, human resources (“HR”), internal audit (“IA”) and more, the Committee defines, monitors, and drives key sustainability measures in accordance with our material priorities and sustainability framework. The Committee meets bi-annually at a minimum.

SUSTAINABILITY COMMITTEE

Comprised of Top Management, Board of Directors, and External Experts

Establishes Strategy & Direction

FUNCTIONAL DEPARTMENTS

Includes Sustainability Department, Human Resources Department, and Others

Mobilizes Cross-Department & Operation Level Action Towards Sustainability Goals

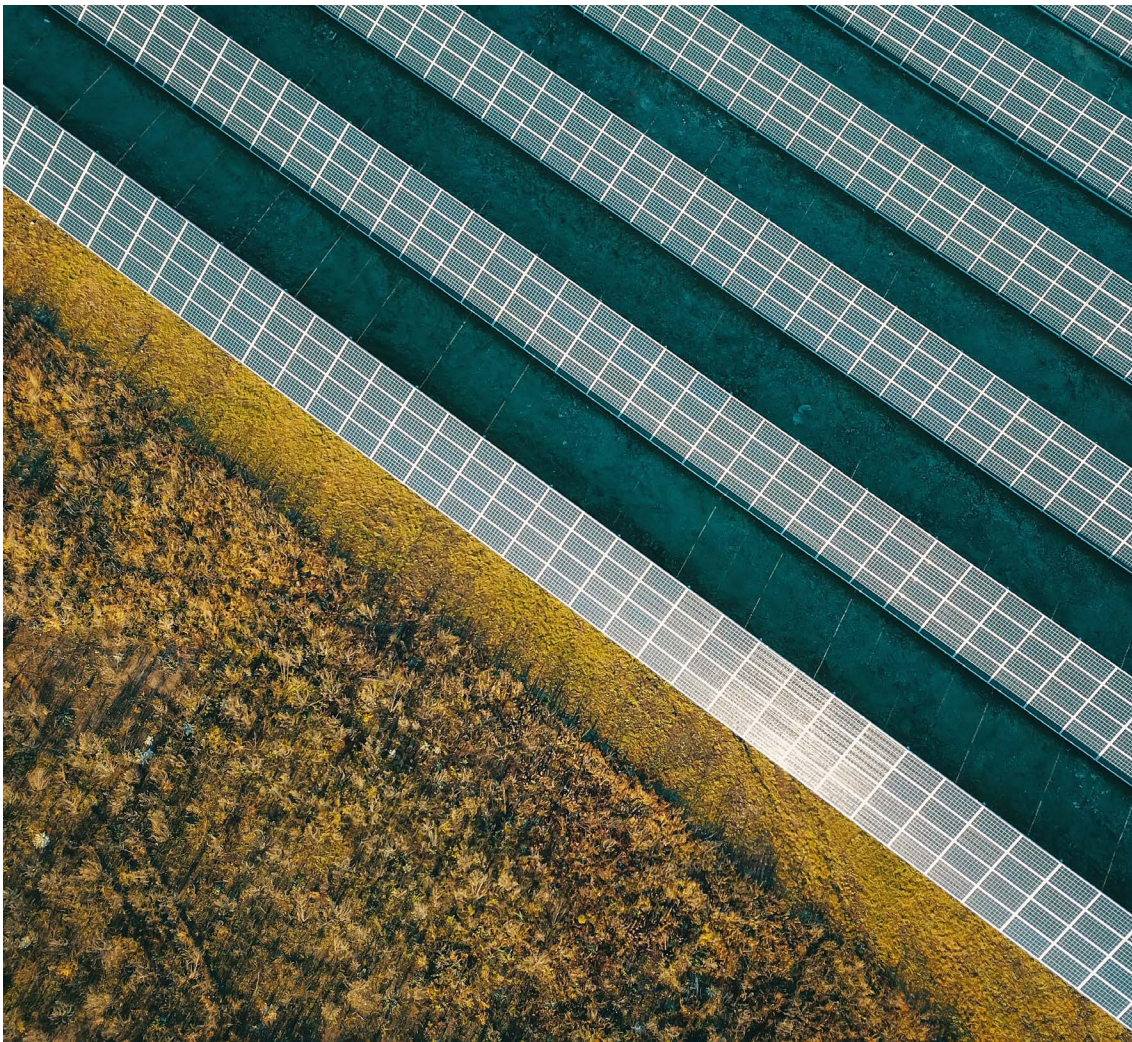
BUSINESS UNITS

Includes Site-Level and Business Segment Coordinators, Teams, and Management



Business Ethics

Recognizing that a strong commitment to business ethics is integral to effective and credible governance, our company Code of Conduct states the expectation for each individual to “follow (their) own conscience, respect other people’s properties, especially regarding intellectual capital, and always obey the law”. Supported by policies, training, audits, and communication channels, we strive to create an ethical environment that allows for the sustainable growth of our business.



Anti-Corruption

Policy

Aside from our Code of Conduct, our employee handbook and overarching set of business ethics and conduct policies set out a basic standard of conduct for our employees. Some of the topics covered include:

- Acceptance and Offering Advantages
- Travel Sponsorship and Loans from a Third Party
- Conflict of Interest
- Use of Company Assets and Confidential Information

Training

All new staff-level employees are also required to undergo our online training in business ethics, to ensure an understanding of the company expectations.

Audit

Additionally, all business units are placed under review for corruption during the internal audit cycle. In 2024, there were found to be no confirmed incidents of corruption in the company.

Grievance Mechanism and Non-Retaliation

In line with our ethics values and policies, we expect employees to promptly report any violations, including potential instances of fraud, corruption, illegal activity, and harassment, to the company. We have established a grievance mechanism that adheres to the United Nations Guiding Principles (UNGP) to ensure that employees can raise their concerns in a secure and confidential manner. We provide the option for individuals to report anonymously and guarantee protection against any form of retaliation.

Our grievance mechanism is accessible at all company sites, and we ensure that employees are aware of its existence through comprehensive communication efforts. During the new joiner’s orientation, we inform employees about the mechanism, and regularly reinforce this information through posts on our company intranet, bulletin boards, and posters displayed in manufacturing sites and facilities. We have implemented multiple channels through which grievances can be reported, including email, a dedicated hotline, suggestion boxes, online platforms, and through open talks or labour conferences.

Aside from anti-corruption and whistle blowing purposes, the grievance mechanism is also used as a general communications channel for employees to share complaints, questions, and suggestions of any nature. While there were **441 recorded uses** of the mechanism in 2024, no grievances regarding violations of ethics policies were raised.

Data Governance

We are committed to protecting the confidentiality, integrity and availability (CIA) of our information resources from unauthorized leakage, modification, or damage. Maintaining data security and protecting data privacy is an important responsibility we owe to our employees, customers, and partners; thus, we conduct regular information technology (IT) audits to review and evaluate the effectiveness and adequacy of our information management systems. In 2024, there were no substantiated complaints received regarding data privacy and security.

SUSTAINABILITY FRAMEWORK

In order to deliver on our commitment to addressing environmental challenges and promoting responsible growth, we drive positive impact by prioritizing individuals, planet, and ecosystems.

Our **3 priorities** are actualized by **8 action areas**, which are aligned with our **10 identified UNSDGs**. These guide our overall sustainability strategy and ensure coherence with the wider global framework.



SUSTAINABLE
DEVELOPMENT

GOALS

<div>3</div> <div>GOOD HEALTH AND WELL-BEING</div> 	<div>4</div> <div>QUALITY EDUCATION</div> 	<div>6</div> <div>CLEAN WATER AND SANITATION</div> 	<div>7</div> <div>AFFORDABLE AND CLEAN ENERGY</div> 	<div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div> 
<div>9</div> <div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> 	<div>10</div> <div>REDUCED INEQUALITIES</div> 	<div>12</div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div> 	<div>13</div> <div>CLIMATE ACTION</div> 	<div>17</div> <div>PARTNERSHIPS FOR THE GOALS</div> 





INDIVIDUALS

Nurturing the holistic development of our employees

WORKFORCE RESILIENCE

A resilient workforce is one where individuals are empowered to reach their highest potential and the collective is diverse and agile. We strive towards this by emphasizing training and capacity building, while fostering a fair and inclusive environment, to attract and retain talents with different perspectives and expertise.

WELL-BEING

Recognizing that physical, emotional, social, and financial health all impact our quality of life and in turn, our performance and productivity, we approach well-being from a holistic perspective. This extends from assuring a safe and healthy workspace, to equipping our employees with the knowledge and tools to put their well-being at the center of all facets of their lives.



PLANET

Reducing the environmental footprint of our operations

DECARBONIZATION

In line with the global goal to stay “well below” 1.5°C of warming, we are committed to achieving net-zero by 2050. Our decarbonization pathway begins with reducing our own energy consumption and greening our energy mix, but recognizes the inevitability of offsets and trading, and the necessity of engaging all stakeholders.

WATER STEWARDSHIP

Practicing responsible water stewardship is as much about conscious input as it is about quality output. Our three-pronged approach: “Purify, Reduce, Zero,” urges for better management of effluent discharge alongside efficient use and recycling of freshwater, while championing an ambitious goal to re-engineer traditionally thirsty processes to be waterless.

CIRCULARITY & WASTE MANAGEMENT

Circularity addresses resource depletion and the waste crisis by embedding intent to minimize excess and extend material life at every stage of the product life cycle. While we embrace circularity whenever possible, we tackle unavoidable waste by developing robust chemical and waste management systems.



ECOSYSTEMS

Forming collaborative networks towards shared goals

TECHNOLOGY PARTNERSHIPS

Innovation and collaboration are essential for achieving sustainability. In these unprecedented times, we need equally groundbreaking solutions. Thus, we actively support innovative technologies as innovators, investors, and disseminators.

SUPPLY CHAIN RESPONSIBILITY

Supply chain responsibility is about recognizing that a commitment to sustainability extends beyond one’s own operations. Knowing that our impact is deeply intertwined with the practices of the entire supply chain, we collaborate closely with our suppliers and partners to develop better practices across the board.

COMMUNITY ENGAGEMENT

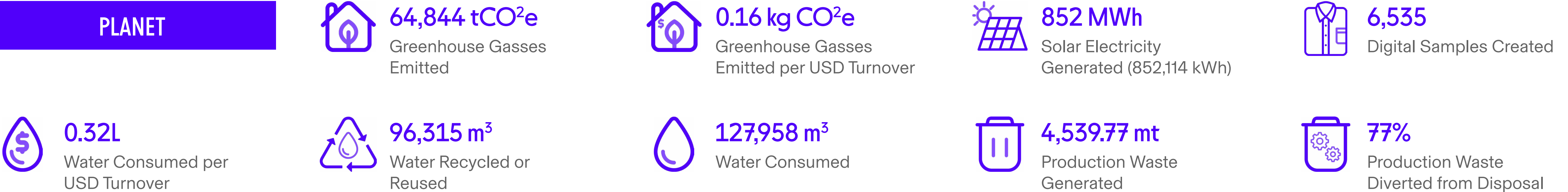
Meaningful community engagement builds capacity and resilience for a shared, better future. We collaborate with NGOs and institutions to address educational and well-being gaps and create platforms for connecting like-minded individuals who envision a more sustainable world.

SUSTAINABILITY PRIORITIES AT A GLANCE

INDIVIDUALS



PLANET



ECOSYSTEMS



SUSTAINABILITY RECOGNITIONS AND ENGAGEMENTS

AWARDS



KEY CERTIFICATIONS



MEMBERSHIPS



PARTICIPATION



INDIVIDUALS

At Tessellation, we view our employees as our greatest asset. Their growth is deeply intertwined with the success of the company, which is why we prioritize meeting and nurturing their needs.

MATERIAL TOPICS

- ▶ Employment Approach
- ▶ Occupational Health and Safety
- ▶ Training and Education
- ▶ Diversity, Equality, and Non-Discrimination
- ▶ Market Presence
- ▶ Forced and Compulsory Labor Prevention

UNSDGS

3 GOOD HEALTH
AND WELL-BEING



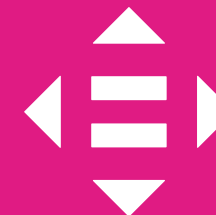
4 QUALITY
EDUCATION



8 DECENT WORK AND
ECONOMIC GROWTH



10 REDUCED
INEQUALITIES

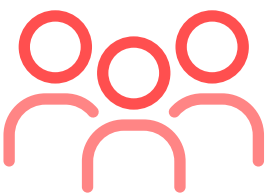


WORKFORCE RESILIENCE

Workforce resilience is born from a culmination of good hiring practices and on-the-job growth opportunities. At Tessellation, this effort is driven by our human resources (“HR”) and sustainability departments but made possible only with the cooperation and support of management at all business units and sites.

Hiring & Retention

Building workforce resilience starts by building the workforce. In order to attract talent, we not only ensure that our hiring practices are transparent and safeguard rights under national and international labor laws, we also prioritize creating an environment that respects our employees.



In 2024, we had a total of **4,275** of new hires, with a monthly turnover rate of **2.85%**.

Tessellation Code of Conduct

As per our Code of Conduct, we commit to creating a safe working environment; facilitating healthy employment relationships; preventing the use of forced or child labor; protecting employees against harassment, abuse, discrimination, and excessive hours of work; and protecting the rights of employees to fair compensation and freedom of association and collective bargaining. By upholding our Code of Conduct, we have been able to effectively achieve **0 cases of discrimination or harassment** in 2024.

Diversity, Equality, & Inclusion

Recognizing the resilience in diversity, we strive to create and maintain an inclusive workforce. As stated in our Code of Conduct and CSR Guidelines: “no person shall be subject to any discrimination in employment, including hiring, compensation, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.” To ensure this, we currently monitor three key areas: gender, age, and localization.

Gender

As a woman-owned company, we are committed to providing equal opportunities for women to thrive in the workplace and break the glass ceiling. Recognizing that at this day and age, women continue to be disadvantaged in work environments, we strive towards achieving equity. Our dedication is underscored by our participation in the United Nations Women's Empowerment Principles (WEPs).

As of 2024, we proudly stand as a WEPs signatory, reaffirming our commitment to empower women across the workplace, marketplace, and community. In accordance with their guidelines, we track key indicators including gender ratio, percentage of promotions and career opportunities, retention rate from parental leave, and pay ratio, and review regularly with the Sustainability Committee.

In 2024, we found that **while females make up 70% of our overall workforce, they make up 40% of our employees at the senior manager level and above**-- pointing to a need for improvement in representation at the highest level. We also found that our **female employees are currently paid 92% of what male employees in comparable position-levels are paid**. Over the past year, we have been investigating underlying factors that may contribute to this gap, including department-level differences in gender proportions and pay, and are seeking to amend this. We have also been taking active steps to identify any systemic inequalities and create a workplace that recognizes and accommodates the unique experiences and challenges women face.

Meeting Differentiated Needs

We prioritize equity over equality, which means acknowledging that biological differences between men and women lead to distinct health needs. We also believe that personal growth and career advancement can only thrive when basic physical needs, such as health, are met. To support our female employees, we offer **complimentary periodic health checkups**, including essential screenings for breast and cervical cancer at designated facilities, enhancing awareness of health status and encouraging timely medical intervention. By prioritizing these health initiatives, we aim to foster a supportive environment that empowers our female employees and promotes both their health and professional development.



Balancing Parenthood and Work

We recognize that caregiving and child-rearing are traditionally feminized roles, and we aim to create a workplace that supports mothers while promoting the idea that parenthood is a shared responsibility. In 2024, we ensured that **all our operational sites provided accessible breastfeeding facilities** for female employees, enabling them to balance motherhood with their careers. Additionally, we organized parenting workshops across Vietnam and China to help both men and women enhance their caregiving skills and strengthen their relationships with their children.



Age

A well-rounded workforce should encompass employees of all ages. While younger team members contribute fresh and modern perspectives, seasoned employees draw on years of experience. Both provide invaluable insights.

In striving for balance, we have become aware of how technological transformations and physical health may impact our age demographics, and are proactively working to address gaps and challenges faced by different groups.

(See below, *Physical Well-Being*)

Position Level	Under age 30	Age 30-49	Age 50 and above
All FTE Staff	27%	69%	4%
Frontline workers	29%	68%	3%
Office Staff	21%	72%	7%
Senior Manager and above	1%	72%	27%

Localization

In our operations across Hong Kong, China, and Vietnam, we prioritize localization at every level to ensure a sustainable, stable, and culturally sensitive workforce. This approach is crucial to fostering a mutually beneficial relationship with the economies we operate in, whereby we are able to create quality employment in the region whilst remaining adaptable to regional conditions.

In 2024, **99% of our senior leadership positions were filled by local talent**, a feat achieved through our commitment to hiring locally and supporting these employees in building their careers. To illustrate how we nurture local talent, this year, we welcomed **9 Management Trainees** (MT) and **26 Operations Trainees** (OT) at our overseas operations. Under the MT and OT programs, we are able to offer trainees greater mentorship, support, and training opportunities to accelerate their pathways into management roles.

Training and Development

Providing knowledge and skills training to our employees allows us to build a more diverse and inclusive workforce (see above, *Gender: Balancing Parenthood and Work; Age; Localization*) by providing equal opportunities to learn and build capacity across demographics. However, our goal is not just to level the playing field, but to elevate all employees. We aim to foster a workforce that excels in their roles and adapts to evolving challenges.

We believe this is achievable when the right tools and resources are available, which is why we continually build, update, and promote our online training courses alongside exclusive workshops led by upper management and subject matter experts. In 2024, our training initiatives resulted in a total of **102,331 learning hours and an average of 10.14 hours of official learning per employee**—an increase of nearly 25% from the previous year, with **90.44% of employees participating in our online training.**

AI Workshops

Among the new trainings that have been offered in 2024 is our AI program. Recognizing the immense impact that such technological developments have on our world, and the knowledge gap the persists between younger and older generations, we have developed and shared three online trainings and four in-depth workshops covering the topics of AI-generated image technology, AI-generated video technology, Microsoft’s Copilot, and the technology and applications of large language models (LLM).



In addition to our internal training programs, we support employee development through education sponsorship for external training and academic or professional qualifications that can enhance work performance. We encourage employees to take ownership of their growth by conducting annual career and performance reviews. This multi-step process involves goal setting, midpoint check-ins, and year-end appraisals, allowing staff to reflect on their professional aspirations and the necessary steps to achieve them.

WELL-BEING

Our holistic approach to well-being includes caring for the physical, emotional, social, and financial health of our employees to enhance workplace productivity through improved collaboration and reduced absenteeism. Our cross-department **Wellness Committee** collaborates closely with our environmental, health, and safety (EHS) Committee, HR, and other relevant units to develop a comprehensive annual program.

Physical Well-Being

Our commitment to physical well-being begins with ensuring a safe and healthy working environment. To achieve this, we have established a comprehensive management system supported by site-level policies and procedures that comply with ISO 45001 guidelines. Our practices are regularly verified through audits conducted by our EHS and IA teams, as well as by external parties upon customer request. In 2024, we proudly reported **0 fatalities** from work-related injuries, **0.23 reportable incidents** per 200,000 working hours, and **2.41 lost working days** per 200,000 working hours.

Building on this foundation, our scope of physical health also includes promoting a healthy diet and exercise. Recognizing that both working conditions and lifestyle choices significantly impacts our overall well-being, we encourage employees to be mindful of their nutrition and physical activity. This year we launched a daily exercise challenge for employees, while providing nutrition and holistic healing workshops, with an aim to instill better habits into the daily lives of our workforce,

fostering a culture of health and wellness. This resulted in **a cumulative workout time of 705,382 minutes** spread across a variety of exercises including running, walking, badminton, yoga, and cycling over our 90 day campaign period.



Emotional Well-Being

Ensuring the emotional well-being of our employees involves more than just a commitment to avoiding emotional harm; it requires a proactive and thoughtful approach. This year, we adopted an explorative strategy to help our workforce gain deeper insights into their feelings and learn effective ways to process them. By leveraging unconventional mediums such as art therapy and laughter yoga, we aim to create a supportive environment that fosters emotional awareness and resilience.

Stone Drawing

Building on the success of our 2023 art therapy series in Hong Kong, we expanded the program to our Vietnam sites by introducing a stone drawing workshop. Taking place in September 2024, this initiative attracted **90 participants** from across the region. In the course of this activity, employees were encouraged to express their emotions through creative interaction with natural materials, fostering a deeper connection with themselves while also providing an effective outlet for stress reduction.



Laughter Yoga

In May 2024, we invited a certified coach to bring the laughter yoga practice and concept to our Hong Kong office. The coach began by discussing the benefits of laughter for stress relief and emotional management, delving into the science that underpins these effects. Following this, our **30 participants** engaged in a series of lighthearted actions that eventually drew out genuine laughter, helping them connect with each other in a relaxed atmosphere.

Later in the year, those who attended the workshop shared the laughter yoga exercises with colleagues at other sites, spreading the positive experience across different regions.



Social Well-Being

As an organization, enhancing the social well-being of our workforce involves fostering a genuine sense of community. By promoting a culture of openness and inclusivity through shared experiences and fun activities, we aim to strengthen connections among colleagues, enabling them to build their own networks of support.

Connecting through Shared Interests

At all our sites, we host and encourage participation in a range of non-work-related activities to promote a sense of belonging and help our employees better connect with one another. This year, some highlights included our cooking and karaoke contests in Vietnam which attracted almost **100 employees** on women’s day; our 50km trekking challenge in China; and our wine tasting event in Hong Kong.



Nourishing Family Relations

Recognizing that a vital aspect of social well-being is nurturing interpersonal connections beyond the workplace, we place a strong emphasis on family relationships. In addition to hosting workshops aimed at enhancing communication between parents and children (*see above, Gender: Balancing Parenthood and Work*), we have organized several events inviting our employees' children to enjoy performances, gifts, and complimentary meals. Notably, our celebration in Vietnam on International Children’s Day garnered **800 participants**.



Financial Well-Being

As an employer, we play a crucial role in supporting our employees' financial well-being, beginning with our compensation and benefits practices. We ensure that all employees receive wages above the minimum threshold before overtime is applied. To address compensation disparities, we closely monitor the ratio of the average wage of frontline workers—who in this industry are most vulnerable to inadequate pay—to the minimum wage. In 2024, **the average wage of our frontline workers was 2.92 times the minimum wage in China** and **2.24 times in Vietnam.**

Financial Health Workshops

Aside from fair compensation, effective financial management is also an essential part of maintaining financial health. In order to empower our employees to make informed decisions, we hosted workshops in Vietnam and Hong Kong focused on financial strategies, investment principles, and budgeting techniques for a more stable and prosperous future. Over **70 employees** participated in these initiatives, gaining valuable tools and knowledge to manage their finances more wisely.



PLANET

The health of our planet is the driving force behind everything we do. We strive to create an environmentally responsible future where products and practices align with ecological harmony and long-term viability.

MATERIAL TOPICS

- ▶ Emissions Management
- ▶ Energy Management
- ▶ Water Consumption
- ▶ Effluents Management
- ▶ Hazardous Substances
- ▶ Solid Wastes Management
- ▶ Sustainable Materials

UNSDGS



DECARBONIZATION

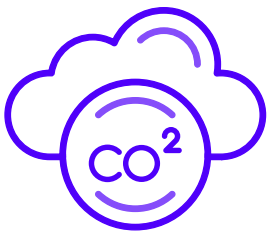
In 2024, our planet drew significantly closer towards the 1.5°C warming limit, underscoring the urgent need for a low-carbon transition for nations and businesses globally. We recognize the impact that climate change will have on us, as well as the role we play in perpetuating it. It is thus imperative for us to prioritize decarbonization in our operations as we grow.

Carbon Neutrality Pledge

To tackle the environmental challenges posed by climate change, **Tessellation made a commitment in 2023 to achieve carbon neutrality by 2050.** The journey thus far has predominantly consisted of scope 1 and 2 emissions management efforts and adoption of solar renewable energy. Upcoming, we intend to bolster our carbon footprint accounting system, with a focus on enhancing the assessment of scope 3 emissions. As we continue our journey, we will develop detailed action plans and roadmaps to steer our progress toward fulfilling our carbon neutrality commitment.

Managing Carbon Footprint

Every year, through coordination between the sustainability department, business units, and dedicated site-level teams, we update our greenhouse gas inventory following international standards including the Greenhouse Gas Protocol and ISO 14064 Standard. Our emissions are tracked and reported to the Sustainability Committee biannually, along with our carbon reduction progress for regular monitoring.



2023 EMISSIONS	2024 EMISSIONS
43,392 tCO ² e Total GHG Emissions	52,041 tCO ² e Total GHG Emissions
10,825 tCO ² e Scope 1 GHG Emissions	12,647 tCO ² e Scope 1 GHG Emissions
34,436 tCO ² e Scope 2 GHG Emissions	39,394 tCO ² e Scope 2 GHG Emissions
0.15 kg CO ² e per USD revenue	0.13 kg CO ² e per USD revenue

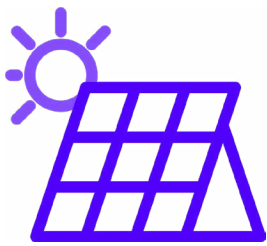
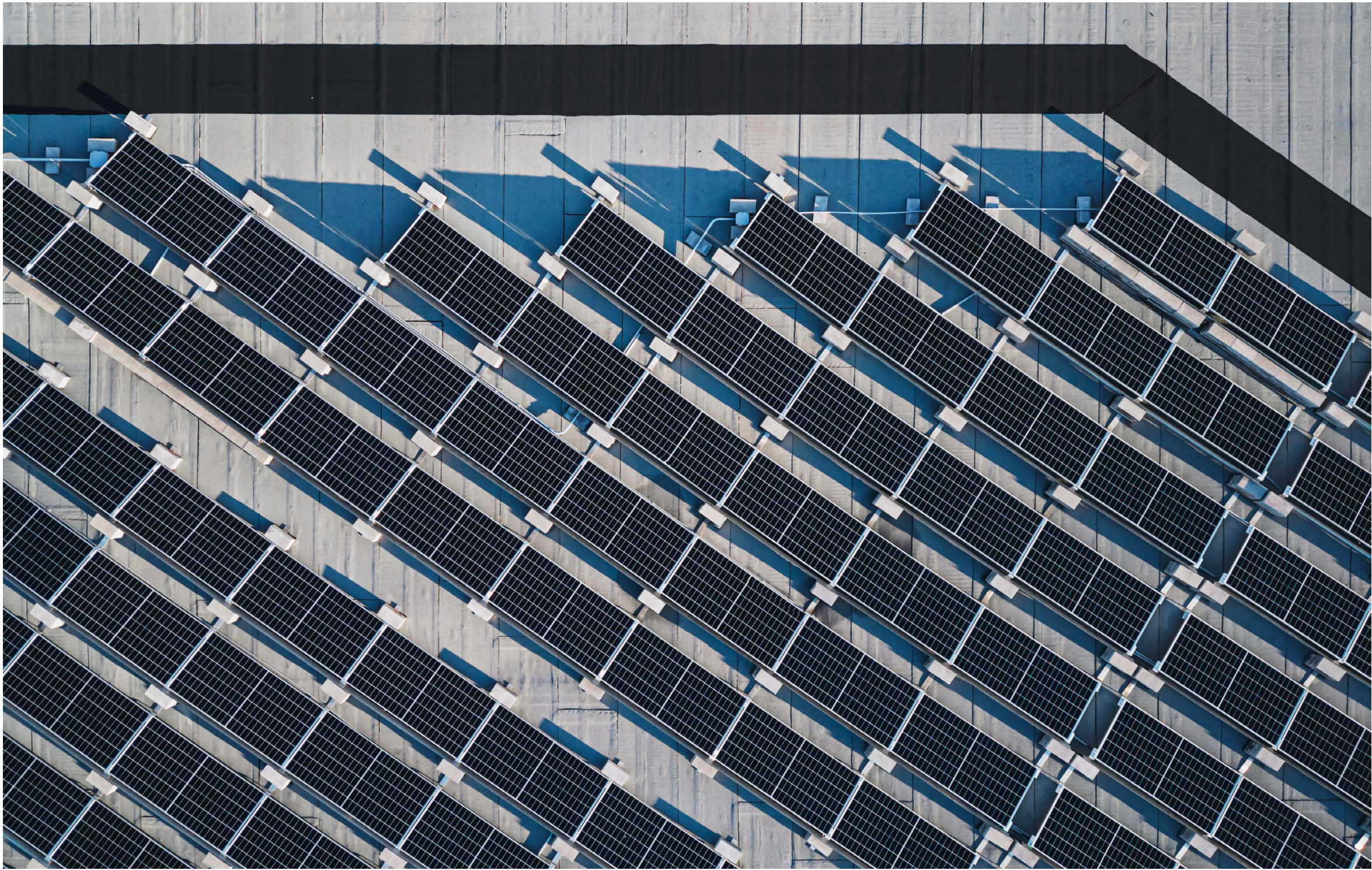


As our business expands in these initial years, we are experiencing a rise in absolute GHG emissions from increases in production. However, thanks to targeted efforts and investments towards decarbonization in our operations, **our overall emissions intensity is decreasing.**

In particular, many of our key initiatives are dedicated to improving the energy efficiency of our overall operations. Our inventory indicates that most of our greenhouse gas emissions originate from energy consumption, with scope 2 accounting for the majority of our total emissions. Therefore we strive to drive down consumption fueled by purchased electricity and steam. In 2024, a total of **126,790 MWh of energy was consumed**, with an **intensity of 0.32 kWh/USD** revenue.

Adopting Renewable Energy

To minimize our environmental footprint, we are consistently striving to enhance our clean energy generation and improve our energy consumption management, with the goal of reducing our reliance on purchased energy from fossil fuel sources. We have also been enhancing energy efficiency throughout the year by investing in equipment retrofitting, replacement, and upgrading at the manufacturing sites.



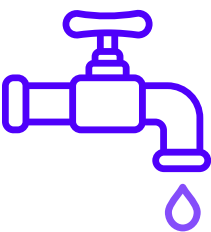
In 2024, **852 MWh** of solar energy was generated on-site, making our renewable electricity uptake* rise to **33%.**

**including self-generated solar power and purchased green electricity certificate*

WATER STEWARDSHIP

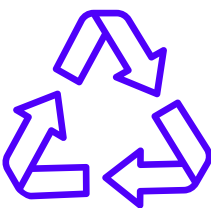
Freshwater is essential to human survival and is a precious resource for many industries. Across our diverse business portfolio, we recognize that our manufacturing processes require significant water usage. In response, we have intensified our focus on conserving water and championing impactful, forward-thinking solutions to tackle water scarcity—especially as climate challenges and extreme weather continue to escalate.

At Tessellation, a three-pronged approach is adopted to meet our water stewardship goal.



Purify

Responsible management of effluent discharge



Reduce

Minimization of water wastage and increase in water reuse and recycling rates



Zero

Water removal from traditionally water intensive manufacturing processes (*see chapter below, Ecosystem*)

Purify – Cleaner Output

To us, applying the “do no harm” principle is the bottom line for water stewardship, and we recognize that one of the most direct harms of poor water stewardship is pollution to surrounding ecosystems and communities. Therefore, we ensure all wastewater discharge is purified to meet national requirements at a minimum. All effluents generated at our manufacturing sites are discharged to qualified wastewater treatment facilities located in our operating areas. In 2024, a total of **877,142 m³ of industrial wastewater and 77,618 m³ of domestic wastewater was discharged.**

Reduce – Minimizing Input

Considering the pressing water stress issue worldwide, we are committed to responsible water sourcing. This includes ensuring that the water we consume, all of which is sourced from third-party suppliers, is not withdrawn from water-stressed areas. At the same time, we strive to conserve freshwater by reducing water consumption across all operations.

Efficiency

Improving water efficiency is our first priority when it comes to freshwater conservation. We prioritize the use of water-efficient technologies in our manufacturing operations, swiftly address leaks to prevent unnecessary wastage, and continuously enhance the efficiency of domestic water fixtures such as valves, faucets, and flushing systems. In 2024, **we consumed 127,958 m³ of water** at an **intensity of 0.32 L/USD revenue – a 36% drop from 2023.**

Recycling & Reuse

As the use of water cannot be entirely removed from our business operations, recycling and reusing is another key focus for us. This year, we achieved an **88% increase in water recycled or reused** as compared to 2023, reaching a total of **96,315 m³**. One of the initiatives which has contributed to this increase has been the installation of filtration systems that allow us to circulate water back into the manufacturing process.

We also look to make use of resources that are typically wasted and dissipated. For example, at our manufacturing sites in Vietnam, we have installed a tank and circulator for the reuse of water after fabric washing and have utilized rainwater and treated water for toilet flushing. In 2024, **1,222 m³ of water was collected** and treated for these purposes, helping to relieve stress on traditional sources of water.



CIRCULARITY AND WASTE MANAGEMENT

Our priority is to practice circularity by optimizing resource use across the entire product life cycle and to manage any residual waste responsibly. This requires conscious care from the design and sourcing stages all the way to end-of-life management, calling for the cooperation of our procurement, production, and site management teams, as well as the product design and sales teams in each of our respective business units.

Design & Sourcing

The impact of a product begins before it is made. Therefore, we select materials and create samples for our products while bearing in mind their inherent environmental cost alongside the effect that its design will have on how our product is used and treated at the end of its useful life.

We value taking a holistic approach to defining sustainability and ensuring that sustainability claims are third-party verified. This applies to other production inputs as well, including chemicals. We manage our chemicals in accordance with ZDHC standards and ensure that **all the chemicals we source meet the requirements of the ZDHC Manufacturing Restricted Substances List (MRSL).**

We also place a particular emphasis on incorporating recycled materials, which embraces circularity by giving waste new life while reducing resource input and greenhouse gas emissions associated with virgin materials.

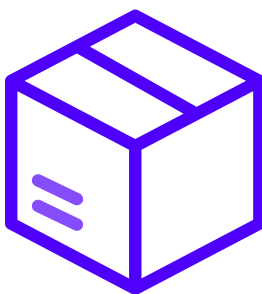
Raw Materials

One of the first decisions made in relation to a product is material choice.



In 2024, **26%** of all materials procured for our primary products were “sustainable materials.”

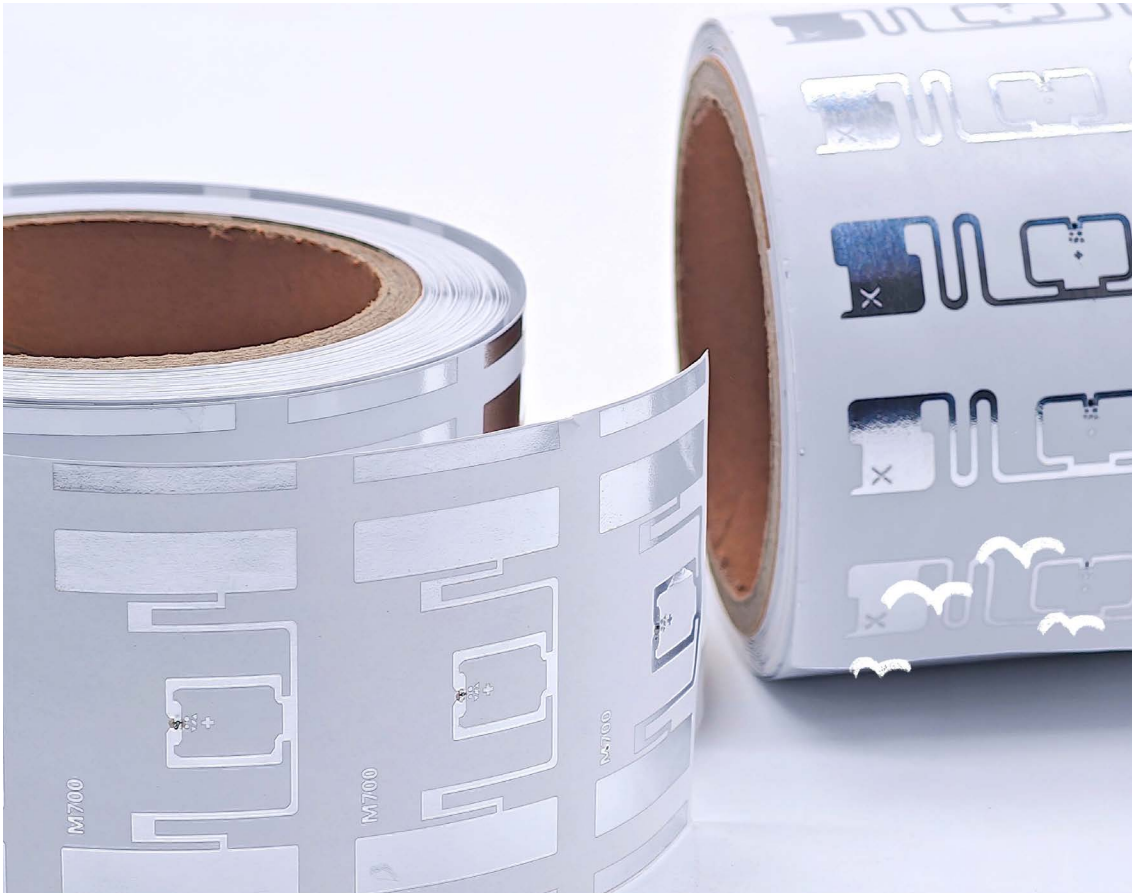
This includes recycled materials, materials that are certified to be environmentally or ethically produced, and those listed under Textile Exchange’s “preferred fibers and materials.”



In 2024, **15%** of materials procured for our primary products were recycled materials, while **14%** of our packaging for primary products contained recycled content.

Lean Design

A fundamental aspect of circularity is the emphasis on reducing waste from the outset, a principle that permeates our design processes. At a product level, this is evident in some of our tech initiatives including the development of Summation Solutions’ RFID ECO inlay. Traditionally, RFID (radio-frequency identification) tags rely on multiple layers of plastic film and adhesives. In contrast, our innovative approach reconfigures the inlay structure to significantly minimize plastic usage, resulting in a recyclable, paper-based product with a lower emissions footprint. In 2024, **6,641,679 pieces of RFID were produced with ECO inlay.**



Beyond putting leaner alternative products on the market, our incubations further aim to provide services that empower textile industry players, including our own manufacturing arm, to reduce waste in their own design process. Specifically, Symmpix addresses the substantial waste generated in textile production, particularly during the sample development phase, by offering digital alternatives. Traditionally, manufacturers create physical samples for evaluation, which are often discarded after a short lifespan. This practice leads to unnecessary material consumption and carbon emissions associated with transportation logistics. By leveraging 2D and 3D digital sampling technologies, Symmpix enables its partners and customers to review, iterate, and approve fabrics and garments without producing physical prototypes. This shift not only minimizes the environmental impact of textile R&D but also shortens development timelines and offers more options to customers, driving up choice and efficiency.



In 2024, Symmpix created **6,535** 3D digital sample pieces.



End-of-Life Treatment

Where materials reach the end of their useful life at our sites and facilities, we ensure that they are treated responsibly. Following ISO 14001 Waste Management Procedures and monitoring our performance against the Higg Facility Environmental Module (Higg FEM), we managed the **4,539 metric tons of production waste generated** in 2024 by sorting then diverting from or directing to disposal as appropriate.



4,427 METRIC TONS

solid waste including materials, plastic, metal, paper, sludge, food, and other categories

79%

diverted from disposal

21%

diverted to disposal

78%

recycled

58%

incinerated with energy recovery

20%

prepared for reuse

33%

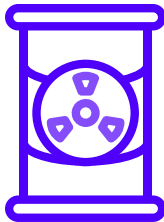
incinerated without energy recovery

2%

other recovery operations

9%

landfill



112 METRIC TONS

hazardous waste including chemical waste, electronic waste, coal ash, contaminated materials and other categories

30%

diverted from disposal

70%

diverted to disposal

100%

recycled

81%

incinerated without energy recovery

19%

other disposal methods

While the amount of waste we are able to reuse is modest, our production sites prioritize doing so where possible. Recognizing the opportunity we have as a manufacturer to reincorporate scrap material into production processes, thus reducing waste and consequently the logistical and environmental footprint associated with offsite processing and transport, two of our businesses have been leading the charge.

In 2024, our accessories and packaging business, Compass Greentech **reused 271,540 kg of pre-consumer plastic waste**-- 37% of total production waste at our plastic and polybag production site.

Meanwhile, our yarn spinning business, Vertex, has **scrapped and re-spun 8,294 kg of fabric, cotton, and yarn** for new products this past year, creating the additional benefit of reducing our virgin raw material input as well.

HAITIAN ROAD GREEN INDUSTRIAL PARK

In 2024, Compass Greentech proudly announced the official launch of the Haitian Road Green Industrial Park. Located in Foshan and covering 21,960 m², the park is the first in Mainland China’s textile sector to be LEED Platinum certified, achieving the highest international benchmark for green building performance.

The park is currently comprised of a main production and office building, and a class A chemical warehouse. Key operations include plastic, polybag, tape, and drawcord manufacturing, as well as material research and development.



Haitian Road Green Industrial Park is a demonstration of our commitment to the planet within our business growth model, as well as a showcase of how the future of manufacturing and sustainability can be woven together. With focus in our action areas: Decarbonization, Water Stewardship, and Circularity and Waste Management, the industrial park integrates advanced energy-saving technology and smart resource management to demonstrate our vision.

Key Highlights from Haitian Road:

Design & Infrastructure

Decarbonization

Efficient Air Conditioning System

High-efficiency magnetic levitation chillers, combined with zoned air distribution and natural ventilation, deliver over **30%** energy savings compared to conventional systems.

Design & Infrastructure

Decarbonization

Water Stewardship

Architectural Design Optimization

Use of low thermal conductivity walls and low emissivity coated glass reduces HVAC load and electricity demand by helping to maintain indoor temperatures, further decreasing overall cooling load and water used for air conditioning.

Design & Infrastructure

Water Stewardship

Permeable Surface and Rainwater Collection

Permeable surfaces are incorporated around the main roads to mitigate flooding, while underground tanks are installed to collect rainwater-- significantly reducing runoff into the municipal drainage system and allowing for utilization of rainwater in landscaping irrigation. This is estimated to account for 50% of irrigation water annually.

Design & Infrastructure

Decarbonization

Solar Power System

Installed solar photovoltaic systems and photovoltaic-powered lighting in the park help to reduce our overall carbon footprint. Upon full commissioning, the park is projected to generate approximately **250,000** kWh of renewable energy annually.

Design & Infrastructure

Circularity and Waste Management

Hazardous Chemical Safety Management

Our Class A chemical warehouse is constructed in accordance with explosion-proof, leak-proof, and environmental compliance standards.

Key Highlights from Haitian Road:

Design & Infrastructure	Smart Monitoring	Decarbonization	Smart Monitoring	Decarbonization	Initiative	Water Stewardship
VOCs Emissions Control VOCs are treated by a five-stage zeolite purification system, which maintains emissions concentration at or below 40 mg/m ³ --far below the national standard of 80 mg/m ³ . The facility is also equipped with real-time VOCs monitoring, integrated with ventilation and temperature controls, to ensure environmental quality and employee health.			Smart Energy Monitoring Real-time monitoring of utility consumption, production metrics, and environmental conditions allow us to identify inefficiencies and implement immediate alert and corrective actions.		Condensate Water Recovery Air conditioner condensate is collected for recycling and reuse. Approximately 2 tons of water are collected daily for process cooling, contributing to the reduction of energy and water consumption.	

ECOSYSTEMS

Achieving sustainability is fundamentally a collaborative effort. Creating a better future for everyone, rather than the select few, demands the commitment and participation of all stakeholders. It further requires harnessing synergies to innovate solutions for the unprecedented issues we face. Recognizing this, we work closely with partners towards the shared aspiration for a better future.

MATERIAL TOPICS

- ▶ Clean Technology Opportunities
- ▶ Engaging Local Communities
- ▶ Supplier Environmental Assessment
- ▶ Supplier Social Assessment
- ▶ Responsible Procurement Practices

UNSDGS

4 QUALITY
EDUCATION



8 DECENT WORK AND
ECONOMIC GROWTH



17 PARTNERSHIPS
FOR THE GOALS



TECHNOLOGY PARTNERSHIPS

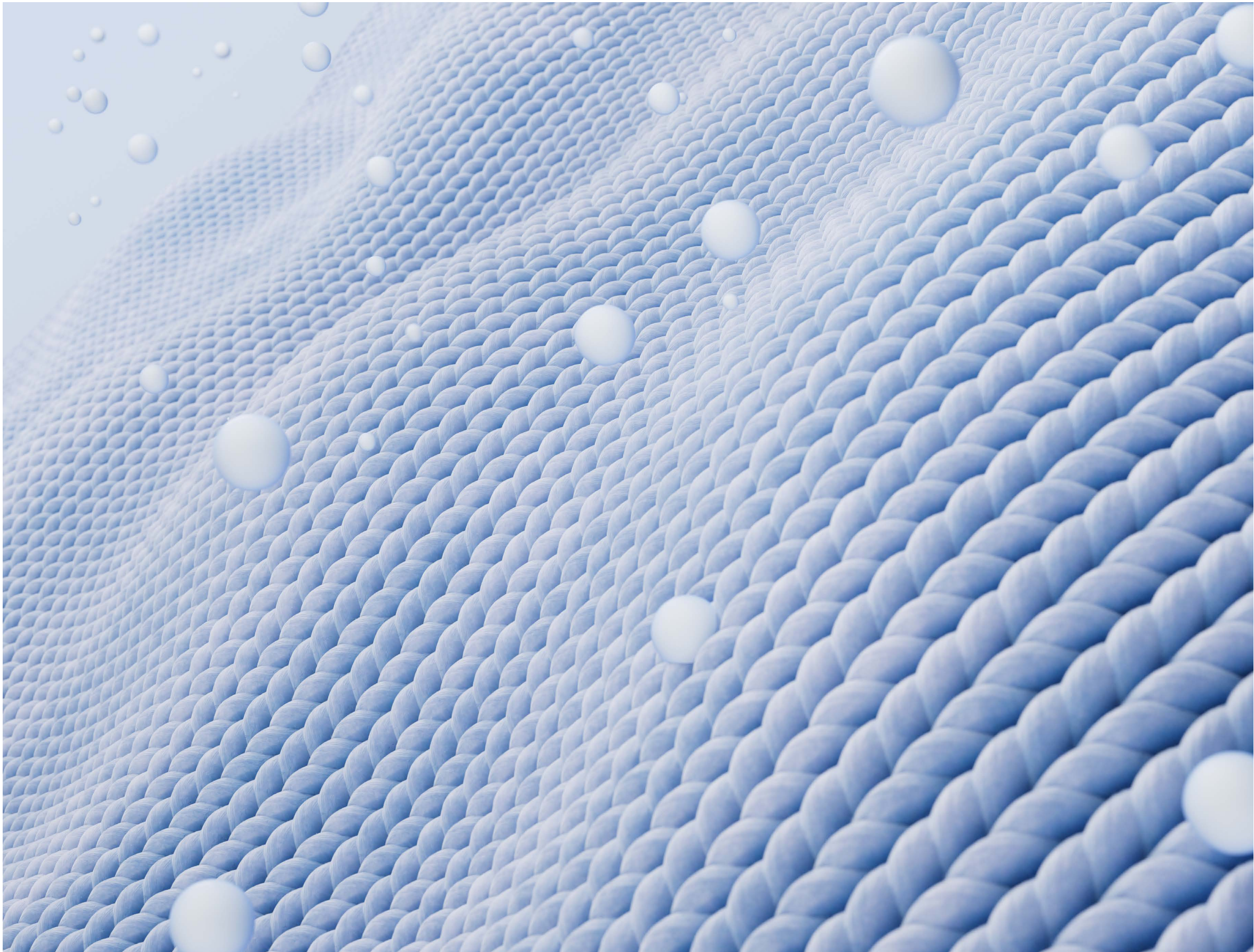
Technology partnerships is about using our expertise and resources to build up the sustainable innovation space. Primarily through our in-house research and development (“R&D”) team, our Exponent Envirotech business, and our qonvolv Ventures investment arm, we collaborate with like-minded organizations to develop new solutions to pressing problems.

Research Collaborations

In 2024, **we invested 1,227,145 USD** in research and development. This funding was directed towards enhancing our operations and product offerings, including the development of Indigo Recovery System this year (*see below, Suite of Sustainable Technologies: Key Technologies from Exponent Envirotech*), as well as fostering research collaborations with external partners. Our R&D team works closely with academic institutions and technology companies to drive innovation in the textile and apparel industry, focusing on critical issues such as water overconsumption and pollution.

Suite of Sustainable Technologies

Many ground-breaking technologies never leave the laboratory stage, let alone penetrate the market. Exponent Envirotech seeks to bridge this gap by developing emerging technology to reach a commercial scale and acquiring first-mover customers to create a new normal. In 2024, Exponent Envirotech’s suite of technologies saw the addition of Indigo Recovery System—a new water protection technology poised to revolutionize denim manufacturing.



Key Technologies from Exponent Envirotech:

Waterless

Waterless Dyeing

- ▶ Waterless Dyeing is a patented natural fiber dyeing technology which consists of a proprietary organic dyeing medium, a set of production control parameters and equipment, and an industrial system design that allows the medium to be fully recycled
- ▶ **0** water and salt input and output; **28%** reduction in GHG emissions, **30%** improvement in dyestuff fixation rate
- ▶ **5** brands using Waterless Dyeing



Water Protection

Salt Recovery System

- ▶ Salt Recovery System utilizes customized energy efficient filtration membranes to extract salt from wastewater for reuse in textile dyeing
- ▶ Capable of processing **300** tons of wastewater and harvesting **16** tons of salt per day
- ▶ **4** customers per Salt Recovery System



New

Water Protection

Indigo Recovery System

- ▶ Indigo Recovery System utilizes membrane separation technology and smart indigo detection devices to achieve indigo and water recycling, efficiently realizing the resource utilization of dyeing wastewater and reducing the difficulty of end-of-pipe treatment
- ▶ **95%** indigo and water recovery rate; nearly 0 wastewater discharge
- ▶ **2** customers for Indigo Recovery System

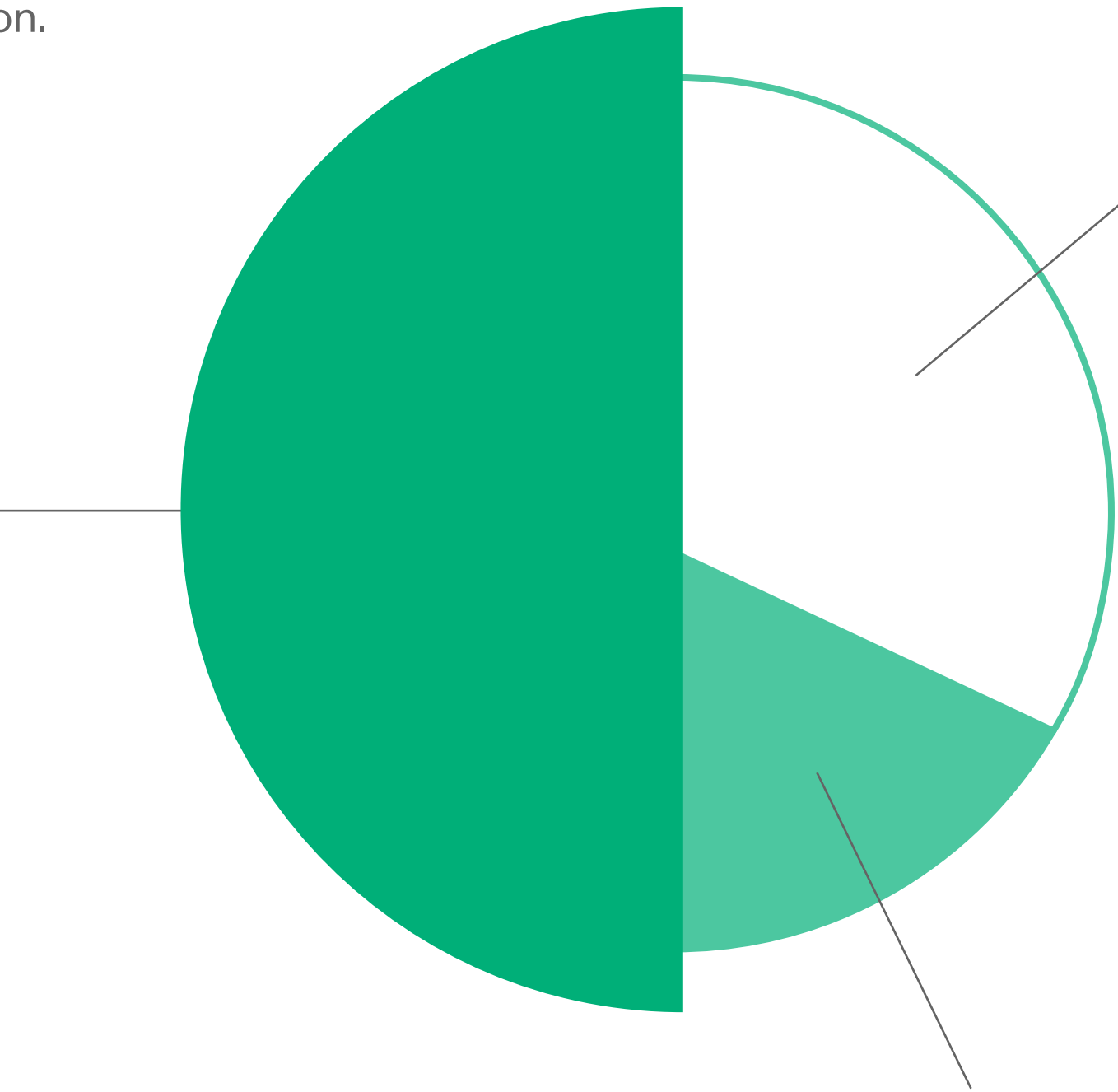


Investments

In 2024, **we invested 1,935,956 USD** in startups that aligned with our sustainability vision and core eight action areas, through qonvolv Ventures. Of this total, 50% of spending went to companies or projects that focused on circularity and waste management, whilst 35% went to ones focused on decarbonization.

50%

focused on circularity and waste management



35%

focused on decarbonization

15%

others

Investing in Ambercycle

A key partner we invest in, exemplifying our vision of “Defining the Status Quo for Tomorrow,” is Ambercycle. This innovative company utilizes cutting-edge molecular regeneration technology to transform end-of-life textiles into decarbonized, circular materials for brands, such as **textile-to-textile recycled polyester**. As part of our commitment to advancing circularity and improving waste management, we not only provide financial support, but also advisory on the business in our investor capacity. Additionally, we conduct product testing within our supply chain and actively facilitate the adoption of their technology in our operations, while also promoting it to our brand customers. By leveraging our expertise and resources, we are helping to accelerate the development and real-world implementation of Ambercycle’s technology with belief in its potential to revolutionize the textile industry.

SUPPLY CHAIN RESPONSIBILITY

Ensuring a responsible supply chain involves not only evaluating the sustainability practices of our partners but also considering the broader impact of our collaborations. Our procurement and sustainability teams diligently assess and support our suppliers, while also considering factors such as local sourcing, which affect our sustainability performance.

Supplier Management

Recognizing that the environmental and social impact of our products is deeply intertwined with the practices of the entire supply chain, we are intentional in our selection of new partners. At the pre-contractual stage, all potential suppliers are required to sign a supplier commitment, which mirrors our group-level code of conduct, covering topics such as the prohibition of forced labor and the right to fair compensation. Suppliers also undergo an initial compliance screening which screens for environmental violations, among other indicators of value misalignment. Understanding that businesses and their priorities may change

over time, we maintain regular communication throughout the course of partnership and assess our suppliers annually— reviewing considerations like their environmental performance.

Prioritizing Local



In 2024, **72%** of our total procurement budget was spent on local suppliers.

We prioritize sourcing locally because it offers strategic and social benefits that align with our values. By reducing transportation-related emissions, a significant proportion of which comes from the transfer and logistics of raw materials and goods in progress, we are able to minimize our environmental impact. Furthermore, investing in nearby businesses enhances the economic vitality of the regions where we operate, fostering community growth and sustainability. This commitment not only supports our goals but also strengthens our connection to the local economy.



COMMUNITY ENGAGEMENT

A key focus of our community engagements is education for change. Under the belief that a better future requires raising awareness for behavioral changes of the current generation and for capacity building of future generations, our brands work with strategic partners to improve sustainability knowledge and understanding across communities we operate in.

Cultivating the Next Generation

The children of today are the workforce of tomorrow. As such, we recognize the importance of providing a full and holistic education to our youth. In particular, we connect with academic institutions to supplement primary education with practical career development and sustainability knowledge.

Sustainable Fashion Programs

In 2024, through our key community outreach partner, the Y.L. Yang Foundation, DETERMINANT collaborated with the Bloom Academy and Diocesan Girls’ Junior School (DGJS) to develop sustainable fashion programs for the respective institutions. With the latter, which garnered the participation of **302 students**, our brand raised students’ awareness of the United Nations Sustainable Development Goals (UNSDGs) and shared on the relevance of sustainability in the apparel industry, as well as how it can be achieved in that context. We also supported students in simulating the creation of their own sustainable brands by donating cartons of clothes and accessories and arranging retail store visits.



Career Development

In the summer months, DETERMINANT also collaborated on Life Threads, an empowerment seminar for students nearing their transition into the workforce, and the Tailored Talent Program, designed to cultivate real-world business capabilities, particularly in AI-driven marketing and sales.

Partnering with our digital solutions business unit, Symmpix; mental health charity, MindHK; the Hong Kong Association of Careers Masters and Guidance Masters (HKACMGM); and McKinsey & Company’s non-profit, Generation; the Life Threads seminar equipped participants with knowledge and practical skills in mental health management, career planning, and interview strategies. DETERMINANT also offered **1,000 dress shirts** with a three-year replacement guarantee to support students as they step into the workforce.

As for the Tailored Talent Program, students were given the opportunity to use AI tools to design sustainability-themed T-shirt graphics at the DETERMINANT pop-up store, as well as take on the role of “shop manager” for a day. This allowed students to directly engage consumers in-store, further enhancing their commercial and entrepreneurial skills in preparation for the future.

Consumer Education

All stakeholders have a role to play in achieving sustainability. For consumers, a key responsibility is using their purchasing power to drive market demand for, and consequently supply of, sustainable products and services. However, this also requires the support of governments, institutions, and producers to educate consumers on the importance of sustainability, incentivize purchase, and put product options on the market.

Natural Dye Campaign

As a company, Tessellation advances natural dye innovation by reintroducing traditional plant-based dyeing methods into a modern, scalable, and traceable production system. In 2024, our brands Determinant and PYE, launched natural dye campaigns to raise consumer awareness on the ecological benefits of embracing plant-based dyes-- which includes significantly reduced chemical discharge and enhanced biodegradability across the product lifecycle. Both brands employed social media campaigns, influencer collaborations, and behind-the-scenes livestream content to demystify natural dye processes and amplify consumer understanding of sustainable coloration.

In addition, DETERMINANT hosted a series of hands-on tie-dye workshops in its retail locations, inviting the public to experience the craftsmanship behind natural dyes. These events connected urban consumers with traditional techniques and fostered appreciation for slower, low-impact production. The initiative represents a convergence of material innovation, cultural preservation, and sustainability storytelling—redefining color not only as a design choice, but as a platform for environmental and social dialogue.



GRI INDEX

Tessellation Group has reported the information cited in this GRI content index for the period 1 January to 31 December 2024 with reference to the GRI Standards. GRI 1: Foundation 2021 has been used when compiling this report.

Disclosure	Section or remarks
GRI 2: General Disclosures 2021	
2-1 Organizational details	About Tessellation Group
2-2 Entities included in the organization’s sustainability reporting	About Tessellation Group
2-3 Reporting period, frequency and contact point	About This Report
2-4 Restatements of information	None
2-5 External assurance	This report is not externally assured.
2-6 Activities, value chain and other business relationships	About Tessellation Group
2-7 Employees	Individuals
2-8 Workers who are not employees	None. All our workers are our employees.
2-9 Governance structure and composition	Sustainability Governance
2-10 Nomination and selection of the highest governance body	N/A. We are a private company.
2-11 Chair of the highest governance body	N/A. We are a private company.
2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance
2-13 Delegation of responsibility for managing impacts	Sustainability Governance
2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance Delegated by the Board, the Sustainability Council is responsible for reviewing and approving the reported information.
2-15 Conflicts of interest	N/A. We are a private company.
2-16 Communication of critical concerns	No critical concerns were reported during the Reporting Period.
2-17 Collective knowledge of the highest governance body	Sustainability-related information is regularly communicated to the Board through the Sustainability Council.
2-18 Evaluation of the performance of the highest governance body	N/A. We are a private company.

Disclosure	Section or remarks
2-19 Remuneration policies	N/A. We are a private company.
2-20 Process to determine remuneration	N/A. We are a private company.
2-21 Annual total compensation ratio	N/A. We are a private company.
2-22 Statement on sustainable development strategy	Message from CEO
2-23 Policy commitments	Sustainability Governance Individuals Planet Ecosystems
2-24 Embedding policy commitments	Sustainability Governance Individuals Planet Ecosystems
2-25 Processes to remediate negative impacts	Sustainability Governance Individuals Planet Ecosystems
2-26 Mechanisms for seeking advice and raising concerns	Stakeholder Engagement Sustainability Governance - Grievance Mechanism and Non-Retaliation
2-27 Compliance with laws and regulations	No significant instances of non-compliance with laws and regulations were incurred during 2024.
2-28 Membership associations	Sustainability Recognitions Engagements
2-29 Approach to stakeholder engagement	Stakeholder Engagement
2-30 Collective bargaining agreements	Individuals – Workforce Resilience
GRI 3: Material Topics 2021	
3-1 Process to determine material topics	Stakeholder Engagement

Disclosure	Section or remarks
3-2 List of material topics	Stakeholder Engagement
3-3 Management of material topics	Stakeholder Engagement Sustainability Framework Individuals Planet Ecosystems
GRI 205: Anti-corruption 2016	
205-1 Operations assessed for risks related to corruption	Sustainability Governance – Anti Corruption
205-2 Communication and training about anti-corruption policies and procedures	Sustainability Governance – Anti Corruption
205-3 Confirmed incidents of corruption and actions taken	Sustainability Governance – Anti Corruption
GRI 302: Energy 2016	
302-1 Energy consumption within the organization	Planet – Decarbonization
302-3 Energy intensity	Planet – Decarbonization
GRI 303: Water and Effluents 2018	
303-1 Interactions with water as a shared resource	Planet – Water Stewardship
303-2 Management of water discharge-related impacts	Planet – Water Stewardship
303-5 Water consumption	Planet – Water Stewardship
GRI 305: Emissions 2016	
305-1 Direct (Scope 1) GHG emissions	Planet – Decarbonization
305-2 Energy indirect (Scope 2) GHG emissions	Planet – Decarbonization
305-4 GHG emissions intensity	Planet – Decarbonization
GRI 306: Waste 2020	
306-1 Waste generation and significant waste-related impacts	Planet – Circularity & Waste Management

Disclosure	Section or remarks
306-2 Management of significant waste-related impacts	Planet – Circularity & Waste Management
306-3 Waste generated	Planet – Circularity & Waste Management
306-4 Waste diverted from disposal	Planet – Circularity & Waste Management
306-5 Waste directed to disposal	Planet – Circularity & Waste Management
GRI 401: Employment 2016	
401-1 New employee hires and employee turnover	Individuals – Workforce Resilience
GRI 403: Occupational Health and Safety 2018	
403-1 Occupational health and safety management system	Individuals – Well-being
403-2 Hazard identification, risk assessment, and incident investigation	Individuals – Well-being
403-3 Occupational health services	Individuals – Well-being
403-4 Worker participation, consultation, and communication on occupational health and safety	Individuals – Well-being
403-5 Worker training on occupational health and safety	Individuals – Well-being
403-6 Promotion of worker health	Individuals – Well-being
403-9 Work-related injuries	Individuals – Well-being
GRI 404: Training and Education 2016	
404-1 Average hours of training per year per employee	Individuals – Workforce Resilience
404-2 Programs for upgrading employee skills and transition assistance programs	Individuals – Workforce Resilience
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	Individuals – Workforce Resilience
405-2 Ratio of basic salary and remuneration of women to men	Individuals – Workforce Resilience

Disclosure	Section or remarks
GRI 406: Non-discrimination 2016	
406-1 Incidents of discrimination and corrective actions taken	Individuals – Workforce Resilience
GRI 408: Child Labor 2016	
408-1 Operations and suppliers at significant risk for incidents of child labor	Individuals – Workforce Resilience
GRI 409: Forced or Compulsory Labor 2016	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Individuals – Workforce Resilience
GRI 416: Customer Health and Safety 2016	
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No such incidents occurred in 2024.
GRI 418: Customer Privacy 2016	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Governance – Data Governance

An aerial photograph of a coastal landscape, showing a mix of dark, textured land and lighter, sandy areas. A large, solid blue triangle is overlaid on the right side of the image, pointing towards the top left. The company name and logo are positioned within this blue area.

Tessellation

www.tessellation.group