

Sustainability Report

2023/2024

For the period covering **01 Jan 2023 - 31 Dec 2024**



TEOGarments Corporation Pte. Ltd.

Corporate Registration Number:

200007611D

Address of Principal Executive Office:

**15 SHAW ROAD #01-01 TEO INDUSTRIAL
BUILDING SINGAPORE (367953)**

State of Jurisdiction of Incorporation



Singapore

Fiscal Year Ending

December

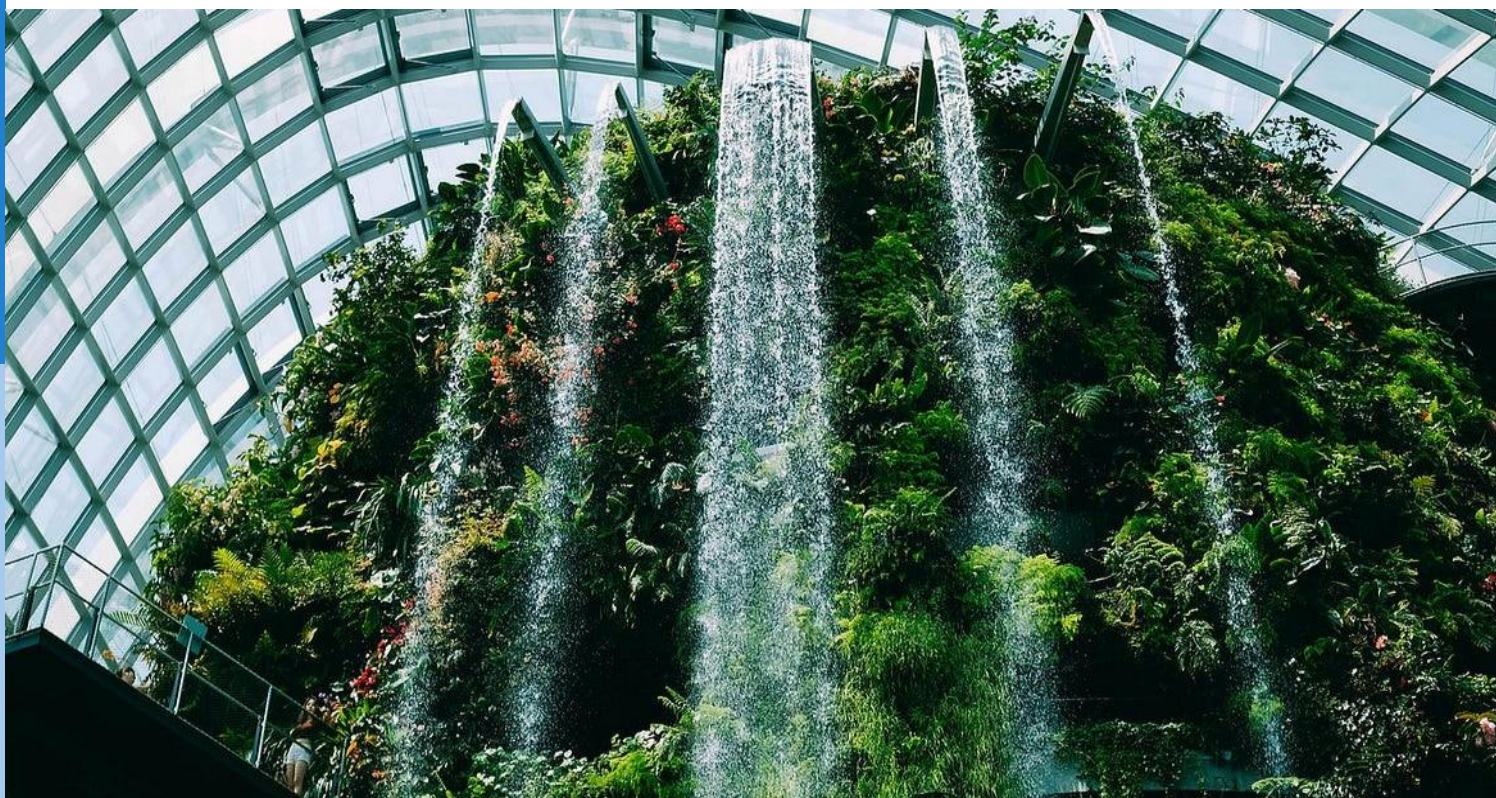


Table of Contents

4	<u>Managing Director Statement</u>
5	<u>About this Report</u>
7	<u>About TEOGarments</u>
8	<u>Our Core Values</u>
9	<u>Mission and Vision</u>
10	<u>Corporate Profile and Core Business</u>
11	<u>Our Business Locations</u>
12	<u>Our Value Chain</u>
13	<u>Sustainability Certificates</u>
16	<u>Memberships</u>
20	<u>Energy and Resource Efficiency Initiatives (2023)</u>
22	<u>Towards a Low-Carbon Energy Mix (Manufacturing Sites)</u>
24	<u>Renewable Electricity and Carbon Neutrality Initiatives</u>
25	<u>Policy Commitments</u>
26	<u>Supply Chain Practices</u>
27	<u>Stakeholder Engagement</u>
29	<u>Sustainability Governance Structure</u>
31	<u>Material topics</u>
33	<u>Key ESG Metrics</u>
34	<u>Environmental Metrics</u>
	<ul style="list-style-type: none"> • Climate-related Data • GHG Emissions
	<u>Social Metrics</u>
45	<ul style="list-style-type: none"> • Diversity and Equal Opportunity • Employment • Occupational Health & Safety • Training and Education
50	<u>Governance Metrics</u>
	<ul style="list-style-type: none"> • Anti-Corruption
51	<u>GRI Content Index</u>
54	<u>Contact Us</u>

Managing Director Statement

I am filled with a profound sense of responsibility and hope as I present our third sustainability report. This report encapsulates the strides we made in FY 2023 & 2024—not merely as a record of actions, but as a reaffirmation of our enduring commitment to the Environment, Sustainability, and Governance (“ESG”) framework that continues to guide our journey.

This past year, we made meaningful progress in our environmental agenda. Our Higg Facility Environmental Module (FEM) results reflect steady advancement across our operations. The Higg FEM is a global industry tool that measures a factory’s environmental management and performance—from energy and water use to waste and chemical management. While two of our seven factories experienced a modest four-point decline in 2024, the remaining five achieved notable improvements, underscoring our collective progress toward stronger environmental practices.

In parallel, we deepened our commitment through the B Corp certification journey, a rigorous assessment of a company’s impact on governance, workers, community, and the environment. This global standard challenges us to go beyond compliance and continuously improve how we operate responsibly. We also attained OCS certification, expanding our portfolio alongside GOTS, GRS, and RCS certifications. Collectively, these standards strengthen our ability to offer materials that are organic, recycled, and responsibly sourced—providing our customers with greater assurance of the integrity and sustainability of our products.

Closer to home, under the LowCarbonSG programme, we achieved a 2.5%–5% absolute emissions reduction using the CERT tool, marking an important step toward Singapore’s low-carbon transition. To further enhance transparency, we adopted ESGpedia, a digital platform that helps consolidate and track ESG data, supporting better accountability across our supply chain. Yet our mission extends beyond environmental performance. At the heart of our operations lies a deep-seated respect for people. We continue to confront the complex challenges of labour rights and ethical practices across our supply chain with resolve and compassion. These are not merely risks to mitigate—but opportunities to lead with purpose.

Our Sustainability Committee remains instrumental in weaving these priorities into the fabric of our business. Through this report, we mark our progress against short-, medium-, and long-term KPIs, while reaffirming our alignment with the United Nations Sustainable Development Goals—from decent work and economic growth (SDG 8), to industry, innovation, and infrastructure (SDG 9), and beyond. As we look ahead, we remain steadfast in our vision to build a supply chain defined by transparency, equity, and sustainability. Together, we continue sewing a legacy—one that uplifts every garment, every life, and every community we touch.

Wilson Teo

Managing Director
TEOGarments Corporation

About this Report

This report covers **TEOGarments Corporation Pte Ltd's and its Joint Venture Facilities'** sustainability performance from **01 Jan 2023 to 31 Dec 2024**.

Reporting Frameworks

(GRI 2-3)



The report was meticulously crafted with reference to the Global Reporting Initiative (GRI) standard, ensuring comprehensive coverage and alignment with internationally recognized sustainability reporting practices.



GREENHOUSE
GAS PROTOCOL

Our carbon accounting processes are aligned with the GHG Protocol methodology, ensuring a comprehensive, transparent, and standardized disclosure of our environmental impact. Carbon emissions were calculated on ESGpedia, an ESG software used for Environmental, Social, and Governance reporting.

External Assurance

(GRI 2-5)

No external assurance was conducted for this sustainability report.

Feedback

We welcome feedback from our stakeholders to help us further our sustainability journey. Or, if you would like to learn more about our ESG initiatives, please contact:

TEOGarments Corporation Pte Ltd

✉ Contact: sustainability@teogmts.com

📍 Address: 15 Shaw Road #01-01 Singapore 367953

About this Report

Reporting Scope

This report focuses on sustainability topics of selected business segments, including trading offices, garment manufacturing, and fabric mill operations, for the years 2023 and 2024.

	2023	2024
Trading Offices	TEOGarments Corporation Pte Ltd	
Garment Factories	Zhangjiagang Dongdu TEOGarment Co., Ltd	
	Jiangsu Tianhai Garment Co., Ltd	
	Jiangsu Dongzhou Garment Co., Ltd	
	Dongdu Textile (Cambodia) Co., Ltd	
	Pacific Apparel Co., Ltd	
	Jiangsu Dongdu Textile Group Co., Ltd	
Fabric Mill	Jiangsu Dongyuan Textile Technology Industry Co., Ltd	

Throughout this report, 'the Group' refers to all entities and facilities covered within the defined reporting scope.

Feedback

We welcome feedback from our stakeholders to help us further our sustainability journey. Or, if you would like to learn more about our ESG initiatives, please contact:

TEOGarments Corporation Pte Ltd

✉ Contact: sustainability@teogmts.com

📍 Address: 15 Shaw Road #01-01 Singapore 367953

About TEOGarments



As a trusted partner of more than 40 years, we work with brand-owners, specialty retailers, and department stores from all over the world to provide our valued customers with innovative, high-quality products at competitive prices and with optimal lead times within our global manufacturing facilities. We prioritise adding value and fostering collaboration with our partners to achieve shared goals and aspirations.

Our diverse portfolio encompasses speciality infant and children's wear, fashionable women's clothing, and active wear for men. This robust range is further bolstered by our extensive Asian business network, including factories in Vietnam and manufacturing partners in India and other regions of Asia. As a vertically-integrated apparel manufacturer specialising in quality cut-and-sew knitwear, our manufacturing facilities are equipped with in-house capabilities for knitting, dyeing, embroidery, and printing as well as garment washing.

At TEOGarments, we are a united team spanning across Asia in Singapore, China, Cambodia, Hong Kong SAR, Vietnam, Bangladesh, and India. Supported by our robust marketing channels in Singapore and Hong Kong, our key export markets include the US, Canada, Australia, and Japan. Committed to growth, we constantly upgrade and develop our people, ensuring we stay at the forefront of the industry. We take pride in our diverse yet unified family, dedicated to bringing excellence to the world of apparel manufacturing.

Headquarters

**Regional
presence in:**



Singapore



China



Hong Kong



Vietnam



India

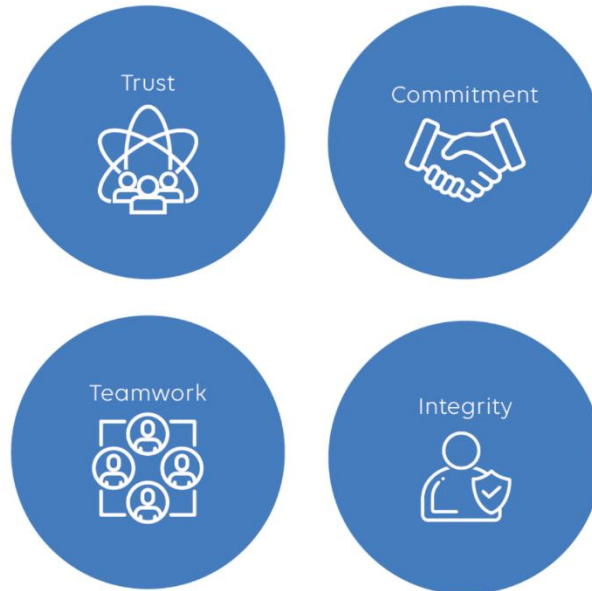


Cambodia



Bangladesh

Our Core Values



Integrity drives us to deliver promises to all different groups of stakeholders including staff, partners and customers, while achieving our purpose with high level of credibility.

Trust makes us a reliable partner based on which our good reputation has been built over the years. Trust means all staff and management shall exercise high standards of conduct to earn trust internally and externally.

Teamwork enables us to achieve common goals and causes. Teamwork means coordinated efforts in solving problems efficiently. Teamwork means constant efforts to train one another to enhance effectiveness of the team as a whole.

Commitment enables us to be the leading parent-child garment company. Commitment means each of us is committed to continuously enhancing the quality of parent and child bonding through our technical expertise and lifestyle insights.

Mission and Vision



VISION

To become the leading supply chain solutions partner in Asia of global apparel champions, known for our innovative spirit and integrity.

MISSION

To manufacture and source apparel for the world, with an unwavering commitment in social responsibility, environmental sustainability and transparency.

SUSTAINABILITY VISION

To be the most responsible apparel Company with a supply chain network which drives for positive impact on our environment and community for all our stakeholders.

SUSTAINABILITY MISSION

To build and manage a global supply chain with an unwavering commitment in social responsibility, environmental sustainability and transparency.

Corporate Profile and Core Business

Our Facilities

Delivering top-quality products is TEOGarments' commitment to our customers. As a fully vertically integrated business partner, we work closely with our customers, striving to add value and achieve shared goals and aspirations together. This is accomplished through stringent internal quality control within our manufacturing plants, with dedicated independent QA officers monitoring quality standards at every production stage.

We manage more than 10 manufacturing facilities within our network. Manufacturing facilities under the TEOGarments group are engineered based on global benchmarked standards. Our impressive suite of apparel solutions is regularly demanded for and highly regarded by many internationally renowned retail brands and clothing labels. With textile and garment production facilities in Asia, we recognise the importance of meeting new sustainability standards and environmental compliance.

We constantly look for ways to accelerate our sustainability implementations and explore new technologies in energy conservation and industrial waste reduction. Environmental protection and recycling continue to be important priorities for the Company. Our network of factories in Asia is based in China, Cambodia, and Vietnam, along with our outsourced manufacturing partners in India. In China, we have a vertically integrated setup consisting of a fabric mill with knitting, dyeing, and finishing capabilities, and four cut-and-sew factories with printing and embroidery facilities.



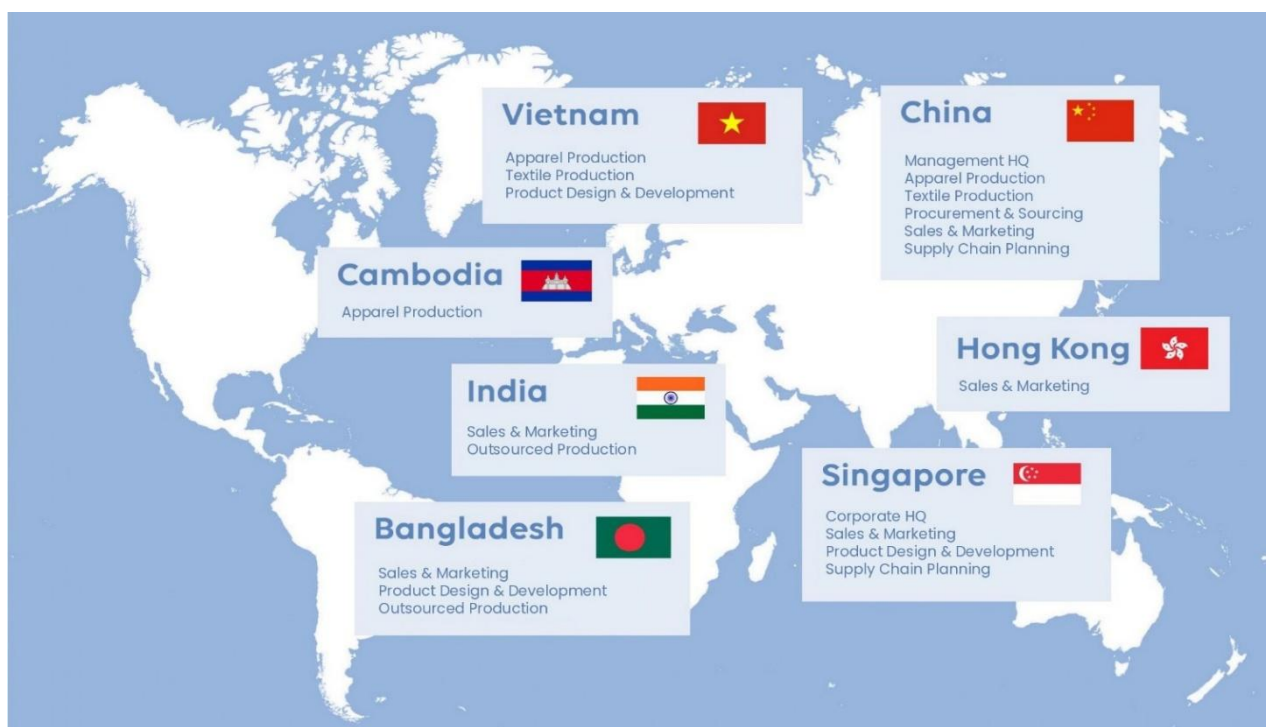
Our Business Locations

We have our corporate headquarters in Singapore where our core leadership group sits. Our management leads the team to focus on key functions like business development, customer engagement, partnership development as well as strategic priorities in innovation and sustainability.

Besides our manufacturing facilities across Asia, we have 4 other representative offices strategically set up in Hong Kong, India, Vietnam, and Bangladesh. Our Hong Kong and India teams support sales, customer service and account management.

Another important function is our product design and development, handled by our team in Singapore and Hong Kong. They conduct market research and intelligence by analysing design ideas globally and picking up the latest trends and innovations. Leveraging data analytics, our designers gather insights to produce exciting apparel concepts or designs so that we can value-add to our brand partners in their product creation.

With a presence on the ground in Vietnam, our teams in Ho Chin Minh City and Nam Dinh are able to work more closely with our customers, factory partners, suppliers and contractors. Together we collaboratively develop and execute our sustainability strategies and plans, supporting them with our knowledge and resources. We encourage best practices in waste management, implementations of renewable energy and elimination of coal as part of our group's sustainability goals.



Our Value Chain



TEOGarments seamlessly integrates with our customers' businesses, serving as a natural extension of their operations throughout the entire apparel supply chain. With expertise in conceptualisation, product development, design, materials sourcing, production, and fulfilment, we offer comprehensive end-to-end solutions.

Our integrated network of factories, coupled with data, digitalisation and technology applications in the value chain, empowers us to bring our customers' ideas to life effortlessly.

Sustainability Certificates

Environment:

- ISO 14001 Environment Management System
- ZDHC (Zero Discharge of Hazardous Chemicals)
- Bhive (Digital Chemical Management Platform)
- Higg FEM (Facility Management Module)
- BCI (Better Cotton Initiative)

ISO Certifications:

- ISO 9001: 2015 Quality Management System
- ISO 14001: 2015 Environmental Management System
- ISO 45001: 2018 Occupational Health and Safety Management System
- ISO 50001: 2018 Energy Management System

Social:

- Higg FSLM (Facility Social Labour Module)
- WRAP (Worldwide Responsible Accredited Production)
- ILO & IFC Better Work
- amfori BSCI (Business Social Compliance Initiative)
- Sedex-SMETA (Social and Ethical Trade Audit)
- GSV (Global Security Verification)
- SCAN (Supplier Compliance Audit Network)

Social and Environmental:

- GOTS (Global Organic Textile Standard)
- GRS (Global Recycled Standard)
- OCS (Organic Content Standard)

Quality

- STANDARD 100 by OEKO-TEX (Label for textiles tested for harmful substances)

Sustainability Certificates



Certified by Control Union
License No.: 1123762

Ø ZDHC



Certified by Control Union
License No.: 1123762



Organic Certified by
Control Union - 1123762



We have identified key material ESG issues for the company. We recognise energy consumption, solid waste, water use and materials use as important and direct environmental impacts of our operations in a complex supply chain. The topics we had identified under the social pillar are equally important, as our factories employ thousands of workers across the region.

With textile and garment production facilities in Asia, we recognise the importance of being in line with expectations to meet new sustainability standards and environmental compliance.

We are constantly looking at ways to accelerate the pace of our sustainability implementations and explore new technologies in energy conservation as well as industrial output reduction. Environmental protection and recycling remain a key focus in the company.

Sustainability Certificates



TEOGarments group's manufacturing facilities adhere to global benchmarks and industry best practices. Each facility undergoes rigorous audits and certification processes to ensure compliance with the highest social and security standards.

To achieve this, we enforce stringent internal quality assurance and control measures within our manufacturing plants. Additionally, our QA system and dedicated team of independent quality officers ensure continuous monitoring of quality standards throughout every stage of production.

In pursuit of excellence, we collaborate with diverse platform partners to leverage digital tools that enhance supply chain visibility, streamline compliance management, and facilitate continuous monitoring and measurement of quality.

Memberships and Industry Initiative Engagements

Within the reporting scope, certain entities of the Group participate in sustainability-related industry initiatives and associations. These memberships and engagements support responsible production practices, enhance supply chain sustainability, and contribute to improved environmental and social performance across the textile value chain.

Better Cotton

Better Cotton is a global initiative that promotes more sustainable cotton production by driving improvements in environmental stewardship, social conditions, and economic resilience at the farm level. Through its network of implementing partners, Better Cotton supports farmers in using water more efficiently, maintaining soil health and natural habitats, reducing the use of the most harmful crop protection practices, and respecting workers' rights and well-being.



Jiangsu Dongyuan (fabric mill) is a registered supply chain facility on the Better Cotton Platform (BCP). Through this participation in the Better Cotton Initiative (BCI), we support more sustainable cotton production and responsible sourcing practices within our supply chain, thereby contributing to improved environmental and social outcomes in cotton farming communities.

In 2024, BCI products* accounted for **27.6%** of the Company's total revenue from products sold. We aim to progressively increase the proportion of BCI products, in line with the Group's broader commitment to promoting sustainability across the textile value chain.



*BCI products refer to products for which cotton fibre has been sourced through the Better Cotton Chain of Custody system, with the proportion of Better Cotton content exceeding 50%.

Memberships and Industry Initiative Engagements

Textile Exchange

Textile Exchange is a global non-profit organisation that works to drive positive environmental and social impacts in the textile and apparel industry. It promotes the adoption of preferred fibres and materials through industry standards, data-driven benchmarking, and collaboration across the global textile value chain. Key standards administered by Textile Exchange include the Global Recycled Standard (GRS), Organic Content Standard (OCS), and Recycled Claim Standard (RCS), which support responsible sourcing, traceability, and transparency.



Across the Group, our manufacturers, fabric mill, as well as trading office, are registered with Textile Exchange and hold relevant certifications under GRS, OCS, and/or RCS. These certifications enable us to offer products that meet recognised international standards for recycled and organic material content, while strengthening supply chain traceability and credibility.

In 2024, GRS products* represented **29.4%** of the Company's total revenue from products sold. We will continue to expand the adoption of Textile Exchange standards across our operations, supporting responsible material sourcing and enhanced sustainability practices throughout the textile value chain.



*GRS products refer to products labelled under the Global Recycled Standard and verified through valid Transaction Certificates (TCs).

Memberships and Industry Initiative Engagements

Zhangjiagang Environmental Protection Association

The Zhangjiagang Environmental Protection Association is a local non-profit organisation focused on promoting biodiversity conservation, ecological protection, and pollution reduction within the region.

Jiangsu Dongyuan (fabric mill) has been an active member of the association since 2023 and participates in local environmental protection initiatives. Through this membership, the Group strengthens its engagement with the local community, supports regional environmental improvement efforts, and reinforces its commitment to environmental responsibility and sustainable development.



Singapore Fashion Council

The Singapore Fashion Council (SFC) is the official industry association representing the textile and fashion sector in Singapore. Guided by its vision to become a Vibrant Asian Hub for Responsible Fashion, SFC focuses on four strategic pillars—Sustainability, Innovation & Technology, Internationalisation, and Retail—and works collaboratively with stakeholders across the value chain to drive responsible and sustainable industry development.

TEOGarments is an active member of the SFC. Through this membership, the Group engages with industry peers, participates in knowledge-sharing and collaborative initiatives, and stays informed of emerging trends and best practices related to responsible fashion and sustainable textile production. This engagement supports the Group's ongoing efforts to strengthen its sustainability practices and align with evolving industry expectations.



Memberships and Industry Initiative Engagements

National Volunteer & Philanthropy Centre (NVPC) – Company of Good

The National Volunteer & Philanthropy Centre (NVPC) is a Singapore-based organisation that promotes corporate purpose and social impact through its Company of Good (COG) framework, which encourages organisations to integrate responsible business practices across governance, people, society, and environmental dimensions.



The parent company of the Group's trading entity, **TEO Holdings**, has joined the NVPC Company of Good framework. Through this participation, we gain access to shared resources, peer learning opportunities, and the exchange of best practices in corporate responsibility with like-minded organisations. This engagement supports our efforts to strengthen our understanding of effective responsible business practices and to better support local community initiatives in Singapore.

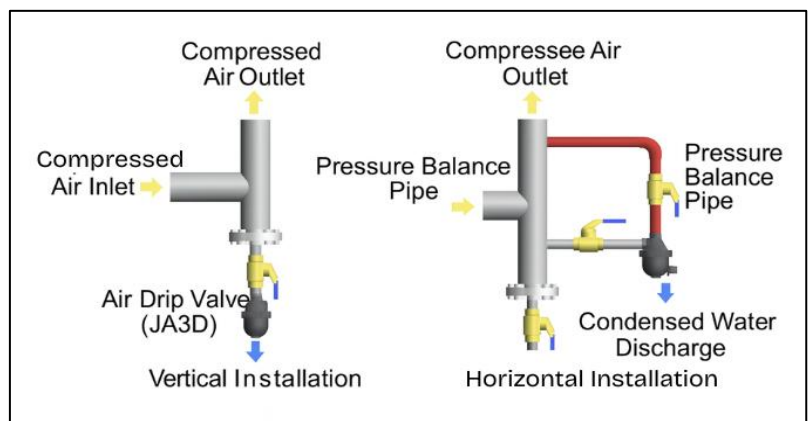


Energy and Resource Efficiency Initiatives (2023)

In 2023, Jiangsu Dongyuan fabric mill advanced its environmental performance through a series of targeted efficiency initiatives.

The facility optimised its compressed air system by converting the distribution network to a looped design, lowering compressor pressure settings, and introducing energy-saving automatic drain valves for condensate discharge. A formal leakage detection and management program was also established, embedding lasting efficiency improvements. These measures collectively reduced electricity consumption by an estimated **43,620 kWh per year**.





Water and steam conservation were another priority. A systematic inspection and maintenance program was introduced to minimise leaks in pipelines and valves, improving system reliability and reducing unnecessary freshwater withdrawal. This initiative is expected to save about **172.5 cubic meters of water per year**.



Energy and Resource Efficiency Initiatives (2023)

Equally important, the facility enhanced process efficiency to reduce waste and energy consumption. By increasing first-pass production success rates—through closer alignment of laboratory trials and large-scale production, tighter raw material quality control, and improved operation of automated dye and chemical delivery systems—the need for rework was minimised. In addition, the installation of a central control system for dyeing machines reinforced process stability and efficiency. Together, these measures are projected to save around **32,623 cubic meters of water** and **276,680 kWh of electricity annually**.

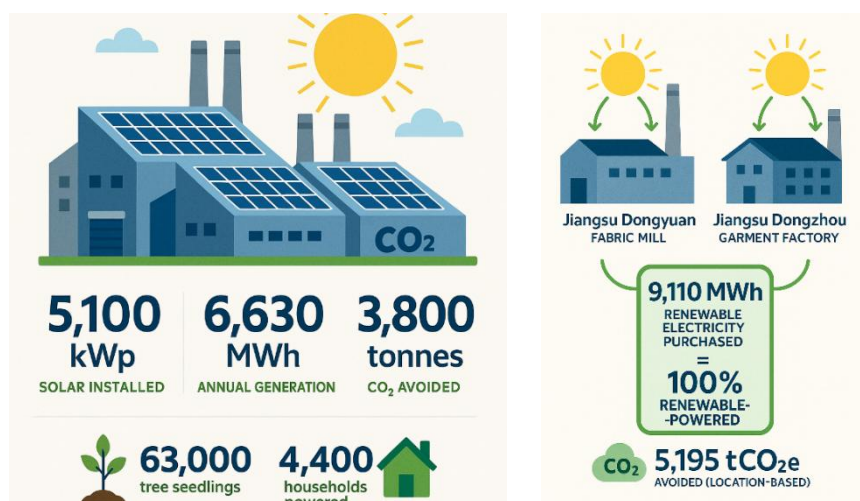
Collectively, these initiatives have delivered substantial resource efficiency gains, amounting to total estimated savings of **320,300 kWh of electricity (representing a 3% reduction in overall energy consumption)** and **32,796 cubic meters of water (equivalent to a 5% reduction in water use)** annually. These results highlight our commitment to reducing environmental impact while strengthening the long-term resilience of our manufacturing operations.

Key Metric	Results
 Electricity Saved	320,300 kWh/Year
 Water Saved	32,796 m³/Year
 First-Pass Success Improvement	Higher Yield, Less Rework
 Leakage Reduction	Compressed Air & Pipeline System Optimised

Towards a Low-Carbon Energy Mix (Manufacturing Sites)

Renewable Energy Transition

In 2023, we strengthened our commitment to renewable energy by expanding both on-site solar photovoltaic (PV) installations and renewable electricity sourcing. By year-end, three of our sites had installed a combined **5,100 kWp** of rooftop PV, expected to generate **6,630 MWh of clean electricity per year**¹, possibly avoiding approximately **3,800 tonnes of CO₂ emissions annually**² - equivalent to the carbon absorbed by **more than 63,000 tree seedlings grown for 10 years**³ or the annual electricity use of over **4,400 households**⁴.



In addition, two of our key operations—**Jiangsu Dongyuan** (fabric mill) and **Jiangsu Dongzhou** (garment factory)—sourced **9,110 MWh** of International Renewable Energy Certificates (I-RECs), enabling them to operate with **100% renewable electricity** (market-based). Under the location-based method, this electricity use would equal about **5,195 tCO₂e** with the same grid factor².



¹ Solar generation assumption: 1,300 kWh/kWp-yr is from IEA PVPS national reports for China (represents typical range; actuals may vary by system design, orientation, and O&M).

[National Survey Report of PV Power Applications in COUNTRY](#)

² Grid factor: 0.5703 tCO₂/MWh is China's 2022 unified grid emission factor (MEE).

[MEE released Notice on the Management of GHG Emissions Reporting for Power Generation Sector from 2023 to 2025 - Sino-German Cooperation on Climate Change](#)

³ Tree equivalence: EPA methodology assumes ~0.060 tCO₂ per tree seedling grown for 10 years; seedlings = tCO₂ ÷ 0.060.

[Greenhouse Gas Equivalencies Calculator - Calculations and References | US EPA](#)

⁴ Average household electricity usage of 1,200–1,800 kWh/year in China, use the median 1,500 kWh/year to calculate.

[How Many kWh Does A House Use? - Delong Energy](#)

Towards a Low-Carbon Energy Mix (Manufacturing Sites)

Energy Mix Transition

Alongside our renewable electricity progress, we have also completed the transition away from coal across all facilities. Our operations now rely on a cleaner energy mix of steam, natural gas, and responsibly sourced biomass (wood) for thermal needs. This shift not only eliminates coal-related emissions but also reduces our direct carbon footprint and improves local air quality. It represents a key milestone in our journey to phase out high-carbon fuels and accelerate toward a low-carbon energy system.

Looking Ahead (2024 and beyond)

In 2024, we aim to expand our rooftop PV investment further by installing an additional system at another garment factory – Jiangsu Tianhai. With this addition, **all of our facilities in China will be able to consume on-site generated solar electricity**, marking an important milestone in our renewable energy journey. Building on this momentum, we will continue to increase the share of solar power in our electricity mix and explore further opportunities to scale up renewable energy use across our global operations.



Renewable Electricity and Carbon Neutrality (Global Trading Offices)

In 2024, we extended our decarbonisation efforts beyond manufacturing operations to include our global trading offices. To achieve renewable electricity coverage and strengthen our alignment with international decarbonisation commitments, TEOGarments signed contracts for **Energy Attribute Certificates (EACs)** equivalent to 100% of the electricity consumption of our trading offices in their respective regions. These EACs, sourced from verified local renewable energy projects, ensure that office electricity consumption is matched by an equivalent amount of renewable generation, supporting our transition toward a global low-carbon footprint.

To further address our operational emissions, we also **procured verified carbon credits** from the [VCS 1477](#) project—a certified initiative under the Verified Carbon Standard (VCS)—to **offset the Scope 1 and Scope 2 greenhouse gas emissions** of our trading offices. This marks a significant step in aligning our office operations with international climate neutrality goals while complementing our manufacturing facilities' ongoing renewable energy and efficiency programmes.

Together, these measures reinforce our integrated approach to energy and carbon management—ensuring that both production and non-production sites contribute to our group's long-term sustainability goals and climate transition pathway. While our manufacturing sites continue to advance energy efficiency, renewable generation, and clean-fuel transition, our trading offices are now powered by renewable electricity and have fully neutralised Scope 1 and 2 operational emissions through verified carbon credits.



Policy Commitments

At TEOGarments Corporation, our commitment to responsible and sustainable business conduct is embedded in our governance and management approach. In line with GRI principles, we regularly review and enhance policies covering environmental management, human resources, and occupational health and safety, ensuring alignment with our ISO-certified systems. These policies reflect our dedication to:

- Upholding the highest standards of business ethics;
- Guaranteeing fair employment practices and holistic wellness for all employees;
- Unwavering commitment to environmental stewardship;
- Ensuring the pinnacle of Occupational Health and Safety Management for our workforce and partners;
- Safeguarding human rights, respecting workers' rights, and eliminating all forms of forced labour and modern slavery.

Stakeholders' interests inform our policy development and due diligence processes, and our disclosures in the material topics sections explain how these policies are implemented, monitored, and evaluated. TEOGarments holds ISO9001:2015 Quality Management, ISO14001:2015 Environmental Management, ISO45001:2018 Occupational Health and Safety Management, and since 2023, ISO50001:2018 Energy Management certifications. Our Corporate Social Responsibility department oversees system effectiveness and continuous improvement across operations. We ensure our policies are clearly communicated and embedded throughout the Company and expect equivalent standards of conduct from suppliers, contractors, and other business partners, reinforcing our commitment to transparency, integrity, and responsible value creation.

Supply Chain Practices

At TEOGarments, we place a high priority on responsible and sustainable sourcing and production throughout our operations.

Our strategy emphasises ethical procurement and labour care, ensuring suppliers meet strict environmental and social requirements. We encourage them to increase the use of renewable resources, minimise waste, and ensure they adhere to fair labour practices aligned with international standards. While streamlining sourcing and strengthening a more localised supply chain where feasible, we lower our environmental footprint and support regional economic development.

Given the heightened scrutiny of labour conditions in China and Southeast Asia, TEOGarments maintains vigilant oversight to ensure our operations and suppliers comply with global standards. This commitment not only protects workers' rights but also enhances our reputation, meets customer expectations for ethically produced goods, and supports long-term business resilience.

We have built a robust supply chain framework with comprehensive due diligence across supplier selection, monitoring, and performance evaluation. All our upstream suppliers undergo at least one social compliance audit annually, enabling us to verify adherence to labour standards, human rights protections, and environmental requirements. This structured approach strengthens oversight, supports continual improvement, and ensures that our partners uphold the same ethical and sustainability values we commit to.

Recognising the broader impacts of our procurement decisions, we work only with suppliers who demonstrate responsible resource use, fair labour practices, and ethical operations—reinforcing TEOGarments' pledge to operate with integrity throughout the value chain.



Stakeholder Engagement

We regularly engage our stakeholders through a variety of channels. Our approach to stakeholder engagement is outlined in the following table:

Stakeholders	Engagement Channels	Stakeholder Focus
Customers	<ul style="list-style-type: none"> Feedback channels, including customer feedbacks via emails and hotlines; Informal feedback sessions 	<ul style="list-style-type: none"> Excellent service Economic Performance
Suppliers	<ul style="list-style-type: none"> Regular meetings and visits Supplier evaluations 	<ul style="list-style-type: none"> Build up good relationships with suppliers Fair market practices Timely payments Business Growth
Employees	<ul style="list-style-type: none"> Regular training Company events Employee engagement programmes Informal feedback channels Performance reviews 	<ul style="list-style-type: none"> Fair employment practices Skill development Effort recognition Occupational health and safety
Government and Regulators	<ul style="list-style-type: none"> Participation in discussions and consultations Actively participate in local government initiatives and seminars 	<ul style="list-style-type: none"> Adherence to laws and regulations Timely reporting of issues Sharing of industry best practices
Community	<ul style="list-style-type: none"> Actively participate in community outreach activities Proactively engaging with community projects and charities 	<ul style="list-style-type: none"> Social responsibility Environmental responsibility

Stakeholder Engagement

In addition to addressing environmental impact, we actively undertake initiatives to assess and take responsibility for the social welfare of our stakeholders, with a particular focus on our workers.

We make substantial investments in training and skill development programs to enhance workers' knowledge and capabilities. Through skill-building workshops, technical training, and career development programs, we provide opportunities for workers to acquire the necessary skills for success and advancement in their careers.

By offering these initiatives, our aim is to promote positive social changes, aligning with our commitment to fostering a better future.

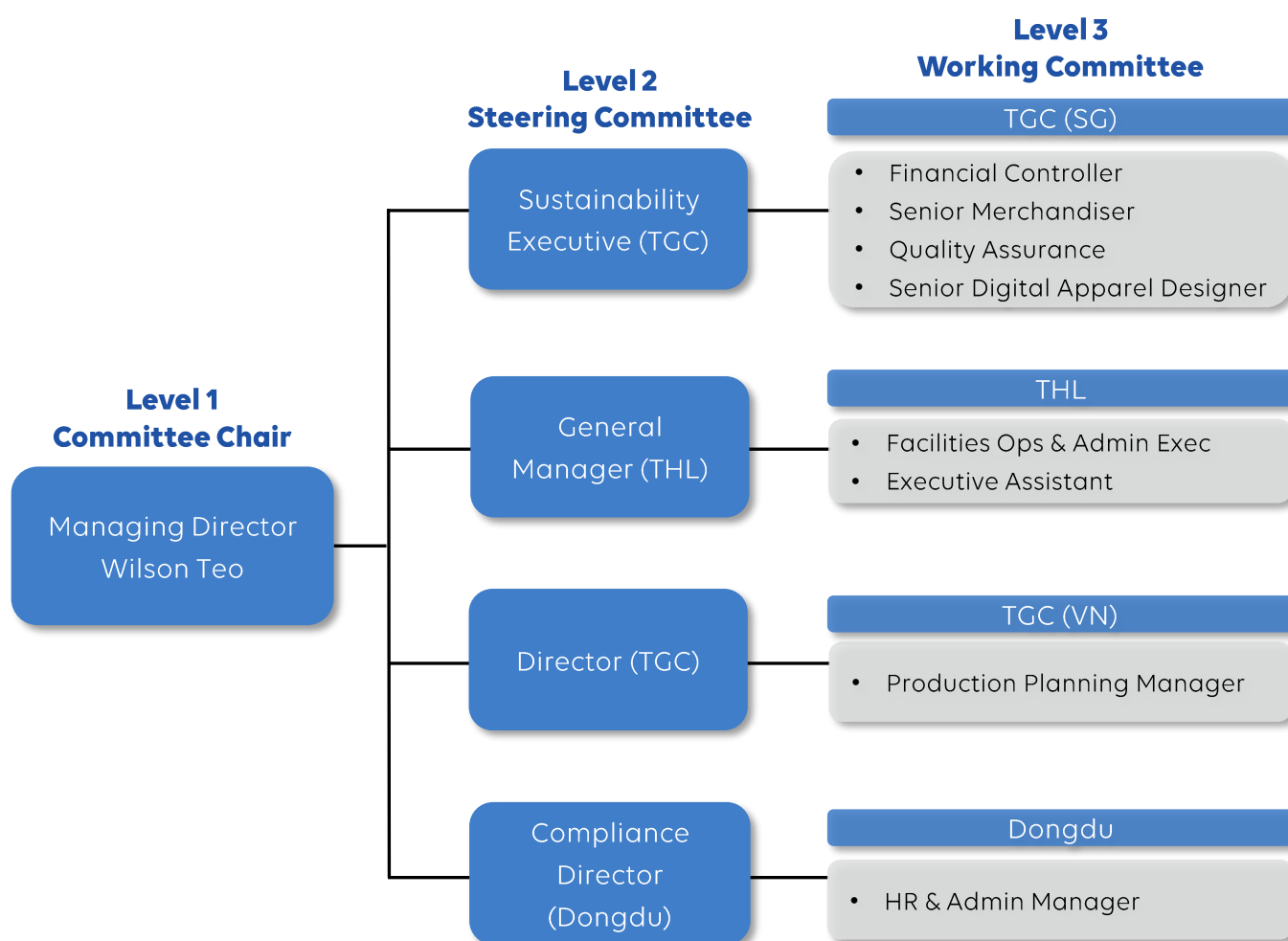


Sustainability Governance Structure

To strengthen oversight of sustainability and climate-related risks and opportunities, the Group established the Strategic and Sustainability Development Committee since FY2023. This governance structure ensures effective leadership, accountability, and integration of environmental, social, and governance (ESG) considerations into the Group's strategy, risk management, and operations.

The Committee operates under a three-tier governance framework comprising the **Committee Chair**, **Steering Committee**, and **Working Committee**, as outlined below.

Strategic and Sustainability Development Committee



Sustainability Governance Structure

Committee Chair

The Committee Chair provides overall leadership and accountability for the Group's sustainability and ESG agenda. The Chair promotes a sustainability-oriented culture across the Group, approves resources for the implementation of the Group's long-term sustainability strategy, and oversees the integration of sustainability considerations into the Group's corporate strategy, business objectives, and long-term value creation.

Steering Committee

The Steering Committee is responsible for maintaining and overseeing all ESG topics. It engages with stakeholders to gather feedback on sustainability initiatives, and periodically evaluates the Group's sustainability performance using key indicators and metrics. The Steering Committee serves as the key decision-making body responsible for translating sustainability strategy into actionable plans and ensuring consistent implementation.

Working Committee

The Working Committee is responsible for the execution and day-to-day management of ESG initiatives. It supports the implementation of sustainability strategies, coordinates data collection and reporting, and facilitates ESG considerations into business operations and decision-making processes. The Working Committee also oversees environmental and social initiatives and continuously reviews and enhances sustainability practices in response to emerging trends and stakeholder expectations.



Material Topics



Material Topics Overview

Identifying material topics is a critical step in ensuring our sustainability reporting reflects the most important environmental, social, and governance issues affecting both our business and stakeholders. For this inaugural ESG report, TEOGarments conducted an internal materiality assessment involving key departments and leadership teams to determine the issues most relevant to our operations. As we continue to mature in our ESG journey, we intend to expand this process to include external stakeholders, enabling us to capture a more holistic and balanced perspective in future assessments.

Methodology and Standards

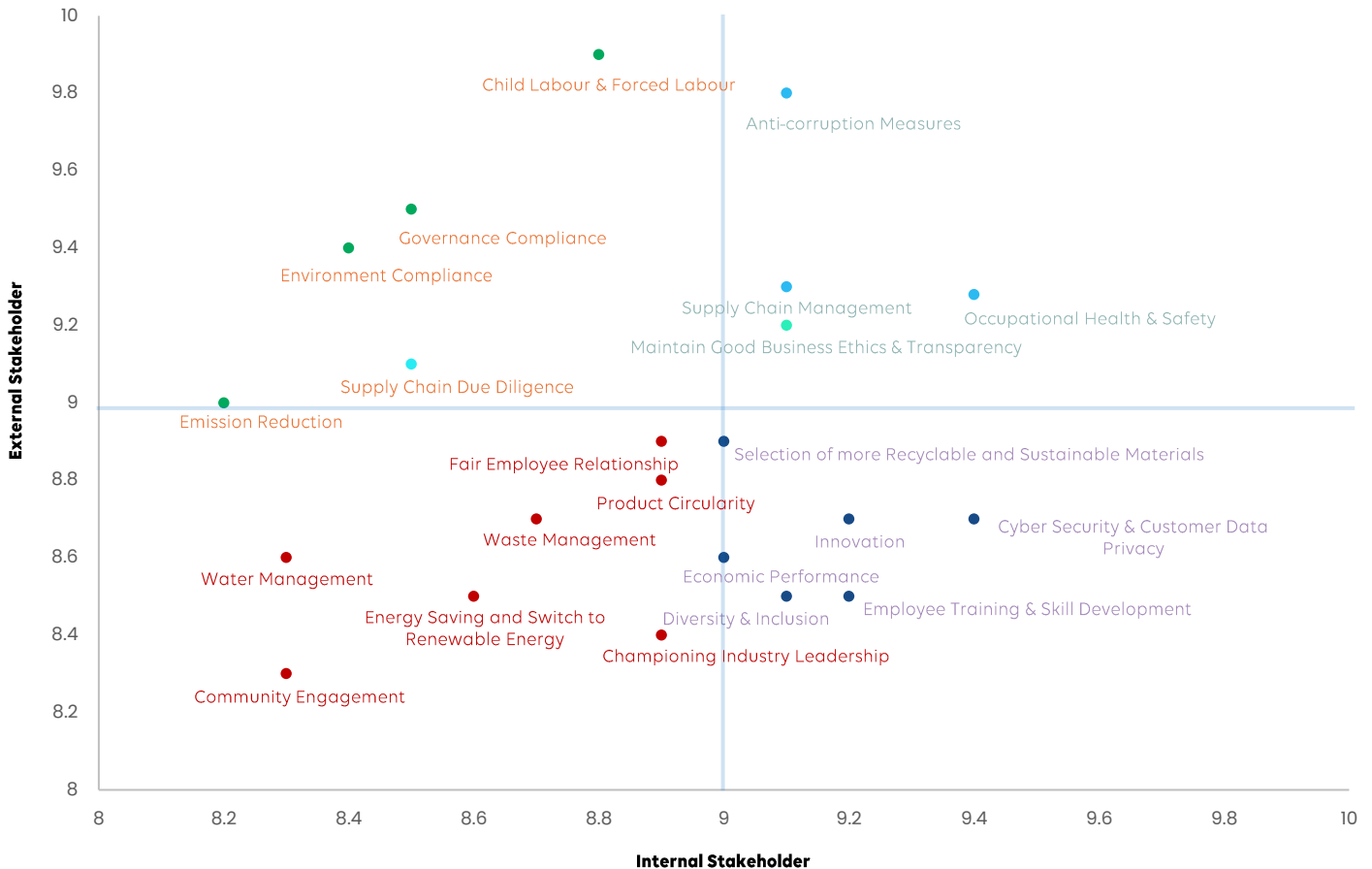
We aligned our materiality assessment with reference to the Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) guidelines, which helped us identify the most material topics relevant to our industry. We also identified commonly disclosed topics in sustainability reports published by companies in the same industry.

- Anti-corruption (GRI 205)
- Energy (GRI 302)
- Water and Effluents (GRI 303)
- Emissions (GRI 305)
- Waste (GRI 306)
- Employment (GRI 401)
- Occupational Health & Safety (GRI 403)
- Training and Education (GRI 404)
- Diversity & Equal Opportunity (GRI 405)

A more detailed breakdown of the assessment is presented on the following page.

Material Topics

Material Topic Assessment



In our efforts to gauge the effectiveness of our sustainability initiatives and to better understand the perspectives of our stakeholders, TEOGarments conducted an extensive stakeholder survey from October to November 2023. This survey, which consisted of 32 comprehensive questions, was meticulously designed to encompass all aspects related to our sustainability efforts.

The insights derived from this survey have been invaluable in shaping the direction of our sustainability development. The feedback obtained serves as a guiding beacon for our strategic planning, allowing us to align our objectives more closely with the expectations and needs of our stakeholders. The detailed results of this survey are compiled and discussed in the subsequent sections, reflecting our commitment to transparency and continuous improvements in our sustainability journey.

Key Metrics

Environmental

FY 2024 Progress

Total Electricity Consumption

15,368,413 kWh

Total absolute GHG emissions of Scope 1 and Scope 2

17,368 tCO₂e

Total Water Consumption

1,248,514 m³

Social

FY 2024 Progress

Average training hours per employee is: **22.93**

Ratio of male to female employees: **1 : 4***

Ratio of young to older employees**: **1 : 3****

Governance

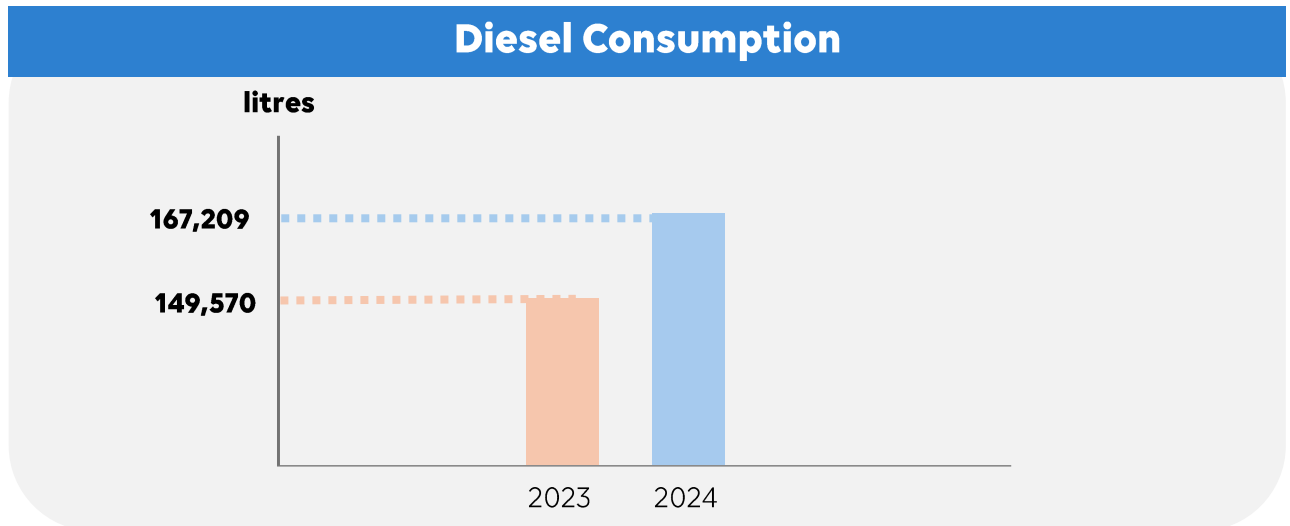
FY 2024 Progress

24/7 Access to whistleblowing channel to every employee

0 Incident relating to corruption and/or bribery

Environmental Metrics

Climate-related Data



Diesel Consumption by Facility:

Business Sector	2023	2024	Units
Trading Offices	1,218	1,085	litres
Fabric Mill	3,630	6,028	
Garment Factories	144,722	160,096	
Total	149,570	167,209	

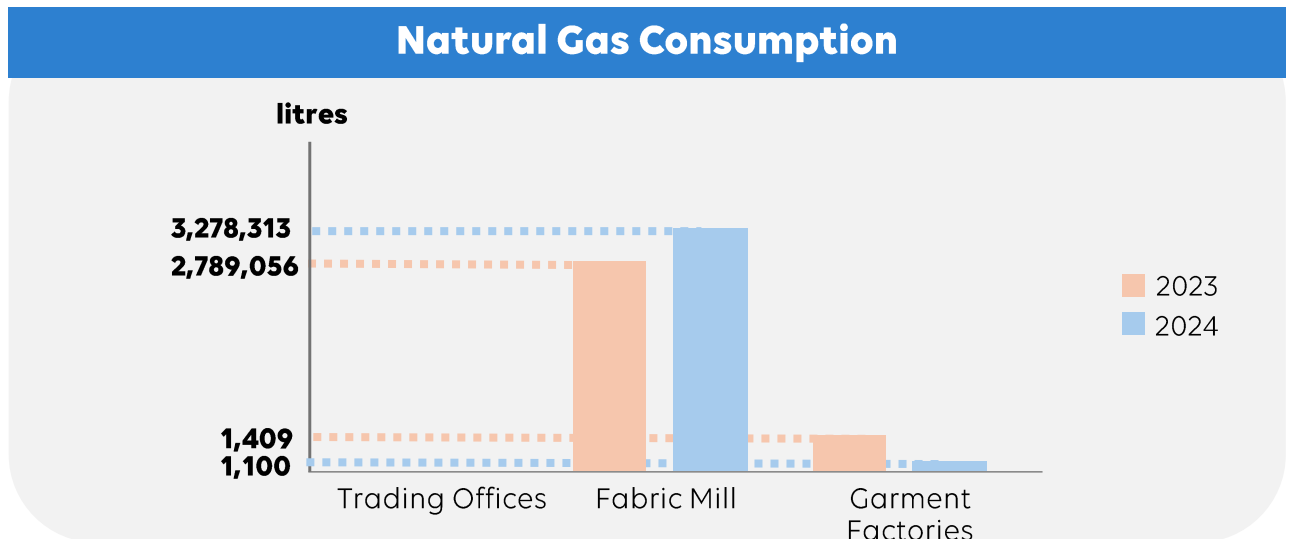
Diesel consumption is noticeably higher in the fabric mill and garment factories compared with the trading offices. This variance is primarily driven by operational differences:

Garment factories and the fabric mill require diesel to support higher production activities and increased transportation needs associated with material movement and finished-goods logistics. Trading offices, by contrast, have minimal operational processes that require diesel.

As part of our ongoing environmental initiatives, we are working to reduce diesel dependence by improving operational efficiency and evaluating lower-emission and more eco-friendly fuel alternatives. These efforts aim to reduce overall diesel consumption and associated greenhouse gas emissions gradually.

Environmental Metrics

Climate-related Data



Natural Gas Consumption by Facility:

Business Sector	Breakdown	2023	2024	Units
Trading Offices	N/A	0	0	m ³
Fabric Mill	Domestic Use (kitchen)	0	1,190	
	Production Use	2,789,056	3,277,123	
Garment Factories	Domestic Use (kitchen)	1,409	1,100	
	Production Use	0	0	
Total		2,790,465	3,279,413	

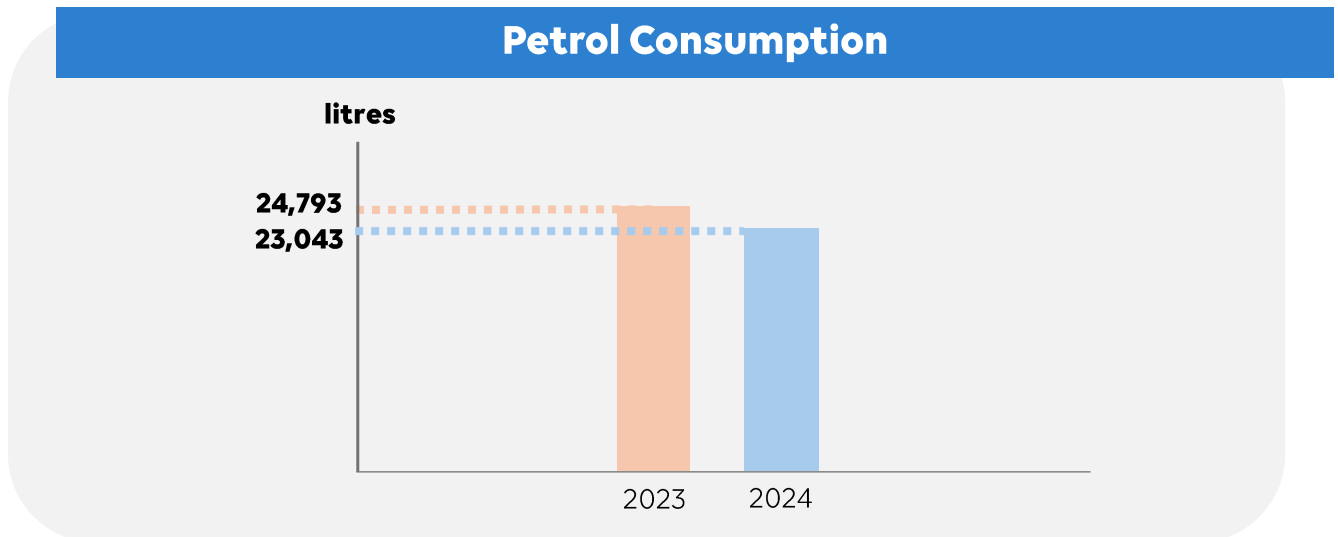
There is no natural gas usage in the trading office. In garment factories, natural gas is only used for kitchen purposes, and a slight decrease in consumption was observed during the reporting period.

In the fabric mill, natural gas had previously been used for both kitchen operations and production processes. During the reporting year, the fabric mill decommissioned its natural-gas kitchen equipment and transitioned to electricity-based cooking. This shift supports our broader effort to reduce fossil fuel use and increase reliance on cleaner energy sources.

The increase in natural gas consumption for production in 2024 was caused by higher production output during the year, which drove additional energy demand within the manufacturing process.

Environmental Metrics

Climate-related Data



Petrol Consumption by Facility:

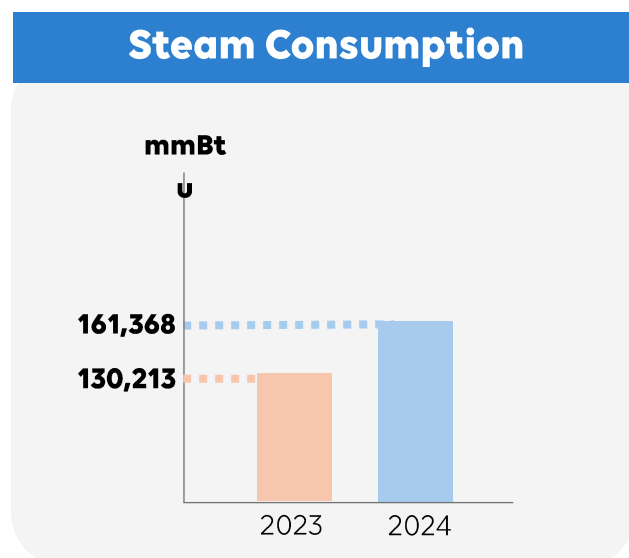
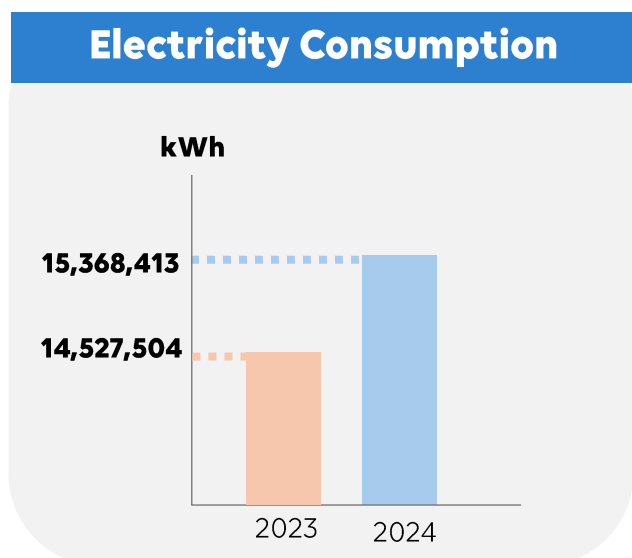
Business Sector	2023	2024	Units
Trading Offices	0	0	litres
Fabric Mill	0	0	
Garment Factories	24,793	23,043	
Total	24,793	23,043	

Petrol consumption showed a modest decline during the reporting period. Petrol is primarily used for vehicle operations that support internal and external transportation needs.

To further lower emissions and improve environmental performance, we are actively exploring cleaner mobility solutions—including more efficient vehicle options and alternative fuels—as well as operational measures that can enhance transportation efficiency and reduce reliance on petrol over time.

Environmental Metrics

Climate-related Data



Electricity Consumption by Facility:

Business Sector	2023	2024	Units
Trading Offices	149,120	128,180	kWh
Fabric Mill	9,336,276	11,173,053	
Garment Factories	5,042,108	4,067,180	
Total	14,527,504	15,368,413	

Steam Consumption by Facility:

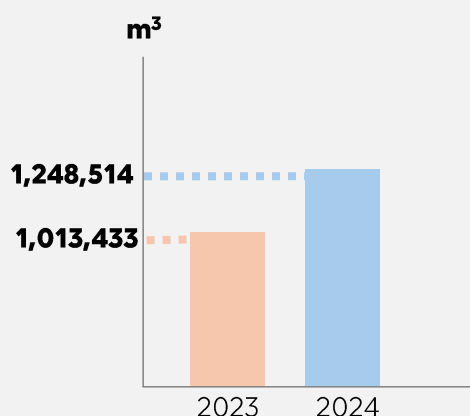
Business Sector	2023	2024	Units
Trading Offices	0	0	mmBtu
Fabric Mill	112,029	143,178	
Garment Factories	18,184	18,190	
Total	130,213	161,368	

Electricity and steam support core production processes such as sewing, finishing, lighting, and humidity control. In 2024, both our trading offices and garment factories recorded reductions in electricity use, driven by office LED upgrades and increased adoption of renewable energy in factories, reducing reliance on conventional grid electricity.

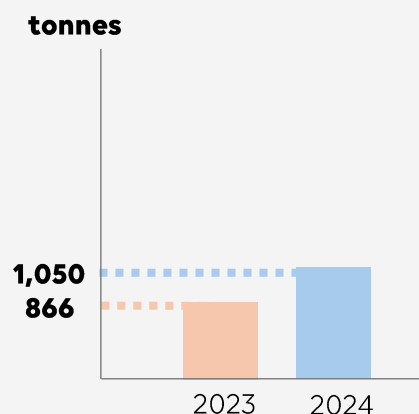
Environmental Metrics

Climate-related Data

Water Consumption



Waste Disposed



Water Consumption by Facility:

Business Sector	2023	2024	Units
Trading Offices	570	364	m³
Fabric Mill	901,214	1,122,146	
Garment Factories	111,649	126,004	
Total	1,013,433	1,248,514	

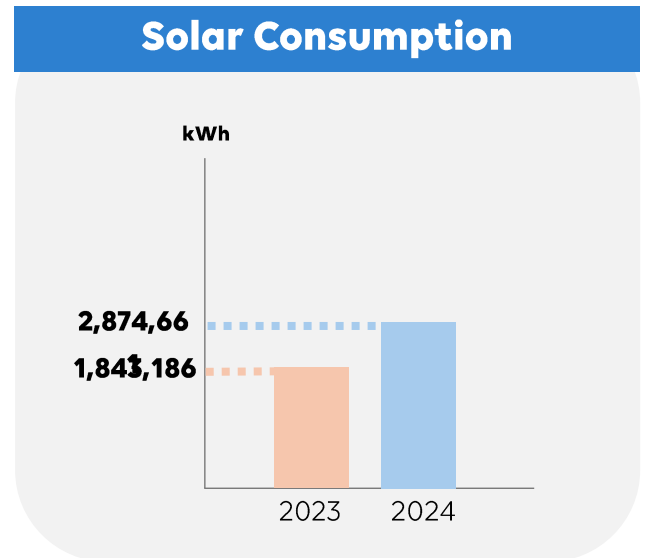
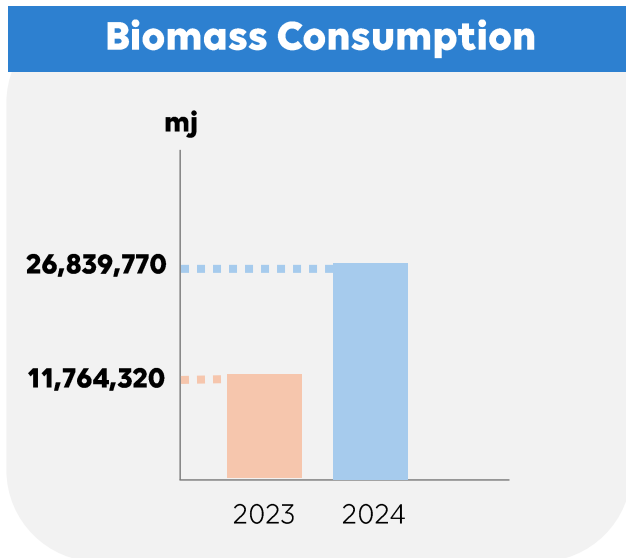
General Waste Disposed by Facility:

Business Sector	2023	2024	Units
Trading Offices	-	-	tonnes
Fabric Mill	11	40	
Garment Factories	855	1010	
Total	866	1,050	

The increase in water consumption and general waste disposal in 2024 reflects expanded production activities and higher operational demands. While these trends signal business growth, they also underscore the need to accelerate our resource-efficiency programs. Ongoing initiatives focus on improving water use and reducing waste through better material utilisation, segregation, and recycling.

Environmental Metrics

Climate-related Data



Biomass Consumption by Facility:

Business Sector	2023	2024	Units
Trading Offices	0	0	mj
Fabric Mill	0	0	
Garment Factories	11,764,320	26,839,770	
Total	11,764,320	26,839,770	

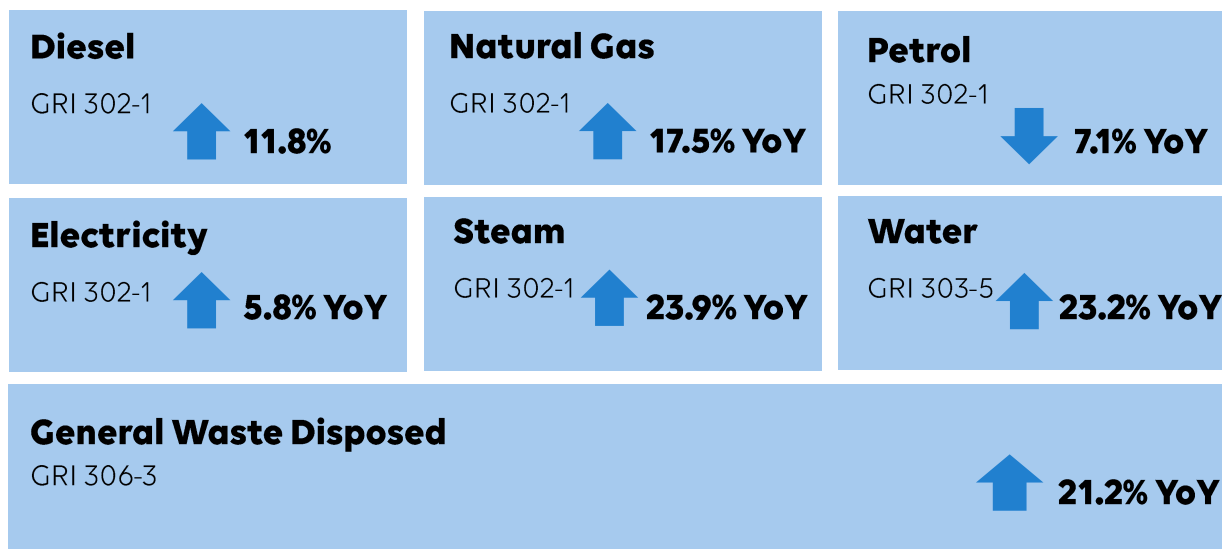
Solar Power Consumption by Facility:

Business Sector	2023	2024	Units
Trading Offices	0	0	kWh
Fabric Mill	1,751,836	1,892,845	
Garment Factories	91,350	981,816	
Total	1,843,186	2,874,661	

Renewable energy sources included biomass, which generated steam for ironing and finishing processes, and solar power, which supported lighting, machinery, and other operational needs. This shift marks a significant step toward reducing reliance on grid electricity and lowering carbon emissions.

Environmental Metrics

Total Non-Renewable Energy Consumption:



Total Renewable Energy Consumption:

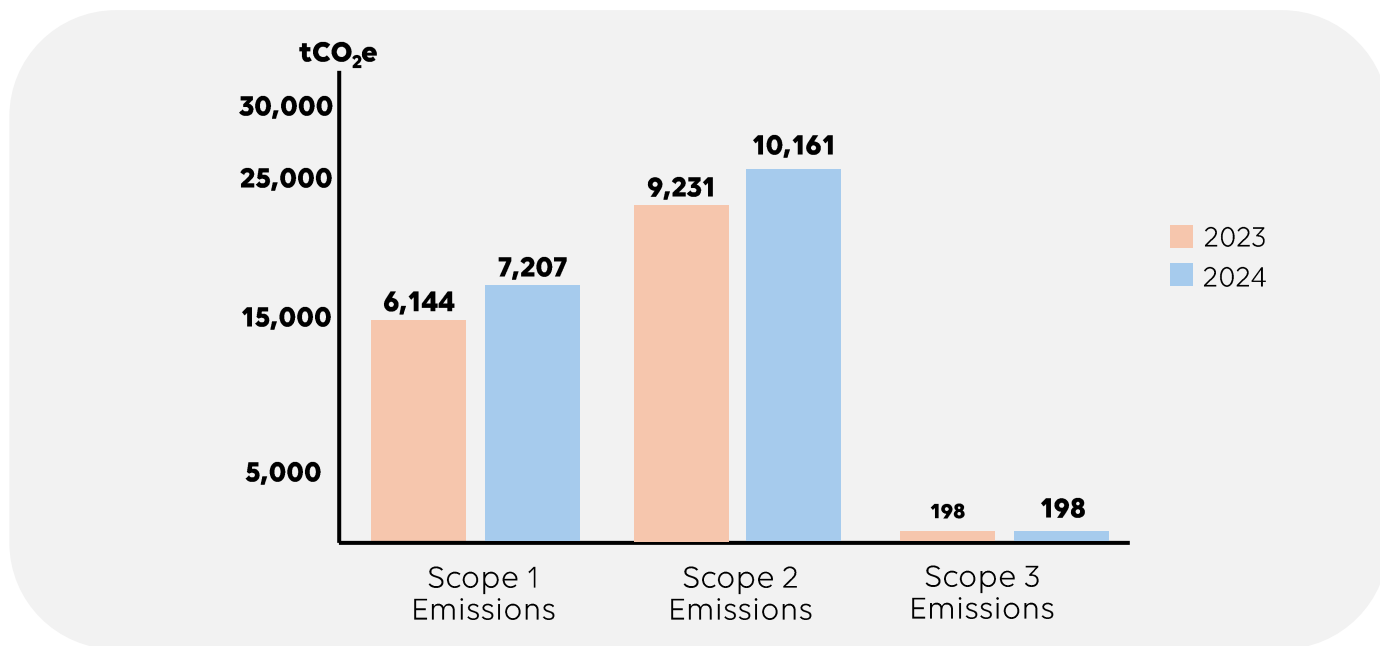


Overall resource consumption increased from 2023 to 2024, primarily due to higher production volumes and capacity expansion across multiple facilities. Garment assembly rose by 6% at Dongdu Cambodia, 17% at Jiangsu Tianhai, and 29% at Jiangsu Dongdu, while output at Jiangsu Dongyuan Fabric Mill surged by 63%. The significant growth in fabric production also led to greater steam and natural gas demand, which in turn contributed to higher overall energy consumption, water usage, waste generation, and GHG emissions.

In addition, energy intensity was affected by operational changes and infrastructure development. Pacific Apparel expanded its existing site with a new workshop and additional warehouse capacity, temporarily elevating environmental impacts during the transition phase. The facility operated both new and old boilers simultaneously for several months, contributing to higher fuel consumption. Moreover, increased production output and the addition of new production lines in 2024 resulted in greater diesel and biomass usage across multiple facilities. Despite the overall rise in energy consumption, renewable energy generation from on-site solar systems also increased during the year, further enhancing our transition toward cleaner energy sources and supporting our decarbonisation efforts. As these new systems stabilise and efficiency measures are implemented, energy intensity is expected to normalise in subsequent years.

Environmental Metrics

GHG Emissions



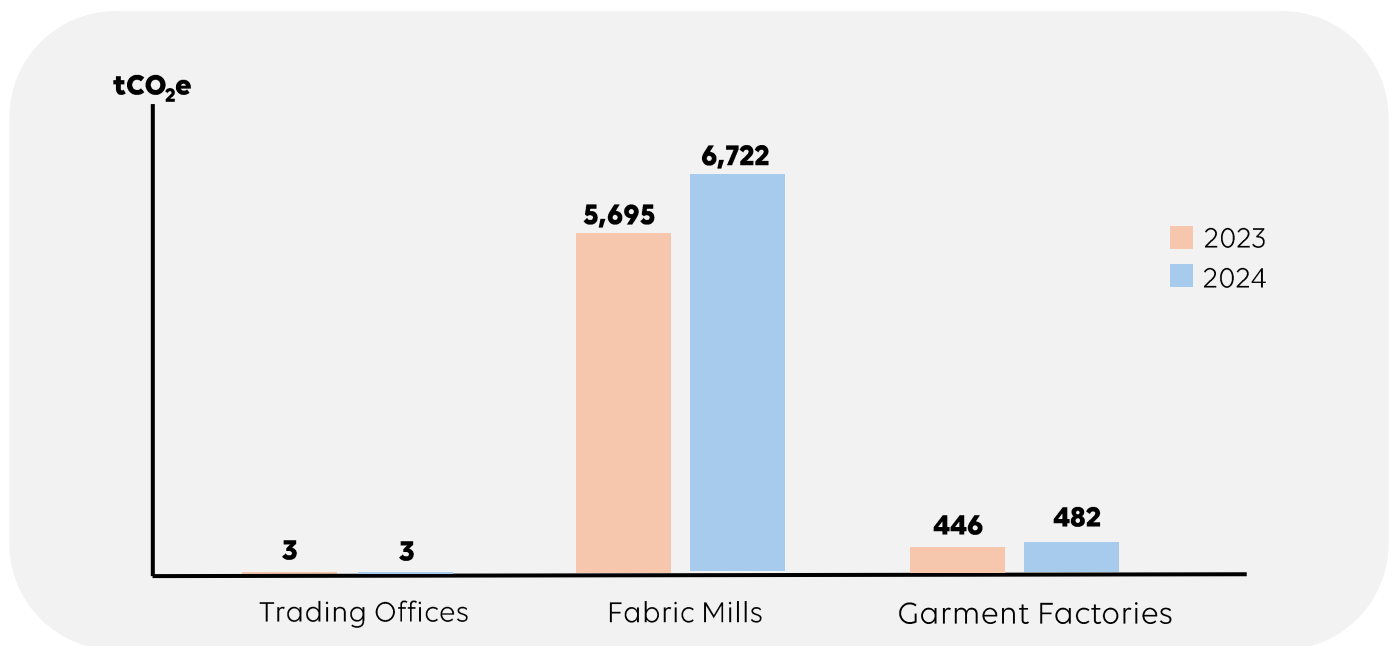
S/N	Item	2023	2024	Units	Alignment to standards
1	Scope 1 Emissions	6,144	7,207	tCO ₂ e	GRI 305-1
2	Scope 2 Emissions	9,231	10,161		GRI 305-2
3	Scope 3 Emissions	198	198		GRI 305-3

Our emissions are calculated using the emission factors from the Singapore Emission Factors Registry (SEFR), launched by the Singapore Business Federation ¹

¹<https://sefr.netzerohub.sg/>

Environmental Metrics

GHG Emissions (Breakdown of Scope 1 Emissions)



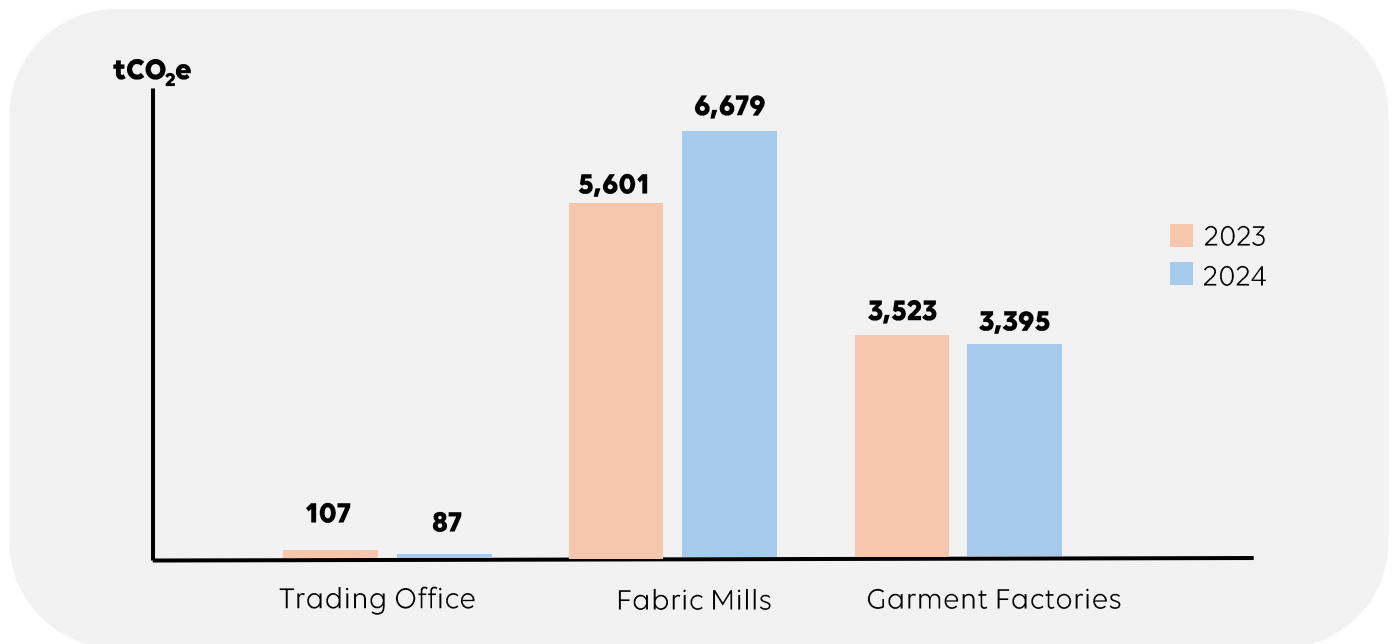
Facilities	2023	2024	Units	Alignment to standards
Trading Offices	3	3	tCO ₂ e	GRI 305-1
Fabric Mill	5,695	6,722		
Garment Factories	446	482		
Subtotal	6144	7207		

Our emissions are calculated using the emission factors from the Singapore Emission Factors Registry (SEFR) launched by the Singapore Business Federation.¹

¹<https://sefr.netzerohub.sg/>

Environmental Metrics

GHG Emissions (Breakdown of Scope 2 Emissions)



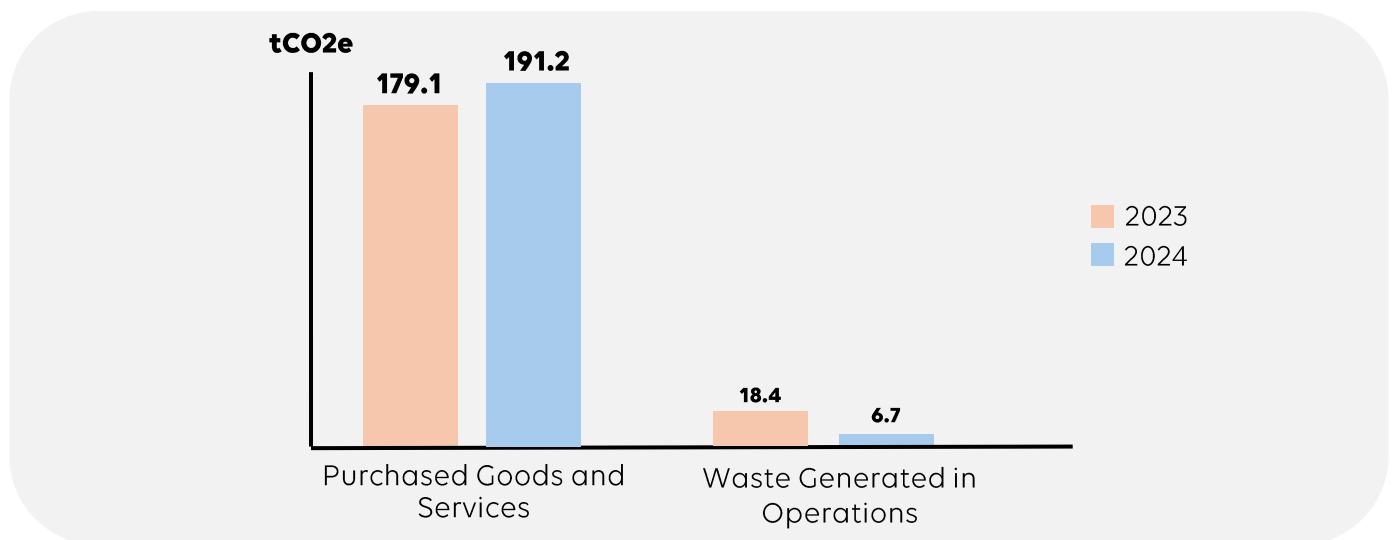
Facilities	2023	2024	Units	Alignment to standards
Trading Offices	107	87	tCO ₂ e	GRI 305-1
Fabric Mill	5,601	6,679		
Garment Factories	3,523	3,395		
Subtotal	9,231	10,161		

Our emissions are calculated using the emission factors from the Singapore Emission Factors Registry (SEFR) launched by the Singapore Business Federation.¹

¹<https://sefr.netzerohub.sg/>

Environmental Metrics

GHG Emissions (Breakdown of Scope 3 Emissions)



Item	Facilities	2023		2024		Units	Alignment to standards
Purchased Goods and Services	Trading Offices	0.2	179.1	0.1	191.2	tCO ₂ e	GRI 305-3
	Fabric Mill	159.2		171.8			
	Garment Factories	19.7		19.3			
Waste Generated in Operations	Trading Offices	-	18.4	-	6.8		
	Fabric Mill	0.2		0.3			
	Garment Factories	18.2		6.5			
Total Scope 3 Emissions		197.6		198.0			

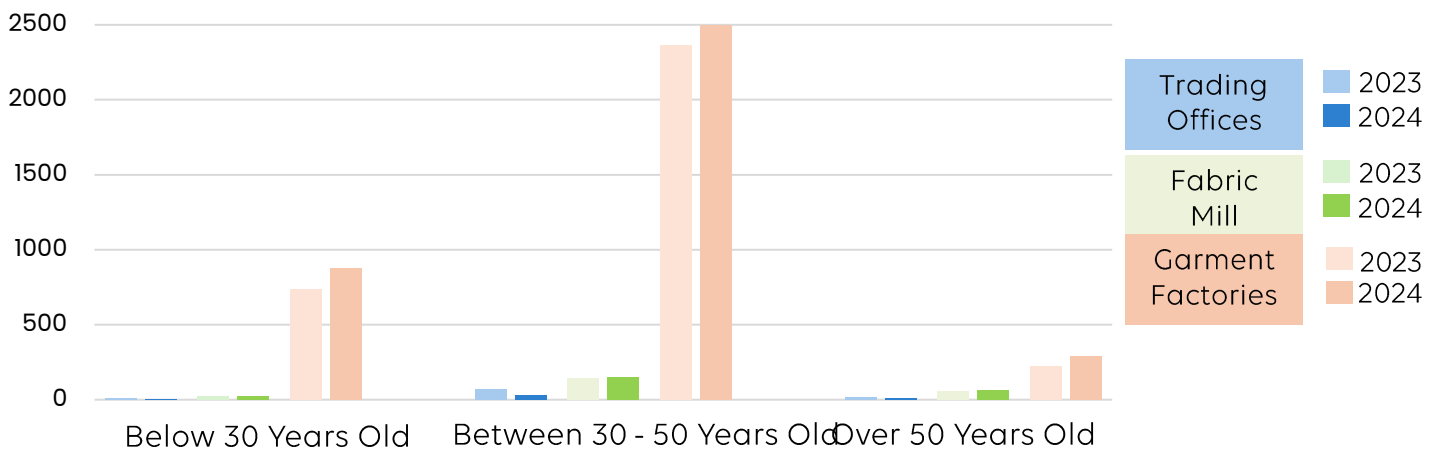
- Water consumption (Category 1: Purchased Goods and Services)
- Category 5: Waste Generated in Operations

In future reporting years, we aim to expand our tracking efforts to include additional data points within our Scope 3 carbon emissions.

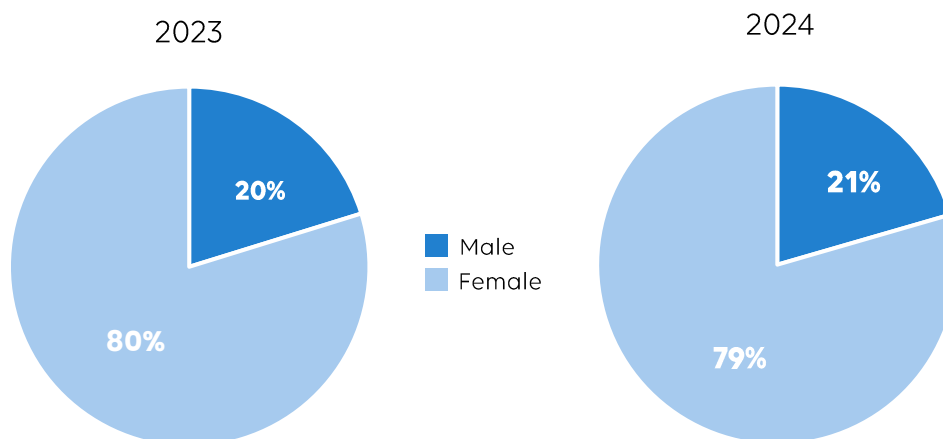
Social Metrics

Diversity and Equal Opportunity

Number of Employees by age group



Number of Employees by gender



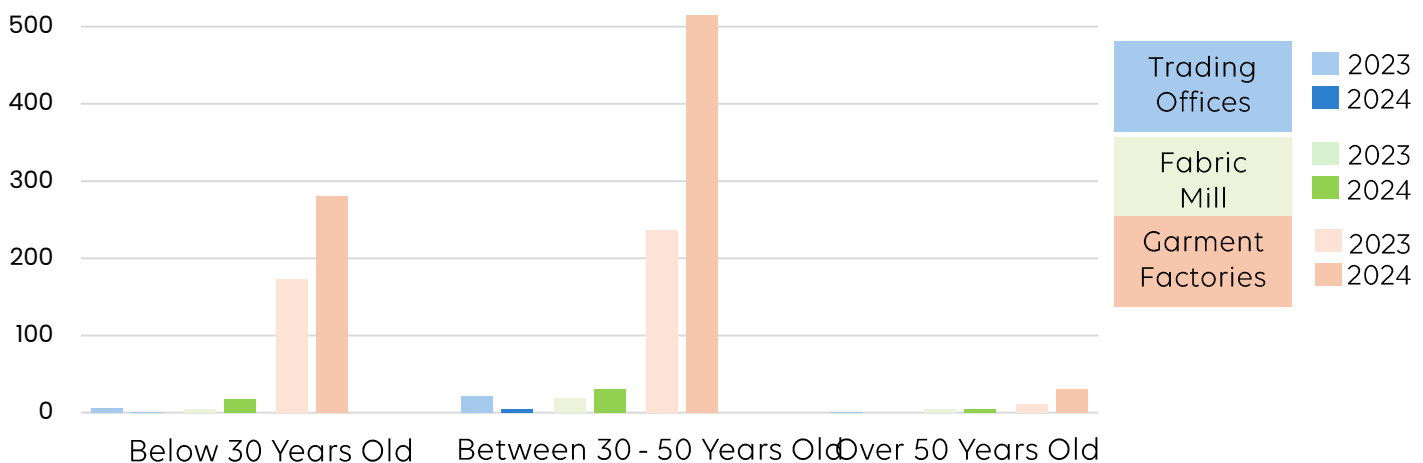
Overall, TEOGarments remains committed to promoting diversity and equal opportunity across all roles. We strive to ensure that every employee, regardless of gender, age, or background, feels respected, valued, and empowered to contribute to our shared success.

In line with our principles of fairness, respect, and inclusivity, we regularly review our workforce profile to identify opportunities for improvement. By fostering a culture of openness and collaboration, we aim to attract and retain diverse talent, encourage intergenerational knowledge sharing, and strengthen our foundation for long-term growth.

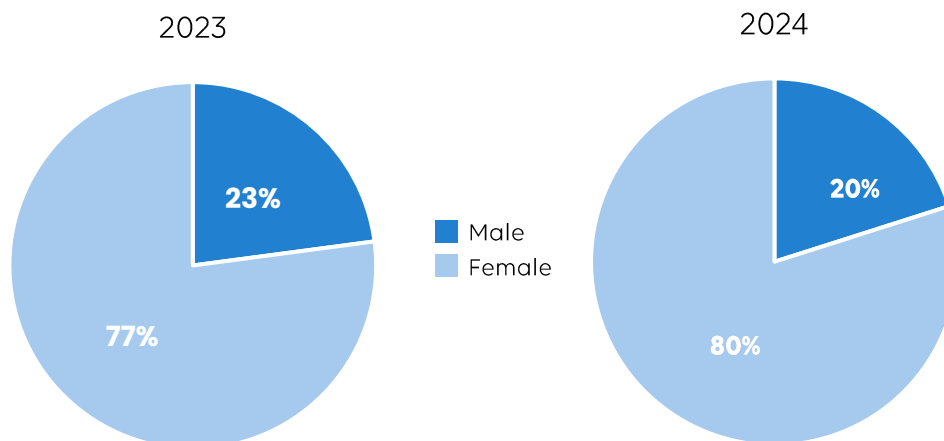
Social Metrics

Employment

Number of new employee hires by age group:



Number of new employee hires by gender:



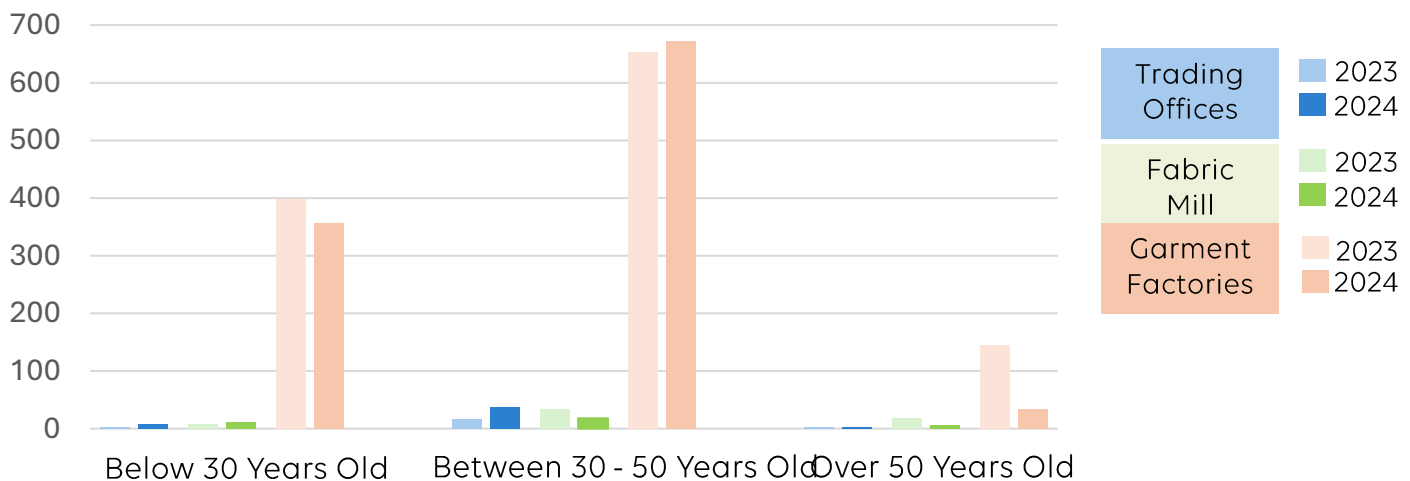
People are at the core of everything we create at TEOGarments. We welcome new hires through a comprehensive onboarding process that goes beyond job-specific training. This programme introduces our production standards, workplace safety measures, and commitment to ethical and sustainable practices, ensuring that every team member begins with a shared understanding of our culture and expectations.

At TEOGarments, investing in our people is not just part of our operations, it is the foundation for continued success in the years ahead.

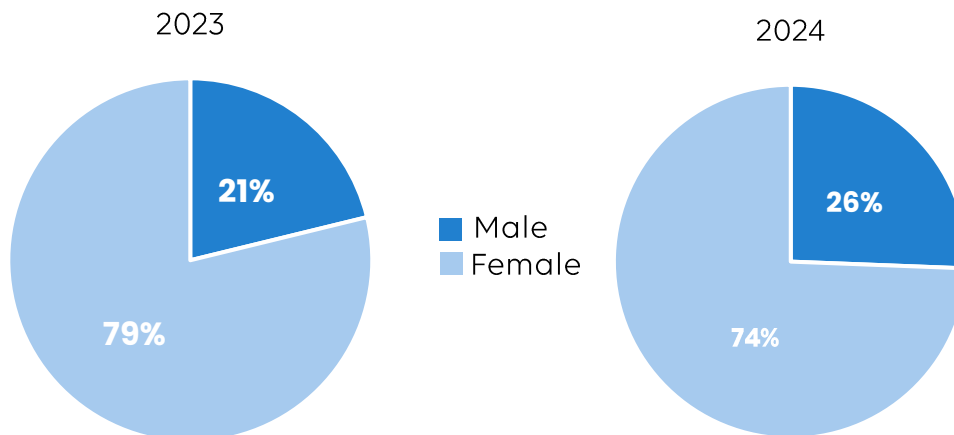
Social Metrics

Employment

Number of employee turnover by age group



Number of employee turnover by gender



In an industry where trends shift quickly and production demands can be intense, we focus on building an environment where our staff feel supported, safe, and motivated to grow their careers with us.

Our workplace culture reflects principles of consideration, respect, and responsibility, not only toward our customers and partners, but also within our own teams. We aim to strengthen employee retention, reduce turnover, and build a resilient, future-ready workforce that grows alongside the company.

Social Metrics

Occupational Health and Safety

Trading Offices & Fabric Mills

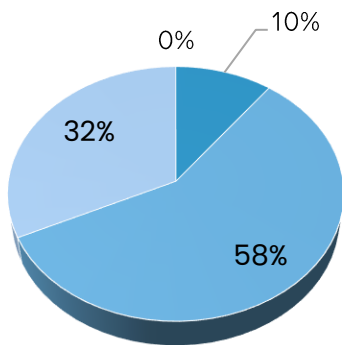
 **Number of fatalities as a result of work-related injury:** **0**

 **Number of high-consequence work-related injuries:** **0**

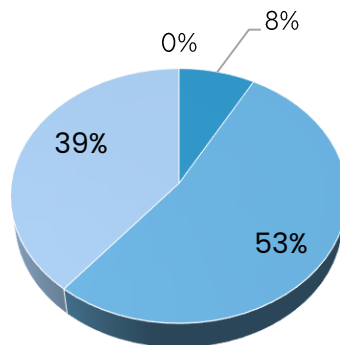
 **Number of recordable work-related injuries:** **0**

 **Number of recordable work-related ill health cases:** **0**





Garment Factories



2023



2024

-  Number of fatalities
-  Number of high-consequence work-related injuries
-  Number of recordable work-related injuries
-  Number of recordable work-related ill health cases

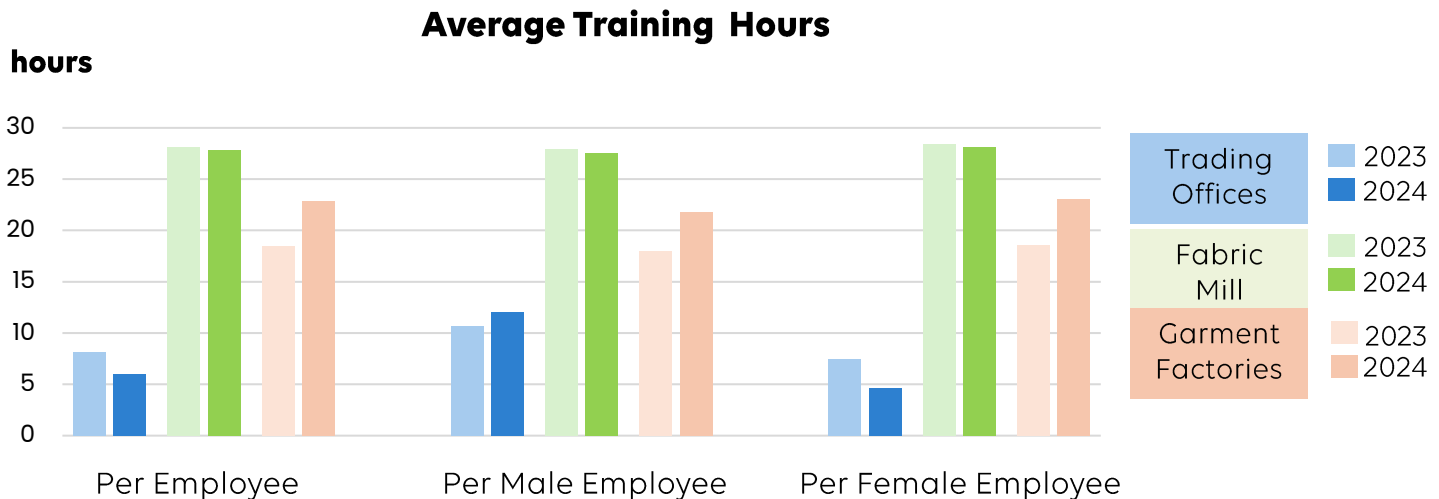
These figures indicate that while trading offices and fabric mill operations have maintained a strong safety track record, garment factories remain the focal point for further safety interventions. Targeted initiatives to strengthen worker protection, health awareness, and operational safety standards will be crucial to reducing risks in these facilities moving forward.

Overall, workplace safety is not merely a compliance requirement but a culture we nurture through clear guidelines, proactive engagement, and practical measures. Guided by our commitment to ethical manufacturing and sustainable practices, every production line and workspace upholds our core principles: being responsible, environmentally mindful, safe, clean, considerate, and respectful.

Moving forward, we will continue to ensure that our workplace is not only efficient and innovative but also a safe and supportive space for all.

Social Metrics

Training and Education



Learning at TEOGarments is anchored in everyday operations. Our production teams benefit from hands-on training, close mentorship, and regular exposure to evolving manufacturing technologies and sustainable practices. These opportunities allow both new recruits and seasoned staff to refine their craftsmanship, enhance workplace safety, and strengthen problem-solving abilities in line with global industry standards.

By investing in the growth and well-being of our people, we ensure that every garment we produce reflects higher quality, safer processes, and stronger relationships with our clients and communities—hallmarks of TEOGarments' commitment to making fashion responsibly, today and for the future.



Governance Metrics

Anti-Corruption

We uphold a zero-tolerance approach to corruption, bribery, and unethical behaviour, recognising that such practices compromise fair competition and erode the long-term credibility of the textile industry. To mitigate these risks, we maintain a robust governance framework that promotes transparency, accountability, and regulatory compliance across all levels of our organisation.

As part of our B Corp certification journey since 2024, we further strengthened our practices by updating our Supplier Code of Conduct and introducing an enhanced anti-corruption policy, which includes a formal whistleblowing mechanism. These measures reinforce our commitment to comprehensive oversight and ethical conduct throughout our operations and value chain.

Our governance framework is underpinned by a board-approved Code of Ethics, which establishes clear standards of integrity and accountability. Oversight of this policy rests with senior leadership, ensuring that ethical considerations remain embedded in strategic and operational decision-making.

Our policies are supported by regular risk assessments and targeted training to ensure that all employees—from frontline staff to senior leadership—understand their ethical responsibilities. In procurement, subcontractor engagement, and project delivery, our teams are empowered to make decisions grounded in fairness and professionalism.

This commitment extends to our external stakeholders. All suppliers and business partners are required to adhere to our anti-bribery and fair practice guidelines as a condition of collaboration. Confidential reporting channels are available to employees and partners alike, ensuring concerns can be raised without fear of retaliation.

In 2024, TEOGarments recorded zero cases of corruption, reflecting the effectiveness of our internal controls and the ethical culture we continue to build. As we grow and take on greater responsibilities, we remain committed to conducting business with integrity, ensuring that trust and accountability remain central to every stakeholder relationship.

GRI Content Index

Statement of Use	TEOGarments Corporation Pte Ltd has reported the information cited in this GRI content index for the period of 1 January 2023 to 31 December 2024 with reference to the GRI Standards.
-------------------------	--

GRI 1 Used	GRI 1: Foundation 2021
-------------------	------------------------

GRI Standard	Disclosure Requirements	Reference
---------------------	--------------------------------	------------------

GRI 2: General Disclosures 2021

2-1	Organisation details	Pg. 7
2-2	Entities included in the organisation's sustainability reporting	Pg. 6
2-3	Reporting period, frequency and contact point	Pg. 5
2-5	External assurance	Pg. 5
2-7	Employees	Pg. 45
2-28	Membership Associations	Pg. 16 - 19
2-29	Stakeholder engagement	Pg. 27, 28

GRI 3: Material Topics 2021

3-1	Process to determine material topics	Pg. 31, 32
3-2	List of material topics	Pg. 31, 32
3-3	Management of material topics	Pg. 31, 32

GRI Content Index

GRI Standard		Disclosure Requirements	Reference
GRI 205: Anti-Corruption 2016			
205-1	Operations assessed for risks related to corruption		Pg. 50
205-2	Communication and training about anti-corruption policies and procedures		Pg. 50
205-3	Confirmed incidents of corruption and actions taken		Pg. 50
GRI 302: Energy 2016			
302-1	Energy Consumption within the organization		Pg. 34-37
GRI 303: Water and Effluents			
303-5	Water consumption		Pg. 38
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions		Pg. 41, 42
305-2	Energy indirect (Scope 2) GHG emissions		Pg. 41, 43
305-3	Other indirect (Scope 3) GHG emissions		Pg. 41, 44
GRI 306: Waste 2010			
306-3	Waste Generated		Pg. 38

GRI Content Index

GRI Standard	Disclosure Requirements	Reference
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	Pg. 46, 47
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Pg. 48
403-9	Work-related injuries	Pg. 48
403-10	Work-related ill health	Pg. 48
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Pg. 49
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Pg. 45

Contact Us



Main Office



15 Shaw Road #01-01 Teo Industrial
Building Singapore (367953)

Contact Us



sustainability@teogmts.com