CHILLON
TRADING LIMITED

Name of Company: CHILLON TRADING LIMITED.

Document Name: Policy Statement on General Employment, Working Hours, and Remuneration

Document Number: CTL-POL-004

Date: 04/02/2026

Document Validity (YYY): 2026-2027

Next Revision Date: 03/02/2027

Policy Statement on General Employment, Working Hours, and Remuneration

1. General Employment Terms

a. CHILLON TRADING LIMITED complies with the Employment Ordinance (Cap. 57) and all applicable subsidiary legislation and regulations governing employment in Hong Kong, and meets the higher of applicable law or RJC Code of Practices (COP) 2024 requirements where a difference exists.

b. CHILLON TRADING LIMITED shall communicate its policies and procedures regarding wages, working hours, and other employment conditions to workers in writing before employment begins, in a language understood by the worker. This shall include informing workers of their right to join a trade union of their choosing without negative consequence or retaliation, in accordance with the Trade Unions Ordinance (Cap. 332) and ss.21B–21F of the Employment Ordinance, and of their rights to collective bargaining where applicable, including provision of a copy of any collective agreement and contact information for the relevant workers' representative. The Company notes that Hong Kong has no statutory collective bargaining framework; where no formal collective bargaining arrangement exists, the Company will nonetheless engage in good faith with any recognised worker representative body.

c. CHILLON TRADING LIMITED shall not use labour-only contracts, false apprenticeship schemes, excessive consecutive short-term contracts, zero-hour contracts, or subcontracting/homeworking arrangements as a means of avoiding legal labour or social security obligations, including collective bargaining agreements or legitimate worker-organising efforts.

d. CHILLON TRADING LIMITED shall not hire replacement workers to prevent, undermine, or end a legal strike, support a lockout, or avoid good-faith negotiation, except where necessary to maintain critical maintenance, health and safety, or environmental control measures during a legal strike.

e. CHILLON TRADING LIMITED is committed to maintaining appropriate records for all workers, whether employed on a full-time, part-time, or seasonal basis, including proof of identity and age, wage and piece-rate payments, working hours, and, where applicable, work permit or visa documentation in accordance with the Immigration

Ordinance (Cap. 115) and applicable migration law. Records shall be retained for a minimum of five years, or such longer period as required by applicable law.

f. Where the need for collective dismissals or retrenchment arises, CHILLON TRADING LIMITED shall first carry out an analysis and explore viable alternatives. Where no viable alternative exists, any retrenchment plan shall be based on the principle of non-discrimination, developed in consultation with workers and their representatives, and shall minimise adverse impacts on affected workers wherever practicable.

g. CHILLON TRADING LIMITED shall provide notice of termination in accordance with s.6 of the Employment Ordinance, and shall pay severance payments and long service payments to eligible continuous-contract employees in accordance with the qualifying conditions set out in the Ordinance. Arbitrary dismissal procedures shall be avoided. Severance payments, including outstanding back pay, statutory benefits, and Mandatory Provident Fund contributions, shall be paid on or before termination of employment, or as agreed under a collective agreement, and paid directly to workers or to appropriate institutions for their benefit.

h. Where CHILLON TRADING LIMITED engages workers through a recruitment or employment agency, the agency must be licensed by the Labour Department in accordance with the Employment Agency Regulations, and no worker shall be charged a placement commission exceeding 10% of their first month's wages.

2. Working Hours

a. Hong Kong law does not impose a statutory limit on normal working hours or overtime for adult employees. Notwithstanding this, CHILLON TRADING LIMITED applies the RJC COP 2024 standard as its internal maximum: the normal working week, excluding overtime, shall not exceed 48 hours, or, where workers are employed in shifts, shall not exceed an average of 48 hours per week over a three-week period.

b. Overtime shall be voluntary. Required overtime is acceptable only where permitted under applicable law or collective bargaining agreements, within the limits set out below and as outlined in employment contracts. Workers shall not be forced to accept overtime through abuse, threats of dismissal, or other means, and refusal to work overtime shall not be punished, retaliated against, or penalised.

c. Overtime shall not exceed 12 hours per week on a regular basis, or an average of 12 hours per week over a three-week period. The combined total of normal working hours and overtime shall not exceed 60 hours per week, except where permitted by a

collective bargaining agreement allowing for working-time averaging with adequate rest periods, or in exceptional circumstances (such as production peaks, accidents, or emergencies) that are occasional, voluntary, appropriately compensated, and subject to a documented risk assessment in consultation with workers to protect their health, safety, and welfare.

d. CHILLON TRADING LIMITED shall provide all workers employed under a continuous contract (as defined by the Employment Ordinance's continuous-contract threshold, currently requiring at least 4 consecutive weeks of employment accumulating a minimum of 68 hours) with at least one rest day of no less than 24 consecutive hours in every seven-day period, all statutory holidays (currently 15 per year under the Employment Ordinance, with the number of statutory holidays progressively increasing in line with general holidays), and paid annual leave, sick leave, maternity leave, and paternity leave as mandated by the Employment Ordinance. All workers, regardless of continuous-contract status, shall be provided time off for meals and breaks in accordance with applicable law.

e. Where the Company requires a worker to work on a statutory holiday, it shall provide at least 48 hours' prior notice and shall arrange an alternative or substituted holiday within 60 days before or after the statutory holiday, in accordance with the Employment Ordinance. Substitution of holiday pay in place of the holiday itself is not permitted.

f. CHILLON TRADING LIMITED shall maintain records of working hours, overtime, and annual and sick leave for each worker in accordance with the Employment Ordinance and RJC COP 2024 record-keeping requirements.

3. Remuneration

a. CHILLON TRADING LIMITED shall ensure that all workers are paid at least the Statutory Minimum Wage under the Minimum Wage Ordinance (Cap. 608), as revised from time to time by the Minimum Wage Commission, or the prevailing industry standard, or, where possible, a living wage sufficient to meet the basic needs of workers, whichever is higher. Comparable wages shall be given to all workers for work of equal value, and the Company shall assess and remediate any wage disparity that discriminates against any category of worker.

b. Overtime shall be reimbursed at a rate at least equal to that required by applicable law or a collective bargaining agreement, or, where no such requirement exists, at a minimum of 1.25 times the base wage or the prevailing industry premium rate.

c. Wages shall be paid to workers no later than 7 days after the end of the wage period, in accordance with the Employment Ordinance, on a regular, predetermined basis, without delay or deferral, by bank transfer to an account controlled by the worker, or in cash or cheque form in a manner and location convenient to the worker, accompanied by a wage slip clearly detailing wage rates, benefits, and deductions in a format workers can easily understand.

d. Deductions from wages shall only be made where they are among the permitted grounds set out in s.32 of the Employment Ordinance (or otherwise comply with applicable law and, where applicable, collective bargaining agreements); are determined through a documented process clearly communicated to workers; do not result in a worker receiving less than the Statutory Minimum Wage; and are not made for disciplinary purposes.

e. CHILLON TRADING LIMITED shall not force workers to buy provisions or services from the Company or its facilities; where no alternative exists, excessive rates shall not be charged.

f. Any wage advances or loans provided to workers shall have transparent and fair interest and repayment terms that are not deceptive to the worker.

g. CHILLON TRADING LIMITED shall enrol and contribute to a Mandatory Provident Fund scheme for all eligible employees in accordance with the Mandatory Provident Fund Schemes Ordinance (Cap. 485), subject to applicable exemptions.

h. Workers, and/or their dependants where relevant, shall be compensated for work-related injuries, illnesses, or fatalities in accordance with the Employees' Compensation Ordinance (Cap. 282) and any applicable collective bargaining agreements.

4. Recognition of Worker Representation and Grievances

a. Where applicable, CHILLON TRADING LIMITED shall give due recognition to the existence, membership, and lawful activities of worker representative bodies and trade unions registered under the Trade Unions Ordinance (Cap. 332), and shall provide worker representatives with access necessary to carry out their responsibilities and functions.

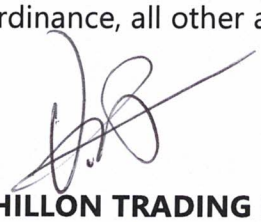
b. CHILLON TRADING LIMITED is committed to addressing the legitimate grievances of its workers through its established complaints and grievance mechanism. All personnel are encouraged to voice concerns promptly where they have genuine reason to believe

that a policy, operation, or practice is, or is likely to be, in violation of any law, regulation, or internal Company policy.

c. CHILLON TRADING LIMITED assures all personnel who raise concerns in good faith that they will be treated fairly and respectfully. While reasonable efforts will be made to protect confidentiality and anonymity, any form of retaliation against individuals raising concerns, provided they were not themselves involved in the violation reported, will not be tolerated.

d. Information regarding applicable employment policies and working practices shall be communicated transparently to all workers.

e. CHILLON TRADING LIMITED is fully committed to providing fair and conducive employment conditions, consistent with the Employment Ordinance, all other applicable Hong Kong laws and regulations, and this Business Policy.



CHILLON TRADING LIMITED.

Date: 04/02/2026