

# Smoores International Holdings Limited

## Statement on Pay Linked to Sustainability

Smoores attaches great importance to sustainable development and is committed to integrating it into all aspects of its operations. At the organizational performance level, we have established detailed assessment criteria and incorporated key sustainable development objectives (**covering product quality, anti-corruption and anti-bribery, information security, EHS safety, i.e. avoiding occupational safety and environmental pollution accidents, and strict compliance with policies and regulations**) into the performance target system.

Under the strong guidance of this rule, employees' individual performance will further undertake compliance assessment goals, to ensure that performance requirements are enforced at every level and fully implemented by each employee. A complete and rigorous sustainability performance guarantee system has been formed from the organization to the individual.

Ultimately, the performance appraisal results will play a key role in many important aspects of employees' career development, including but not limited to employee promotion, access to salary adjustment opportunities, determination of the amount of bonus payment, and the implementation of equity incentives. In this way, we aim to encourage all



employees to actively engage in the Company's sustainability initiatives, transfer the concept of sustainability into tangible actions, and promote the Company' s balanced, sustainable, and healthy development across economic, environmental, and social dimensions.