



2024

SUSTAINABILITY REPORT

About the Report

This is the first Sustainability Report of Shanghai Zijiang Enterprise Group Co., Ltd. (hereinafter referred to “the Report”), following four years of environmental, social, and governance (ESG) reporting. It provides a comprehensive overview of the company's 2024 sustainability strategies, policies, measures, and key achievements.

Scope of the Report

The report covers Shanghai Zijiang Enterprise Group Co., Ltd. and its subsidiaries, consistent with consolidated financial statements. The reporting period is from January 1 to December 31, 2024, with some data tracing back to previous years.

Basis for Preparation

The report follows the Global Reporting Initiative (GRI) Sustainability Reporting Standards and the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report. It also integrates key topics from the United Nations Sustainable Development Goals (SDGs) and MSCI ESG Ratings, ensuring alignment with capital market expectations on ESG issues.

Data Reliability Assurance

The Report is based on Zijiang Enterprise's official data and documents. The Company ensures its authenticity, accuracy, and completeness. It was approved by the Board on March 26, 2025.

Report Access

The Report is available in Chinese and English, with the Chinese version prevailing in case of discrepancies. It can be accessed on the Shanghai Stock Exchange (<https://www.sse.com.cn/>) and Zijiang Enterprise's website (<https://www.zijiangqy.com/>).

Feedback

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Terminology and References

In the Report, "Zijiang Enterprise," "we," and "the Company" refer to Shanghai Zijiang Enterprise Group Co., Ltd. Other references are as follows:

Abbreviation	Company / Business Unit
Container Packaging Business Unit	PET bottle and preform business, including Shanghai and regional subsidiaries
Paper Packaging Business Unit	Zidan Food, Zidan Packing, Zidan Printing, including Shanghai and regional subsidiaries
Crown Caps & Labels Business Unit	Ziquan Packaging, Ziquan Label, including Shanghai and regional subsidiaries
Beverage OEM ¹ Business Unit	Ziquan Beverage, including Shanghai and regional subsidiaries
ZIRI Packaging	Collective term for companies including Shanghai Ziri Packaging Co., Ltd., Shenyang Ziri Packaging Co., Ltd., Guangdong Ziri Packaging Co., Ltd., and Sichuan Ziri Packaging Co., Ltd.
Zijiang New Material	Shanghai Zijiang New Material Technology Co., Ltd., Shanghai Zijiang New Materials Application Technology Co., Ltd., Anhui Zijiang New Materials Technology Co., Ltd.
Zijiang Color Printing	Shanghai Zijiang Color Printing Packaging Co., Ltd.
Anhui Zijiang Composite	Anhui Zijiang Composite Materials Technology Co., Ltd.
ZJMP	Shanghai Zijiang Metallization Environmental Protection Material Co., Ltd.
Ziyan Alloy	Shanghai Ziyan Alloy Application Technology Co., Ltd.
Zidong Nylon	Shanghai Zidong Nylon Material Technology Co., Ltd.
Zijiang Int'l Trade	Shanghai Zijiang International Trading Co., Ltd.
Zihua Technology	Shanghai Zihua Film Technology Co., Ltd.
Nanjing Zile	Nanjing Zile Beverage Industry Co., Ltd.
Ziquan Beverage	Shanghai Ziquan Beverage Industry Co., Ltd.
Ziquan Packaging	Shanghai Ziquan Packaging Co., Ltd.
Anhui ZJMP	Anhui Zijiang Metallization Environmental Protection Material Co., Ltd.
Zidan Printing	Shanghai Zidan Printing Co., Ltd.
Hubei Zidan Food	Hubei Zidan Food Packaging & Printing Co., Ltd.
Ziquan Label	Shanghai Ziquan Label Co., Ltd.
Shenyang Ziquan Beverage	Shenyang Ziquan Beverage Industry Co., Ltd.
Guilin Ziquan Beverage	Guilin Ziquan Beverage Industry Co., Ltd.
Zidan Packaging Technology	Shanghai Zidan Packaging Technology Co., Ltd.
Zidan Food	Shanghai Zidan Food Packaging & Printing Co., Ltd.
Nanjing Ziquan Beverage	Nanjing Ziquan Beverage Industry Co., Ltd.
Shaanxi Ziquan Beverage	Shaanxi Ziquan Beverage Industry Co., Ltd.
Shenyang Zijiang Packaging	Shenyang Zijiang Packaging Co., Ltd.

¹: OEM (Original Equipment Manufacturer) refers to contract manufacturing.

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Message from the Executive

Over the past year, Zijiang Enterprise has strategically balanced steady progress with rapid expansion, achieving significant progress across all business segments. We have strengthened market presence, deepened industry collaboration, and advanced new projects. Through a pragmatic approach, we have integrated digitalization and sustainability, while actively contributing our expertise to industrial development.

Sustainability: Integrating Responsibility, Creating Future Value

Aligned with our corporate culture, Zijiang Enterprise is transitioning from ESG 1.0 to ESG 2.0. In ESG 1.0, we mapped out various practices and developed a structured ESG disclosure system. ESG 2.0 calls for a more strategic, systematic approach, shifting sustainability from compliance to a core driver of business operations and market expansion. In recognition of our efforts, we were selected as a 2024 Best Practice Case for Sustainable Development by the China Association for Public Companies.

Transparent Governance: Delivering Value, Ensuring Stability

Zijiang Enterprise continuously improves its governance framework, strengthening coordination among committees, the board, and the supervisory body. Through a transparent and efficient decision-making system, we safeguard investor interests. Committed to stable dividends, we have distributed cash dividends for 25 consecutive years, totaling 5.023 billion RMB. The company has been recognized as a Best Practice Case for Corporate Governance & Internal Control in Shanghai and has received the Tianma Award for Shareholder Returns in investor relations management.

Driving Circular Economy and Industry Advancement

In response to China's Carbon Peaking and Carbon Neutrality Goals, Zijiang Enterprise is committed to advancing low-carbon and recyclable packaging solutions. We develop eco-friendly materials, promote lightweight design, and innovate in paper-based alternatives to plastics. To build a closed-loop recycling system, we optimize packaging recovery pathways, integrating sustainable materials, green production, and recycling. We actively promote clean energy adoption, expand rooftop solar installations, and continuously enhance our energy structure. Furthermore, we enhance carbon inventory and accounting, actively explore carbon-neutral factory development, and strengthen our low-carbon competitive edge, driving the industry's green transition.

Digital Empowerment, Driving Advanced Productivity

Zijiang Enterprise upholds lean management, driving digitalization and intelligent operations. Through real-time monitoring and data-driven optimization, we continuously enhance process efficiency, human-machine synergy, and energy management, fostering next-generation productivity. We have been recognized as a national-level smart factory and a Shanghai smart factory. In 2024, we received China's Best Practice Case for Digital Transformation among listed companies.

People-Oriented Development, Fostering a Diverse Talent Platform

Zijiang Enterprise's growth is driven by the dedication of its employees. We prioritize people, recognizing their key role in production. By fostering skilled and responsible talent, we embed Zijiang's culture into our core, providing diverse growth opportunities. With a spirit of precision and perseverance, our employees excel in every detail, overcoming challenges and shaping their own path to success.

With craftsmanship as our foundation and foresight as our guide, Zijiang Enterprise remains committed to sustainability, leveraging technology and talent to drive green, digital, and circular innovation, building a better future for both business and society.

Zijiang's Path to Sustainability

Company Overview

Zijiang Enterprise Overview

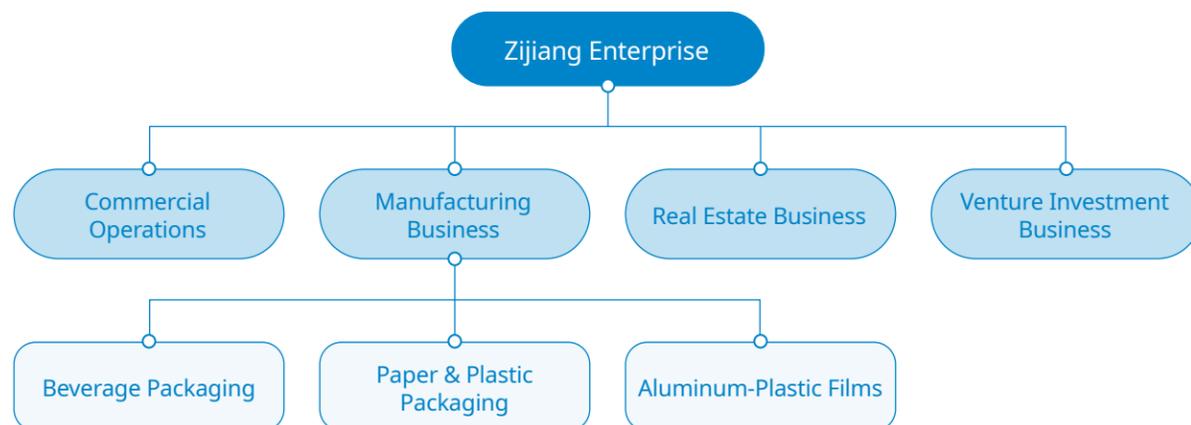
Shanghai Zijiang Enterprise Group Co., Ltd. (Stock Code: 600210) was founded in 1988 and listed on the Shanghai Stock Exchange in August 1999. Committed to sustainable development, we focus on economic efficiency and value-added services, optimizing resource integration and management to build long-term, stable partnerships with leading enterprises.

Core Values



Industrial Layout

Zijiang Enterprise has built a diversified business model, focusing on packaging while expanding into commercial, real estate, and venture investment. Managing over 100 companies, we lead in manufacturing PET bottles and preforms, crown caps, plastic labels, beverage OEM services, tamper-evident plastic closure, color paper packaging, plastic composites and printing, metallized paper and board, polyethylene films, nylon films, aluminum-plastic films, magnesium alloys, and other advanced materials—leading the industry in scale, technology, and quality.



Zijiang Enterprise Packaging Business



PET² Bottles & Preforms

With nearly 50 factories across seven regions, we adopt efficient production models such as direct integration, joint ventures, and equipment leasing, producing over 20 billion units annually, serving beverages, dairy, edible oils, condiments, and personal care brands, including Fortune 500 companies.



Crown Caps & Labels

Producing crown caps, ring-pull caps, shrink film labels, high-transparency PE shrink film, and hygiene packaging, we achieve an annual capacity of 30 billion labels, 30 billion crown caps, and 800 million hygiene bags, maintaining strong industry partnerships.



Beverage OEM

Operating 9 production bases with a capacity of nearly 5 billion bottles annually, we provide contract manufacturing for carbonated drinks, tea, juices, protein beverages, and health drinks. Processes include hot filling, aseptic cold filling, and carbonated filling, with close partnerships with top and emerging beverage brands worldwide.



Tamper-evident Plastic Closure

With over 50 production lines in four bases, we produce 20 billion caps annually, offering laser coding, promotional labeling, and cap printing solutions for over 600 clients in the beverage and dairy industries.



Color Paper Packaging & Printing

Offering both offset and flexographic printing capabilities, we provide high-level prepress, color printing, and post-processing equipment. We provide food-contact packaging, folding cartons, takeaway boxes, and preprinted boxes, along with eco-friendly solutions, serving industries like food, pharmaceuticals, and cosmetics, and partnering with multinational brands for long-term cooperation.



Plastic Composite & Printing

We specialize in flexible packaging materials for food, personal care, and pharmaceuticals, contributing to national industry standards. Our products are exported to the Americas, Asia, and Europe, forming strategic partnerships with multinational brands.



Metallized Paper & Paperboard

Offering end-to-end solutions from packaging design to vacuum metallization, we produce high-value products such as vacuum metallized paper, waterproof liquor label paper, and holographic metallized paper. Certified with anti-counterfeiting and QS food production licenses, our products serve tobacco, cosmetics, and premium food packaging sectors.



PA & PE Films

As a leading manufacturer of cast and blown films, we integrate R&D, production, and sales, serving top hygiene product brands. With an annual BOPA film capacity of 20,000 tons, our products are widely applied, supporting domestic and international clients.



Aluminum-Plastic Film

We lead domestic innovation in aluminum-plastic films, replacing imports with a capacity of over 100 million square meters for digital, battery, and energy storage applications.

2. Polyethylene Terephthalate (PET) is a common thermoplastic widely used in beverage bottles, packaging materials, and textile fibers.

Sustainability Awards & Recognitions

Company Honors

Zijiang Enterprise
Selected as 2024 China Association for Public Companies Sustainable Development Best Practice Cases

Zijiang Enterprise
Ranked 3rd in the Top 100 Chinese Printing & Packaging Enterprises 2024 by Printing Manager

Zijiang Enterprise
Nominated for the Sedex Supply Chain Award – Progressive Excellence

Zijiang Enterprise
Awarded the Securities Times China Listed Company Investor Relations Shareholder Return Tianma Award

Zijiang Enterprise
Awarded Securities Market Weekly Top 10 ESG Leading Enterprises – Best Low-Carbon & Harmonious Development Award

Zijiang Enterprise
Awarded the Best Practice case of the Corporate Governance and Internal Control of Listed Companies by China Association for Public Companies

Zijiang Enterprise
Featured in the Golden Bee 2024 Yangtze River Delta Outstanding Listed Company Sustainability Report

Sino-Securities Index
ESG Rating
BBB

Wind ESG Rating
BBB

Sustainalytics ESG
Risk Rating
Low Risk

Technology & Innovation Awards

Beverage OEM Business Unit
Innovative SME

Zihua Technology
Patent Work Pilot Enterprise

ZJMP
Shanghai Outstanding Expert Workstation

Container Packaging Business Unit
SRDI SME
High-Tech Enterprise
Innovative SME
Famous High-Tech Product Award
Technology SME

Crown Caps & Labels Business Unit
Specialized, Refined, Differentiated, and Innovative (SRDI) SME
High-Tech Enterprise

Anhui ZJMP
SRDI Champion Enterprise
Anhui New Product Recognition
Anhui Excellent Patent Award

Paper Packaging Business Unit
China Packaging Innovation & Sustainability Award
2024 Shanghai Top 100 High-Tech Achievements Transformation Project
Shanghai Enterprise Technology Center

Zijiang New Materials
2024 Shanghai SRDI Little Giant Enterprise Brand Value List
SRDI SME
Expert Workstation
Shanghai Manufacturing Single Item Champion Enterprise

ZIRI Packaging
Technology SME

Ziyan Alloy
SRDI SME
High-Tech Enterprise

Zidong Nylon
Expert Workstation
SRDI Little Giant Enterprise
SRDI SME

Zijiang Color Printing
Five-Star Enterprise
Expert Workstation
Shanghai Intellectual Property Pilot and Demonstration Units

Sustainability Management Principles

Zijiang Enterprise has established five sustainability management principles: Eco-friendly Practice, Circular Innovation, Collaborative Growth, People-Oriented Approach, and Transparent Governance. These principles guide our business, ensuring economic value creation while progressing with customers, employees, industry, and society.

Eco-friendly Practice

Committed to green development, Zijiang Enterprise drives low-carbon transformation across its value chain, managing carbon emissions, optimizing energy use, and protecting water resources to minimize environmental impact.

Following circular economy principles, we innovate in technology and business models, enhancing resource efficiency, promoting waste recycling, and developing eco-friendly packaging solutions.

Circular Innovation

Collaborative Growth

We foster strong partnerships with suppliers, customers, and stakeholders, building a responsible and efficient collaboration system to advance sustainable development together.

We prioritize employee well-being, ensuring occupational health, safety, and basic rights. By promoting diversity and inclusivity and strengthening talent development, we empower employees for growth.

People-Oriented Approach

Transparent Governance

Upholding integrity, we continuously enhance governance, improve risk management and disclosure mechanisms, and ensure transparency and accountability for long-term business stability.

Case Successful Convening of Zijiang Enterprise's ESG Management Meeting



In 2024, Zijiang Enterprise held an ESG management meeting to align with regulatory and market expectations, review ESG performance, and set higher sustainability goals. The company established clear, replicable mechanisms to enhance ESG integration across its divisions and subsidiaries.

ESG Materiality Assessment

In line with the Guidelines No. 4 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report, Zijiang Enterprise has developed a structured approach to identifying and evaluating ESG topics. We assess both financial materiality and impact materiality, systematically analyzing actual and potential effects. By considering impact levels, we ensure the effective integration of sustainability issues and enhance transparency and relevance in ESG disclosures.

Materiality Assessment

Following the double materiality principle, this evaluation integrates internal business priorities with external stakeholder expectations to guide sustainable development. During the reporting period, 22 material topics were identified, including 6 highly material issues.

Assessment Process

Business Strategy Analysis

Evaluating the company's business layout, strategic direction, and cost structure while identifying key financial factors impacting performance and long-term value creation based on investor concerns.



Topic Identification

Considering corporate strategy, operational characteristics, and industry trends, while aligning with international and domestic ESG standards and capital market priorities.



Screening & Evaluation

Applying the dual materiality principle, assessing topics based on their financial impact and ESG relevance. Engaging with key stakeholders—including shareholders, customers, employees, suppliers, and communities—to determine topic significance.



Prioritization

Using survey results and risk assessments to rank identified topics, clarifying their financial and ESG significance, and developing a materiality matrix.

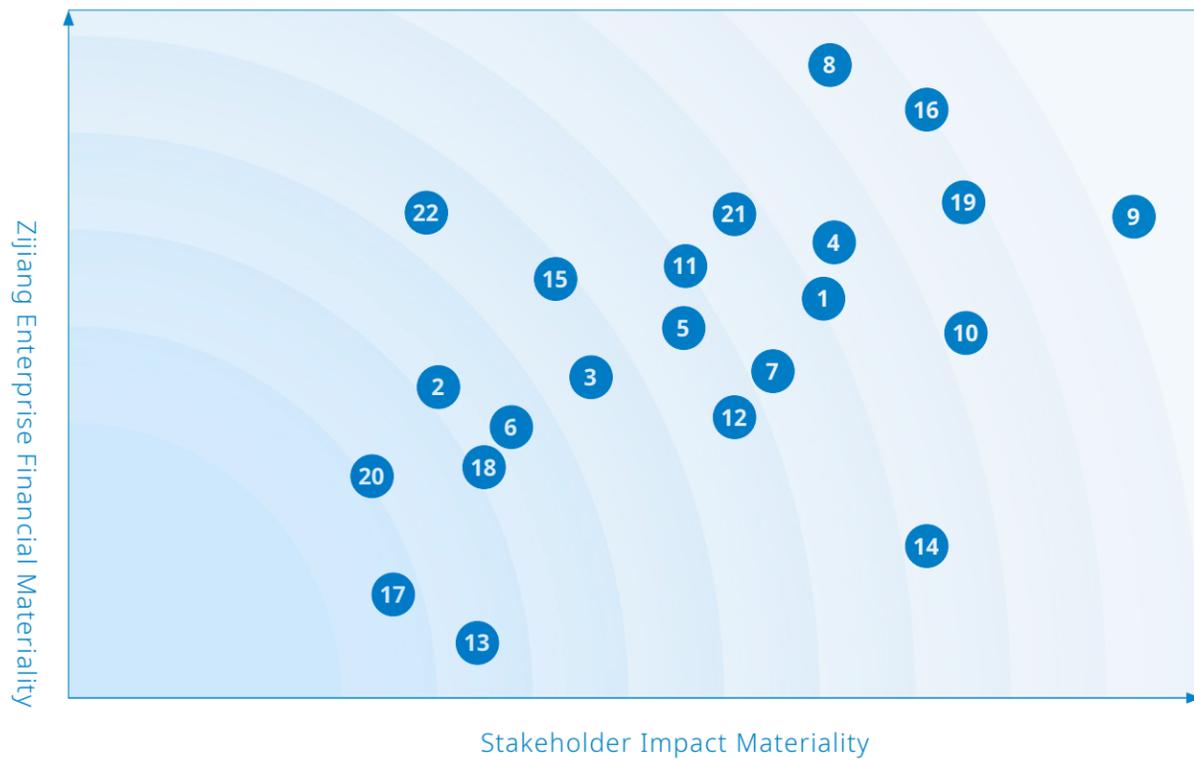


Stakeholder Engagement Zijiang Enterprise values stakeholder needs and expectations, recognizing effective communication as key to achieving strategic goals and driving sustainability. By refining engagement mechanisms, we proactively address concerns, ensuring alignment between business operations and social responsibility.

During the reporting period, we identified 7 core stakeholder groups: customers, shareholders & investors, government agencies, industry organizations, partners, employees and communities. Through targeted analysis and diverse engagement methods, we continuously optimize communication to enhance responsiveness and impact.

Stakeholder	 Customers	 Shareholders & Investors	 Government Agencies	 Industry Organizations	 Partners	 Employees	 Community
Key Concerns	<ul style="list-style-type: none"> ★ Environmental management ★ Climate action ★ Customer service ★ Data security 	<ul style="list-style-type: none"> ★ Corporate governance ★ Risk management ★ Digital transformation ★ Lean efficiency 	<ul style="list-style-type: none"> ★ Environmental management ★ Water resource management ★ Waste management ★ Occupational health & safety ★ Employee rights 	<ul style="list-style-type: none"> ★ Industry development ★ Technological innovation 	<ul style="list-style-type: none"> ★ Supply chain management ★ Business ethics 	<ul style="list-style-type: none"> ★ Occupational health & safety ★ Employee rights ★ Talent development ★ Diversity & inclusion ★ Fair compensation & benefits 	<ul style="list-style-type: none"> ★ Community engagement ★ Philanthropy
Engagement Methods	<ul style="list-style-type: none"> ★ Customer visits ★ Calls ★ Product carbon footprint verification 	<ul style="list-style-type: none"> ★ Shareholder meetings ★ Announcements ★ Emails ★ Investor meetings ★ Trading platforms ★ Investor Calls 	<ul style="list-style-type: none"> ★ Policy guidance ★ Regular reporting ★ Daily communication ★ Environmental disclosures 	<ul style="list-style-type: none"> ★ Standard-setting participation ★ Industry conferences 	<ul style="list-style-type: none"> ★ Tender Procurement ★ Business Communication & Collaboration 	<ul style="list-style-type: none"> ★ Employee meetings ★ Engagement surveys ★ Internal publications 	<ul style="list-style-type: none"> ★ Donations ★ Volunteering ★ Disability employment
Core Commitment	Prioritizing customer needs by delivering high-quality, sustainable products and services, supporting their value growth and green transition.	Ensuring long-term value creation through sound governance, transparency, and innovation, strengthening market competitiveness.	Complying with policies, fulfilling social and environmental responsibilities, and collaborating with the government to promote sustainable development.	Engaging in industry growth and standard-setting with a collaborative mindset, driving innovation and sustainable industry progress.	Building a transparent, responsible supply chain, fostering mutual growth, and advancing sustainable business practices.	Creating a safe, inclusive, and growth-oriented workplace, respecting every employee's value, and unlocking long-term potential.	Actively supporting community development, social well-being, and environmental protection, fulfilling corporate social responsibility.

ESG Material Topic Management Zijiang Enterprise integrates identification, evaluation, and analysis of material ESG topics into its reporting, goal-setting, and implementation processes. We have developed a systematic ESG topic selection, research, and analysis framework to accurately identify stakeholder concerns and align ESG management with external expectations. Moving forward, we will continue to track ESG trends and drive ongoing improvement in sustainability practices.



1.Environmental Management	6.Technological Innovation	10.Occupational Health & Safety	15.Supply Chain Management	19.Corporate Governance
2.Water Resource Management	7.Digital Transformation	11.Employee Rights	16.Customer Collaboration	20.Risk Management
3.Waste Management	8.Lean Optimization	12.Talent Development	17.Community Engagement	21.Information Security
4.Climate Action	9.Circular Economy	13.Diversity, Equity & Inclusion	18.Industry Development	22.Business Ethics
5.Energy Management		14.Fair Compensation & Benefits		

Zijiang Enterprise conducts materiality analysis to identify key ESG topics, evaluating their completeness, impact scope, and reporting boundaries to ensure alignment with stakeholder concerns. Following the double materiality principle, we assessed 22 ESG topics and developed a materiality matrix. For 2024, six highly material topics have been prioritized to ensure focused, value-driven disclosures.

Material Topics	Business Significance	Financial Impact Analysis
 <p>Circular Economy</p>	Promoting lightweight, recyclable, and eco-friendly packaging materials.	Enhances resource efficiency, reduces raw material costs and waste disposal expenses, improving long-term profitability and cost control.
 <p>Customer Collaboration</p>	Building efficient customer management systems, optimizing service standards, and enhancing cooperation value.	Increases customer satisfaction and loyalty, boosting market share, optimizing cash flow, and ensuring business stability.
 <p>Lean Optimization</p>	Optimizing management systems and operations with data-driven performance evaluation and transparent resource allocation.	Process optimization, cost control, and smart management reduce production losses and operational expenses, improving asset returns and profitability.
 <p>Corporate Governance</p>	Establishing a transparent governance structure, policies, and reporting mechanisms.	Strengthens financial stability, reduces risk, enhances investor confidence, and improves capital access while optimizing financing costs.
 <p>Climate Action</p>	Developing climate governance frameworks, identifying risks and opportunities, and implementing climate risk control measures.	Supports low-carbon production and energy optimization, reducing carbon tax liabilities and compliance costs while enhancing green brand value.
 <p>Occupational Health & Safety</p>	Managing workplace safety, incident investigation, risk identification, employee health checks, and safety training.	Lowers accident rates and occupational health risks, reducing legal liabilities, preventing production disruptions, and enhancing operational stability while lowering long-term labor costs.

Eco-friendly Practice and Climate Change

19 Eco-friendly Practice

24 Accelerating Green Development



Zijiang Enterprise adheres to the philosophy that lucid waters and lush mountains are invaluable assets, the company integrates this commitment into its daily operations and long-term strategy. Zijiang Enterprise drives green transformation by establishing resource-efficient and environmentally friendly operational models, optimizing environmental and energy management, thereby building a green ecosystem.

Eco-friendly Practice

Environmental Management

Zijiang Enterprise complies with the *Environmental Pollution Prevention and Control Law of the People's Republic of China* and the *Environmental Protection Law of the People's Republic of China*, dedicating itself to reducing emissions of waste gases, wastewater, and solid waste. Through the implementation of the Zijiang Enterprise EHS³ Management Evaluation System, the company ensures the compliance and scientific approach of its environmental management.

The headquarters is responsible for developing and revising EHS-related policies, defining environmental management elements for business units, and providing operational guidance. To ensure the effective implementation, the company organizes training sessions to explain EHS requirements and address practical challenges.

Case Environmental Regulation Training Organized by Zijiang Enterprise



Environmental Regulation Training

Zijiang Enterprise invited experts from the Shanghai Academy of Environmental Sciences and the Shanghai Environmental Monitoring Center to conduct specialized sessions on regulatory changes. The training focused on the latest updates in environmental regulations and their practical application. The training helped attendees gain a deeper understanding of key requirements for compliance.

3. EHS:Environment, health and safety

Zijiang Enterprise's subsidiaries follow a structured management system to ensure effective policy execution. Factories conduct regular audits, risk assessments, and supplier evaluations, while performance is assessed based on EHS indicators. Responsibilities are assigned to roles, enhancing environmental awareness and management. During the reporting period, Zijiang Enterprise and its subsidiaries did not experience any environmental compliance violations.

Key Metrics 

20 Companies are Certified with ISO 14001 Environmental Management System

3 Companies are Recognized as National Green Factory

Shanghai Zijiang Enterprise Group Co., Ltd.

Shanghai Ziquan Beverage Industry Co., Ltd.

Shanghai Zijiang New Material Technology Co., Ltd.

8 Companies are Recognized as Provincial Green Factory

Shenyang Zijiang Packaging Co., Ltd.

Nanjing Zile Beverage Industry Co., Ltd.

Guilin Ziquan Beverage Industry Co., Ltd.

Shenyang Ziquan Beverage Industry Co., Ltd.

Yichang Ziquan Beverage Industry Co., Ltd.

Shaanxi Ziquan Beverage Industry Co., Ltd.

Shenyang ZIRI Packaging Co., Ltd.

Anhui Zijiang Metallization Environmental Protection Material Co., Ltd.

Environmental Management Improvement

Zijiang Enterprise focuses on strengthening environmental management and emergency management to support sustainability goals.

The company has implemented a comprehensive environmental emergency response plan, including risk identification, response procedures, and post-incident reviews, ensuring quick and effective action during environmental incidents. Regular drills enhance coordination and response efficiency.

Zijiang Enterprise promotes environmental awareness through training, campaigns, and practical initiatives, embedding sustainability into corporate culture. Collaboration with subsidiaries further amplifies public environmental awareness, contributing to a green, low-carbon society.

Case EHS Specialized Training was Organized by Zijiang New Material

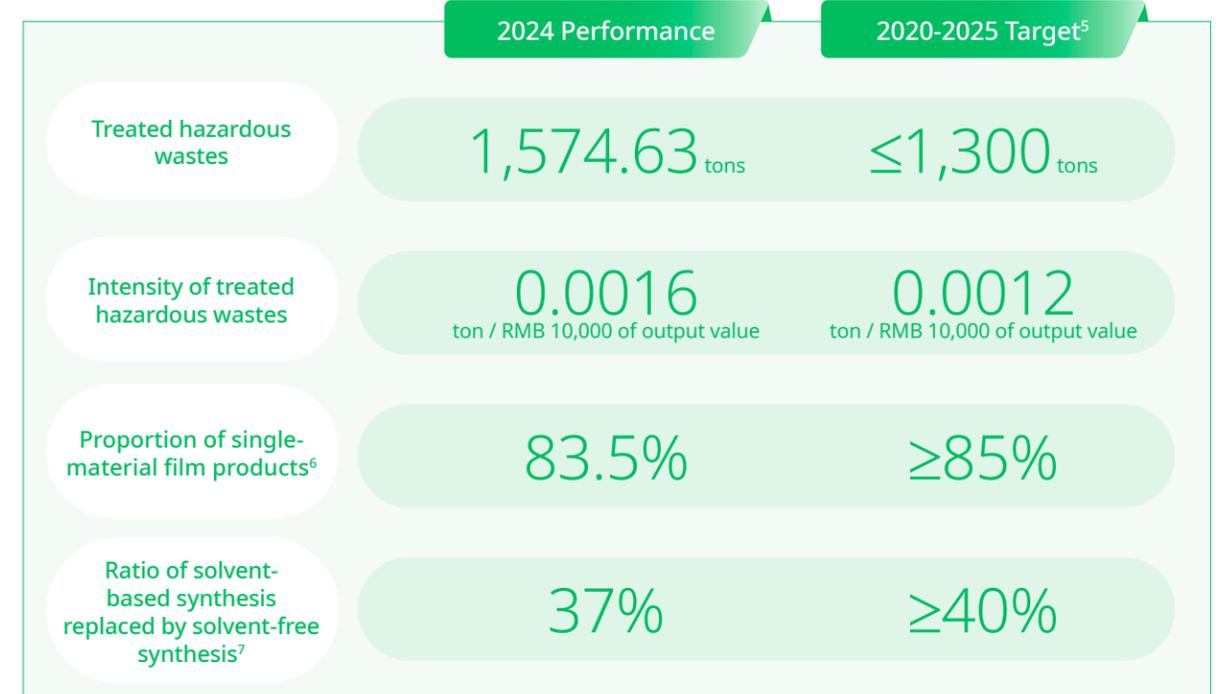


Environmental protection and safety management training

Zijiang New Material organized training on environmental protection and safety management for relevant departments. The training focused on environmental testing and compliance with company standards, ensuring strict adherence to regulations in hazardous and solid waste disposal, and driving continuous improvement of the environmental management system.

Waste Management

Zijiang Enterprise strictly complies with relevant pollution discharge regulations, including the *Cleaner Production Promotion Law of China*, *Air Pollution Prevention and Control Law of China*, *Water Pollution Prevention and Control Law of China*, and *Solid Waste Pollution Prevention and Control Law of China*. We focus on standardizing pollutant discharge management and improving the treatment of three wastes pollutants⁴ to reduce emissions.



4. Three Wastes Pollutants: Wastewater, exhaust gas, and solid waste

5. In 2020, the company set 2025 as the target year and established quantifiable ESG goals, including energy management, photovoltaic projects, and waste disposal efficiency.

6. Single-material Film Proportion = Annual production of single-material film / (Total annual production of single-material and multi-material films), covering all Zijiang subsidiaries' nationwide film printing factories.

7. Solvent-free Composite Substitution Rate = Annual production of solvent-free composites / Total annual composite production.

Exhaust Management

We have adopted advanced technologies and equipment in air emissions management to improve treatment efficiency and reduce harmful exhaust gas, effectively lowering air pollution.

Case Zijiang Color Printing: Solvent-Free Lamination Technology Supporting Eco-Friendly Production



Shanghai Zijiang Color Printing won the first prize in Sustainable and Eco-Friendly Food Packaging at the 9th Packaging and Printing Competition for its solvent-free lamination technology, which reduces volatile organic compounds (VOCs) emissions and meets industry green standards.

Solvent-Free Lamination Technology Packaging

Case ZJMP, Zidong Nylon Sourced Substitution to Reduce VOCs Emissions

Anhui ZJMP plant replaced high-alcohol varnish with low-alcohol alternatives, cutting VOCs emissions by 12.3 tons annually.

Zidong Nylon switched from diesel to natural gas boilers, significantly reducing sulfur dioxide and nitrogen oxides emissions.

Wastewater Management

The company implements clean production to reduce pollutant generation and raw water concentrations. We continuously upgrade wastewater treatment facilities to improve efficiency, lower pollutant concentrations, and minimize environmental impact.

Case Reduction of Waste Liquid Discharge at Nanjing Zile Beverage and Zijiang New Material

Nanjing Zile Beverage upgraded its RO system with a concentrated water recovery system, achieving a 55% recovery rate and reducing annual discharge by 17,592 tons.

Zijiang New Materials optimized the Shanghai plant's spray tower, extending the low-temperature evaporation unit's operation to 72 hours, cutting monthly waste liquid discharge from 3 tons to 1 ton and reducing annual emissions by nearly 40 tons.

Solid Waste Management

The company enforces strict solid waste management through classification, resource utilization, and standardized disposal, continuously improving recycling and reuse rates.

Case Nanjing Zile Beverage Implements Zero-landfill Waste Management System

Nanjing Zile established a zero-landfill waste management system, optimizing waste reduction and resource utilization. In 2024, it reused 394.59 tons of packaging materials, minimizing resource waste.

Water Resource Management

Zijiang Enterprise enhances water efficiency and clean discharge through systematic management and innovation. The company refines water resource control from usage to treatment, standardizing subsidiary practices to promote conservation and reduce pollution.



Case Beverage OEM Business Unit Led in Water Conservation

In 2024, Nanjing Zile was recognized as an Outstanding Water Conservation Enterprise for its innovation and lean management, enhancing water efficiency. Through the Waterwatcher System, precise monitoring extends across all water usage points, with conservation targets implemented at all levels to foster a "save every drop" culture.

⁸ In 2020, the company set 2025 as the target year and established quantifiable ESG goals, including energy management, photovoltaic projects, and waste disposal efficiency.

⁹ Beverage Water Consumption Rate = Total annual water consumption / Total annual beverage production



Nanjing Zile - Outstanding Water Conservation Enterprise

Recycling Rinse Water

Optimized bottle rinsing recovers 96 tons daily, saving 24,000 tons annually.

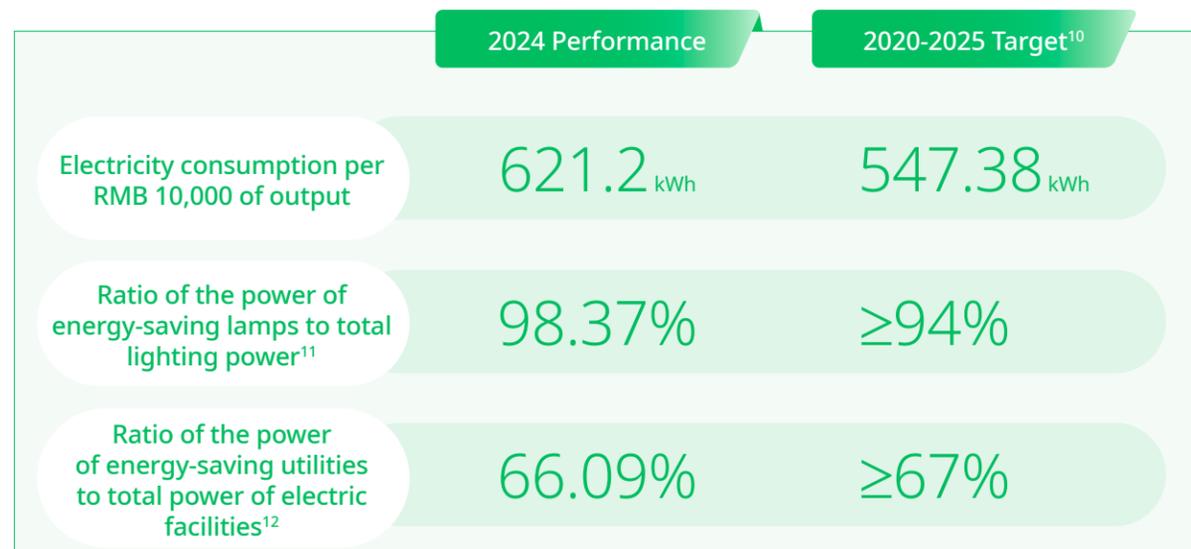
CIP Water Optimization

Recovery tanks and process improvements cut cleaning water use, saving 6,200 tons annually.

Accelerating Green Development

Addressing Climate Change

Zijiang Enterprise actively fulfills its industry responsibilities by upgrading equipment and transitioning to green energy, continuously optimizing carbon emissions management to support low-carbon industry growth.



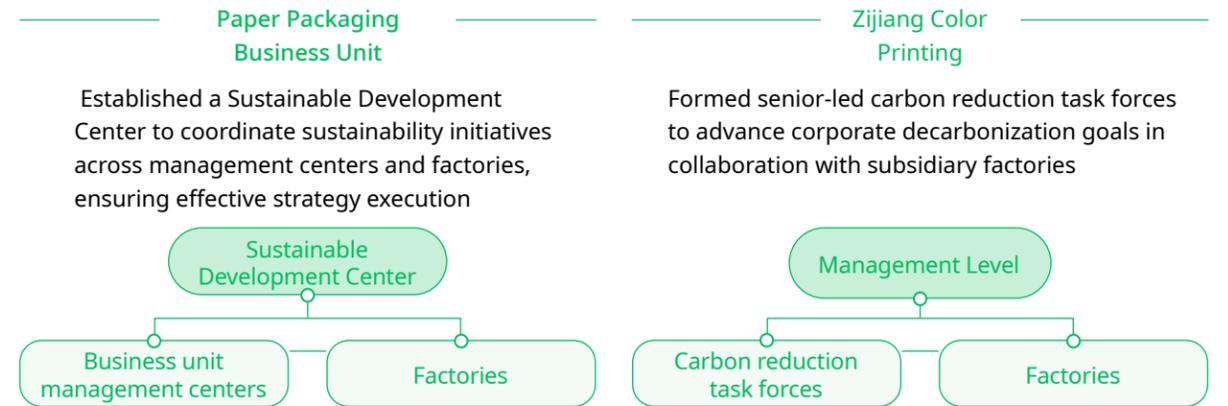
Aligned with China's Carbon peaking and carbon neutrality goals, the company integrates climate strategies into its operations, refining governance structures and establishing dedicated task forces to drive coordinated low-carbon transformation.

¹⁰ In 2020, the company set 2025 as the target year and established quantifiable ESG goals, including energy management, photovoltaic projects, and waste disposal efficiency.

¹¹ Energy-saving Lamp Power Proportion = Energy-saving lamp power / Total lighting power in all factories

¹² Energy-saving Utility Equipment Power Proportion = Energy-saving utility equipment power / Total utility equipment power

Paper Packaging Business Unit and Zijiang Color Printing have established systematic and structured management practices



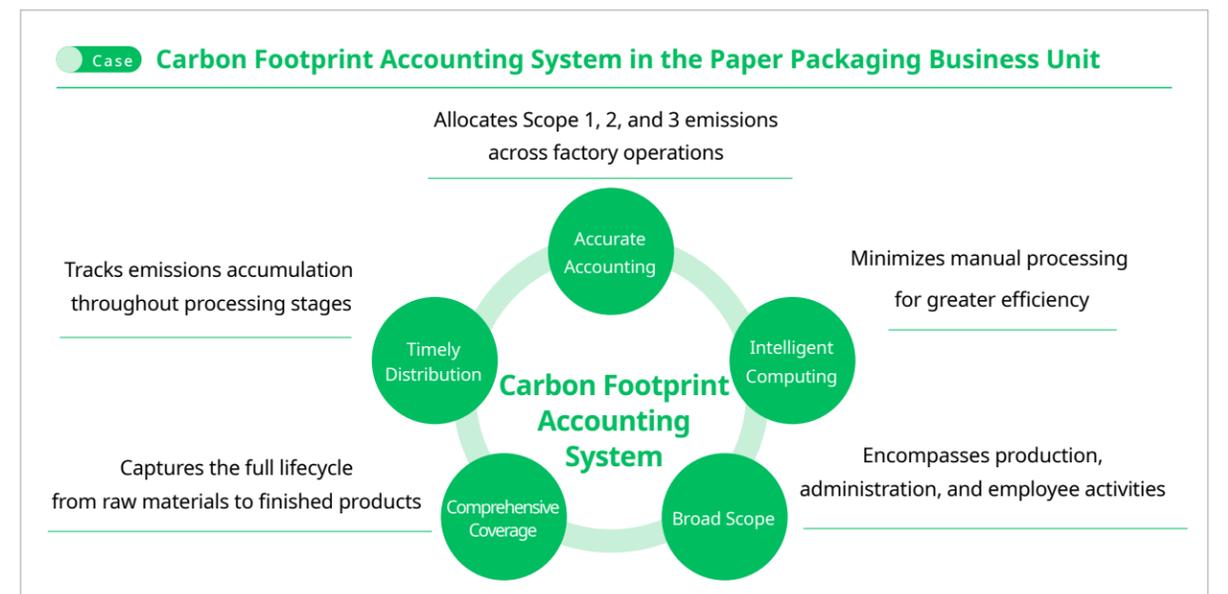
Carbon Asset Management

Zijiang Enterprise systematically advances carbon inventory efforts, building a structured emissions management framework. The company identifies and quantifies emission sources in key business units while enhancing data collection through real-time monitoring and big data analytics to optimize reduction potential.

Key Metrics ★

9 Companies Obtained ISO 14064 Greenhouse Gas Emissions Certification

Alongside expanding organizational carbon verification, Zijiang Enterprise encourages product carbon footprint assessments to refine emissions accounting. A dedicated team ensures scientific accuracy, aligning with market sustainability demands and enhancing industry competitiveness.



Case Product carbon footprint assessments are advanced by Zijiang Color Printing and ZIRI Packaging

Shanghai Zijiang Color Printing explores low-carbon pathways by conducting precise carbon footprint calculations for selected products.

ZIRI Packaging launched its first lifecycle carbon footprint assessment in 2024, using data insights to optimize design and enhance energy efficiency, reducing emissions and promoting green manufacturing.

Low-Carbon Operations

Zijiang Enterprise upholds a green, low-carbon development philosophy, focusing on energy-efficient upgrades and renewable energy adoption. The company has developed a decarbonization plan to support China's "30/60 Dual Carbon Goals."

Energy-efficient Upgrades

Renewable Energy Adoption

Key Metrics ★

2 Subsidiaries Obtained SBTi¹³ Net Zero Certification

6 Subsidiaries Obtained PAS 2060 Carbon Neutral Certification

1 Subsidiary Obtained LEED¹⁴ Silver Certification

Zijiang Enterprise enhances energy efficiency and carbon reduction through equipment upgrades, advanced technologies, and optimized operations. By retrofitting energy-intensive equipment, adopting low-energy alternatives, upgrading key processes, and integrating intelligent control systems, the company maximizes energy utilization and drives green transformation. Subsidiary Hubei Zidan Food obtained LEED Silver certification for green buildings.

¹³. SBTi (Science Based Targets initiative): A corporate climate action organization that helps global companies and financial institutions play their part in addressing the climate crisis.

¹⁴. LEED (Leadership in Energy and Environmental Design): An international green building certification system developed by the U.S. Green Building Council, evaluating buildings' performance in energy efficiency, resource management, and environmentally friendly design.

Case Multiple measures are being implemented by Zidan Packaging Technology to achieve SBTi targets

Zidan Packaging has established both short-term Science-Based Targets initiative (SBTi) goals and a long-term net-zero target:

Short-term Target—2030

The company aims to reduce Scope 1 GHG emissions by **42%**, achieve **100%** renewable energy usage in operations, and reduce Scope 3 GHG emissions by **25%**

Net-zero Target—2050

Net-zero emissions

To support these goals, the company has implemented key decarbonization initiatives:

Equipment Upgrade

Energy-saving retrofit of fans with variable frequency drives

Steam Recovery System

Improving resource efficiency

Sludge Drying Equipment

Reducing overall waste generation

Diesel-to-electric Transition

Replacing diesel-powered equipment with electric vehicles

Case Zijiang Color Printing's Carbon Reduction Commitment

Zijiang Color Printing has set SBTi short-term targets:

Short-term Target—2030

Zijiang Color Printing aims to reduce Scope 1 and 2 emissions by **42%** and Scope 3 emissions by **25%** by 2030, based on 2022 levels.

To achieve this, the company advances energy-efficient upgrades and implements lifecycle carbon reduction measures, covering raw material use, production optimization, and transportation efficiency.

Case ZIRI Packaging: Cooling Station Efficiency Upgrade for Carbon Reduction

ZIRI Packaging implemented an energy efficiency enhancement project for its cooling stations, upgrading process and air-conditioning chilled water systems with advanced automated control technologies to reduce energy consumption and emissions.

Key Technologies

Smart Automation

Real-time monitoring and dynamic adjustments optimize equipment operation.

Variable Frequency Drive Technology

Adjusts equipment speed based on demand, minimizing energy waste.

Integrated System Optimization

Ensures coordinated operation for maximum energy efficiency.



Cooling Station Automated Control System

Project Impact

Energy Savings

Annual electricity use was reduced from 4.21 million kWh to 3.46 million kWh, saving 749,000 kWh per year — a 17.8% reduction in energy consumption.



Efficiency Improvement

System efficiency ratio increased from 3.5 to 4.5.



Carbon Reduction

Annual energy savings of 213.5 tons of standard coal, cutting 555 tons of CO2 emissions per year.



Energy Management

Zijiang Enterprise prioritizes energy efficiency and sustainability, adhering to regulatory compliance, clean production, and continuous improvement. The company promotes renewable energy adoption and advances smart energy management to support its carbon reduction goals.

Key Metrics

13 companies obtained the ISO 50001 Energy Management System

2024 Performance

2020-2025 Target¹⁵

Accumulated Solar Panel Installation Area

467,333 m²

396,862 m²

Distributed Solar Coverage Rate¹⁶

56.64%

>57%

Digital Empowerment for Green Operations

Zijiang Enterprise leverages digital transformation to enhance efficiency and drive low-carbon development. Real-time monitoring and data-driven management of energy consumption and renewable energy use support targeted energy-saving measures.

Case Container Packaging Business Unit: Significant Achievements in Digital Transformation

Container Packaging Business Unit: Implemented an IoT, cloud computing, and big data analytics system across 40+ enterprises, enabling real-time monitoring of equipment status, energy use, uptime, and production output. This system significantly improved efficiency and cost control and was recognized as a 2024 Best Digital Transformation Practice Case by the China Listed Companies Association.

¹⁵. In 2020, the company set 2025 as the target year and established quantifiable ESG goals, including energy management, photovoltaic projects, and waste disposal efficiency.

¹⁶. Distributed Photovoltaic Coverage Rate = Area of photovoltaic panels on Zijiang's factory rooftops / Total rooftop area of Zijiang's factories.

Case Beverage OEM Business Unit: Energy Optimization Workshop Drives Efficiency Improvements

Shenyang Ziquan Beverage hosted an Energy Optimization Workshop to review energy performance, showcase best practices, and set 2025 efficiency targets for electricity and natural gas.

The workshop established 38 energy-saving measures with clear targets. To encourage participation, a performance-based incentive system was introduced, linking rewards to energy savings by production line and efficiency tier.

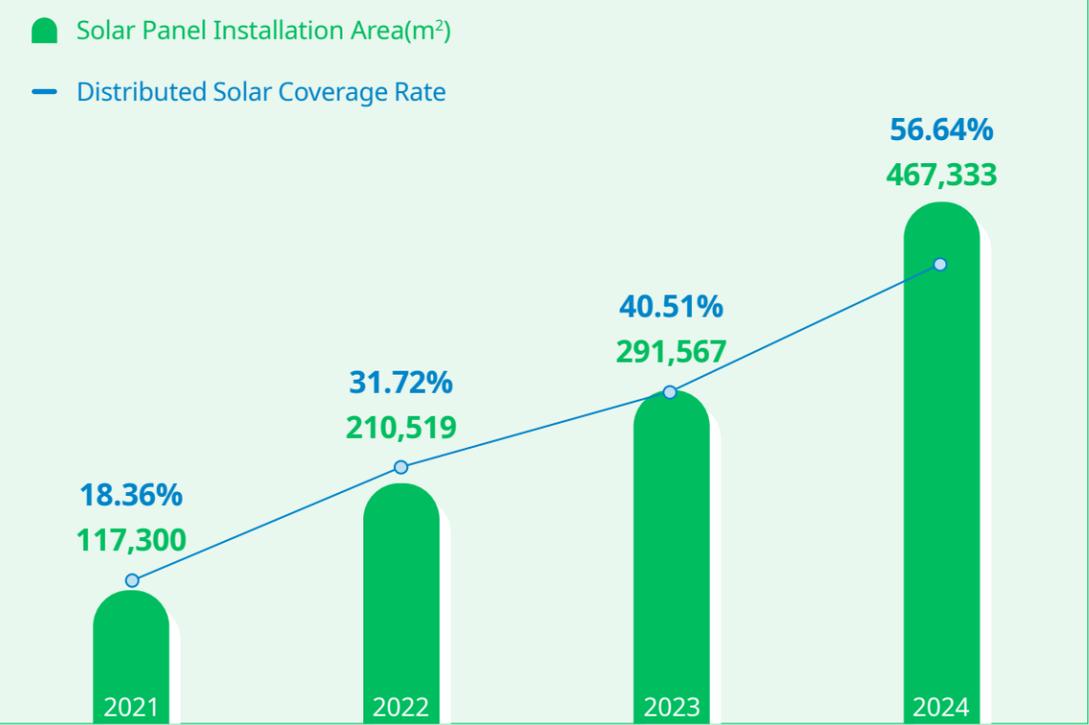
Renewable Energy Adoption: Solar Projects Driving Green Transition

Zijiang Enterprise advances China's Dual Carbon strategy by integrating distributed solar power, optimizing energy use, and reducing carbon emissions. The company launched two solar project phases, covering 20+ factories with an investment of over 100 million RMB. To enhance efficiency, it developed a solar energy management platform for real-time data monitoring, fault alerts, revenue tracking, and maintenance management. By 2024, four solar stations were connected, with full integration expected by 2025.



Rooftop photovoltaic project for factories

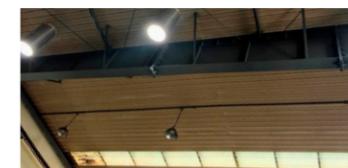
Key Metrics



Clean Energy Generation in 2024: **33,750 MWh**

Non-Fossil Energy Share in 2024: **20.13%**

Case Crown Caps & Labels Business Unit: Workshop Lighting Upgrade with Light Guide System



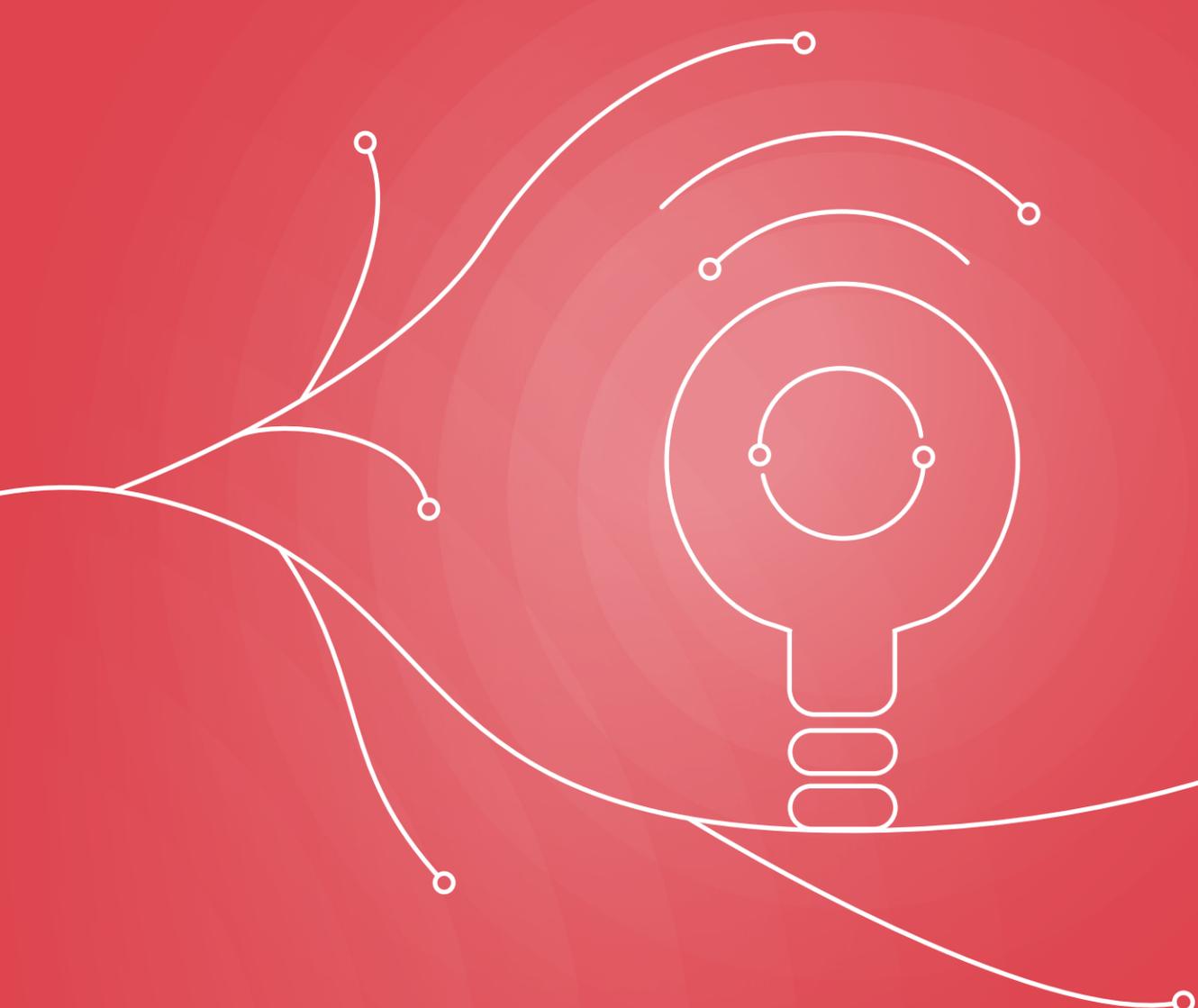
Rooftop Lighting

Ziquan Packaging's Shanghai plant upgraded its lighting system by enhancing roof skylight transmittance to 82% and introducing a daylight illumination system. Using light guide technology, natural light is evenly distributed, eliminating the need for daytime industrial lighting. This reduces electricity consumption and carbon emissions while improving indoor lighting, enhancing employee well-being, and supporting green production.

Circular Innovation

33 Innovative Development

39 Circular Economy



Innovation drives sustainable development, while the circular economy enhances resource efficiency and environmental protection. Zijiang Enterprise integrates technological innovation with circular economy principles, creating a dual-driven growth model. The company focuses on R&D and product innovation to lead industry progress. By improving resource management and environmental protection, it strengthens the foundation for balancing resource efficiency and business value, ensuring sustainable growth.



Innovative Development

Zijiang Enterprise focuses on enhancing innovation capabilities through technological leadership, digital empowerment, and lean efficiency. We drive innovation by strengthening product competitiveness, improving management efficiency with digitalization, and optimizing resource allocation via lean management, accelerating the transformation from technological innovation to upgrades.

Technology Research and Development

Technological innovation is the core driver at Zijiang Enterprise. Through platforms like industry-academia-research cooperation and expert workstations, we accelerate the industrialization of technology. We closely align R&D with practical applications to boost competitiveness, while refining innovation management and incentives to foster employee creativity. This innovation-driven approach has led to significant improvements in product adaptability, production efficiency, cost reduction, and quality enhancement.

¹⁷In 2020, the company set 2025 as the target year and established quantifiable ESG goals, including energy management, photovoltaic projects, and waste disposal efficiency.

¹⁸Harmless waste includes solid waste generated by Zijiang Enterprise's subsidiaries, comprising self-recycled waste, socially recycled waste, and non-recyclable waste.

Key Metrics 

Year-on-year Increase in Research Investment 6.76%	New Patents Granted in 2024 262
New Authorized Patents in 2024 221	New Invention Patents in 2024 39
New Utility Model Patents in 2024 175	Cumulative number of national high-tech enterprise certifications 24
Cumulative Number of Shanghai Municipal Patent Pilot Units 7	Number of High-tech Enterprise Applications Approved 3

 **Zijiang New Material's R&D Practices**

Zijiang New Material drives key technological R&D and upgrades technology through industry-academia-research collaboration and expert workstations.

Industry-academia-research Cooperation

In collaboration with research institutions, we have optimized lithium battery packaging materials, developing innovative coating technologies to improve adaptability, stability, and packaging efficiency.

Expert Workstations

Utilizing expert workstation resources, we've achieved mass production and high-quality supply of aluminum-plastic composite membranes, overcoming key technical bottlenecks by optimizing material formulations and processes.

Digital Empowerment

Digital transformation is crucial for driving intelligent manufacturing, and supporting green development. Zijiang Enterprise views it as a core driver of high-quality growth, integrating it into management and production to create an efficient, precise, and sustainable operating model.

We focus on aligning our digital system with business strategy, using data to improve efficiency and optimize resources. By enhancing management processes, innovating production models, and strengthening data capabilities, we aim to set an industry benchmark for a green and sustainable future.

Key Metrics 

Cumulative Smart Factories 2	New Smart Factories added this year 1
National Smart Factory 1	Shanghai Smart Factory 1

 **Management Efficiency Improvement**

Our digital transformation aligns with business strategies, focusing on building an efficient operational system. By integrating information platforms across subsidiaries, we have significantly improved management efficiency.

• **Unified Platform and Collaborative Management:**

A comprehensive OEE and energy management platform integrates subsidiary KPIs, enabling digital control with tiered management across subsidiaries.

• **Process Management Upgrade:**

Advancements in data acquisition enable real-time process management, addressing production and equipment issues, and supporting efficient decision-making.

• **Information Security System:**

An ISO-based security system enhances data protection and stability, ensuring a solid foundation for decision-making through network optimization and risk assessments.

Subsidiaries have implemented digital management systems to optimize production, improve efficiency, and enable intelligent monitoring and management of production and energy consumption.

Container Packaging Business Unit EHS Online Management Platform

Paper Packaging Business Unit Product Line Management Platform

ZIRI Packaging Production Management System

Zijiang New Material Production Data Management System

ZJMP Energy Management Dashboard

Empowering Production Management

Driven by digital transformation, Zijiang Enterprise introduces advanced technologies to support the construction of smart factories, enhancing production capacity and product quality management.

- Intelligent Production Improvement:

 Using big data to optimize production management, enhancing efficiency and decision-making.
- Automated Quality Management:

 Replacing manual checks with intelligent devices, improving accuracy and reliability.
- Empowering Green Manufacturing:

 Optimizing energy and water use through data analysis, advancing green manufacturing.

Efficiency Enhancement

Zijiang Enterprise focuses on efficiency enhancement to optimize resource utilization and operational effectiveness. Key strategies include improving Overall Equipment Effectiveness (OEE) and labor efficiency through initiatives like the golden ideas, Six Sigma projects, and OEE. These efforts optimize human-machine efficiency, create a precise production model, and maximize resource use and benefits.

During the reporting period, the company established standardized improvement systems across subsidiaries, enhancing lean management. Lean projects were categorized into Six Sigma, QCC¹⁹, improvement proposals, and rationalization suggestions. The four-tier system prioritizes strategic goals and enhances management efficiency through differentiated evaluations and incentives.

Key Metrics
★

<p>Lean Management Projects:</p> <p style="font-size: 24px; font-weight: bold; color: #e91e63;">4,141</p>	<p>Estimated Financial Benefit:</p> <p style="font-size: 24px; font-weight: bold; color: #e91e63;">69.55 million RMB</p>
<p>Six Sigma Projects:</p> <p style="font-size: 24px; font-weight: bold; color: #e91e63;">12</p>	<p>QCC Projects:</p> <p style="font-size: 24px; font-weight: bold; color: #e91e63;">389</p>
<p>Improvement Proposals:</p> <p style="font-size: 24px; font-weight: bold; color: #e91e63;">922</p>	<p>Adopted Rationalization Suggestions:</p> <p style="font-size: 24px; font-weight: bold; color: #e91e63;">2,818</p>

¹⁹QCC Project: Quality Control Circles, Quality Improvement Project

Golden Ideas: Fostering Innovation

The golden idea project is an employee innovation initiative aimed at enhancing company competitiveness through technological and management improvements. It provides a platform for frontline employees to showcase their value, driving numerous successful innovations and becoming a key part of corporate culture.

Since its launch, over 800 employees have participated, generating more than 400 million RMB in benefits. During the reporting period, 12 golden idea awards and 13 finalist awards were presented, with several projects securing national patents.

Case Container Packaging Business Unit: Continuous Improvement and Enhancement

Container Packaging Business Unit focuses on improving overall efficiency with OEE as the key indicator, making improvements in:



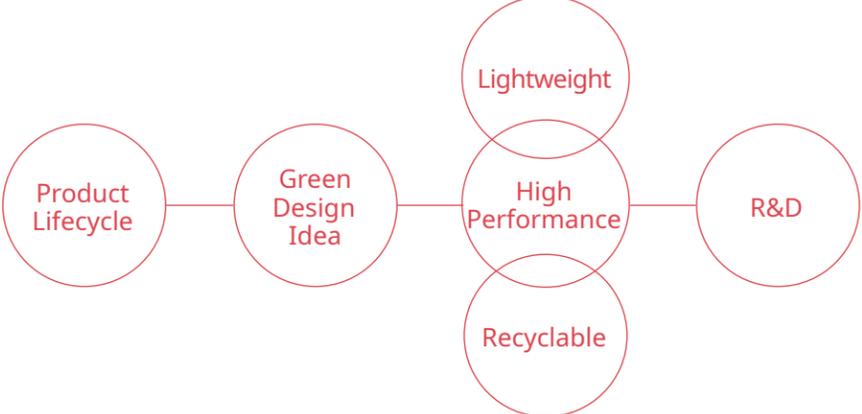
Real-time Monitoring of Information Platform

- Product Quality Rate:** Real-time monitoring of key parameters to ensure stable product quality
- Equipment Performance Efficiency:** Preventive mold maintenance and upgrading refrigeration systems
- Negative Time Utilization:** Using digital platforms and TPM to reduce unplanned downtime
- Equipment Capacity Utilization:** Expanding market reach to increase uptime, enhancing molds for better production availability

Circular Economy

Zijiang Enterprise integrates circular economy principles into operations and innovation, promoting green manufacturing with a focus on reduction, reuse, and resource recycling.

Design Innovation: We drive the development of lightweight, high-performance, and recyclable packaging through green design, ensuring sustainability and efficiency throughout the product lifecycle.



Sustainable Packaging: By optimizing processes and material use, we minimize resource consumption and production waste, supporting green development across the value chain.



Circular Regeneration: We establish a comprehensive recycling system to regenerate discarded materials, extending their lifespan and reducing consumption through closed-loop management.



Design Innovation

Design innovation is central to improving resource efficiency and reducing environmental impact. We emphasize green design, focusing on lightweight, multifunctional, and recyclable products to embed sustainability across the product lifecycle.

Through technological and material innovations, we enhance resource efficiency and promote circular economy growth, setting industry benchmarks with significant achievements in lightweight design and recyclable products.

Case Container Packaging Business Unit: Innovative Bottle Preform Design

The company optimized bottle preform design, reducing the weight of soy sauce bottles from 67g to 62g, saving 40 tons of raw material annually for every 8 million bottles. Adjustments to the preform structure led to a total weight reduction of 1,600 tons for 1.4 billion bottles.



Case Coated paper lids are replacing plastic film lids in the Paper Packaging Business Unit

Coated paper lids with high strength and printability were developed, replacing plastic and aluminum-plastic film lids in hot, cold, and dry food packaging.



Case Crown Caps & Labels Business Unit: Eco-friendly CPETG Labels



Eco-friendly CPETG Labels

Ziquan Labels developed CPETG (Co-Polyester Ethylene Terephthalate Glycol) labels with excellent shrinkage and recyclability, enabling joint recycling with PET bottles.

Case Zijiang Color Printing: Recyclable Packaging Focus



Royal Packaging Materials Suppliers Conference

Zijiang Color Printing integrated recyclable, lightweight packaging in collaboration with leading brands in the food and premium pet food sectors optimizing material structure and stability for efficient recycling.

Case ZJMP: Plastic-free High-Barrier Packaging

ZJMP developed high-barrier, plastic-free packaging in partnership with major consumer goods and food companies, reducing material use and setting a new standard for eco-friendly packaging.



Plastic-free High-Barrier Package

Case Zihua Technology: Eco-friendly Wet Wipe Packaging



Eco-friendly Wet Wipe Packaging

Zihua Technology developed a new, biodegradable Paper Angel wet wipe packaging, improving user experience and sustainability.

Sustainable Packaging

Zijiang Enterprise optimizes processes and material efficiency to ensure resource use and waste recycling throughout production. By integrating green principles and focusing on waste reduction and efficiency, the company implements resource recycling and reuse across all production stages, creating an efficient production model through innovation and process improvements.

Case Zijiang Color Printing: Multi-Material Recycling

Zijiang Color Printing enhances recycling through tech optimization, replacing paper cores with plastic tubes and recycling materials like PVC pallets. Glue and ink efficiency were optimized to reduce waste. The blown film edge scrap granulation achieves a stable recovery of 4 tons per month.

Case Zihua Technology: Resource Recycling and Reuse



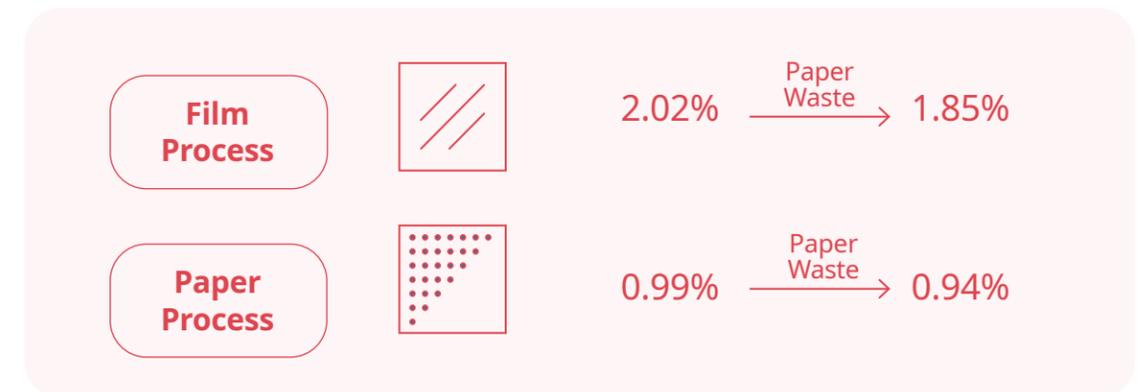
Material Recycling and Reuse

Zihua Technology reprocessed edge-trim materials from heating pad production into granules, reusing them in product manufacturing. In 2024, 400 tons were reused, significantly improving the raw material recycling rate.

Case ZJMP: Process Optimization and Resource Recycling

ZJMP optimized both film and paper processes, reducing film waste from 2.02% to 1.85% and paper waste from 0.99% to 0.94%.

Additionally, by introducing secondary processing technology, the company successfully recycled 170 tons of PET film.



Circular Regeneration

Zijiang Enterprise promotes circular economy development by coordinating internal and external resources. The company strengthens circular economy awareness, engages employees in recycling and reuse, and builds an efficient closed-loop management system. It also collaborates with customers and suppliers to integrate green principles across the supply chain.

Case Zijiang Enterprise: Bottle Rebirth



Bottle Rebirth Campaign

Zijiang Enterprise, in partnership with Leju Technology, Coca-Cola, and Donghua University, launched the Bottle Rebirth initiative to promote the efficient recycling and reuse of plastic bottles, reducing pollution and creating a sustainable circular economy from production to recycling.

Case Crown Caps & Labels Business Unit: PE Plastics Circular Innovation

Crown Caps & Labels Business Unit applied a new film formula in baby diaper PE bags, incorporating recycled materials while maintaining quality and cost-effectiveness. The product received customer quality and GRS (global recycled standard) certification.



Case Zijiang Color Printing: Internal and External Recycling Cooperation



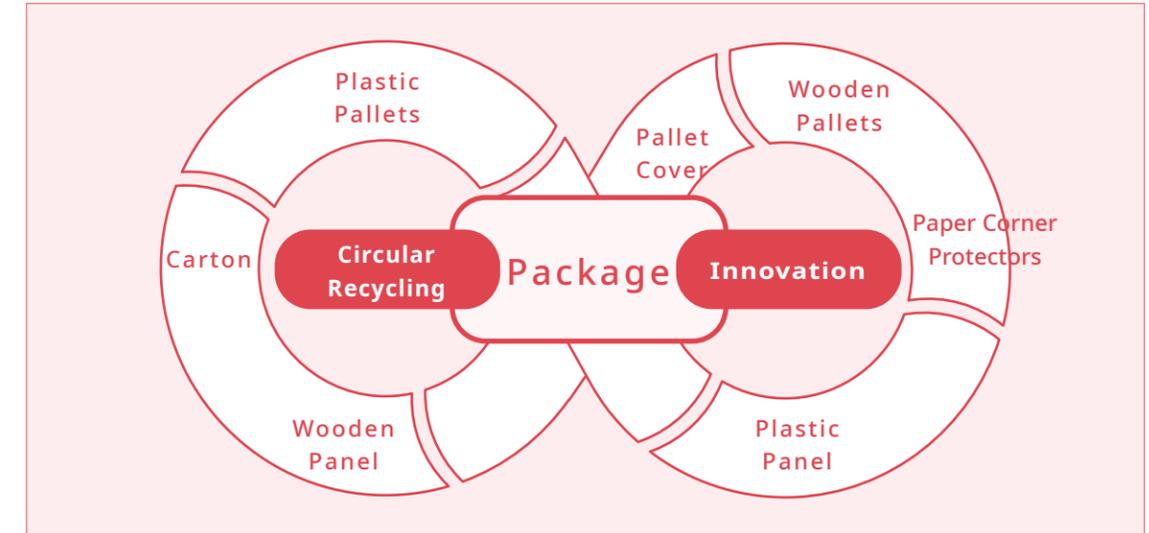
Easy Recycling and Recyclability Certification Certificate

Zijiang Color Printing established a recycling system within its factories and with suppliers and customers. In 2024, it identified 27 recyclable materials

and collaborated with Unilever to develop easily recyclable products, obtaining Easy Recycling and Recyclability Certification Certificate.

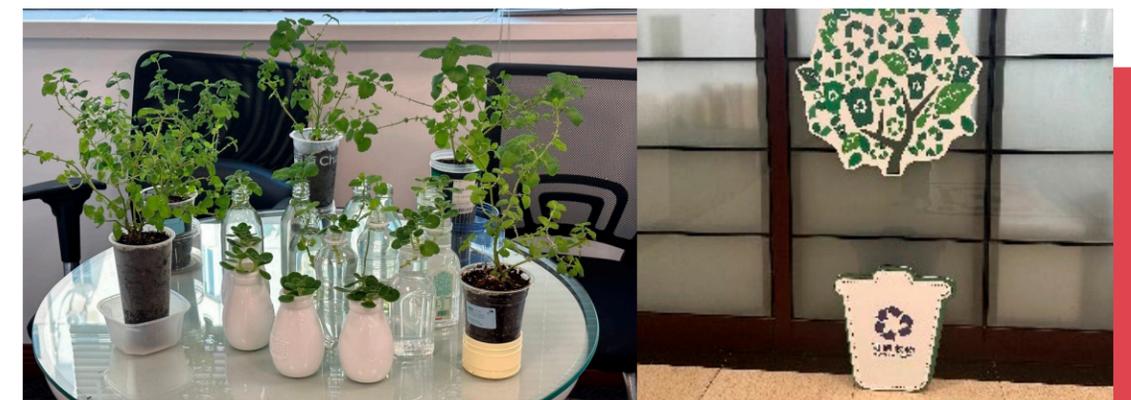
Case ZIRI Packaging, Zijiang New Material, Zidong Nylon: Packaging Recycling and Innovation

ZIRI Packaging's carton reuse agreement will reduce new carton consumption by 50,000 annually. Zijiang New Material, in collaboration with suppliers and customers, recycled 12,679 plastic pallets, 294 wooden pallets, 36,116 wooden spacers, and 24,916 plastic spacers. Zidong Nylon replaced wooden cover boards with paper corner protectors and, together with suppliers and customers, recycled packaging materials, reducing new pallet consumption by 4,500 annually.



Case Zijiang Int'l Trade: Bottle Recycling Initiative

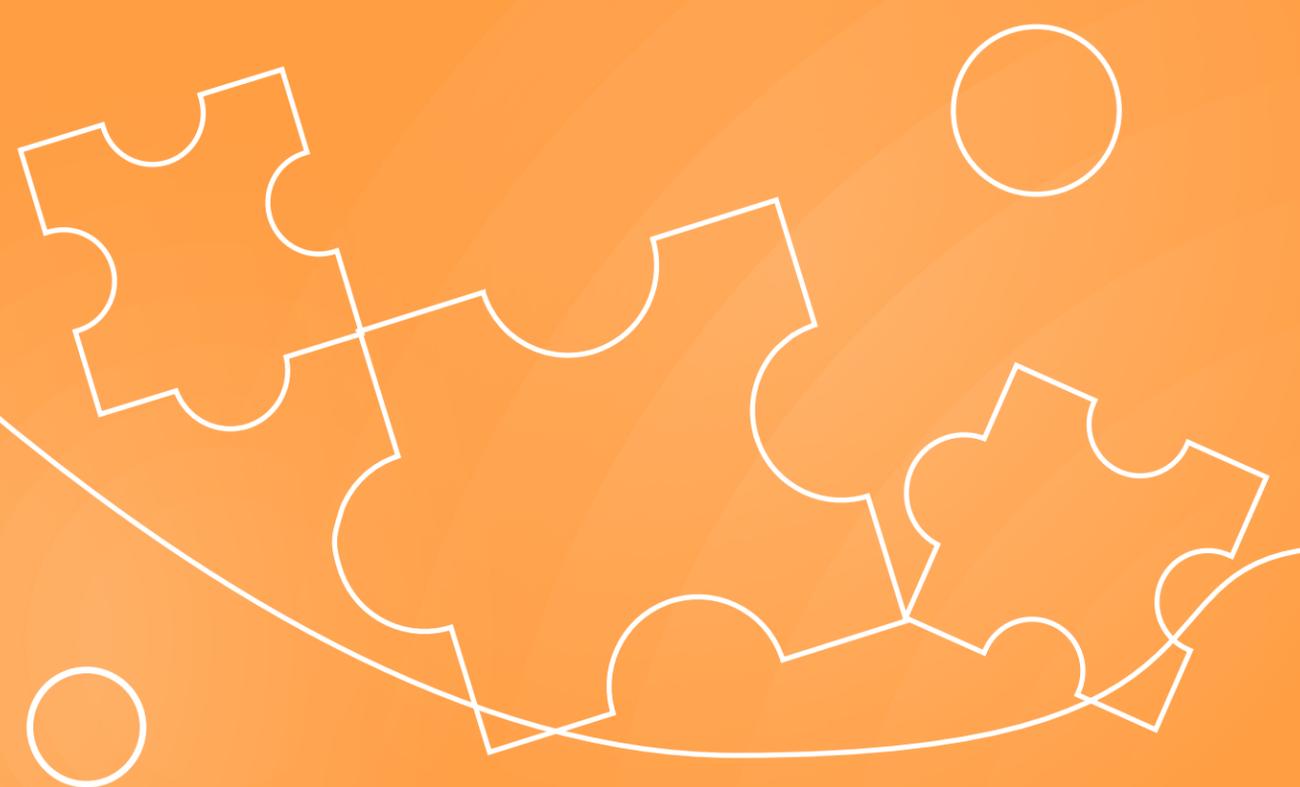
Zijiang Int'l Trade launched the Bottle Recycling Initiative, encouraging participation in recycling, with proceeds supporting charity and tree planting, advancing low-carbon living and the circular economy.



Bottle Recycling Initiative

Collaborative Growth

- 47 Supply Chain Management
- 48 Customer Collaboration
- 51 Community Engagement
- 51 Industry Development



Zijiang Enterprise upholds the core philosophy of Collaboration for Shared Success, fostering an open, responsible, and efficient industrial ecosystem. We believe that cooperation is not only a driving force for business growth but also a bridge to social progress.

Our goal is to become a globally trusted strategic partner. By integrating resources and expertise, we advance green innovation, value chain upgrades, and customized solutions, setting industry benchmarks while actively contributing to community and sustainable development.

2024 Performance Highlights

Number of Industry Standards Contributions

8

Supply Chain Management

Zijiang Enterprise integrates sustainability into its supply chain management, enhancing internal processes while strengthening supplier collaboration. Through market insights sessions, procurement and technology sharing forums, and customer engagement meetings, we explore opportunities, tools, and best practices. By fostering interactive partnerships, we drive efficiency, innovation, and sustainable growth.

Supply Chain Management Policy

Zijiang Enterprise is transitioning from traditional procurement to a specialized and centralized model, improving market responsiveness. Subsidiaries adopt customized supplier management strategies, strengthening supplier selection, evaluation, and auditing. Preference is given to eco-friendly and socially responsible suppliers to align with sustainability goals.

Case Study: Supply Chain Collaboration Platform Procurement Workshop

In October 2024, Zijiang Enterprise held a training and exchange session on procurement cost analysis and value research. Over 40 procurement and finance leaders participated, focusing on cost modeling and analysis to enhance specialized procurement strategies.

Case Zijiang New Material:
Integrating Sustainability into Supply Chain Management

Zijiang New Materials integrates sustainability into its supply chain through three key areas:

Social Responsibility



Ensuring all materials comply with laws, customer requirements, and Administrative Measures on the Restriction of the Use of Hazardous Substances to minimize environmental impact.

Supplier Management



Requiring third-party hazardous substance reports, compliance agreements, and EU REACH SVHC surveys, with a structured onboarding and exit mechanism, promoting IATF 16949 certification.

Supply Chain Innovation



Expanding reusable packaging, optimizing logistics protective packaging, increasing recycling of plastic pallets and wood boards, and promoting low-VOCs adhesives to reduce pollution.

Key Metrics:



Corporate Social Responsibility (CSR) audits conducted by customers for Zijiang Enterprise's subsidiaries

36

Case Container Packaging, ZIRI Packaging, and Ziquan Label
Support Coca-Cola's Carbon Reduction Plan

Zijiang's Container Packaging Business Unit, ZIRI Packaging, and Ziquan Label partnered with Coca-Cola Greater China's Joint Procurement Center to align on a unified platform for carbon footprint tracking and emissions accounting, driving joint carbon reduction efforts.

Case Zidan Printing:
Participating in Roche's Sustainability Program

Zidan Printing joined Roche's sustainability program, promoting low-carbon transformation across the supply chain through systematic carbon emission management and science-based target setting. The company will begin a comprehensive carbon audit covering scopes 1, 2, and 3, committing to SBTi and setting near-term targets aligned with a 1.5°C pathway.

Case Ziquan Packaging:
Supporting Budweiser's Dual Carbon Plan

Ziquan Packaging partners with Budweiser Asia-Pacific to drive carbon reduction initiatives, supporting its 2040 net-zero goal. By advancing circular economy models, optimizing supply chains, and promoting green design, we enhance packaging recyclability and explore emission reduction solutions with industry partners.

Customer Collaboration

Zijiang Enterprise drives innovation and quality to meet evolving customer needs, fostering breakthrough growth through close collaboration and technology. Our subsidiaries have received multiple customer awards, showcasing our commitment to excellence and responsibility.

Deepening Partnerships for a Sustainable Ecosystem

In beverage packaging, Zijiang deepened strategic cooperation with Coca-Cola, expanding preform operations and enhancing value chain synergy. In condiment packaging, we leveraged PET expertise to develop high-temperature resistant, lightweight solutions, supporting eco-friendly and efficient upgrades while reinforcing strategic partnerships.

In flexible packaging, our paper packaging innovations and smart manufacturing earned long-term trust from global fast-food chains, driving continued collaboration. We also expand partnerships with leading restaurant chains, accelerating the green business ecosystem and strengthening market influence.

During the reporting period, Zijiang Enterprise's subsidiaries received multiple honors from customers:

Container Packaging Business Unit				
	Coca-Cola 2024 ESG Supplier of the Year	COFCO Coca-Cola Best Project Collaboration Award	Tianjin Coca-Cola Excellence in Quality Award	Fenghua Product Quality Foundation Best Partner Award
				
	Danone China 2024 Outstanding Supplier			Kashi Quality Gatekeeper Program Excellent Supplier Title

Paper Packaging Business Unit Division

 <p>McDonald's China Quality A Award & Digital Innovation Award</p>	 <p>Starbucks Supplier Annual Outstanding Performance Award</p>
 <p>Tims China Excellent Supplier Award</p>	 <p>Dewu Supplier Annual Best Response Award, Best Development Award</p>

Crown Caps & Labels Business Unit

 <p>Budweiser APAC Supplier Strategic Alliance Annual 4SA Collaboration Award, Progress Award, and Best BP Award</p>	<p>Budweiser Nantong SSA Partnership</p>
 <p>Tsingtao Brewery Sincere Cooperation Award</p>	 <p>Chi Forest Service Star Award</p>

Beverage OEM Business Unit

 <p>Danone Energy Management Progress Team Award</p>	 <p>FRUIT RIPE Efficient Partnership Award</p>
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Zijiang Color Printing

 <p>Guangxi Juxing Outstanding Partner Award</p>	 <p>Wecare Probiotics Annual Quality Supplier Award</p>
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ZIRI Packaging

 <p>Danone Service Star Award, Collaborative Partner Award, Quality Gold Award</p>	 <p>Chi Forest Service Star Award</p>
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Zijiang New Material

 <p>Sunwoda Electronic Best Quality Award 2024</p>	 <p>Penghui Energy Technology Excellence in Quality Award</p>
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Community Engagement

Zijiang Enterprise integrates business growth with social responsibility, actively supporting community development. Through philanthropic initiatives and resource investment, we address diverse societal needs and uphold our corporate citizenship commitments.

Key Metrics 

Total Corporate Philanthropy Donations

43.6 ten thousand RMB

Case **Guilin Ziquan Green Travel Day Yields Positive Results**

Guilin Ziquan Beverage hosted "Green Travel Day" encouraging employees and families to walk or cycle for eco-friendly commuting. Participants visited a biodiversity museum, raising awareness of ecological balance and climate action. Green Travel flyers were distributed to engage the broader community in sustainability efforts.

Industry Development

Zijiang Enterprise actively contributes to domestic and international industry standards, leveraging its technical expertise to drive sustainable development. As a key participant in standard formulation, we integrate innovation and practical experience, sharing our technical capabilities and achievements to advance the industry.

Company	Standard Number	Standard Name
Zijiang Enterprise (Container Packaging Business Unit)	GB/T 44359-2024	General technical requirements of blow mould for lightweight PET bottle
Zijiang Color Printing	GB/T 44572-2024	Biaxially oriented polyethylene (BOPE) film

Company	Standard Number	Standard Name
ZJMP	T/CPF 0010-2024	Test Method for Peel Strength of Aluminum Layer in Paper-Aluminum Composite Materials
Zidan Printing	T/CNFIA 189-2024	Determination of Extractable Organic Fluorine Content in Paper, Paperboard, and Paper Products for Food Contact—Combustion-Ion Chromatography Method
Zidan Packaging Technology	T/CNFIA 190-2024	Determination of Total Organic Fluorine Content in Paper, Paperboard, and Paper Products for Food Contact—Ion Chromatography Method
Zidan Food	T/CNFIA 191-2024	Determination of Total Fluorine Content in Paper, Paperboard, and Paper Products for Food Contact—Online Combustion-Ion Chromatography Method
Zidan Food	T/CSTM 01169-2024	Evaluation of Fluorine-Free Oil-Resistant Plant Fiber-Based Materials for Food Contact
Ziquan Packaging	T/CBJ 3305	General Quality Requirements for Aluminum Plastic Ring-pull Cap

Case Paper Packaging Business Unit Showcases Innovations at CBE & Sustainable Packaging Forum

The Paper Packaging Business Unit showcased innovations at the 28th China Beauty Expo (CBE), earning the Outstanding Supplier title. Zidan Printing presented eco-friendly solutions at the China Packaging Innovation & Sustainable Development(CPIS) Forum, where its thermoformed paper lid won the M.SUCCESS Packaging Innovation and Sustainable Development Award.



Paper Packaging's new products recognized by the industry.

Active Participation in Industry Events & Knowledge Sharing

Case Container Packaging Business Unit Joins Sedex Sustainable & Responsible Supply Chain Forum



the Sedex Sustainable & Responsible Supply Chain Conference

Nominated for the Sedex Supply Chain Award – Progressive Excellence, the Container Packaging Business Unit attended the Sedex Sustainable & Responsible Supply Chain Conference. In the roundtable forum, company representatives discussed global supply chain ESG issues and shared Zijiang’s sustainability and value co-creation approach.

Case ZJMP Showcases Packaging Innovations at Industry Exhibitions



ZJMP exhibited at Drupa and Kuanzhai Expo

ZJMP actively participated in Drupa (May) and Kuanzhai Expo (June), highlighting advancements in UV transfer printing technology and metallized packaging innovations. Leveraging its cutting-edge UV transfer printing, the company provides customized metallized solutions for leading brands, strengthening strategic partnerships.

People-Oriented Approach

- 55 Employee Rights and Welfare
- 60 Employee Training and Development
- 62 Occupational Health & Safety



Zijiang Enterprise follows a people-oriented philosophy, valuing employees as key assets. The company fosters a culture of respect, growth, and harmony, actively engaging with employees and communities. We enhance HR system, improve compensation and benefits, and provide diverse career development platforms. We also prioritize a healthy, safe, and comfortable work environment, supporting employees' work-life balance and overall well-being.

Employee Rights and Welfare

Employee Rights

Zijiang Enterprise strictly complies with national laws, including the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Special Provisions for the Work Protection of Female Employees*, the *Trade Union Law*, and the *Law of the People's Republic of China on the Protection of Minors*, as well as the core conventions of the International Labour Organization. The company actively utilizes the employee representative assembly to safeguard and respect employees' legal rights.

Through policies such as the Human Resources Management Manual and the Employee Manual at the Management Headquarters, we ensure respect for employees of all genders, nationalities, ethnicities, and religions. The company adheres to local laws, ensures legal employment, and is committed to eliminating child labor, prohibiting forced labor, and fostering a safe, diverse, and inclusive work environment with equal career development opportunities for all employees.

Key Metrics

Employees in total

6,791

Percentage of Female Executives in Subsidiaries

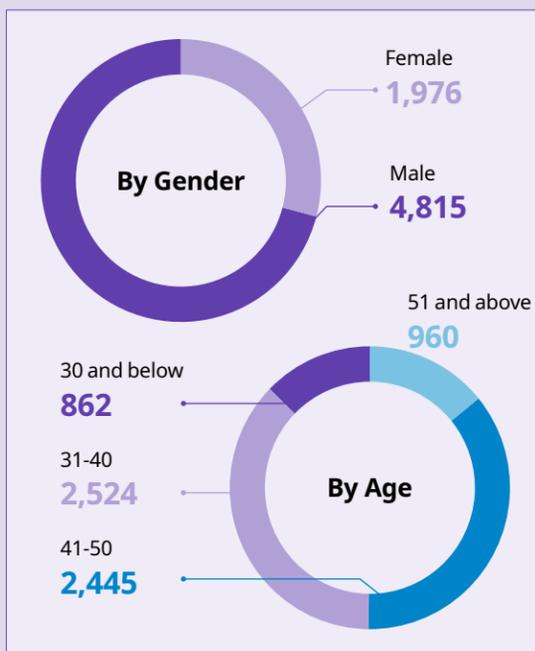
15.9%

Number of Employees with Disabilities

21

Labor Contract Coverage

100%

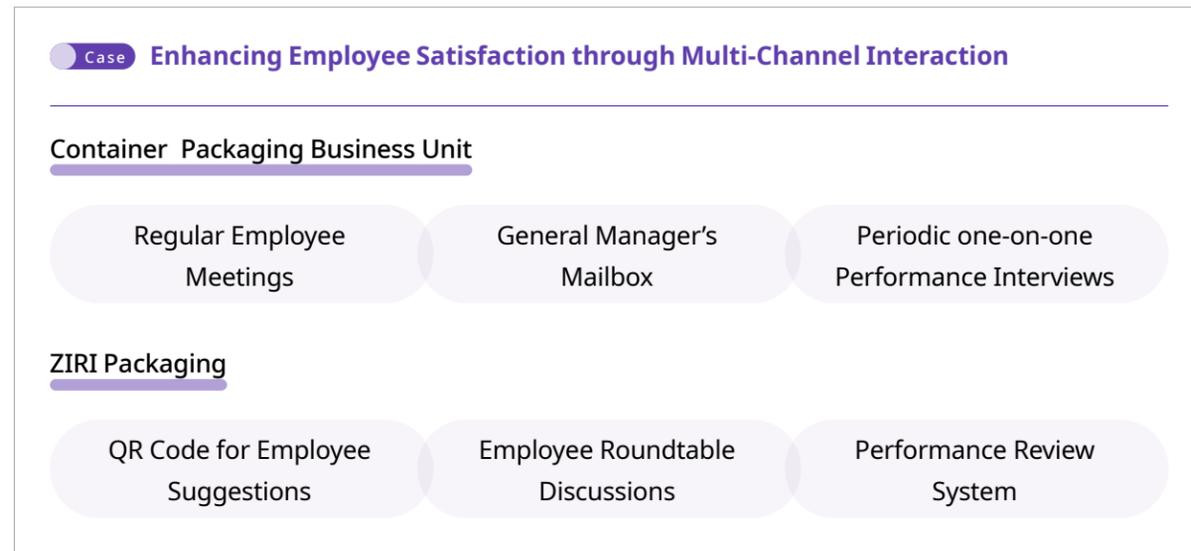


Zijiang Enterprise complies with the employee rights regulations of both the host country and international organizations, implementing industry-leading practices. As of the reporting period, the company has achieved 100% contract coverage. These contracts clearly define mutual rights and obligations, ensuring both parties' interests are protected. Each subsidiary has established tailored employee regulations to ensure compliance and efficient management.

Employee Communication

Zijiang Enterprise adheres to the Trade Union Law of the People's Republic of China, the Company Contract Regulations and other relevant laws, establishing a trade union system in all operational locations. The company fosters positive employee relations, ensuring employees are well-informed about company updates and their rights and responsibilities.

To strengthen communication, the company regularly shares news updates, covering company developments, employee rights, and corporate culture. Additional communication channels include a general manager's mailbox, employee forums, and one-on-one performance reviews, enabling the company to address employee needs and concerns effectively.



Employee Satisfaction

Zijiang Enterprise prioritizes employee well-being and fosters satisfaction and belonging through diverse initiatives. To assess employee perceptions of management, the company regularly conducts the Employee Engagement Survey, covering key areas such as company values, team trust, personal achievement, and learning platforms. The survey provides valuable insights into employee feedback, contributing to a more positive work environment.

During the reporting period, 5,859 employees participated, representing 86.28% of the workforce. The average engagement score increased by 2.08 points, reaching 94.48.



Case Paper Packaging Business Unit Launches Employee Meal Ordering System



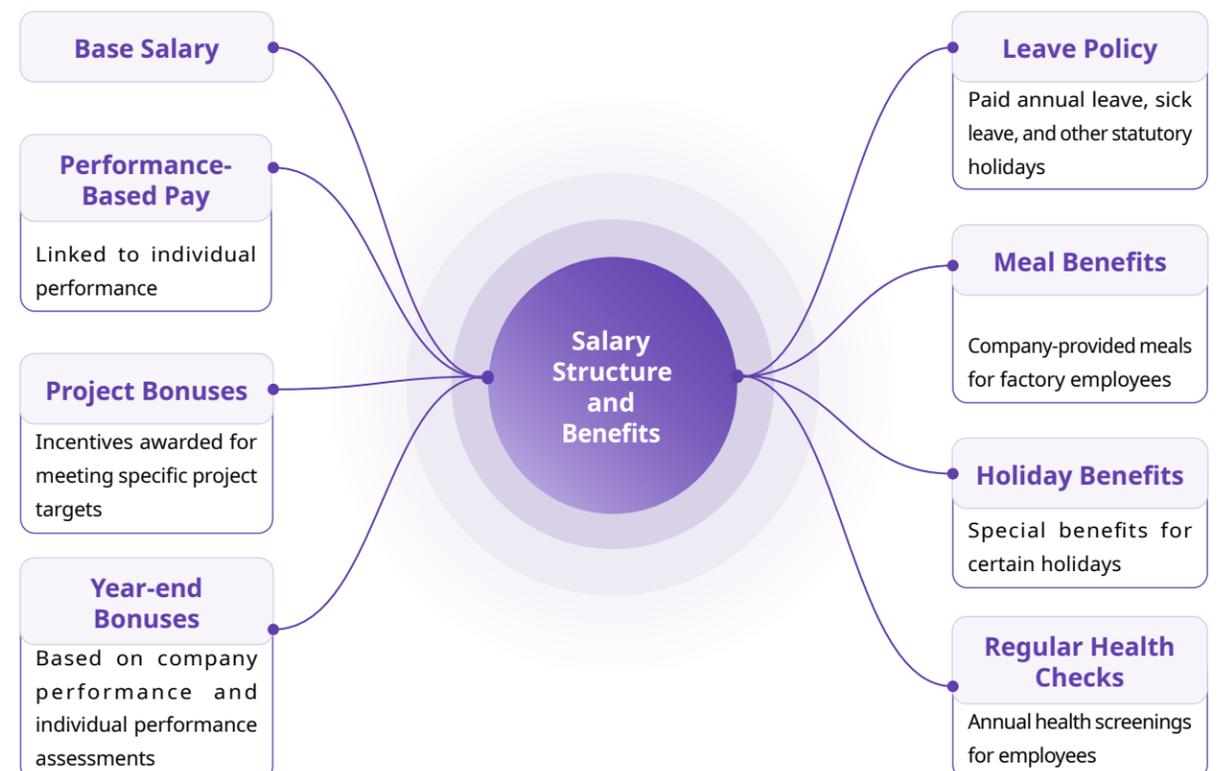
Employee Meal Ordering System praised

Paper Packaging Business Unit introduced a new meal ordering system based on employee feedback, enhancing meal quality and service. The system allows employees to pre-select lunch options via an app, offering diverse choices to suit various tastes. This initiative has boosted employee satisfaction and reduced food waste through more accurate meal preparation.

Compensation and Benefits

Zijiang Enterprise values employee contributions and ensures a fair, competitive compensation system. The company continuously optimizes the performance evaluation mechanism and fosters a positive career development environment to attract and retain talent.

Compensation and benefits policies are clearly communicated, ensuring all employees understand their rights. A performance-based pay system is implemented across subsidiaries, maintaining fairness and consistency without differentiation based on gender, religion, politics, or marital status.



The company and subsidiaries prioritize the physical and mental well-being of employees, offering a variety of sports events and recreational activities, such as badminton, basketball, and frisbee, as well as chess and board games. These activities foster a vibrant work atmosphere and provide employees with opportunities for engagement and social interaction.



Container Packaging Business Unit: Health Runs



"Huayu Yuetan Cup": Zihua Technology's Badminton Tournament



Paper Packaging Business Unit: Free therapy



Zijiang New Materials: DIY activity



Zijiang Colour Printing: Sports day



Zijiang International Trade: DISC personality tests

Employee Care

Zijiang Enterprise fosters a family-oriented culture, strengthening employees' sense of belonging through various initiatives. Photos of employee activities and project displays are featured in the factories. Subsidiaries celebrate birthdays with cakes and well wishes, creating a warm atmosphere.

Case Supporting Women's Growth and Fostering an Inclusive Workplace



ZIRI Packaging International Women's Day Event

To celebrate International Women's Day, Zijiang Enterprise's subsidiaries organized various activities to focus on women's rights and development. These included creative flower arranging and DIY craft activities, promoting relaxation and creativity. The company also offers career development support through regular forums and personalized guidance. These initiatives reflect the company's commitment to gender equality and an inclusive workplace culture.

Zijiang Enterprise and its subsidiaries hold annual events to celebrate achievements and set goals, strengthening team cohesion and corporate culture in a warm, engaging atmosphere.

Case Crown Caps & Labels Business Unit Annual Conference

The 2024 annual conference celebrated the 30th Anniversary of Shanghai Ziquan Packaging. Employees from the business unit's headquarters and subsidiaries gathered to reflect on past successes and discuss future plans.

The event included award ceremonies for top performers and featured various performances, fostering a sense of joy and unity.

Case Beverage OEM Business Unit: Anniversary Celebrations

Nanjing Ziquan Beverage marked its 20th anniversary with a celebration, offering custom shirts to employees and honoring 20-year service milestones. Executives delivered speeches and awarded commemorative medals.

Shaanxi Ziquan celebrated its 10th anniversary and a production milestone of 40 million bottles in a month with cake cutting, fireworks, and a buffet for employees and clients.

Employee Training and Development

Employee Development Zijiang Enterprise prioritizes a people-centered approach, offering clear career paths and sustainable growth opportunities to attract and retain top talent. We promote efficient, streamlined management structures to improve flexibility and operational efficiency.

The company places high importance on professional skills in employees' roles and designs career development paths centered around expertise. Adhering to the principle of 'merit-based selection, competence, and performance,' we ensure fair and transparent compensation and promotion decisions based on employees' capabilities and contributions.

Employee Training Zijiang Enterprise is committed to developing a structured talent system that supports employee growth and corporate sustainability. We focus on enhancing skills at all levels to drive mutual development for both employees and the company.

- Leadership Development**
 We offer leadership courses for mid- and senior-level managers, combining coursework, practical projects, and performance tracking over 1.5-2 years to build versatile operational leaders.
- Operational Staff Empowerment**
 Specialized training for operational staff improves skills in production, equipment, technology, and quality, boosting efficiency through practical projects and performance optimization.
- Frontline Employee Development**
 Academic and skills improvement programs support frontline staff in refining their skills and advancing their careers.

Subsidiaries also provide targeted training,

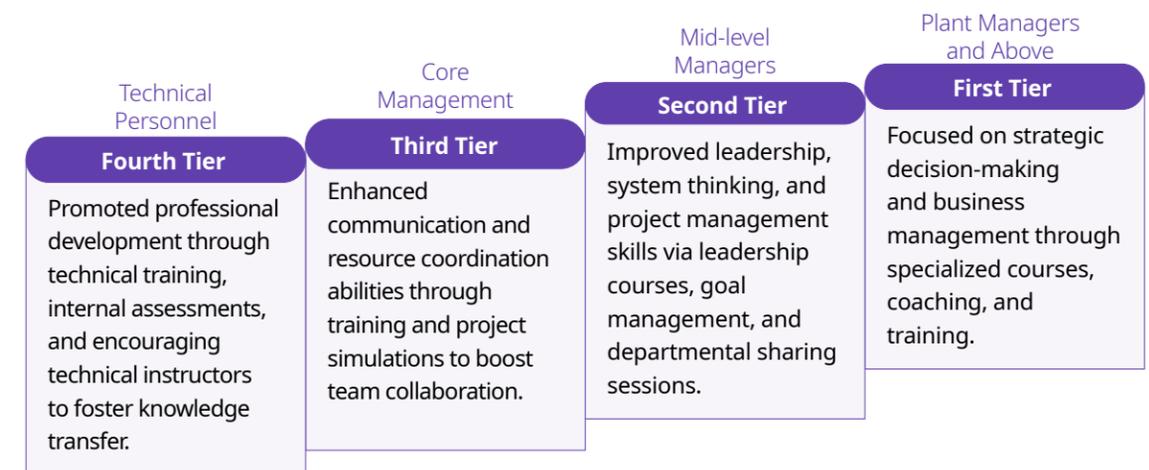
- 1 Onboarding Training**
 Comprehensive onboarding covers company culture, processes, product knowledge, and job skills to help new employees integrate quickly.
- 2 Skills Training**
 We provide annual job skills training, including competitions and upgrades, to enhance employees' abilities and expand their skills.
- 3 Apprenticeship**
 Through mentorship programs and craft studios, we pass on core skills and expertise to ensure continuity and innovation.
- 4 Management Training**
 We offer systematic management training for reserve cadres and annual specialized training for managers to enhance leadership and execution skills.
- 5 Academic and Professional Growth**
 We support employees in furthering their education and professional credentials through open university opportunities, promoting both their career advancement and the company's growth.

Key Metrics

Employees Enrolled in Shanghai Open University 622	Training Hours per Person 19.40 hours
Talent Development Training Sessions Conducted 7	Participants in Talent Development Training 291 training people

Case Improvement of Talent Training System in Beverage OEM Business Unit

During the reporting period, the Beverage OEM Business Unit developed a training system addressing the needs of different job levels and work scenarios, supporting employee skill enhancement and organizational development.



Case Zihua Technology Launches Employee Management Innovation Courses

Zihua Technology, in partnership with Shanghai Jiao Tong University's Overseas Cooperation Platform, offered a series of management innovation courses. Topics included Organizational Agility, Sustainable Leadership, AIGC-Driven HR Trends, AI & BI in Finance, and AI in Business. These courses aim to enhance innovation and practical skills, helping employees apply emerging technologies in corporate management.

Occupational Health & Safety

Safety Management

Zijiang Enterprise integrates safety as a key element of sustainable development, complying with the *Law of the People's Republic of China on Work Safety and Fire Control Law of the People's Republic of China*. The company emphasizes people-oriented, safety-first, and prevention-focused principles, providing a safe, healthy work environment. Zijiang implements a comprehensive occupational health and safety system, continuously improving safety processes and reducing risks.

Zijiang's Corporate Safety Management Implementation



Zijiang Enterprise's internal EHS audit system ensures effective policy implementation and continuous performance improvement. Regular audits and inspections identify and address non-compliance, preventing accidents and ensuring legal and regulatory adherence.

Employee safety awareness is prioritized through structured training programs, including team sessions, specialized courses, and safety competitions. Zijiang Enterprise subsidiaries organized 22,960 safety training hours this year, a 57.6% increase from last year.

Key Metrics

Safety Production Investment in total

RMB 15.34 million

Companies Certified with ISO 45001 Occupational Health and Safety Management System

14

Case Container Packaging Business Unit: EHS Digital Management Enhancement

The Container Packaging Business Unit implemented a digital EHS management system across all regions and factories, enhancing safety through digitization.

This system covers key areas like responsibility, training, risk control, and continuous improvement. Additionally, AI collision avoidance systems were deployed in key areas to reduce vehicle risks.



The AI collision detection system has been installed in key areas, where real-time monitoring and intelligent alerts effectively reduce safety risks and enhance operational safety.



EHS Information Management

Case Ongoing Safety Production Efforts at Zidong Nylon

Zidong Nylon maintained a safety first approach, ensuring a stable safety environment. No major safety incidents occurred throughout the year, with injuries, fires, and equipment damage all kept within set targets. The company passed all safety inspections, ensuring legal and compliant safety operations. Through regular safety training, 11 sessions were held, covering 223 employees, improving safety awareness and skills. Regular hazard assessments were conducted, with a 97% rectification rate for identified issues.

Occupational Health and Safety Management Systems

Zijiang Enterprise ensures high standards of occupational health management in all production processes, in line with the *Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases*. The company has optimized its system, defining roles and responsibilities while detailing actions to ensure employee health and safety.

Subsidiaries conduct regular risk assessments, identifying potential hazards such as noise, dust, and heat, and implement control measures based on risk severity and probability.

Occupational Disease Prevention

Zijiang Enterprise reduces occupational health risks by optimizing processes and equipment and enhancing training to boost protective awareness.

Subsidiaries implement regular health checks for high-risk positions, maintaining health records to ensure early detection and intervention, and strictly enforce health checks at all stages to ensure a safe, sustainable work environment.



Case Dust Explosion Risk Monitoring at Ziyan Alloy

Ziyan Alloys has implemented a dust explosion risk monitoring and early warning system to enhance overall safety management.

- **Proactive Prevention**
The system shifts from post-incident corrective actions to proactive prevention, improving the effectiveness of dust explosion safety management.
- **Real-time Information Control**
Integrated data and video footage improve the company's ability to monitor workshop operations, ensuring more accurate risk assessments.
- **Enhanced Responsibility**
The system strengthens the enforcement of corporate safety responsibilities by providing traceable, quantifiable data for key safety areas.

Transparent Governance

- 68 Corporate Governance
- 71 Risk Management
- 72 Information Security Management
- 73 Business Ethics

Zijiang Enterprise upholds the motto "Act with integrity, work with diligence," treating business ethics as a core element of corporate governance. Ethical conduct is embedded in the daily operations of the company and its subsidiaries, fostering a culture of integrity, fairness, and transparency. We believe business ethics are fundamental to sustainable development and essential for earning trust.

2024 Annual Performance

Women on the board **22.2%**

Board meetings held **6 times**

Penalties or warnings received by the China Securities Regulatory Commission or the Shanghai Stock Exchange **0**

Cumulative dividends since listing **5.053 billion RMB**

Selected as a best practice case for governance and internal control of Shanghai listed companies in 2023

Selected as a best practice case for sustainable development by the China Association for Public Companies in 2024

Corporate Governance

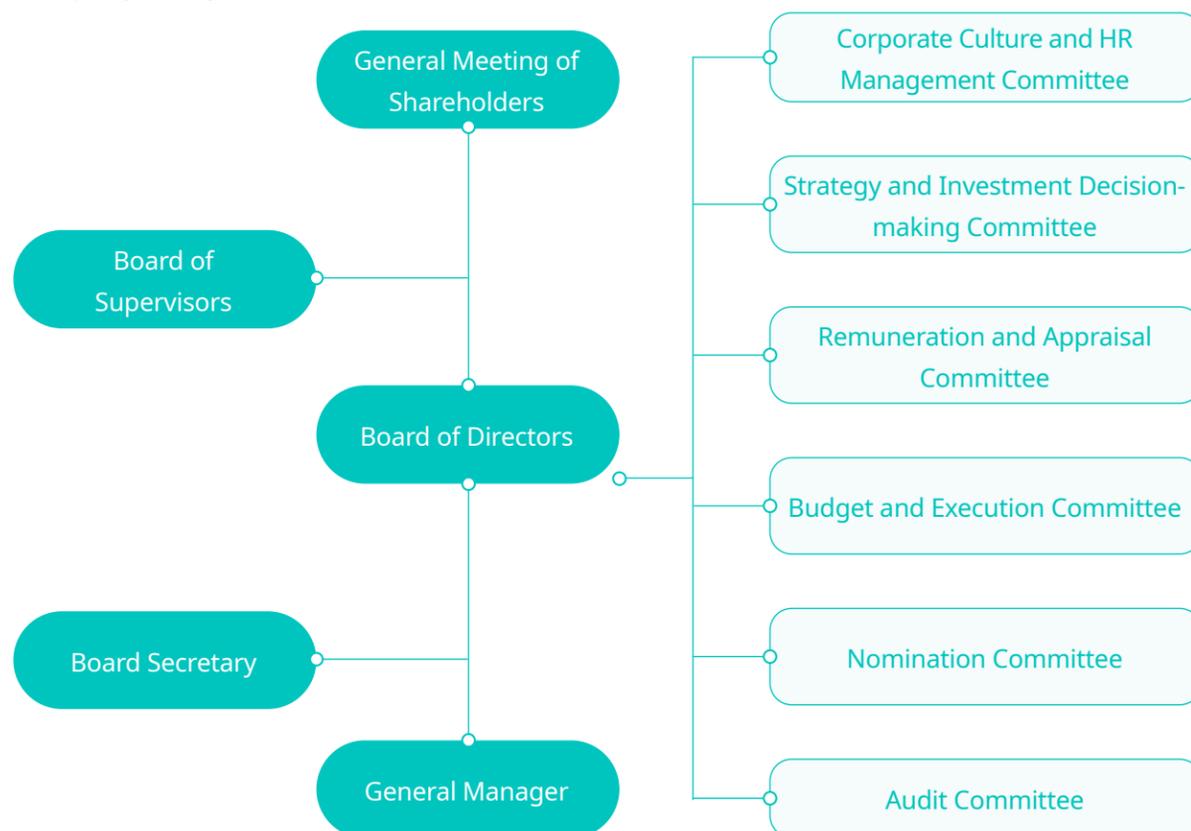
Governance Structure

Zijiang Enterprise has established a two-tier governance structure consisting of the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors and the Senior Management following the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange and the company's Articles of Association and other internal and external regulatory frameworks.

The Board of Directors is the core decision-making body, responsible for setting strategic goals and overseeing execution. The Board of Supervisors ensures compliance and transparency in operations. Senior Management implements the board decisions and drives strategic execution. Several specialized committees, including the Corporate Culture and HR Management, Strategy and Investment Decision-making, Remuneration and Number of Industry Standards Contributions, Budget and Execution, Nomination, and Audit Committees, operate under the board. These committees, following the company's regulations, define responsibilities, provide professional advice, and monitor implementation to ensure effective governance and decision-making.

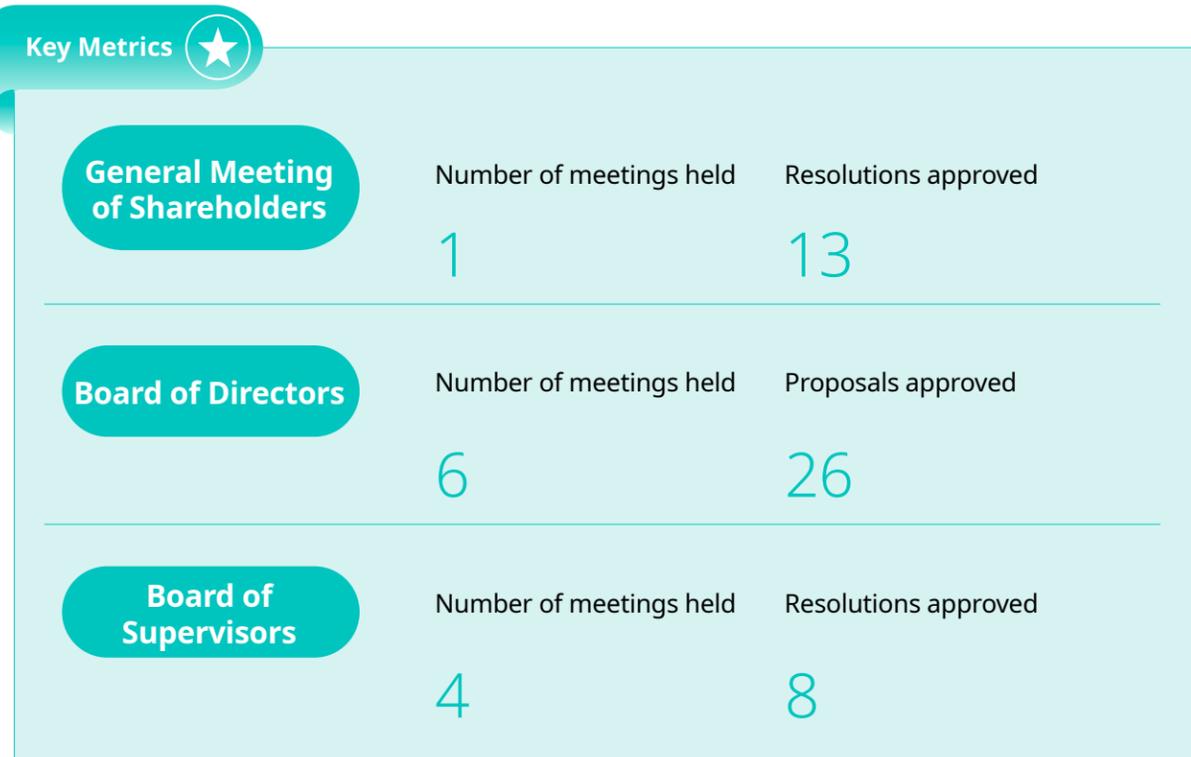
During the reporting period, Zijiang Enterprise conducted a comprehensive revision of the Articles of Association, the Audit Committee Charter, the Nomination Committee Charter, and the Remuneration and Evaluation Committee Charter, strengthening the governance framework and clarifying the roles and procedures of each body to enhance governance transparency and standardization.

Zijiang Enterprise Governance Structure



Responsibilities of the Board Committees

<p>Corporate Culture and HR Management Committee</p>	<p>Responsible for the unified construction of corporate culture, formulating policies and decisions related to human resources support, as well as employee training and management.</p>
<p>Strategy and Investment Decision-making Committee</p>	<p>Responsible for evaluating the company's medium- and long-term strategies, major investments, and capital projects. The committee approves investments within its authority and submits proposals for those beyond its scope to the board.</p>
<p>Remuneration and Appraisal Committee</p>	<p>Responsible for formulating performance evaluation standards for directors and senior management, conducting assessments, and drafting or reviewing remuneration policies and plans. These are submitted to the board or the General Meeting of Shareholders for approval.</p>
<p>Budget and Execution Committee</p>	<p>Responsible for developing business strategies and guidelines, and guiding the management team in implementing them. The committee also continuously monitors and supervises the execution of company budgets and tracks operational performance.</p>
<p>Nomination Committee</p>	<p>Responsible for formulating the selection criteria and procedures for directors and senior management. The committee reviews and assesses potential candidates and their qualifications, and provides clear and structured recommendations.</p>
<p>Audit Committee</p>	<p>Responsible for reviewing the company's financial information disclosures and supervising. Evaluating both internal and external audit work, and overseeing internal control systems.</p>



Independence of Board of Directors

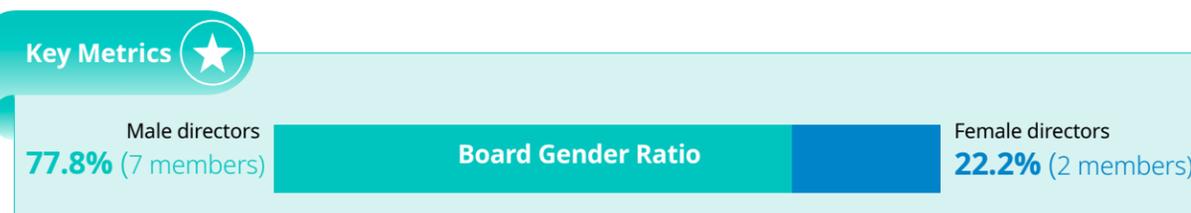
Zijiang Enterprise values the importance of the board. Independent directors play a vital role in corporate governance, contributing to decision-making, oversight, and providing professional advice to protect the company's interests and minority shareholders' rights, ensuring scientific and impartial board decisions.

During the reporting period, Zijiang Enterprise updated the Working Rules for Independent Directors, clarifying roles and enhancing mechanisms for nomination, election, replacement, and performance assurance. The revised rules reinforced independence requirements and stipulated that independent directors must form the majority and serve as chairpersons of the Audit, Nomination, and Remuneration & Appraisal Committees.

As of the end of the reporting period, the board consists of 3 independent directors who comply with relevant laws and the company's Articles of Association, providing expertise-based support.

Board Diversity

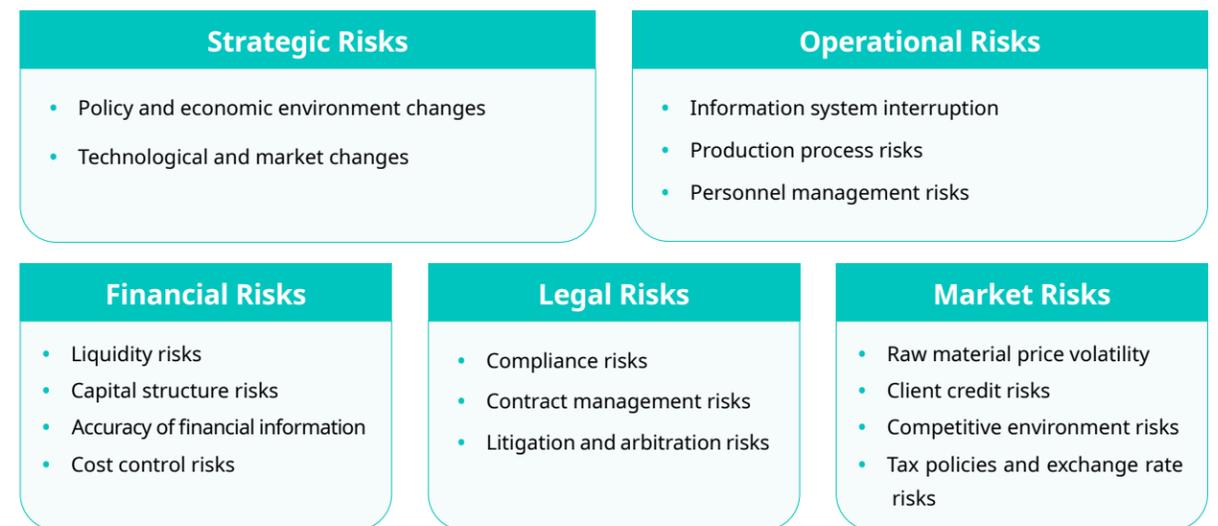
Zijiang Enterprise values board diversity as a key driver of sound governance and sustainable development. Diverse perspectives enhance decision-making quality and strengthen the board's ability to address complex business environment, boosting the company's competitiveness and innovation.



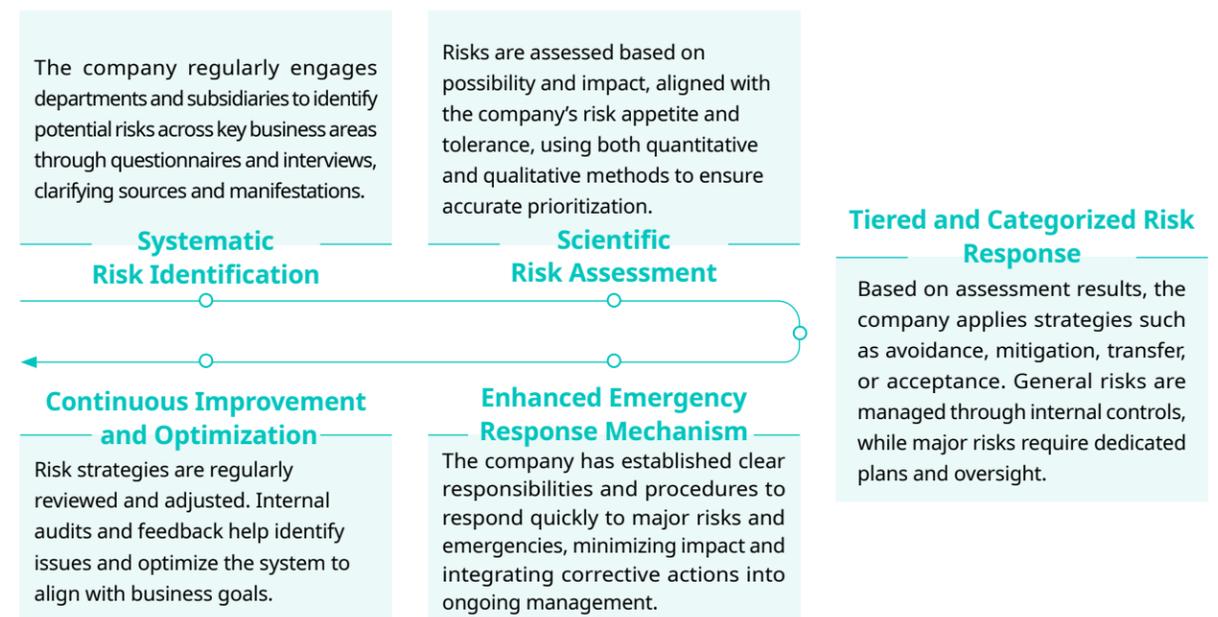
Risk Management

Zijiang Enterprise has built a structured risk management system to enhance its ability to identify, assess, and respond to risks, supporting stable operations and sustainable growth. In 2024, the company issued the Internal Control Policy, establishing a tiered framework across the corporate and subsidiary levels, with clear responsibilities and objectives. Risk management is integrated into all aspects of operations in accordance with Internal policies and relevant regulations.

The company classifies its risks into five major categories based on industry and operational context.



Zijiang Enterprise integrates comprehensive risk management across strategy, finance, market, operations, and legal areas, supported by a sound internal control system. Its dynamic, systematic approach enhances risk control capabilities. Key measures include:



Information Security Management

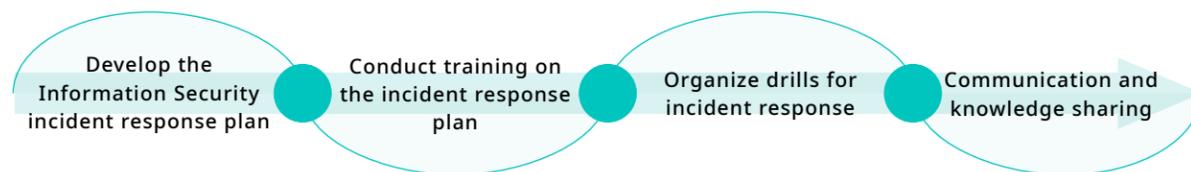
Zijiang Enterprise recognizes the importance of information security in ensuring stable operations, protecting core competitiveness, and building stakeholder trust. The company enhances risk assessment, data protection, and employee awareness to safeguard information confidentiality, integrity, and availability. During the reporting period, 0 information security incidents were reported.

Information Security Management System

Zijiang Enterprise complies with *Cybersecurity Law of the People's Republic of China*, *Data Security Law of the People's Republic of China* and *Information security technology — Baseline for classified protection of cybersecurity*. The company has established an Information Security Management System based on the ISO/IEC 27001 and has further refined its control measures with reference to the ISO/IEC 27000 series, continuously optimizing its governance framework. During the reporting period, Zijiang Enterprise released the Information Security Management Reference Manual, and developed a system covering five key areas to advance the standardization, institutionalization, and efficiency of information security management.

Key Areas	Contents
Infrastructure	Establish security governance structure, optimize management mechanisms, enhance resource sharing, and conduct regular security assessments.
Hardware Management System	Ensure physical and environmental security of IT equipment; enhance protection of networks and endpoints.
Software Management System	Strengthen system security through user access control, antivirus, backups, monitoring, and availability assurance.
Information Asset Valuation	Identify, evaluate, and protect information assets through regular assessments and effective controls.
Development & Maintenance of IT Projects	Implement secure data management, coding, testing, and standardized documentation throughout project development.

To ensure stable operations and system security, Zijiang Enterprise has established a comprehensive and actionable Information Security Incident Response Plan. The plan covers four key areas and requires subsidiaries to develop detailed procedures for core business continuity and data recovery in case of system failures



Information Asset Protection

Zijiang Enterprise recognizes that protecting information assets—and the trust of customers and users—is fundamental to its development. The company enforces strict data protection policies and complies with international and regional laws to ensure secure, transparent, and lawful handling of personal data throughout its lifecycle.

Key Areas	Measures
Information Asset Classification and Management	Promote the concept of “information assets,” requiring enterprises to identify core data and manage it by asset level. All subsidiaries must establish asset inventories and implement classification controls.
Strengthening Network Architecture and Information Asset Protection	Develop a comprehensive network planning and reinforcement strategy, enhance firewall and encryption measures, and require secure data exchange between subsidiaries. Real-time network monitoring tools are applied to improve visibility and control.
System Management and User Behavior Regulation	Improve system monitoring platforms and address inspection gaps. Build trusted architecture and risk alert systems to enhance anomaly detection and response speed through advanced logging and dynamic behavior tracking.

Zijiang Enterprise promotes company-wide information security awareness through regular training, policy briefings, and best practice sharing, helping employees understand the importance and management of data and information assets.

Case Information Security Technology Seminar

Zijiang Enterprise continues to strengthen employee awareness of information security and data privacy. At the 2024 Information Security Technology Seminar, departments held in-depth discussions on topics including asset identification, risk assessment, network security, and data protection—reinforcing the urgency and importance of effective information security management.

Business Ethics

Zijiang Enterprise upholds the motto “Act with integrity, work with diligence,” treating business ethics as a core element of corporate governance. Ethical conduct is embedded in the daily operations of the company and its subsidiaries, fostering a culture of integrity, fairness, and transparency.

Anti-Unfair Competition

Zijiang strictly complies with the *Anti-Unfair Competition Law of the People's Republic of China* and related regulations. We uphold the principles of fair competition and prohibit any unethical, illegal, or improper practices, such as the exchange or discussion of confidential information. A fair competition mechanism is in place, and all reports of potential misconduct are investigated. No unfair competition cases were reported during the reporting period.

Anti-Bribery and Anti-Corruption

Zijiang enforces *Interim Provisions on Prohibition of Commercial Bribery in China* and adopts a zero-tolerance policy toward bribery, extortion, and fraud. Violations are dealt with seriously. Regular anti-corruption training is conducted by level and category to ensure that directors, supervisors, and employees fully understand compliance requirements and support a clean and transparent business environment.

During the reporting period, no bribery or corruption cases occurred.

Future Outlook

Looking ahead, Zijiang Enterprise will continue to uphold its ESG values of **professionalism, integrity, simplicity, sharing, and accountability**. Building on years of practical experience, we are shifting from ESG 1.0 to ESG 2.0 with a focus on strategic transformation, operational upgrades, and sustainable development planning. Through key projects and practical actions, we aim to contribute to industry advancement and the development of a green, low-carbon economy.

Environmentally Friendly:

Toward a Green, Low-Carbon Future

Zijiang will enhance environmental and carbon management, actively support national dual carbon strategies, and promote clean energy transitions and low-carbon technologies. We aim to increase clean energy usage, expand green supply chains, and improve carbon data systems to drive low-carbon transformation across our operations.

Circular Innovation:

Creating Sustainable Production

Zijiang will remain innovative as core driver for exploring economic sustainability. We will accelerate the R&D and application of eco-friendly materials, promote green product design and recycling, and improve resource efficiency. Through green design and closed-loop models, we will promote circular practices across our value chains.

Collaborative Development:

Building a Better Future Together

Zijiang Enterprise will continue to embrace open collaboration, working with supply chain partners, industry peers, and research institutions to drive innovation and sustainability. By building an efficient industrial ecosystem, we aim to explore green technologies and business model innovation. Through broad cooperation, we provide high-quality products and services while supporting industry transformation and creating shared value for business, society, and the environment.

People-Oriented:

Building a Resilient Talent Platform

Zijiang Enterprise remains committed to employees' career development and well-being by building a diverse, inclusive, and supportive growth platform. Through talent development, optimized compensation, and a safe, healthy work environment, we strive to be a reliable foundation for employees' professional growth and quality of life. Staying people-oriented, we aim to cultivate a high-quality, responsible workforce that grows alongside the company.

Transparent Governance:

Setting Industry Benchmarks

Zijiang Enterprise will continue to enhance transparency and accountability by improving its governance structure through systematic and scientific management. We aim to strengthen information disclosure, optimize risk management, and reinforce stakeholder communication and collaboration. Our goal is to build an efficient, transparent, and responsible governance system that supports long-term, sustainable growth and sets a benchmark in corporate governance.

Appendix I

Guide No.4 for Self-Regulatory Supervision on Listed Companies of the SSE —
Compilation of Sustainable Development Reports Index

Key Areas	Topics	Relevant Articles	Contents
Environmental	Addressing Climate Change	21-28	Addressing Climate Change
	Pollutant Emissions	30	Environmental Management
	Waste Disposal	31	Waste Management
	Ecosystem and Biodiversity Protection	32	N/A
	Environmental Compliance Management	33	Environmental Management
	Energy Utilization	35	Energy Management
	Water Resource Management	36	Water Resource Management
	Circular Economy	37	Circular Economy
Social	Rural Vitalization	39	Community Engagement
	Making Contribution to Social Value	40	Community Engagement
	Innovation-Driven Development	42	Innovative development
	Technology Ethics	43	Innovative development
	Supply Chain Safety	45	Supply Chain Management
	Fair Treatment of SMEs	46	Supply Chain Management
	Product and Service Safety and Quality	47	Customer Collaboration
	Data Security and Customer Privacy Protection	48	Information Security Management
Sustainability Governance	Employees	50	People-Oriented Approach
	Due Diligence	52	Risk Management
	Stakeholder Communication	53	Stakeholder Engagement
	Anti-Bribery and Anti-Corruption	55	Business Ethics
	Anti-Unfair Competition	56	Business Ethics

Appendix II

GRI Index

Disclosure Topics	Disclosure Items	Location
GRI 1: Foundation 2021		
GRI 2: General Disclosures 2021		
2-1	Organizational details	Company Overview
2-2	Entities included in the organization's sustainability reporting	About the report
2-3	Reporting Period, frequency and contact point	About the report
2-6	Activities, value chain and other business relationships	Company Overview
2-7	Employees	Company Overview
2-9	Governance structure and composition	Corporate Governance
2-10	Nomination and selection of the highest governance body	Corporate Governance
2-11	Chair of the highest governance body	Corporate Governance
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance
2-13	Delegation of responsibility for managing impacts	Corporate Governance
2-14	Role of the highest governance body in sustainability reporting	Corporate Governance
2-15	Conflicts of interest	Corporate Governance
2-16	Communication of critical concerns	Stakeholder Communication
2-22	Statement on sustainable development strategy	Sustainable Management Principles
2-29	Approach to stakeholder engagement	Stakeholder Engagement
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	ESG Materiality Assessment
3-2	List of material topics	ESG Materiality Assessment
3-1	Management of material topics	ESG Materiality Assessment

Disclosure Topics	Disclosure Items	Location
GRI 201: Economic Performance		
201-2	Financial implications and other risks and opportunities due to climate change	Risk Management
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Business Ethics
205-2	Communication and training about anti-corruption policies and procedures	Business Ethics
205-3	Confirmed incidents of corruption and actions taken	Business Ethics
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	Energy Management
302-4	Reduction of energy consumption	Energy Management
302-5	Reductions in energy requirements of products and services	Energy Management
GRI 303: Water and Effluents 2018		
303-3	Water withdrawal	Water Resource Management
303-4	Water discharge	Water Resource Management
303-5	Water consumption	Water Resource Management
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Addressing Climate Change
305-2	Energy indirect (Scope 2) GHG emissions	Addressing Climate Change
305-3	Other indirect (Scope 3) GHG emissions	Addressing Climate Change
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Waste Management
306-2	Management of significant waste-related impacts	Waste Management
306-3	Waste generated	Waste Management
306-4	Waste diverted from disposal	Waste Management
306-5	Waste directed to disposal	Waste Management
GRI 401: Employment 2016		

Disclosure Topics	Disclosure Items	Location
401-1	New employee hires and employee turnover	People-Oriented Approach
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People-Oriented Approach
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Occupational Health & Safety
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health & Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health & Safety
403-5	Worker training on occupational health and safety	Occupational Health & Safety
403-9	Work-related injuries	Occupational Health & Safety
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Employee Training & Development
404-2	Programs for upgrading employee skills and transition assistance programs	Employee Training & Development
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Employee Rights & Welfare
GRI 406: Anti-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Employee Rights & Welfare
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employee Rights & Welfare
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	Employee Rights & Welfare
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employee Rights & Welfare
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Supply Chain Management
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management

Appendix III

SDGs Index

Sustainable Development Goals	Initiative	Location
SDG3. Good Health and Well-being	Ensure healthy lives and promote well-being for all at all ages	Employee Rights Compensation & Benefits Employee Care
SDG4. Quality Education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Employee Training
SDG5. Gender Equality	Achieve gender equality and empower all women and girls	Employee Rights Board Diversity
SDG6. Clean Water and Sanitation	Ensure availability and sustainable management of water and sanitation for all	Environmental Management Waste Management Water Resource Management
SDG7. Affordable and Clean Energy	Ensure access to affordable, reliable, sustainable and modern energy for all	Addressing Climate Change Energy Management
SDG8. Decent Work and Economic Growth	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Employee Rights Compensation & Benefits
SDG9. Industry, Innovation and Infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Technology R&D Digital Empowerment Efficiency Enhancement
SDG10. Reduced Inequalities	Reduce inequality within and among countries	Employee Rights Diversity Employee Development
SDG12. Responsible Consumption and Production	Ensure sustainable consumption and production patterns	Circular Regeneration Supply Chain Management Sustainable Packaging Customer Collaboration
SDG13. Climate Action	Take urgent action to combat climate change and its impacts	Addressing Climate Change Energy Management
SDG16. Peace, Justice and Strong Institutions	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Governance Structure
SDG17. Partnerships for the Goals	Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development	Supply Chain Management Customer Collaboration

Appendix IV

Performance Table

Indicators	Unit	2022	2023	2024
Economic				
Total assets	100 million RMB	120.77	136.94	131.89
Revenue	100 million RMB	96.08	91.16	106.37
Total Profit	100 million RMB	7.88	7.40	9.72
Social Contribution Value Per Share	RMB	1.92	2.07	2.36
Cash Dividends(before tax)	RMB	379,184,039.50	379,184,039.50	455,020,847.40
Penalty or warnings by CSRC or Shanghai Stock Exchange	Time	0	0	0
Environmental				
Number of Energy-saving Transformation Projects	Items	4	8	11
Environmental Investment ²⁰	10,000 RMB	3,833.69	4,888.85	2,592.03
Emission Control Investment ²¹	10,000 RMB	1,304	2,477	763
Waste Gas and Wastewater Compliance Rate	%	100	100	100
Total Waste Gas Emissions By Key Subsidiaries under Waste Gas Treatment Control ²²	m ³	79.21	45.20	37.11
Total wastewater discharged by key subsidiaries under wastewater treatment control	m ³	102,621.00	339,124.00	369,173.00
Total Electricity Consumption	ten thousand kWh	51,676.70	56,798.18	60,628.92
Total Photovoltaic Installation Area	m ²	210,519	291,567	467,333

²⁰ The decrease in environmental governance investment is mainly due to lower end-of-pipe treatment and technical upgrade costs.

²¹ The reduction in waste gas treatment investment is mainly due to system upgrades and updates of air pollution control equipment in two subsidiaries in 2023. In 2024, the company's air pollutant emissions showed a significant decline.

²² The decrease in waste gas emissions from key controlled enterprises is mainly due to the system upgrades and updates of waste gas treatment equipment in two subsidiaries in 2023. In 2024, the company's air pollutant emissions showed a significant decline.

Indicators	Unit	2022	2023	2024
Distributed Photovoltaic Coverage Rate	%	31.72	40.51	56.64
Total purchased electricity	ten thousand kWh	50,376.70	54,812.58	57,253.92
Electricity Generated from Clean Energy	ten thousand kWh	1,033.00	1,985.60	3,375.00
Natural Gas Consumption ²³	ten thousand m ³	577.40	803.80	907.20
Total Purchased Heat	ten thousand tons	8.57	8.83	10.50
Total Energy Consumption	ton of standard coal equivalent	159,255.84	141,497.74	130,610.39
Electricity Consumption Per RMB 10,000 of Output Value	kWh / ten thousand RMB	570.31	596.57	612.20
Proportion of non-fossil Energy	%	4.37	23.35	20.13
Total Hazardous Waste Generated ²⁴	ton	1,087.90	1,273.74	1,574.63
Disposal amount of Hazardous Waste	ton	1,087.90	1,273.74	1,574.63
Intensity of non-hazardous Waste Generated	ton / ten thousand RMB	0.0410	0.0405	0.0452
Cost of Energy-saving Transformation	ten thousand RMB	2,422.80	1,975.53	1,997.00
Social				
Total Number of Employees	people	6,838	6,936	6,791
Number of Employees with Disabilities	people	24	26	21
Female Member in the Board of Directors	%	11	11	22
Employees' Return Rate after Childbirth	%	100	100	100
Social Insurance Coverage	%	100	100	100
Employment Contract Coverage	%	100	100	100

²³ Changes in natural gas consumption are mainly influenced by increased production.

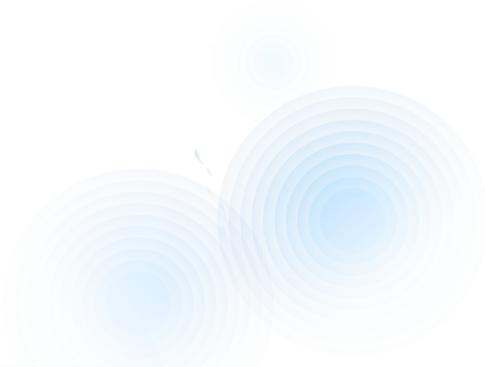
²⁴ Changes in hazardous waste generation are mainly influenced by increased production.

Feedback Form

Dear Stakeholders,

Thank you for reading the 2024 Sustainability Report released by Shanghai Zijiang Enterprise Group Co., Ltd. To enhance the report's role in communication and effectively promote the company's social responsibility management and practices, we sincerely look forward to your comments and suggestions.

- How would you rate your overall evaluation of the company's sustainable development?
 Very Good Good Fair Poor Very Poor
- How do you evaluate the company's response to issues of stakeholder concern?
 Very Good Good Fair Poor Very Poor
- How do you think the company performs in economic responsibility?
 Very Good Good Fair Poor Very Poor
- How do you think the company performs in customer service?
 Very Good Good Fair Poor Very Poor
- How do you think the company performs in environmental responsibility?
 Very Good Good Fair Poor Very Poor
- How do you think the company performs in safety management?
 Very Good Good Fair Poor Very Poor
- How do you think the company performs in employee responsibility?
 Very Good Good Fair Poor Very Poor
- How do you think the company performs in community responsibility?
 Very Good Good Fair Poor Very Poor
- Is the content layout and format of the report easy to read?
 Very Good Good Fair Poor Very Poor
- Do you have any opinions or suggestions on the company's social responsibility practices and report?



Promoting Green Development ***Shaping a New Future Together***



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