



Xiamen Jihong Technology Co., Ltd. Environmental, Social and Governance Report 2025

March 2026



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About This Report

This is the fourth Environmental, Social and Governance (ESG) Report issued by Xiamen Jihong Technology Co., Ltd. Aligned with the principles of objectivity, standardization, transparency, and comprehensiveness, it outlines Jihong Group's endeavors and accomplishments in fostering comprehensive, coordinated, and sustainable development.



Reporting Period

The report covers the period from January 1, 2025, to December 31, 2025, while also incorporating relevant information from preceding years.



Report Scope

Unless otherwise specified, the organizational scope of this report includes Xiamen Jihong Technology Co., Ltd., as well as its branch offices and wholly-owned subsidiaries. It is consistent with the consolidated reporting scope specified in Jihong Group's annual report.



References

This report extensively referenced the Environmental, Social and Governance Reporting Code in Appendix C2 of the Hong Kong Exchanges and Clearing Market's Main Board Listing Rules, the Shenzhen Stock Exchange's Self-Regulatory Guidelines for Listed Companies No.1 – Standardized Operations for Main Board Listed Companies and Listed Companies Self-Regulatory Guidelines No. 17 – Sustainable Development Report (Trial); In preparing this report, we also consulted the Global Sustainability Standards Board's GRI Standards 2021 and the International Organization for Standardization's ISO 26000 – Guidance on Social Responsibility.



Addressing

To enhance clarity and readability, throughout this report, "Xiamen Jihong Technology Co., Ltd" is interchangeably referred to as "Jihong Group", "the Company", and "we."



Reporting Principles

Materiality Principle: The report discloses the process of identifying and assessing material ESG issues, focusing on those that exert significant impacts on the Company. For detailed information, please refer to the section "Dual Materiality Assessment."

Quantification Principle: Key performance indicators (KPIs) covering environmental and social dimensions are presented in quantifiable formats. For each quantitative data point, the report clearly explains the reference standards, calculation methods, and coefficient sources.

Principle of Balance: The report maintains an impartial and objective stance, comprehensively presenting ESG performance throughout the reporting period. It fully covers both positive achievements and negative impacts, and avoids selective disclosure or omissions that may distort readers' judgment.

Principle of Consistency: Unless otherwise specified, the data collection methods and statistical calibers in this report remain consistent with previous reporting years.



Data Description

The financial data and the financial and audit reports referenced in this report are detailed in the Xiamen Jihong Technology Co., Ltd. 2025 Annual Report. Other data is primarily sourced from Jihong Group's internal statistics. Unless otherwise specified, all currency values presented in this report are denominated in the Chinese Renminbi RMB.



Report Availability

The electronic version of this report is available for viewing or downloading on Jihong Group's website (<http://www.jihong.cn>) and the Shenzhen Stock Exchange website (<http://www.szse.cn>).





At Jihong Group, the Board of Directors, as the Company's ultimate governing and decision-making body on ESG matters, has delegated full responsibility for ESG strategy and reporting to the Strategy Committee. The Board of Directors is charged with approving and providing ongoing oversight of key ESG issues, and with evaluating ESG risks to ensure the robustness of the Company's risk control and internal monitoring systems. In addition, the Company has established an ESG Decision-Making Department to drive implementation, coordinate cross-functional activities, and manage day-to-day ESG operations, thereby ensuring effective execution of ESG initiatives.

Taking into account the industry profile, stage of development, business model, and development strategy, the Company regularly evaluates material ESG issues and submits the results to the board for review. Issues the board determines to be material with respect to ESG risks and opportunities are incorporated into the Company's overall strategy, and the effectiveness of related mitigation and management measures is subject to continuous monitoring.

The Company also plans to establish targets in key ESG areas—including pollutant emissions, energy consumption management, water resource consumption management, and carbon emissions. We aim to integrate ESG management performance into daily operational objectives to strengthen ESG governance.

This report provides a detailed disclosure of Jihong Group's ESG progress and achievements in 2025. It has been reviewed and approved by the Board of Directors. The Board and all Directors confirm that, to the best of their knowledge, the content of this report is free of any false records, misleading statements, or material omissions. Each director assumes individual and joint responsibility for ensuring the truthfulness, accuracy, and completeness of this report.

Message from the Chairman

In 2025, the global process of sustainability has continued to accelerate. The deep integration of the green economy and digital transformation is profoundly reshaping the global industrial landscape. The Company firmly adheres to its strategic positioning of green development and dual-engine drive, fully integrating ESG principles into corporate strategy. With technological innovation as the driving force, the Company promotes green transformation to a higher level. Meanwhile, guided by a global vision, the Company actively expands into emerging markets, continuously enhancing comprehensive competitiveness and industry leadership in packaging and cross-border social e-commerce.

In terms of green sustainability, the Company strengthens environmental governance and establishes a green production system covering the entire value chain. By further optimizing environmental processes, the Company promotes low-carbon development throughout the full life cycle of packaging products, from design and manufacturing to recycling. Through active implementation of energy conservation and emission reduction strategies, the Company realizes intelligent and refined management of energy consumption, carbon emissions and resource utilization. In 2025, the Company obtained an additional provincial-level green factory certification, further consolidating its benchmark position in the green development of the industrial chain.

In terms of social responsibility, the Company continues to adhere to a customer-centric and quality-based philosophy, constantly improving product safety and environmental standards to fully meet customers' evolving demand for green products. By deepening ESG collaborative management mechanisms in the supply chain, the Company promotes the formation of a transparent, resilient, and sustainable business ecosystem. In talent development, the Company is committed to building a diverse and inclusive development platform, optimizing career development channels and enhancing employees' sense of belonging and value recognition. In 2025, all production bases have obtained ISO 9001 Quality Management System certification, reflecting the Company's rigorous standards and strict requirements in quality management.

In terms of corporate governance, the Company continuously improves its ESG governance structure, deeply integrating ESG targets into strategic decision-making and daily operations. The Company has established an efficient governance mechanism led by the Shareholders' Meeting, the Board of Directors and senior management to ensure compliant, transparent and sustainable operation. Meanwhile, the Company has built a comprehensive risk control system covering supply chain management and data security. The Company promotes an integrity culture and strengthens compliance awareness among all employees, further consolidating the foundation of corporate governance.

Looking ahead to 2026, the Company will take green innovation as the core strategic focus. The Company will accelerate the deep integration of intelligent manufacturing and AI technology into various business sectors, driving the dual engines of green packaging and cross-border social e-commerce into a new stage of high-quality and coordinated development. The Company will actively expand its global cooperation network, deepen market presence in countries and regions along the Belt and Road Initiative, empower Chinese brands to go global, and build a new sustainability system with global competitiveness. Going forward, the Company is ready to work together with partners from all sectors to jointly create a new blueprint for green, intelligent, and inclusive high-quality development.



1 About Us





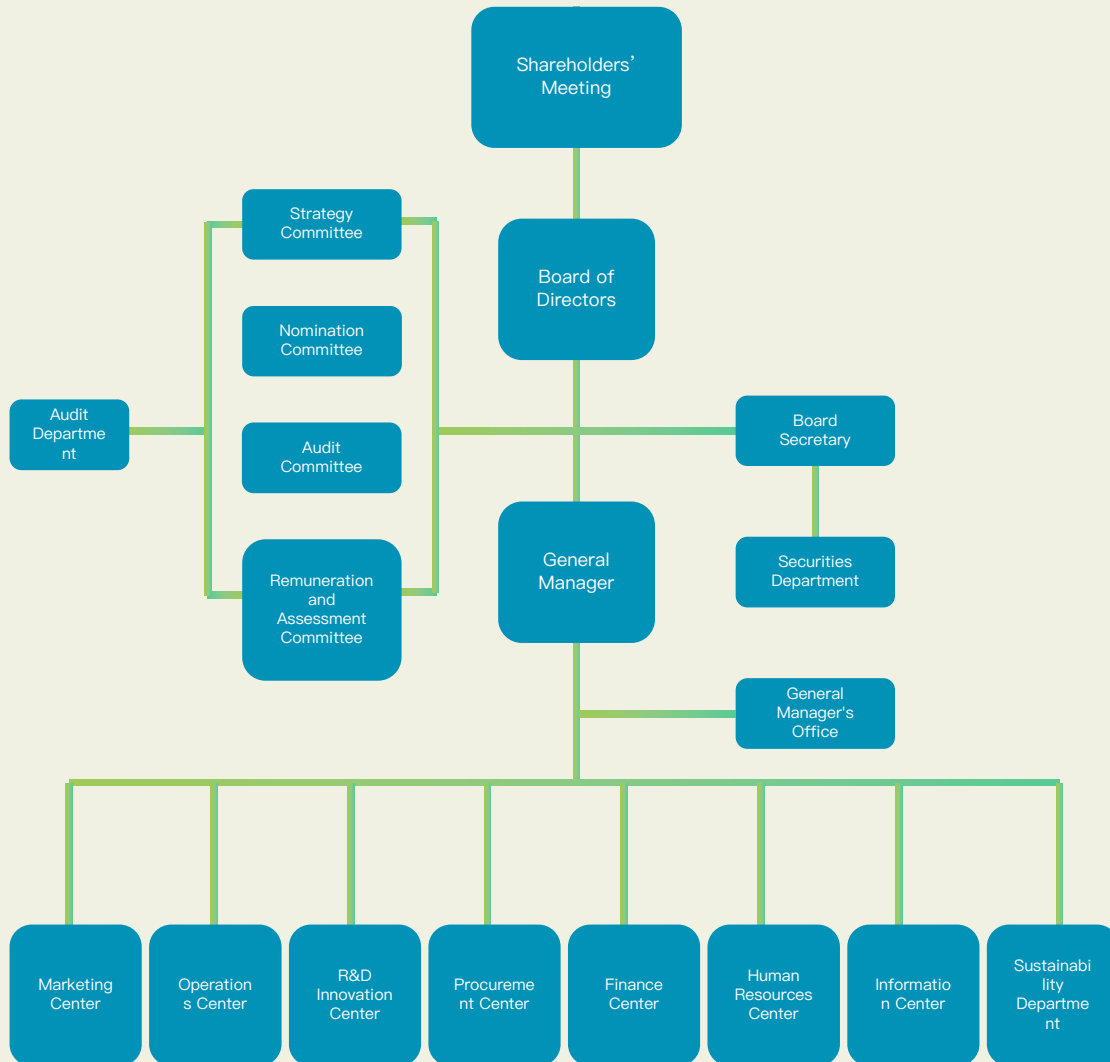
Xiamen Jihong Technology Co., Ltd.

Xiamen Jihong Technology Co., Ltd. (the “Company”) is a leading firm that pursues technological innovation, model innovation and digital intelligence. The Company has developed a dual-business model encompassing cross-border social e-commerce and paper-based FMCG packaging solutions. Through years of focused investment and market cultivation, the Company has achieved significant scale advantages in its core businesses. Its paper-based FMCG packaging is the market leader in China by market share, while its cross-border social e-commerce operations rank among the leading players in China’s B2C cross-border social e-commerce sector, together forming a sustainable dual-engine growth model.

On 27 May 2025, the Company completed an H-Share IPO and was listed on the Main Board of the Hong Kong Stock Exchange. This listing achieved several notable firsts: Jihong became the first mainland company in the combined sectors of cross-border social e-commerce and FMCG packaging to achieve A+H dual listing, the first company from Xiamen to secure A+H status, and the first Hong Kong-listed issuer to have its shares included in the Stock Connect on the day of listing.

1.2 Organizational Structure

Organizational Structure 2025 at Jihong Group



Corporate vision

Build ten brands with global influence.

We have always stuck to the principle of “surviving with quality and developing with credit”, and are dedicated to building ten brands with global influence to provide high-quality products and extremely convenient services for global consumers.

Enable partners to achieve both material and spiritual prosperity.

To realize employees’ self-value, we strive to establish a fair and impartial remuneration incentive management system to achieve both material and spiritual prosperity and facilitate mutual progress and development for individuals and the Company.

Corporate culture

Focusing on entrepreneurship and forging ahead through difficulties.

Running an enterprise is much like rowing a boat against the current; if we let up even slightly then we risk undoing all of the progress we have made. We should remain committed to hard work as entrepreneurs and make headway to maintain our vitality and competitiveness.

Simplicity, Perfection, efficient collaboration, goal-oriented effort, and accountability for results.

We manage to form a horizontal organizational structure, build shoulder-to-shoulder trust and set unified objectives to remove estrangement and rift among employees, which helps us work together towards clear and achieve the goal of the company's long-term sustainable development.

Business philosophy

Data-centric, technology-driven, outcome-focused and all are operators.

We strengthen the operator thinking and embed it into our operation. We upgrade our technologies driven by business procedures and then improve our business organizing capability to create digitalized and data-centric assets which are transformed to enhance our reproducing capability with big data, AI and other technologies. Using data, we reinforce the digital operations and innovation capabilities of our teams through the circulation and accumulation of production, processing, using and reproduction to control quality and cost in a strict manner. Thus, we achieve high-frequency iteration and rapid revolution of our organization which is data-centric, technology-driven, and outcome-focused.

1.3 Milestones

December
1996

Jihong Group's predecessor, Xiamen Zhengqi, was established, specializing in graphic design and advertising planning.

1

December
2003

Jihong Group was officially founded and focused on the packaging industry, building ten factories across China to offer comprehensive marketing and packaging design services to leading FMCG companies.

2

July
2016

Jihong Group released its IPO on the Shenzhen Stock Exchange.

3

2017

Giikin was established to expand our cross-border e-commerce business in Southeast Asia, which opened up a new avenue of growth for us. Jihong Group consecutively entered the markets of Hong Kong, Japan, Thailand, Malaysia, and Singapore.

4

December
2017

Jihong Group upgraded the e-commerce management system v2.0.

5

March
2018

Jihong Group expanded the R&D team, established a data analysis team, and implemented management systems for workflow, product selection, financial settlement, order tracking, and warehousing.

6

2019

Jihong Group made significant efforts to promote brand strategy and build corporate culture.

7

March
2019

Jihong Group formed a brand operation team.

8

May
2019

Jihong Group launched the e-commerce management system v3.0.

9

November
2019

Jihong Group formed a platform e-commerce team.

10

Early
2020

Jihong Group initiated a full-scale drive towards enterprise automation and intelligence, which involved rolling out a big data system, an intelligent product selection system, and an automated advertising system.

11

2020

Jihong Group upgraded the workflow management system V3.0

12

1.3 Milestones

2021

Jihong Group tried to broaden its brand portfolio by tapping into new markets such as lingerie and home textiles.

13

July
2021

Jihong Group established a strategic partnership with Huawei Cloud. This partnership enabled it to utilize advanced AI technology and computing resources to implement intelligent systems for big data analytics, ad design and delivery.

14

November
2021

Jihong Group entered the Eastern European market.

15

2022

Jihong Group established cross-border electric bicycle and beauty product brands.

16

June
2022

Jihong Group rolled out an automated operations management system on a third-party platform, which has contributed to the exponential growth of orders on that platform.

17

2022

Jihong Group made significant progress in achieving our digital strategy objectives by implementing decision support systems, such as Smart Companion, Boss Assistant, Indicator Monitoring, and Talent Map.

18

2022

Jihong Group upgraded the warehousing system and achieved fully automated and intelligent operations.

19

January
2023

Jihong Group integrated the ChatGPT API to empower cross-border e-commerce businesses in areas such as AI-driven product selection, the creation of graphic and video advertising materials, and intelligent ad placement.

20

June
2023

Jihong Group signed a joint innovation agreement on the AI large model with Huawei Cloud, officially launching the second phase of cooperation for AIGC-based deep empowerment of the cross-border e-commerce platform, jointly creating the Pangu cross-border e-commerce large model, and promoting a deeper level of digital transformation.

2023

Jihong Group developed and perfected the automated, intelligent, and digital cross-border e-commerce business management system Gikin3.0. On this basis, Jihong Group gradually rolled out the e-commerce text vertical model ChatGiKin-6B, the e-commerce intelligent design and material generation vertical model GiiAI, and the intelligent ad placement assistant G-king, laying a solid foundation of intelligent systems for the Company's long-term sustainable development in cross-border e-commerce business.

February
2024

Jihong Group has submitted its application to the Hong Kong Stock Exchange and intends to complete an A+H dual listing plan.

23

September
2024

The current Sheikh of Ras Al Khaimah in the United Arab Emirates, Sheikh Saoud, visited the company's leadership, and both sides engaged in in-depth discussions on cooperation channels, investment projects, and market expansion.

24

1.3 Milestones

September 2024

In the same month, a delegation led by the Chairman of BMJ Industries – the largest tobacco production and manufacturing enterprise in the UAE – visited the company headquarters and its intelligent packaging production base. They highly recognized the company’s smart manufacturing, refined operational management, innovative development capabilities, and steadfast commitment to the core philosophy of “green, environmentally friendly, and sustainable.”

25

December 2024

Jihong Group issued an announcement stating our intention to co-invest with VENUS TRADING FZCO to establish a joint venture, AJT Holding International Limited, at the Dubai International Financial Centre in the UAE. This initiative aims to actively expand overseas presence – particularly in the Middle East and Africa – and accelerate the international layout and strategic planning of its cross-border business.

26

May 2025

Jihong Group was officially listed on the main board of the Hong Kong Stock Exchange.

27

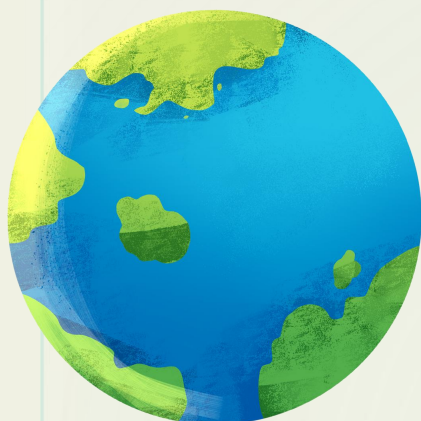
December 2025

Construction of the first overseas packaging production base at Ras Al Khaimah was mostly completed.

28

Environment: Green Future

- 10 factories have been certified under the ISO 14001 for Environmental Management System.
- The photovoltaic projects at the Anhui factory and Xiamen factory are operating stably, collectively achieving carbon reductions equivalent to 2,341 tonnes of carbon dioxide.
- The Company obtained green product certification for express packaging.
- The Company completed carbon verification for ten factories and identified key emission risk areas.



Social: Giving Back to Society

- The Company recorded zero product recalls and no major safety or quality incidents related to products and services.
- All 10 production bases have been certified under ISO 9001 for Quality Management System; two production bases have received BRCGS A+ grade certification; one production base has received BRCGS A grade certification; five production bases have undergone FSC certification; and two bases have obtained FSC trade certification.
- The Company spent RMB 136.10 million on R&D, accounting for 2.02% of operating revenue. The Company employed 602 R&D personnel, representing 12.66% of the total workforce.
- The Company filed 90 new patent applications, of which 36 were approved, obtained 44 new software copyrights, and secured 445 approved patents.
- Zero work-related fatalities occurred, with RMB 1.26 million invested in ensuring production safety;
- No occupational disease-related incidents were recorded, and employee safety training achieved 100% coverage.
- All ten production bases have obtained ISO 45001 Occupational Health and Safety Management System certification, and undergone internal audits, management reviews and third-party supervision audits.

Governance: Enhancing Governance

- The Company convened four Shareholders' Meetings and seven Board of Directors meetings throughout the year, with 100% attendance by Board members.
- The Company held two earnings briefings, responded to 80 interactive Easy posts, and issued 138 announcements.
- Jihong Group held six anti-corruption training sessions for employees and senior management. A total of 394 participants attended, with cumulative training hours reaching 23 hours.
- The Company conducted 5-hour anti-corruption training sessions for Board members, achieving a 100% participation rate.
- The Company was not involved in any litigation or administrative penalties related to corruption, bribery, or money laundering.
- The Company had no litigation or significant administrative penalties arising from unfair competition practices.

1.5 Annual Honors and Awards



Awarded the 2025 Golden Bull Award for New Consumer Benchmark



Selected for the 2025 Listed Companies Reputation Ranking, awarded the title of Listed Company with Outstanding Competitiveness in Overseas Expansion



Awarded Top 100 ESG Practices for China Listed Companies 2025 by Wind ESG Rating



Awarded the Golden Dawn – ESG Practice Award by *Weekly on Stock*



Ranked 34th on the list of 2025 Top 100 Private Service Enterprises of Fujian Province

2 Double Materiality Assessment

In 2025, the Company carried out a materiality assessment to establish the double materiality matrix for 2025. This process enables the Company to balance the pursuit of economic value with environmental and social obligations, delivering sustainable value for all stakeholders.



2.1 Identification of Material Issues

To strengthen ESG management and improve information disclosure, the Company conducts materiality assessments to identify ESG issues in 2025, in reference to the *Hong Kong Exchanges and Clearing Limited (HKEX)'s Environmental, Social and Governance Reporting Code* and the *Shenzhen Stock Exchange's Listed Companies Self-Regulatory Guidelines No. 17 – Sustainable Development Report (Trial)*.

Materiality Assessment Process



Issue identification

The Company reviews the key ESG topics and the concerns of various stakeholders, benchmarks against domestic and international peers, and identifies key ESG issues.

1



Screening and assessment

The Company comprehensively assesses issues based on their impact, materiality and financial materiality to determine the double materiality issues that have significant implications for our sustainable development.

2



Review and confirmation

After the assessment process, methodology, and Material Issues Matrix are reviewed and approved by the Strategy Committee, they will be submitted to the Board of Directors for final approval and disclosed in accordance with regulations.

3

2.2 Impact Materiality Assessment

The Company always attaches high priority to engagement with stakeholders by establishing a structured stakeholder engagement system and refining response and feedback mechanisms to ensure timely and effective communication. To scientifically identify material ESG issues and enhance the quality of related management and practices, we conducted stakeholder engagement research, which systematically gathered views and recommendations on sustainability from shareholders, customers, government and regulators, employees, partners, the media, community representatives, and other relevant parties. Through a standardized process of impact materiality assessment, we comprehensively evaluated the implications of various issues for the external environment and stakeholders. This has laid a solid foundation for the formulation and implementation of sustainability strategies, while continuously strengthening management and operational performance on material issues.

Impact Materiality Assessment Process

Setting metrics	Quantitative assessment criteria have been established across multiple metrics—including the scale, scope, irreversibility, and likelihood of potential impacts associated with each issue—with a scoring scale ranging from 1 to 5 points.
Stakeholder participation	Questionnaire surveys are administered to capture key stakeholders’ perceived materiality of environmental, social, and governance (ESG) issues and to assess the actual impacts of different issues on diverse stakeholder groups.
Collecting feedback	Input and feedback on a full range of ESG issues are collected from internal and external stakeholders through expert consultations, thematic seminars, and comprehensive questionnaire surveys.
Defining priorities	Based on the above qualitative and quantitative analytical outcomes, appropriate materiality thresholds are determined, and issues are ranked in order of priority.

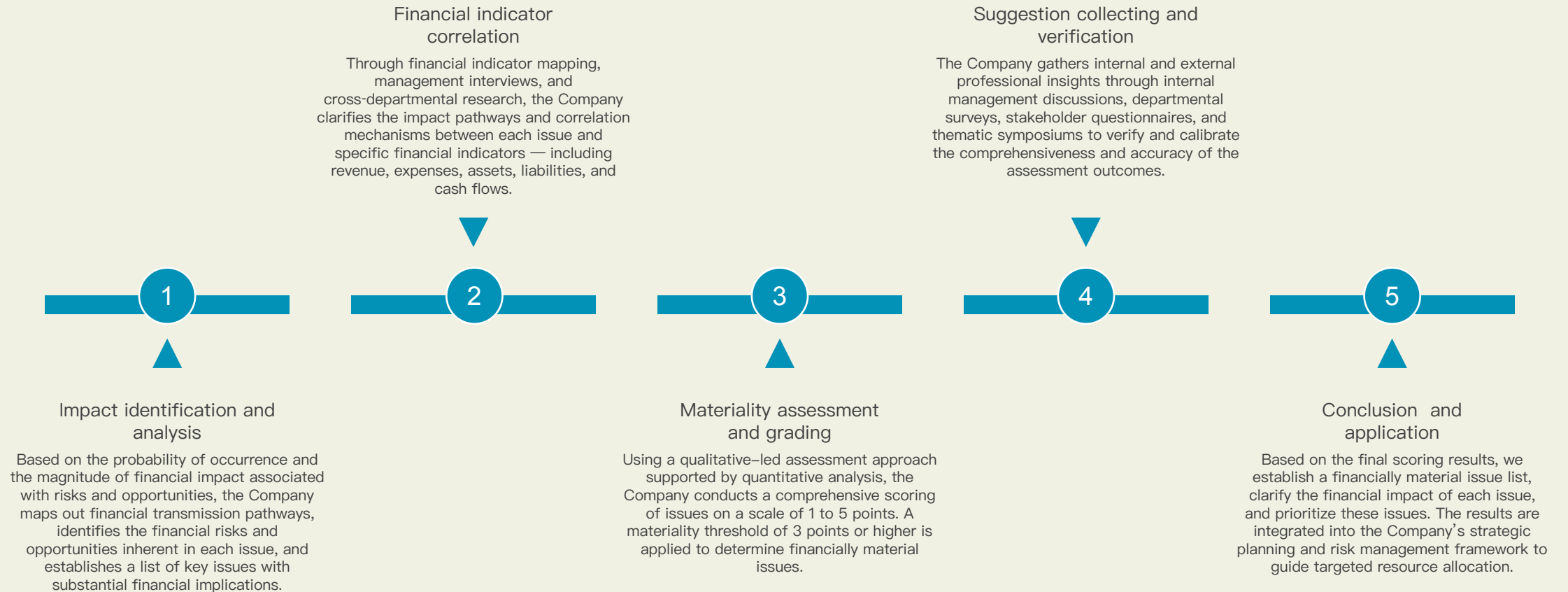
Stakeholder Communication at Jihong Group

Stakeholders	Issues of concern	Communication forms	Stakeholders	Issues of concern	Communication forms
Shareholders	<ul style="list-style-type: none"> Corporate governance Risk management Circular economy 	<ul style="list-style-type: none"> Shareholders’ Meeting Regular reports and announcements Interim announcements and notices Company website Investor mailbox Online and offline investor meetings 	Employees	<ul style="list-style-type: none"> Employee Rights and Interests Employee training and development Health and safety 	<ul style="list-style-type: none"> Employee satisfaction survey Internal office systems Internal communication meetings Employee complaints and feedback Internal and external training activities Publicity activities of corporate culture Employee care activities
Customers	<ul style="list-style-type: none"> Product carbon footprint Product responsibility Technological innovation Customer satisfaction Responsible marketing Information security and privacy protection 	<ul style="list-style-type: none"> WeChat official account Customer satisfaction survey Product survey feedback Customer complaint and handling Online and offline activity promotion Company website and social media interaction 	Partners	<ul style="list-style-type: none"> Responsible marketing Supply chain management 	<ul style="list-style-type: none"> Project procurement Supplier contracts and agreements Supplier audit and evaluation Supplier assistance and cooperation Other supplier communication activities
Governments and regulators	<ul style="list-style-type: none"> Corporate governance Risk management Business ethics and anti-corruption 	<ul style="list-style-type: none"> Information disclosure Daily communication and reporting Supervision and inspections Visitor receptions 	Media	<ul style="list-style-type: none"> Addressing climate change Product carbon footprint Energy and resource conservation Waste management Pollutant emissions 	<ul style="list-style-type: none"> Exclusive interviews Company website and social media interaction
			Community representatives	<ul style="list-style-type: none"> Community development and investment Pollutant emissions 	<ul style="list-style-type: none"> Community activities Public welfare activities Company website and social media interaction

2.3 Financial Materiality Assessment

The Company conducted financial materiality assessments to systematically evaluate the potential impacts of environmental, social, and governance (ESG) issues on financial performance. This assessment analyzes the potential links between ESG issues and the Company's revenues, operating expenses, assets, liabilities, and cash flows. It identifies key risks and opportunities affecting financial performance and prioritizes their materiality based on the magnitude of their financial impact. The findings provide a robust foundation for strategic decision-making and resource allocation, while strengthening financial resilience and capacity for long-term value creation.

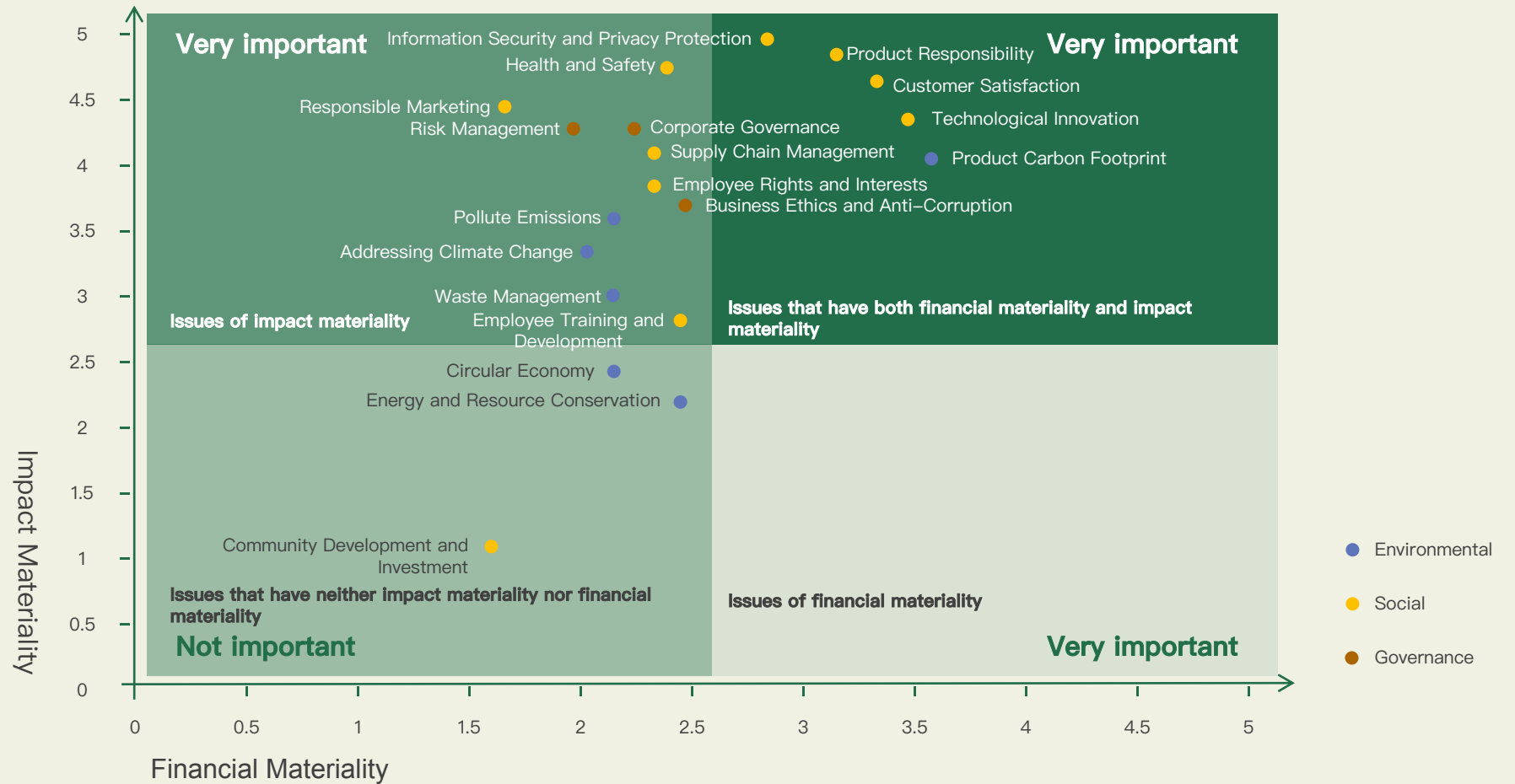
Financial Materiality Assessment Process



2.4 Materiality Assessment Results

The Company comprehensively assesses relevant issues across the dual metrics of impact materiality and financial materiality, taking into account industry characteristics, the Company's business profile, regulation developments, and the core concerns of stakeholders. Based on a weighted analysis of the assessment outcomes, the Company has finalized the identification of 19 material issues and developed the 2025 ESG Material Issues Matrix. This provides an evidence-based and systematic foundation for the formulation and implementation of the Company's sustainability strategy.

JIHONG GROUP 2025
ESG MATERIAL ISSUES MATRIX



3 Sustainability Management

Jihong Group firmly recognizes sustainability as a critical engine driving long-term, stable growth and creating diversified value. The concept of sustainability has long been deeply embedded in all dimensions of corporate strategy and daily operations. The Company continuously enhances its ESG management system, rigorously manages ESG-related risks and opportunities, and endeavors to achieve synergistic win-win outcomes among corporate growth, social value, and environmental benefits. Through these efforts, the Company steadily strengthens sustainability governance capabilities and practical performance.



3.1 ESG Governance

The Company establishes a tiered, efficient management structure with clear authorities and responsibilities. The Board of Directors serves as the supreme decision-making and oversight body for the ESG agenda, with full responsibility for reviewing sustainability strategies. The Strategy Committee under the Board is mandated to approve and provide ongoing supervision of material ESG -related matters. The ESG Decision-making Department is established to drive, coordinate, and administer the day-to-day implementation of ESG initiatives.

Jihong Group's ESG Management Framework

Board of Directors

- Authorize the Strategy Committee to approve and supervise ESG-related matters.

Strategy Committee

- Develop ESG strategic plans, management structures, systems, strategies, and implementation rules to ensure policy implementation;
- Identify key ESG issues, develop relevant guidelines, and review ratings;
- Assess ESG risks and opportunities, monitor significant risks and develop response measures, as well as review and supervise the handling and rectification of relevant issues;
- Review ESG tasks and internal monitoring system, and provide recommendations on their suitability and effectiveness;
- Review ESG-related disclosure documents, including but not limited to annual ESG reports;
- Regularly report to the Board of Directors and provide ESG-related training and materials to ensure ESG governance capabilities.

ESG Decision-making Department

- Coordinate, supervise, and manage the overall risks associated with the Company's business operations and quality control;
- Collaborate with relevant departments to carry out ESG risk prevention and management, and conduct irregular reviews.

3.2 ESG Strategy

Upholding the core ESG vision of "Technology for Good, Stability for Long-term Growth," the Company fully embeds the principles of sustainability into strategic planning and day-to-day operations while establishing a robust strategic implementation framework and well-defined execution roadmap. Guided by the governance principles of "integrating into corporate strategy, collaborating on business development, and aligning with global standards," the Company has developed a comprehensive ESG management system, strategic objectives, performance mechanisms, and information disclosure framework. Sustainability requirements are systematically integrated into corporate governance and core business processes, ensuring the consistency and sustainability of ESG management practices.

Jihong Group's ESG Governance Principles

Integrating Into Corporate Strateg

- From a strategic perspective, we integrate ESG responsibilities into the corporate development strategy to achieve unified deployment and coordinated advancement;
- We establish an ESG key indicator system that aligns with the characteristics of the enterprise, build a closed-loop management system for corporate ESG governance, and coordinate development in economic, social, and environmental aspects.

Collaborating On Business Development

- We persist in integrating ESG management concepts into internal operations and external business outputs;
- We strengthen the vertical integration with various departments and branches to ensure the formation of an efficient and powerful ESG work network, achieving the close integration of the Company's ESG responsibilities and business operations.

Aligning With Global Standards

- In accordance with ESG international standards, national standards, regulatory requirements, and other relevant policies and initiatives, we advance the Company's systematic, standard, and routine ESG management to align with global standards in aspects such as policy systems, management systems, process mechanisms, action measures, and performance management.

3.2 ESG Strategy

The Company conducts systematic risk and opportunity assessments for financially material issues, closely monitors evolving market trends, and formulates and implements targeted management measures to continuously strengthen the adaptability and responsiveness of ESG strategies. Combined with the industry's characteristics and the Company's actual development status, we have defined clear phased time horizons for assessing ESG-related risks and opportunities: short-term (by 2030), medium-term (by 2040) and long-term (by 2050). The Company has established a comprehensive strategy promotion framework and a well-defined implementation roadmap to advance the deep integration of ESG governance into core business operations, creating sustainable long-term value for all stakeholders.

ESG Risk/Opportunity Analysis at Jihong Group

Type	Field	Level	Time Range	Overview	Measures	Financial Impact
Risk/ Opportunity	Information security and privacy protection	High	Long-term	This concerns data asset security, user trust, compliance governance, and the sustainability of digital transformation. The Company will fully embed relevant governance mechanisms throughout business operations, establish a management system and long-term action roadmap covering the full data lifecycle, and continuously strengthen assurance capabilities through regular monitoring and review.	<ol style="list-style-type: none"> Data Security Protection: The Company leverages Simple Log Service (SLS) to enable end-to-end data collection, storage, desensitization, and audit traceability across the full data chain. We identify sensitive data via plug-in modules. Network Risk Governance: The Company deploys cloud firewalls, Web Application Firewalls (WAF), and Cloud Security Center for classified protection, covering vulnerability scanning, hacking detection, and active blocking of compromised hosts. Information Security Compliance: Supported by compliance solutions and privacy protection technologies, including Alibaba Cloud infrastructure, and in conjunction with Security Manager services, we strictly ensure compliance of data collection and use. Risk Monitoring and Auditing: Through integrated operation management and log auditing functions of the Cloud Security Center, we establish a mechanism for regular security monitoring and auditing, and carry out cybersecurity drills. Full-Scenario Security Support: Alibaba Cloud Multi-Factor Authentication (MFA) is deployed to comprehensively support information security objectives. 	Operational costs increase due to compliance penalties and compensation arising from data breach risks.
	Product responsibility	High	Long-term	The Company's products cover fast-moving consumer goods packaging and cross-border commodities. Noncompliant product quality may trigger customer complaints, product returns, cost escalation, brand impairment, and customer attrition, as well as potential platform penalties and compliance risks, which will create sustained adverse impacts.	<ol style="list-style-type: none"> Quality System Improvement: The production base continues to advance ISO 9001, BRCGS, and FSC certifications. Raw Material Control: A procurement review mechanism is established. We prioritize the use of eco-compliant raw materials and actively promote biodegradable packaging solutions. Full-Chain Quality Inspection Collaboration: End-to-end quality inspection data—from new product launch to incoming material inspection—serves as the core indicator for supplier performance evaluation. This drives continuous improvement among suppliers and fosters a collaborative internal and external quality ecosystem. 	Revenue decline as a result of weakened market competitiveness caused by substandard product quality.
	Customer satisfaction	High	Long-term	Customer satisfaction directly drives customer retention and business development. Low satisfaction may result in customer churn, reputational damage, and revenue contraction; conversely, strong satisfaction enhances loyalty and builds a sustainable competitive advantage.	<ol style="list-style-type: none"> The Company builds a customer satisfaction system and conducts regular questionnaire surveys. The Company promotes service standardization and delivers skill training to customer service personnel. The Company builds a customer feedback closed-loop system to support product and service iteration. The Company carries out regular customer care initiatives to enhance customer satisfaction. 	Declining customer satisfaction may lead to customer attrition, market share loss and reduced revenue; conversely, improved customer satisfaction helps enhance market share.
	Technological innovation	High	Long-term	Technological innovation serves as the core pillar of the Company's dual-engine strategy, with a focus on four priority areas: AI applications, intelligent printing, green packaging materials, and crossborder ecommerce digitalization. The strategic objectives are to deepen business penetration, expand market coverage, and support intelligent upgrading.	<ol style="list-style-type: none"> The Company maintains annual R&D investment accounting for no less than 2% of total operating revenue. The Company establishes a talent incentive mechanism, strengthens industry-university cooperation to bring in high-caliber AI professionals, and enhances R&D capabilities. The Company collaborates with leading manufacturers to develop new AI-driven products tailored to specific business scenarios. 	Lagging technological iteration drives up R&D costs; conversely, proactive R&D investment and activities contribute to revenue growth.
	Product carbon footprint	High	Long-term	The Company's product carbon footprint covers the full lifecycle of packaging products, including production, raw material procurement, logistics and transportation, and waste recycling. Excessive carbon emissions expose the Company to risks including carbon border tariffs, supply chain regulations, and consumer resistance, which may increase compliance costs, restrict market access, and harm corporate reputation.	<ol style="list-style-type: none"> Packaging Process Optimization: In line with the principle of standardization, recycling, reduction, and harmlessness, the Company upgrades incoming inspection, promotes recyclable packaging boxes and eco-friendly adhesive tapes, and optimizes product design to reduce material consumption. Deepen Green Awareness of Supply Chain: The Company regularly communicates environmental information to suppliers, transforming passive compliance into proactive green cooperation. Energy Conservation and Emission Reduction During Production: The Company promotes energy-saving renovation and process optimization and accelerates the application of clean energy, such as photovoltaic power generation. The production base in Hohhot invested RMB3.436 million in a 2.0MWp distributed photovoltaic power plant, which has been fully completed and officially put into operation. 	Excessive carbon emissions increase supply chain compliance costs, while consumer resistance against green consumption trends may lead to revenue decline.

3.3 ESG Risk and Opportunity Management

At Jihong Group, the Strategy Committee is responsible for reviewing ESG risk and opportunity assessment findings. To enhance the standardisation and systematic oversight of ESG risk management, the Company fully integrates ESG risks into its existing risk management framework, and has established a closed-loop governance mechanism covering risk identification, risk assessment and risk response. Through institutionalised processes, regular monitoring and periodic optimisation, this mechanism enables dynamic oversight and long-term governance of ESG risks. It not only effectively mitigates risk exposure but also delivers structured support for the Company to identify and capitalise on sustainability opportunities, boosting resilience and long-term value creation capacity in complex environments.

ESG Risk Management Process at Jihong Group



3.4 ESG Indicators and Targets

The Company institutionalizes the strategic integration and closed-loop management of key ESG issues. The Company establishes short-, medium-, and long-term targets for core ESG priorities, with clearly defined implementation pathways and accountable parties. Through an annual assessment mechanism, the Company consistently monitors progress, conducts gap analysis, and refines strategies to ensure the coordinated advancement of ESG governance and business growth, and to drive the effective delivery of sustainability goals.

Jihong Group's ESG Indicators and Targets Progress

Pillar Strategic ESG Issues	Sub Items	Targets	Progress in Targets	Pillar Strategic ESG Issues	Sub Items	Targets	Progress in Targets
Information Security and Privacy Protection	Data Security Protection	<ul style="list-style-type: none"> Rate of sensitive data identification: 100% Rate of data encryption/anonymization: 100% No major data leaks throughout the year The incidence of general data breaches has decreased by 80% or more year-on-year Accuracy of log auditing traceability: 99% 	<ul style="list-style-type: none"> Deployed Alibaba Cloud SLS logging service, and completed sensitive data identification and debugging. Encrypted/anonymized all data collection, storage and transmission. 	Product Responsibility	Supply Chain Responsibility and Product Sustainability	<ul style="list-style-type: none"> To achieve 100% coverage of sample inspection for all defective products. To identify and develop at least 2 new sustainable products, To upgrade no fewer than 5 products annually to optimize the customer service experience, 	Supply Chain Responsibility Awareness: Through effective communication, the Company has actively promoted health and environmental protection concepts in product packaging. Strict sampling inspections have been implemented, achieving 100% coverage for all defective samples. Three new eco-friendly products were successfully developed. Guided by the customer feedback mechanism, more than 10 products were optimized for quality improvement.
	Network Security Governance	<ul style="list-style-type: none"> Coverage of network vulnerability scanning: 100% Time limit for repairing high-risk vulnerability: within 24 hours Rate of web attack interception: no fewer than 99.9% No major hacking incidents throughout the year Time limit for handling compromise hosts: within one hour 	<ul style="list-style-type: none"> Deployed full-level protection products such as cloud firewall and WAF. The coverage of vulnerability scanning reached 100%, and the rate of high-risk vulnerability repair compliance reached 100%. The rate of web attack interception remained stable at 99.93%. 		Customer Satisfaction	Customer Satisfaction Monitoring System	To establish an omnichannel satisfaction system: covering the entire pre-sales, in-sales, and after-sales processes, with an overall satisfaction rate of at least 96%.
	Risk Monitoring and Audit	<ul style="list-style-type: none"> Coverage of risk monitoring: 100% At least two security drills every year Emergency response capability improves by 30% 	<ul style="list-style-type: none"> Established a full-scenario risk monitoring mechanism with a coverage of 100%. Conducted one security drill to ensure the achievement of our capability improvement goals by the end of the year. 	Customer Satisfaction	Service Standardization and Training System	To maintain a service standardization rate to 100%: conduct customer service training annually, with a problem-solving rate of at least 95%.	The Company developed guidelines on <i>Customer Service Policy</i> and conducted customer service training, achieving a 100% standardization rate and a 100% problem-solving rate.
	Full Scenario Security Support	<ul style="list-style-type: none"> To apply Alibaba Cloud's full series of security products Coverage of multi-factor authentication (MFA): 100% Rate of security protection: 100% 	<ul style="list-style-type: none"> Fully applied Alibaba Cloud's full series of security products. Achieved 100% MFA coverage for all employees. Deployed full-scenario security protection. 		Technological Innovation	AI Infrastructure and Capacity Building	To build an enterprise-level AI middle platform integrating MCP, knowledge bases, and workflow to lower the threshold for AI application and improve business efficiency by 100%.
	Employee Information Security Awareness and Behavior Management	<ul style="list-style-type: none"> Coverage of information security training: 100% To improve the information security management system Coverage of risk assessment: 100% No major information security incidents Rate of customer data breach: 0 	Ongoing	Product Carbon Footprint	Low Carbon Transformation and Carbon Footprint Exploring	<ol style="list-style-type: none"> To preliminarily explore the carbon footprint of key products. To advocate low-carbon transformation to suppliers. To explore energy efficiency and carbon reduction in logistics operations. To build consensus on green cooperation with customers. 	The Company hosted internal carbon footprint lessons, included low-carbon issues in communication with suppliers and customers, and systematically examined carbon emissions in the logistics process, entering the stage of preliminary exploration and consensus building.
					Carbon Management and Emission Reduction Planning	To complete the Scope 1 and Scope 2 carbon inventory and establish a comprehensive monitoring system for carbon inventory indicators by 2026.	Ongoing

4 Environment: Green Future

Jihong Group deeply implements the green development philosophy throughout the entire operational value chain, spanning green production, green office, climate change response, and ecological protection. The Group continuously strengthens green manufacturing capabilities, upholds the principles of energy conservation and emission reduction, builds an environmentally responsible enterprise, and delivers solid support for the green transformation of the industry.



In terms of green production, the Company continuously strengthens environmental management, optimizes resource utilization efficiency, maintains strict compliance with emission standards, and innovates green product design. These efforts promote the harmonious coexistence of operational activities and the environment, while enhancing green competitiveness.

4.1.1 Green Production

Jihong Group has established a threedimensional management structure, with the environmental management system as its core, the emergency management system as the guarantee, environmental protection facility management as the foundation, and environmental awareness cultivation as the support. Through this framework, the Group continuously enhances environmental management efficiency and risk control capabilities.

Environmental Management System

Jihong Group complies with relevant laws and regulations, such as the *Law of the People's Republic of China on Environmental Protection*, the *Law of the People's Republic of China on Environmental Impact Assessment*, the *Forest Law of the People's Republic of China*. To reduce the environmental impact during production, the Company has also developed internal policies, including an Environmental Management System. We conduct internal inspections and external audits in line with the requirements of the ISO 14001 Environmental Management System standard to ensure the effective operation of our environmental management system. In 2025, all 10 production bases successfully obtained ISO 14001 certification, with no environmental violations recorded throughout the year. Among these, the Langfang factory and Hohhot factory were recognized as Provincial-Level Green Factories, while the Anhui facility was awarded Municipal-Level Green Factory status.

Emergency Management System

The Company has formulated an *Environmental Protection Emergency Plan* and established an environmental emergency response mechanism, covering organizational structure, responsibility allocation, response procedures, and resource deployment, to standardize the management and handling of environmental emergencies. The Company has set up an emergency response leadership team to coordinate accident assessment and disposal. Through regular emergency drills, we continuously enhance employees' practical capabilities and our overall environmental risk control capacity. Meanwhile, we strictly adhere to the *Classified Administration Catalogue of Environmental Impact Assessments for Construction Projects*, and engage qualified professional institutions to conduct environmental impact assessments, implementing environmental risk control at the source.

Environmental Facility Management

The Company has formulated the *Operating Procedures for Environmental Facilities*, which define the responsibilities of all departments and personnel, and integrated environmental protection into the performance appraisal system to ensure clear accountability and effective implementation. The Company conducts regular inspection, maintenance and upkeep of environmental facilities, maintains complete equipment ledgers and operation records, and ensures an equipment integrity rate of 100%. Meanwhile, the Company continues to increase investment in environmental facilities to guarantee their stable and continuous operation, further enhance the efficiency of pollutant treatment, and achieve systematic improvements in environmental management performance.

Environmental Awareness Building

The Company is committed to incorporating environmental awareness into daily operations, laying a solid foundation for sustainability actions and building a related talent pipeline. Each production facility actively organizes environmental training, covering environmental regulations, cleaner production principles and facility operation skills as core components of regular training. Through a combination of internal lectures, external expert guidance and on-site practical training, the Company continuously strengthens the environmental literacy and professional capabilities of all employees.

ISO 14001 Environmental Management System Certification



4.1 Green Production

4.1.2 Resource Management

The Company continuously optimizes resource allocation and utilization efficiency, proactively pursues energy conservation and emission reduction, enhances the energy management system, strengthens water resource management, and fully implements eco-friendly and sustainability strategies.

Energy Management

The Company strictly complies with applicable laws and regulations, including the *Law of the People's Republic of China on Energy Conservation*. Based on actual production and operation, we established the *Energy Conservation and Consumption Reduction Management System*, *Energy Conservation and Consumption Reduction Organizational Management System*, *Energy Conservation and Emissions Reduction Management System*, and *Energy Conservation Management System*. The Ningxia factory set a target to reduce energy consumption per unit by 20%. The Hohhot factory established an energy-saving management team to coordinate and advance relevant initiatives, systematically implement energy-saving technological upgrades, optimize production processes, and improve energy monitoring and recycling.

Ningxia Factory:

Energy management target: to reduce energy consumption per unit by **20%**

Energy-saving equipment and technological upgrade	<ul style="list-style-type: none"> ·Eliminate high-energy-consuming equipment: We have fully adopted high-efficiency energy-saving equipment and completed LED lighting retrofits across workshops, warehouses, office areas and other facilities. ·Promote the application of variable frequency technology: Variable frequency drives have been installed on fans, pumps and other equipment to adjust power output based on operational demand and improve energy efficiency.
Production and operation optimization	<ul style="list-style-type: none"> ·Optimize production planning: Materials and production schedules are reasonably coordinated to minimize energy consumption from equipment idling and standby modes. ·Implement staggered electricity consumption: During the off-peak season from March to August each year, we adopt single-shift production and arrange night-shift operations to take full advantage of off-peak electricity pricing, thereby reducing power costs.
Energy monitoring and recycling	<ul style="list-style-type: none"> ·Enhance the energy monitoring system: Electricity meters have been installed on key machinery and in highenergyconsumption zones to enable realtime monitoring and analysis of power consumption data, supporting the identification of anomalies and energysaving opportunities. ·Promote waste heat recovery and utilization: Through waste heat recovery units, high-temperature steam waste heat is reused for heating production and domestic water, replacing traditional electric heating methods.

The Company continues to optimize its energy mix, actively develop clean energy, and improve overall energy efficiency through process innovation and technological upgrading. Two production bases, located in Xiamen and Anhui, have installed photovoltaic power generation systems to effectively utilize renewable energy. In 2025, Anhui factory generated approximately 2.12 million kWh of photovoltaic electricity, achieving a carbon emission reduction of about 1,158 tCO₂e (tons of carbon dioxide equivalent). The Xiamen factory generated approximately 2.29 million kWh of electricity annually, reducing carbon emissions by around 1,183 tCO₂e. The stable operation of these photovoltaic projects has lowered the carbon footprint of production operations and steadily advanced green development initiatives.

Photovoltaic Power Generation System



Energy Consumption at Jihong Group

Indicator	Unit	2025
Gasoline	ton	34.88
Diesel	ton	47.49
Natural Gas	cubic meter	2,964,369.04
Purchased Electricity	kWh	57,032,609.70
Purchased Heat	GJ	36,907.28
Total Energy Consumption	tce	11,990.82
Energy Consumption Intensity	tce/RMB 1 million of revenue	1.78

4.1 Green Production

Water Resource Management

The Company strictly complies with applicable laws and regulations, including the *Water Law of the People's Republic of China*. The Company has formulated and refined the *Water Conservation Management System* and *Water Resources Management Measures*, clearly defining the responsibilities for water resources management. Each factory proactively implements institutional requirements. For instance, the Hohhot factory has established a water conservation management leading group and appointed a water resources administrator for daily monitoring and supervision. It adopts a multi-pronged approach encompassing management optimization, technological upgrading, and awareness promotion to ensure standardized and efficient water resources management. The Ningxia factory has continuously advanced water resources recycling. Wastewater that has been treated to meet discharge standards undergoes further purification for reclaimed water reuse, which is then applied to greening irrigation, equipment cleaning, and workshop floor washing. These efforts support the factory in achieving its water resources management target of raising the water reuse rate to above 85%.

Ningxia Factory:

Water management target: to raise the water reuse rate to above **85%**

Water Resource Management Measures

<p>Optimize water metering and process monitoring</p>	<p>The Company has installed water meters at all key water consumption points, including workshops, critical processes, office buildings and staff dormitories, enabling zone-by-zone and category-by-category accurate metering of water usage. Through monthly collection, analysis and comparison of data across different sites, the Company achieves real-time monitoring of water consumption, promptly identifies and addresses abnormal water usage, providing a solid data foundation for refined management and continuous optimization.</p>
<p>Promote condensate water recovery and waste heat utilization</p>	<p>The Company has carried out technological upgrades for condensate recovery systems in facilities, including heat exchange stations. Steam condensate generated during production is recovered, softened and reused as non-production water such as domestic water. This initiative not only directly reduces freshwater intake but also recovers waste heat from the condensate, delivering the dual benefits of water conservation and energy savings.</p>
<p>Deepen water-saving promotion and training for all staff</p>	<p>The Company is committed to fostering a companywide watersaving culture. The Company organizes an annual campaign "Month of Water Conservation Promotion" to widely disseminate watersaving knowledge and water management requirements through factory notice boards, internal messaging platforms and dedicated lectures. Meanwhile, watersaving awareness and behavioral standards are included in mandatory prejob training for new employees, ensuring that a strong resource conservation mindset is established from the outset of employment.</p>

Through the aforementioned initiatives, the Company has achieved phased progress in water resource management. Notably, the Hohhot factory has been successfully accredited as one of the Second Batch of Water-Saving Enterprises in Hohhot City for 2025. Moving forward, the Company will continue to explore innovative water-saving technologies, steadfastly advance the continuous improvement of water utilization efficiency, and contribute to the sustainable development of both the enterprise and the environment.

Water Use at Jihong Group

Indicator	Unit	2025
Water Consumption	ton	176,119.80
Water Consumption Intensity	ton/RMB 1 million of revenue	26.17



4.1 Green Production

4.1.3 Emission Management

The Company is committed to building a green and low-carbon operation system, and has established a standardized emissions management mechanism covering key wastewater, waste gas, solid waste and noise. Such efforts effectively mitigate the environmental impact of production and operation activities, with a steadfast commitment to sustainability.

Emission Management Target

To ensure effective emissions management, the Company has set clear emissions management targets to uphold environmental compliance and drive continuous improvement across operations. The core target is to achieve stable and compliant emissions: ensuring that emissions of waste gas, wastewater, noise and other pollutants meet applicable national and local environmental standards, while attaining a 100% safe disposal rate for hazardous waste. To support the delivery of these targets, the Company has developed a detailed environmental monitoring plan, under which we conduct regular monitoring of major pollutants and track environmental performance in real time. In addition, the Company engages qualified third-party institutions to carry out professional environmental assessments. Based on the assessment findings, the Company timely formulates and implements targeted improvement measures, continuously enhancing environmental management capabilities and risk control level.

Emission management target: Ensuring that emissions of waste gas, wastewater, noise and other pollutants meet applicable national and local environmental standards, while attaining a 100% safe disposal rate for hazardous waste.

Waste Water

The Company strictly adheres to the *Law of the People's Republic of China on Water Pollution Prevention and Control and the Regulation on Urban Drainage and Sewage Treatment*, and has established a *Production Wastewater Treatment Management System*. The Company adopts grid-based management, clarifies the safety management responsibilities of personnel in charge of sewage treatment stations, and integrates such responsibilities into the performance appraisal system to ensure compliant wastewater treatment and prevent the illegal discharge of untreated wastewater.

The Company is equipped with comprehensive wastewater treatment facilities, which adopt biochemical treatment, filtration, adsorption and other processes to treat both production wastewater and domestic sewage, ensuring that effluent quality meets discharge or reuse standards.

The Company's production wastewater is treated through neutralization and sedimentation processes to meet relevant standards and is fully reused for on-site applications, including landscaping irrigation, equipment cleaning and workshop floor washing. This approach improves water utilization efficiency and achieves zero discharge of industrial wastewater. To ensure the long-term stable operation of the sewage treatment system, the wastewater management department conducts systematic cleaning and inspects key components for wear and tear every six months, in accordance with the actual operating conditions of the equipment.

Waste Water Emissions

Indicator	Unit	2025
Industrial Wastewater Discharge	ton	6,793.30
Domestic Sewage Discharge	ton	76,341.33



4.1 Green Production

Waste Gas

The Company strictly complies with the *Law of the People's Republic of China on Prevention and Control of Atmospheric Pollution*, and other relevant laws and regulations, and has established a *Prevention and Control System for Waste Water, Waste Gas, Dust and Solid Wastes*. The Company conducts environmental impact assessments and discloses the relevant results to ensure full compliance with emission standards. In addition, the Company places emphasis on the effective treatment of exhaust emissions generated in enclosed production spaces. Through standardized installation of pollution control facilities and adoption of high-efficiency dust removal and filtration technologies, we achieve centralized treatment of exhaust gases. In line with the emission characteristics of different production processes, the Company implements differentiated treatment plans to ensure sustained compliance with national standards, minimizing the environmental impact of production and operation activities.

Waste Gas Treatment for Different Processes

Process Category	Type of Waste Gas	Treatment
Printing	Organic compounds	Adopt both adsorption and photocatalytic technology to efficiently purify organic compounds
Waste paper packaging	Dust	Install bag filter for effective collection and purification, ensuring dust emissions meet standards
Offset printing process	VOCs	Install a dual treatment device of photocatalytic and filter cotton adsorption to ensure stable and compliant exhaust gas treatment

Waste Gas Emissions

Types of Emissions	Unit	2025
Nitrogen Oxides	ton	1.53
Sulfur Oxides	ton	0.08
Particulate Matter	ton	0.18

Solid Waste

The Company strictly complies with the *Law of the People's Republic of China on Environmental Protection*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and other relevant laws and regulations. Based on production needs, the Company has established a *Hazardous Waste Management System*. The Company adheres to the fundamental principles of resource utilization, reduction, and harmless treatment in waste management, setting clear waste management targets to ensure the compliant handling of all solid wastes.

The Company implements classified collection, storage, and treatment of all types of solid waste generated during production. General solid waste is sorted and collected before being transferred to professional service providers for standardized disposal. For hazardous waste, the Company formulates and submits management plans in accordance with the requirements of environmental authorities. Each department is responsible for categorized collection, record-keeping, and filing, with regular transfer to designated departments for centralized storage in dedicated warehouses, ensuring segregated storage and regulated transportation.

The Company appoints dedicated personnel to oversee the full lifecycle of hazardous waste, including storage, inventory, and transfer, and collaborates with qualified professional institutions to ensure compliant disposal. Meanwhile, a complete management ledger is maintained to accurately record the generation, storage, transfer, and disposal of hazardous waste, enabling full-process traceability and standardized management.

To minimize waste generation at the source, the Company continuously advances cleaner production initiatives. The Company evaluates and optimizes production processes to eliminate redundant procedures and material waste. Furthermore, while ensuring product quality, the Company prioritizes the use of eco-friendly raw materials, including renewable pulp, water-based, environmentally friendly inks, and biodegradable adhesives. The Company strives to achieve the dual objectives of source pollution reduction and enhanced resource efficiency, driving the transition toward a greener production model.

Solid Waste Generation

Waste Types		Unit	2025
Hazardous Waste	Total amount of hazardous waste	ton	148.83
	Hazardous Waste Intensity	ton/RMB 1 million of revenue	0.02
Non-Hazardous Waste	Total Amount of Non-hazardous Waste	ton	622.76
	Non-hazardous Waste Intensity	ton/RMB 1 million of revenue	0.09
	Kitchen Waste	ton	101.61
	Domestic Waste	ton	507.04
	Usage of paper	ton	14.12

Noise Management

The Company attaches significant importance to noise control throughout production to ensure that noise at the boundary complies with environmental standards. For high-noise equipment, including air compressors, fans and printing machines, the Company has implemented comprehensive noise-reduction measures such as installing shock absorbers, mufflers and acoustic enclosures. These measures effectively reduce noise generated by equipment during operation, enabling the Company to fulfill environmental responsibilities.

4.1 Green Production

4.1.4 Green Products

Jihong Group is committed to the research and development of eco-friendly packaging materials and has earned green product certification for express packaging. The Company actively works to reduce plastic use and minimize material consumption, providing high-value sustainable solutions to customers.

Green Product Highlight Cases

An automated conveying device and method for producing multi-wall high-strength corrugated cardboard with V-shaped flute

By implementing the optimization initiative to reduce the basis weight of outer linerboard and inner linerboard from 200g to 170g, the Company expects to lower the raw paper cost per square meter by approximately 3%–5%. While maintaining equivalent product strength and performance, the initiative has achieved product lightweighting, helping to reduce the consumption of natural fiber resources such as wood pulp. Meanwhile, the adoption of eco-friendly modified starch adhesive delivers extremely low VOC emissions. These measures not only facilitate the transformation of the corrugated packaging industry toward high-performance, lightweight, and green development but also elevate the overall technological level of the sector.

Cardboard packaging box

Against the backdrop of massive consumption in logistics packaging, the Company has launched a patented green packaging box. At its core, the product embodies a whole-life-cycle green philosophy: raw materials are biodegradable and renewable, capable of complete decomposition within approximately six months under composting conditions; production adheres to environmental compliance standards and employs energy-saving and water-saving processes; and resource consumption is reduced through lightweight design. The materials used are safe and non-toxic, with environmentally friendly water-based inks ensuring both human health and environmental protection. This product fully meets national green standards, and the Company has initiated green product certification to lead the industry toward an efficient, circular, and low-carbon future.

Use of Packaging Materials at Jihong Group

Indicator	Unit	2025
Use of packaging materials	ton	12,456.97
Intensity of use of packaging materials	ton/RMB 1 million of revenue	1.85



Express Packaging Green Product Certification Certificate

4.2 Green Office

The Company deeply integrates the concept of green office into operation management, and promotes energy conservation, emission reduction, and efficient resource utilization through institutional norms, technological upgrades, and cultural guidance.

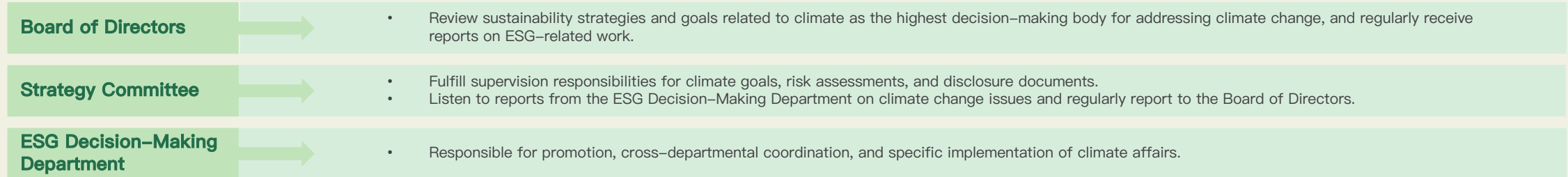
Green Office Practice

Dimension	Approach	Description
Energy Efficiency	Division and supervision of zone-based electricity responsibility	. The Company implements a zone-based responsibility system for electricity management, clarifying energy-saving behavioral norms such as “lights off and equipment powered off when not in use.” Administrative departments conduct daily inspections to eliminate energy waste from prolonged lighting and idle standby equipment.
	Lighting system energy-saving renovation	Traditional lighting fixtures are replaced with LED energy-saving lamps, with workshop lighting controlled by motion sensors or light sensors. Voice-activated switches are installed in public areas, supported by a lighting strategy that prioritizes zoned control and maximizes the use of natural light.
	Energy consumption control over air conditioner and equipment	Air conditioner cooling is set no lower than 26°C in summer, and heating no higher than 20°C in winter, with the air conditioning turned off 30 minutes before the end of work. Office equipment is managed centrally and powered off during non-working hours, with air conditioner turned off 30 minutes before the end of work.
Resource Saving	Paperless office	The Company fully promotes electronic approval, online meetings, and document-sharing systems to reduce paper consumption. Printing is set to double-sided by default, and the reuse of waste paper is encouraged.
	Water saving management and facility optimization	Water-saving valve cores are installed, with strengthened daily inspections to prevent water leakage and dripping. The reuse of leftover water from pantry areas for watering green plants is promoted.
	Standardized household waste treatment	Classified storage areas are established to implement solid waste sorting management. Energy-saving reminders are posted in dining areas, with behavioral guidance reinforced through assessment mechanisms.
Green Culture	Environmental awareness building	Energy-saving and water-saving signs are displayed throughout office areas. Employees are encouraged to use reusable water bottles and shopping bags, fostering green and low-carbon daily habits.
	Green office environment improvement	The Company installs indoor greenery, provides ergonomic seating, and deploys air purifiers to enhance employee health and workplace comfort, creating an eco-friendly and healthy office environment.

4.3.1 Governance

The Company actively aligns with the national “dual carbon” goals, integrates climate change response deeply into the ESG governance framework, and establishes a three-tiered governance structure comprising the Board of Directors, the Strategy Committee, and the ESG Decision-Making Department. The Company evaluates the potential impacts of climate-related risks—including extreme weather events, policy and regulatory changes, and market transitions—on business operations, and develops and implements targeted adaptation and mitigation strategies. The company has incorporated environmental indicators into the management performance appraisal system to ensure the effective implementation of climate change targets.

Climate Change Governance Structure at Jihong Group



4.3.2 Strategy¹

The Company has fully mainstreamed climate change action into its long-term development plan, while formulating and implementing the *Action Plan for Carbon Peaking and Carbon Neutrality of Jihong*, along with a carbon reduction roadmap. The Company identifies climate-related risks based on actual production and operations and develops targeted response measures. Meanwhile, the Company proactively captures climate-related opportunities and explores sustainable packaging solutions within the paper-based FMCG packaging business. Through strategic adjustments, the Company strives to achieve a win-win between business growth and sustainable development, continuously enhancing market competitiveness. In 2025, the Company promoted the use of clean energy alternatives, especially PV generation projects, by investing RMB3.436 million in distributed photovoltaic projects.

Climate Risk Identification and Response

Risk Type		Risk Description		Countermeasures
Transition Risks	Policy Risks	Low-carbon Policy Requirements	Against the backdrop of a growing industry consensus on low-carbon transition and increasingly stringent carbon emission quota allocation, the Company is confronted with sustained pressure on carbon-related costs.	<ul style="list-style-type: none"> Set science-based carbon targets: Develop clear short-term and long-term emission reduction plans and a phased implementation roadmap to ensure targets are quantifiable, measurable and traceable. Accelerate lowcarbon technology application: Proactively introduce energysaving equipment and renewable energy solutions to reduce carbon emission intensity in production and operations at the source. Engage flexibly in carbon trading mechanisms: Rationalize the use of carbon trading systems and adjust emission quotas through market-based approaches to support the achievement of emission reduction goals. Establish a systematic management system: Implement a normalized carbon emission monitoring, reporting and verification mechanism, continuously evaluate and optimize emission reduction measures, and promote closed-loop management for low-carbon operations.
		Tightening Regulatory Requirements	Stricter regulations have significantly raised compliance costs, requiring systematic carbon verification and proactive elimination of high-energy-consuming and outdated production facilities.	
		Litigation Risk Response	Environmental issues at upstream suppliers may lead to production disruptions, which could impair the stable supply of raw materials and timely delivery of finished products, potentially resulting in legal disputes.	

1.The company is temporarily unable to obtain the relevant information at reasonable cost or effort, so the company applies the reasonable information waiver clause in the Climate Disclosure Implementation Guidelines of the Hong Kong Stock Exchange. We plan to conduct scenario analysis in the coming years.

4.3 Climate Change

Climate Risk Identification and Response

Risk Type		Risk Description		Countermeasures
Transition Risks	Technology and Market Risks	Cost of Upgrading Low-Carbon Emission Technologies	Equipment upgrading and retrofitting to enhance energy efficiency will inevitably increase short-term capital expenditure and operating costs.	Establish an energy management system, and reduce overall energy consumption by introducing high-efficiency energy-saving equipment, deploying intelligent energy control platforms, and continuously optimizing production processes.
		Changing Behaviors and Preferences of Customers	Heightened consumer awareness of low-carbon products presents risks of customer churn and declining market share if traditional product offerings and marketing strategies fail to keep pace. Downstream customers are integrating low-carbon requirements into their procurement criteria, while upstream suppliers face the risk of order losses or elevated cooperation barriers if they lack green products or a clear carbon-neutral development roadmap.	<ul style="list-style-type: none"> · Drive green product innovation: Develop and launch ecofriendly product lines with low-carbon attributes to precisely respond to market demand for sustainable consumption. · Build a sustainable brand image: Systematically communicate environmental practices and values to enhance the brand's reputation and appeal in sustainability. · Disclose product carbon footprint: Proactively measure and disclose product carbon footprint information to build consumer trust through data transparency. · Obtain established green certifications: Actively acquire recognized domestic and international environmental labels and certifications to provide credible green endorsement for products and strengthen market competitiveness.
		Rising Raw Material Costs	Key raw materials are under the dual pressure of supply contraction and quality volatility, which may directly drive up production costs, reduce operational efficiency, and destabilize the quality of finished products.	<ul style="list-style-type: none"> · Conduct supply chain climate vulnerability analysis: Assess the exposure and sensitivity of upstream links to climate change risks, and develop graded response strategies accordingly. · Implement diversified supplier base layout: Strategically expand the list and geographical distribution of qualified suppliers for key materials to reduce over-reliance on a single source. · Invest in supplier climate resilience: Support key suppliers in enhancing operational resilience to climate impacts through technology sharing, capacity building, or financial support. · Establish key material buffer inventory strategy: Establish a dynamic safety stock mechanism based on risk levels for identified high-risk raw materials to buffer short-term supply disruptions.
	Reputational Risks	Negative Publicity	Escalating climate-related demands from stakeholders, if met with inadequate or delayed responses, could expose the Company to reputational damage, eroded stakeholder trust, and heightened compliance risks.	<ul style="list-style-type: none"> · Incorporate climate goals into core strategies: Develop a climate action roadmap deeply integrated with business operations to ensure emission reduction targets align with long-term development strategy. · Establish a normalized climate disclosure mechanism: Regularly publish verified climate action and performance reports, remain open to public scrutiny, and strengthen stakeholder trust. · Lead or deeply participate in industry climate initiatives: Join or initiate industry low-carbon alliances to jointly shape standards, share best practices, and enhance voice and influence in the low-carbon transition. · Establish two-way communication channels for stakeholders: Regularly conduct systematic dialogues on climate issues, proactively respond to concerns from all parties, and translate external expectations into continuous input for strategy optimization.
Physical Risks	Acute Risks	Increase in Frequency and Intensity of Extreme Weather Events such as Typhoons, Storms, Floods, and Droughts	Extreme weather events may directly damage critical production facilities, storage assets and operational equipment, leading to asset losses, business interruptions and risks to employee safety.	<ul style="list-style-type: none"> · Systematically assess physical risks: Conduct risk assessments for extreme weather and climate events, identify critical impacts on operating assets and supply chains, and develop hierarchical emergency plans. · Enhance the resilience of critical infrastructure: Complete disaster-resistant reinforcement and adaptive retrofit for core facilities such as facilities, warehouses, and data centers to improve defense capabilities against climate disasters, including floods and storms. · Build company-wide climate emergency response capabilities: Comprehensively enhance employees' awareness of extreme weather prevention, emergency response skills, and safety assurance through regular training and simulation drills, laying a solid foundation for operational risk prevention.
	Chronic Risks	Climate Change and Rise in Average Temperature	Rising energy consumption across production facilities and office spaces has directly pushed up energy expenses. Concurrently, adverse environmental or working conditions may contribute to a decline in overall productivity.	Establish a comprehensive climate change emergency plan and adopt financial instruments such as insurance for risk transfer, aiming to ensure business continuity and minimize potential financial losses.

4.3 Climate Change

4.3.3 Risk Management

To effectively address climate change, the Company has established a sound climate risk management system, which systematically identifies and assesses both physical and transition risks, and develops targeted response measures. We have formulated dedicated emergency response plans for flood prevention, typhoon protection, and periods of severe pollution, with the aim of minimizing physical risks and ensuring business continuity.

4.3.4 Indicators and Targets²

The Company regularly discloses greenhouse gas (GHG) emissions data to ensure transparency and comparability. To date, the Company has completed carbon verification for all ten factories, providing a solid data foundation for advancing carbon reduction targets, identifying emission hotspots, and pinpointing risk concentrations. We set a target to reduce GHG emissions intensity by 5% in 2025 compared to 2024, and we have achieved this target on schedule. The Company reduces its carbon emissions through proactive emission reduction measures and has not yet implemented internal carbon pricing for management purposes.

GHG Emissions

Indicator	Unit	2025
Scope 1 GHG emissions	tCO ₂ e	6,754.41
Scope 2 GHG emissions	tCO ₂ e	34,321.30
Scope 1 + Scope 2 GHG emissions ³	tCO ₂ e	41,075.71
GHG emissions intensity	tCO ₂ e/RMB 1 million of revenue	6.10

2.Regarding climate-related financial impacts, cross-sectoral indicators and Scope 3 greenhouse gas emissions, the underlying data collection is still in progress and the supporting information is incomplete. In accordance with the reasonable information exemption clause in the Hong Kong Stock Exchange's Implementation Guidelines on Climate-related Financial Disclosures, the Company does not disclose cross-sectoral indicators and Scope 3 GHG data in this report.

3.GHG accounting is presented in terms of carbon dioxide equivalent (CO₂e) in accordance with the Announcement on the Issuance of Carbon Dioxide Emission Factors for Electricity in 2023 issued by the Ministry of Ecology and Environment of the People's Republic of China and the IPCC 2006 Revised Guide to National GHG Inventories 2019 issued by the Intergovernmental Panel on Climate Change (IPCC).





To effectively fulfill the responsibility of biodiversity conservation, Jihong Group complies with the Environmental Protection Law of the People’s Republic of China, the Forest Law of the People’s Republic of China, the Law of the People’s Republic of China on the Protection of Wildlife, and other relevant laws and regulations, which standardize biodiversity protection processes.

Prior to project construction, the Company strictly implements the environmental impact assessment system and follows the risk management process of identification, mitigation, transfer, acceptance, and control. Through scientific assessment, the Company proactively avoids and minimizes potential impacts on biodiversity. In parallel, the Company has established a dynamic optimization mechanism to continuously improve factory management policies and conservation measures based on assessment outcomes, driving biodiversity conservation efforts toward a more systematic and refined approach.

Biodiversity Protection Management Process

<p>Risk Identification</p>	<ul style="list-style-type: none"> ·Raw Material Procurement Stage: Assess potential biodiversity risks linked to sourcing endangered or protected raw materials. ·Production Process Stage: Evaluate how energy consumption and pollutant emissions during manufacturing affect local ecosystems and biodiversity. ·Transportation Stage: Analyze the environmental impact of fuel consumption and exhaust emissions, as well as how transportation activities disrupt roadside ecosystems. ·Waste Disposal Stage: Identify risks related to improper disposal of solid waste and wastewater, which can harm soil, water bodies, and air biodiversity.
<p>Risk Mitigation</p>	<ul style="list-style-type: none"> ·Optimizing Raw Material Procurement: Source materials from sustainable suppliers, avoiding those linked to endangered or protected species. Work closely with suppliers to promote eco-friendly procurement practices. ·Improving Production Processes: Adopt energy-efficient technologies and environmentally friendly equipment to reduce energy consumption and pollutant emissions. ·Green Transportation Management: Optimize transport routes to improve efficiency and reduce fuel use. Encourage the transition to new energy vehicles to lower transportation-related environmental impact. ·Enhancing Waste Management: Establish and improve solid waste and wastewater treatment facilities to ensure compliant discharge. Promote waste classification, recycling, and resource recovery to reduce environmental strain.
<p>Risk Transfer</p>	<ul style="list-style-type: none"> ·Insurance Strategy: Purchase environmental liability insurance to cover potential compensation costs if biodiversity damage occurs due to environmental pollution. ·Partnerships and Agreements: Establish clear environmental responsibility agreements with suppliers, customers, and business partners to reinforce biodiversity protection across the supply chain.
<p>Risk Acceptance</p>	<ul style="list-style-type: none"> ·Financial Reserves: Set aside environmental risk reserves to cover potential costs related to biodiversity damage. ·Adjusting Business Strategies: Modify business strategies as needed to mitigate the impact of risks on business performance. ·Developing Environmental Incident Emergency Plans: Implement rapid response protocols for environmental incidents. Conduct regular emergency drills to ensure employees are prepared to handle biodiversity-related emergencies effectively.
<p>Risk Control</p>	<ul style="list-style-type: none"> ·Establishing an Internal Audit System: Conduct regular environmental audits to evaluate the effectiveness of risk management efforts. Use audit findings to refine management policies and operational procedures for continuous improvement. ·Monitoring and Evaluation Mechanism: Continuously assess production and operational activities to identify potential biodiversity risks early. Implement an environmental monitoring system to track wastewater, waste gas, and solid waste emissions in real-time and through scheduled evaluations.

5 Social: Giving Back to Society

In pursuing sustainable development, the social dimension has long been a fundamental cornerstone for the Company to build trust and create shared value with all stakeholders. The commitment to social responsibility is reflected not only in product innovation and service optimization but also in every aspect of supply chain collaboration, employee development, health and safety management, and community prosperity. The Company strives to build a sustainable future together with all sectors of society.



Responsible product management represents not only a source of corporate competitiveness but also a profound commitment to society. Jihong Group is dedicated to providing safe, reliable, and sustainable products and services through a full life cycle quality management system, a customer-centric service mechanism, stringent information security safeguards, continuous technological innovation and R&D, and systematic intellectual property protection. In doing so, we create long-term value for our customers and contribute to social progress through technological strength.

5.1.1 Quality Management

Quality Management System

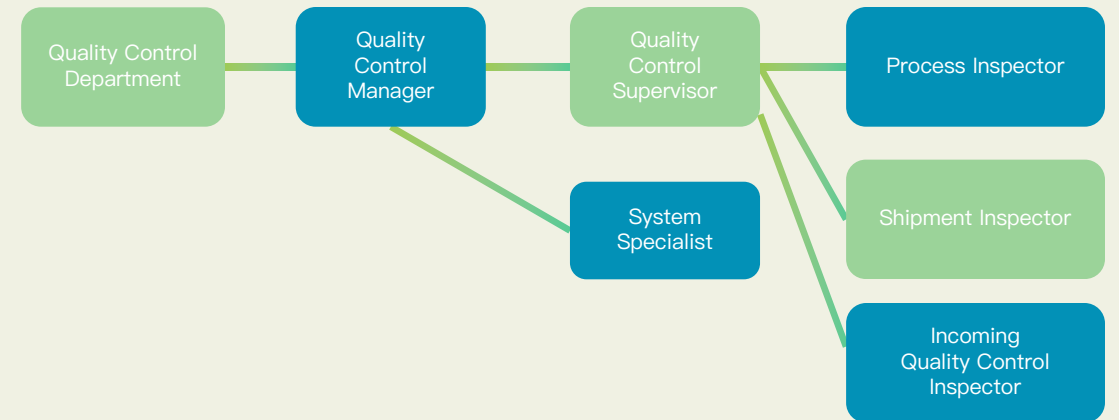
Jihong Group strictly complies with the *Product Quality Law of the People's Republic of China* and other relevant laws and regulations. Based on its operational needs, the Company has established a quality management system and formulated over 30 internal management policies and procedures, including the *Quality Risk Assessment and Control Procedures*, the *Glass and Fragile Items Control Measures*, and the *Product Recall and Simulated Recall Control Procedures*, which define clear standards and specifications for various quality inspections, continuously improving product quality.

To continuously enhance the product quality management system, the Company has formulated quality and safety policies and goals, and established a quality management structure to fully ensure product quality and safety. Meanwhile, stringent controls are implemented across all critical stages of the product lifecycle, ensuring that product quality complies with relevant regulatory and systematic standards and consistently meets customer requirements. In 2025, the Company recorded zero product recalls and no major safety or quality incidents related to products and services.

Quality and Safety Policies and Goals at Jihong Group

Quality Plan	Leadership	Guiding Documents: Documents providing overall information about the organization's QMS to internal or external parties
Procedural Documents	Management	Implementation Documents: Documents used to control processes
Third-Level Documents: Work Instructions, Inspection Procedures, and Standards	Execution	Operational Documents: Documents specifying work instructions for task execution
Quality Records	On-Site Activities	Verification Documents: Documents serving as evidence that products meet requirements and that the system operates effectively

Jihong Group's Quality Management Structure



Quality Management Certification

As of the end of the reporting period, all ten production bases of Jihong Group have obtained ISO 9001 Quality Management System certification, establishing a systematic and standardized comprehensive management guarantee and laying a solid foundation for the continuous improvement of product quality.

10 production bases have obtained the ISO 9001 Quality Management System certification

2 production bases have received BRCGS A+ grade certification, and 1 production base has received BRCGS A grade certification

5 production bases have completed FSC certification

2 bases completed FSC trade certification

Jihong Group's Quality Management Certificates



Quality Management Measures

To comprehensively enhance the efficiency and effectiveness of quality management, the Company is advancing the digital transformation of its quality management system. By integrating ERP⁴ and MES⁵ systems, we have established a full closed-loop management chain covering business operations and production execution, realizing full transparency of the production process and refined quality traceability. Against this foundation, the Company has continued to implement the one-code-per-box whole-process labeling management system, enabling precise traceability and efficient control from raw material procurement to finished product delivery. Such practices continuously elevate the sophistication of quality management and deliver more reliable product quality assurance to customers.

One-Code-Per-Box Labeling Closed-Loop Management Process

Label Serial Number

- Assigning unique serial numbers to each label to accurately control printing volumes at the source, laying a traceable foundation for source data management.



Label Printing

- Determine the application quantity based on the plan.
- Conducting first-piece verification of label printing;
- Printing labels according to the planned quantity;
- Handing over the printed labels and record the details in the *Label Printing Application Record Form*



Label Application

- Conducting first-piece verification again during machine production and send it to the designated WeChat group for supervision.
- Planning label usage per production batch during machine operation, ensuring a step-by-step closed-loop process.



Label Verification

- At the end of each shift, the machine operator, team leader, and QC personnel jointly verify the quantity of each label type to ensure that total consumption matches the quantity received, thereby achieving full closed-loop management.



4.ERP (Enterprise Resource Planning)
5.MES (Manufacturing Execution System)

5.1 Product Management

The Company has established a cross-border product quality management system covering the full cycle of sourcing, warehousing and logistics, which systematically safeguards product quality and customer experience for the e-commerce business. In the sourcing stage, the Company focuses on product quality, market adaptability and consumer demand, and implements strict control over product selection criteria. In the warehousing stage, refined warehouse management and environmental control are adopted to ensure safe storage and stable quality of goods. In the logistics stage, strict performance supervision is imposed on logistics carriers to guarantee product integrity throughout the transportation process.

Quality Management Measures for Cross-Border Social E-Commerce Business

Sourcing	Warehousing	Logistics
<ul style="list-style-type: none"> Product Selection: Selectors choose products and input details. Review Mechanism: Product selection team leaders review categories to ensure they meet market demand and quality standards. 	<ul style="list-style-type: none"> Inbound Inspection: Follow strict receiving procedures, conduct unpacking inspections, and accept goods only if they meet company quality standards. In-inventory storage: Follow proper storage principles—heavy items at the bottom, light items on top; large items at the bottom, small items on top—to prevent damage. Quality Inspection: Conduct daily, weekly, and monthly quality and quantity checks, and maintain strict inventory supervision. Smart Applications: Develop a warehouse management app for intelligent inventory control. 	<ul style="list-style-type: none"> Supplier Requirements: Logistics suppliers must provide high-quality air and land transportation routes and meet established standards for handling customer complaints. Shipment Management: The logistics department oversees supplier management, while the customer service team handles logistics coordination, ensuring compliance with transportation management procedures.

Through centralized management of calibration and inspection, coupled with lean optimization of internal inspection processes, the Company has established a sustainable cost-saving mechanism within quality control procedures. This has delivered tangible results in cost reduction and efficiency improvement, effectively enhancing the economic efficiency of quality management.

Cost Reduction and Efficiency Improvement Measures at Jihong Group

Unify external calibration to achieve cost reduction by scale	We have promoted three facilities to establish centralized calibration cooperation with external instrument calibration institutions, and following implementation, the overall calibration cost of each facility has been significantly reduced.
Integrate external inspection to reduce testing costs	We have successfully negotiated with external testing organizations to consolidate the testing projects of the three facilities into a unified submission for inspection, and this measure has been fully implemented.
Optimize internal sampling to reduce resource consumption	The sample retention system and destructive sampling procedures at the three facilities have been revised. By scientifically adjusting the frequency, quantity and sampling ratio of sample retention, cost savings have been realized while ensuring the effectiveness of quality monitoring.

Quality Management Awards

On July 18, 2025, at the McDonald's Supplier Quality Forum, Xiaogan Factory won the "Class-A Quality Medal."



On September 16, 2025, Xiaogan Factory and Langfang Factory were both selected as the "Class-A Quality Award" for H1 2025.



On November 6, 2025, at the McDonald's Global Supplier Quality Conference in Indonesia, Xiaogan Factory and Langfang Factory respectively won the first and second prizes of the "Food Safety Quality Culture Tour", and the Company won the Excellent Team Award for Food Safety Culture.



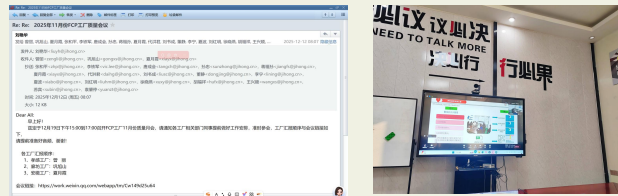
Quality Culture Building

To build a sound quality management system, the Company continuously promotes a strong quality culture. Through Monthly Quality Meetings and Weekly Quality Review Meetings, the Company systematically reviews and plans quality objectives and performance. In addition, the Company organized management personnel from all production facilities to complete BRCGS® 7.0 certification training, and carried out selection and recognition activities to enhance quality awareness and professional competence among all employees. These initiatives strengthen employees' motivation and sense of honor in participating in quality improvement, and facilitate the integration of quality culture into daily operations and practices.

Case: Monthly Quality Meeting

To continuously enhance product quality and customer satisfaction, the Company organizes monthly quality meetings across three FCP factories. These meetings bring together management and key machine operators from each facility to jointly review quality performance against the previous month's targets, analyze typical quality issues, and formulate improvement and preventive measures. Through in-depth discussion, the meetings strengthen team-wide quality awareness, promote the effective implementation of quality control mechanisms in daily operations, and drive the continuous optimization of product quality.

Activities at Monthly Quality Meetings



Case: Weekly Quality Review Meetings

The Quality Department holds weekly quality review meetings to focus on quality issues identified in the previous week. At each meeting, the responsible department leads machine operator teams in discussion, develops detailed improvement plans, and assigns supervisors to follow up and report progress. Regular weekly reviews enable timely rectification and closed-loop management of quality issues, support ongoing refinement of production processes, and further elevate product quality and customer satisfaction.

Weekly Quality Review Meetings



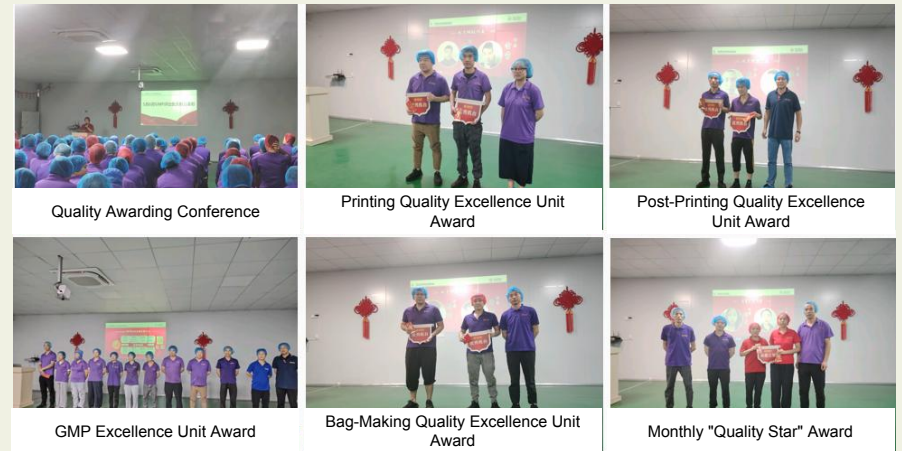
6.BRCGS: Brand Reputation through Compliance Global Standards

Case: BRCGS 7.0 Standard Specialized Training

The Company has arranged unified specialized training on the BRCGS 7.0 standard for all management personnel at food packaging factories. A total of 42 employees participated, all of whom passed the assessment and obtained internal auditor certification. This demonstrates that the Company has established a professional, full-coverage internal quality audit team.

Case: Quality Awarding Conference

To further strengthen quality awareness among all employees, the Company regularly recognizes and publicizes outstanding performance by collectives and individuals in quality management. By setting benchmarks and commending advanced examples, the Company motivates all employees to learn from excellence, embed high standards and strict requirements into every aspect of daily operations, and jointly strengthen the foundation of quality culture.



Quality Awarding Conference

5.1.2 Customer Service

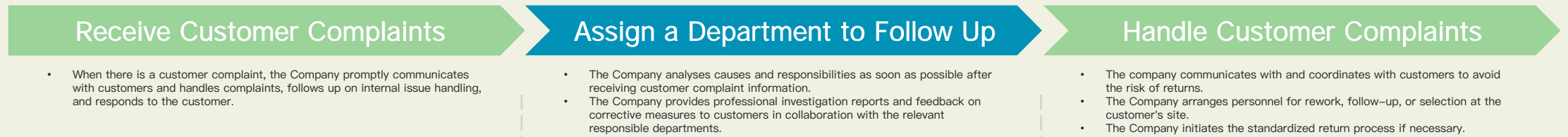
Jihong Group adheres to a customer-centric approach, focusing on enhancing user experience. The Company is committed to delivering a high-quality service experience covering the entire pre-sales, sales, and after-sales process. To ensure standardized and efficient services, the Company has formulated internal management documents, including the *Customer Service Process Management Procedures* and the *Customer Maintenance Management System*, and established a communication and management mechanism covering the entire customer lifecycle. The Company strives to accurately respond to customer demands, continuously optimize service quality, and improve customer satisfaction.

Customer Complaint Handling

Jihong Group consistently regards customer feedback as a vital source of value creation. The Group has formulated the *Customer Complaint Handling Operation Process (For Sales Segment)* to clarify responsibilities and standards for each procedure, and established a systematic, hierarchical, and cross-departmental collaborative customer complaint management system. With the goal of rapid response, fair handling, and thorough improvement, the system drives internal process optimization to reduce the customer complaint rate at the source and enhance customer satisfaction.

The Company has established a robust customer complaint handling process deeply integrated with multiple business processes, ensuring full traceability of issues and clear assignment of accountability. Corrective actions are effectively embedded into relevant operational procedures, forming closed-loop management. To allocate resources rationally and respond promptly to major concerns, the Company has implemented a four-level customer complaint rating system (Levels A–D), with differentiated response times and processing requirements for different levels to ensure priority handling of key issues.

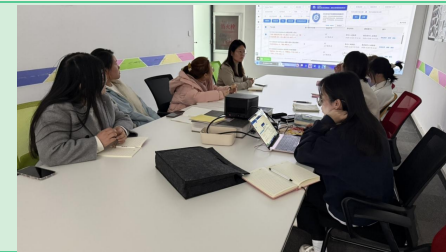
Customer Complaint Handling Process at Jihong Group



In 2025, the Company further optimized the customer complaint handling process and strengthened systematic training for relevant personnel. We intensified root-cause analysis of customer complaints, promoting internal improvement by identifying the underlying causes. A customer complaint rate analysis dashboard has been developed to visualize and analyze complaint data from multiple dimensions, monitor trends dynamically, and accurately pinpoint high-frequency and fundamental problems. This ensures scientific and forward-looking decision-making in quality management and customer service, reducing customer complaints at the source. In 2025, the Company received 35 customer complaints, with a 100% resolution rate.

Case: Professional Competence Training for Brand Customer Service

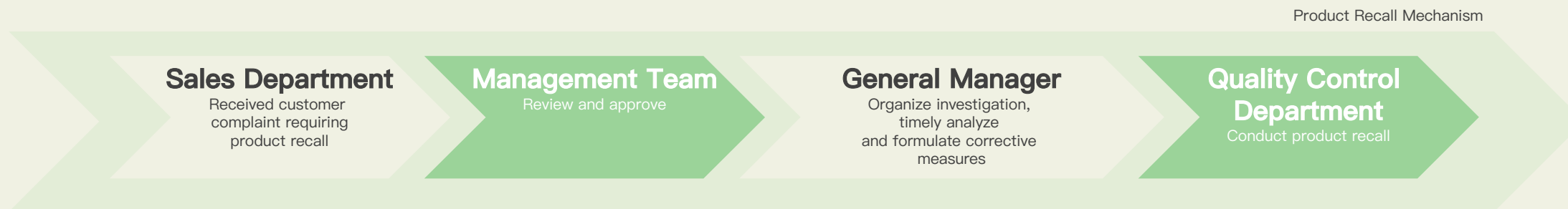
On November 21, 2025, the Company organized a special training session entitled Order Types and Platform Differentiated Service Processes. The training was designed for all customer service staff, aiming to systematically explain and consolidate standardized, scenario-based service processes and response strategies applicable to different order types and the differentiated characteristics of various e-commerce platforms. Through this training, the customer service team further understood service standards and key communication points in diverse business scenarios, strengthened their professional capabilities in handling complex orders and platform-specific issues, and effectively reduced the customer complaint rate.



Training on the Site

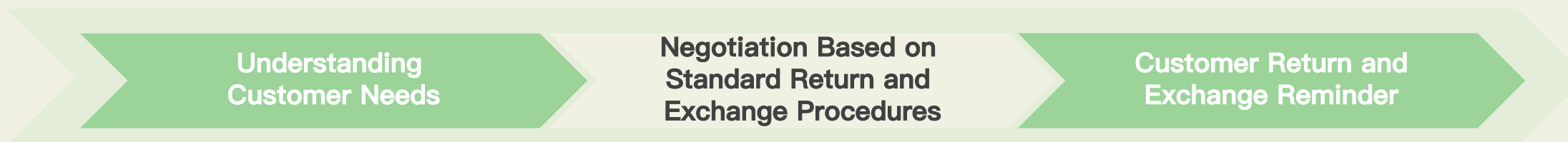
Product Recall Mechanism

The Company strictly follows key quality management documents, including the *Product Recall Procedure*, the *Corrective and Preventive Measures Management Procedure*, the *Quality Non-Conformance Management System*, and the Quality Assessment Management System. The Company clarifies the standardized product recall process, conducts recalls and rectifications for non-conforming products, and continuously improves the overall quality management level. Under the leadership of the General Manager, the Company has established a cross-departmental Product Recall Task Force composed of heads of relevant departments to support and implement product recall activities. In this way, a complete closed-loop management mechanism is formed, covering recall execution, rectification, and accountability implementation.



Improve Service Quality

Jihong Group continuously optimizes its end-to-end customer service experience through the ShopPlus website platform and intelligent marketing tools, and has established a systematic service guarantee mechanism. The Company has formulated the *Giikin Customer Operations After-Sales Service Policy* to clarify and standardize the return and exchange process, safeguarding customer rights and interests. In response to order rejections, the Company has established a daily follow-up and analysis mechanism to conduct in-depth research on the causes of rejection. On this basis, targeted improvement measures are developed to drive continuous optimization of service processes and product experience, effectively enhancing customer satisfaction and willingness to repurchase.



5.1 Product Management

In 2025, the Company systematically upgraded the customer service experience by expanding service dimensions and optimizing communication mechanisms. The Company provides customers with professional market research and customized solutions, carries out targeted process and technology training, and establishes an efficient R&D and sampling channel. Relying on the Official WeChat Account, the Company achieves efficient, convenient real-time communication and rapid response. These integrated services and technical support have significantly improved the quality and responsiveness of customer service, as well as overall customer satisfaction.

User Experience Enhancement Measures for Paper-Based FMCG Packaging Solutions Business

Project Type	Specific Measures
Packaging Creative Design Services	The Company provides customers with full-process packaging innovation services. Based on in-depth research into the beverage market, we design innovative and practical solutions through creative screening and user testing, and ultimately deliver physical samples.
Customer Training Materials Services	The Company offers professional insight training services for customers in the packaging industry. Drawing on in-depth research into product characteristics, packaging and transportation, as well as domestic and international market trends for yogurt packaging, we combine insights with customers' product portfolios to deliver systematic analysis. This supports businesses in accurately positioning their needs and developing more competitive packaging solutions.
Introduction of Rapid Prototyping Equipment	The Company has introduced rapid sampling equipment, significantly shortening the sampling cycle, efficiently optimizing printing effects, and providing accurate parameter support. These measures have greatly improved the efficiency of packaging services.

Customer Satisfaction Survey

The Company always places customer satisfaction at the core of its operations. Through the strict implementation of the *Customer Maintenance Management System*, the Company carries out systematic and regular customer follow-ups and satisfaction surveys. The Company not only fully collects customer feedback, but also focuses on in-depth root-cause analysis of issues, and formulates targeted and actionable improvement plans accordingly to promote closed-loop implementation, so as to enhance service quality and customer experience.

In 2025, the Company conducted a customer satisfaction survey, achieving a customer satisfaction rate of 95.90%.

Customer Satisfaction Survey Measures

Cross-border Social E-commerce Sector	The Company has established a systematic customer feedback mechanism to continuously optimize the customer shopping experience. The Company carries out daily satisfaction surveys focusing on product quality, packaging experience, logistics efficiency, and delivery services, systematically collecting genuine customer feedback across the entire service process. Through in-depth analysis of feedback data, the Company accurately identifies service weaknesses, promptly takes improvement measures, and promotes closed-loop problem resolution, thereby enhancing customer satisfaction and earning wide recognition from customers.
Paper-based FMCG Packaging Solutions Sector	The Company strictly implements the <i>Customer Maintenance Management System</i> and regularly conducts multi-dimensional customer follow-ups and satisfaction surveys. The survey covers key indicators, including overall impression, service quality, product quality, innovation capability, technical support, delivery performance, and price competitiveness, so as to comprehensively evaluate customer satisfaction with our cooperation. In response to the shortcomings identified in the surveys, we conduct root-cause analysis and actively listen to customer improvement suggestions. On this basis, we formulate and implement targeted improvement plans to continuously consolidate and deepen cooperative relationships with customers.

5.1 Product Management

5.1.3 Information Security

Jihong Group fully embeds security concepts into the operating system, adhering to the “security and prevention first, balancing management and technologies, and taking comprehensive measures to prevent risks” approach. The Company has systematically established a comprehensive protection system covering networks, data, and applications. The Company continues to optimize our systems and processes, strengthen technical support, and enhance security awareness among all employees. The Company is committed to building a safe, reliable, and sustainable digital operating environment for customers, partners, and the Company itself, establishing solid security for the high-quality development.

Information Security Management System

The Company strictly complies with the *Regulations of the People’s Republic of China on Protecting the Safety of Computer Information Systems*, the *Basic Requirements for Classified Protection of Information System Security*, the *Information system security management requirements*, and other relevant laws and regulations. To strengthen its network and data security framework, the Company has developed a set of internal policies, including the *Personal Information Protection Policy*, the *Cybersecurity Management Policy*, the *Public Cloud Security Management Policy*, the *Customer Information Confidentiality Management Policy*, and the *Network and Data Security Incident Management and Emergency Response Plan*. These policies comprehensively promote the effective implementation of information security management.

Jihong Group positions information security as a strategic priority for development and is committed to building a scientific, comprehensive, and efficient information security governance system. The Company has set up a multi-level management structure led by the Information Security Committee, with coordinated operations among the Information Security Management Team, Information Security Technology Team, and Information Security Audit Team. With clear and closely linked responsibilities, the teams form a closed-loop process covering strategy formulation, technical implementation, and independent supervision. This ensures the systematic implementation and stable operation of information security measures, providing a solid guarantee for business operations and customer data security.

Information Security Management Structure at Jihong Group

Board of Directors and Executive Management	<ul style="list-style-type: none"> When formulating the overall strategy of the company, systematically incorporate information security and network security management requirements.
Information Security Committee	<ul style="list-style-type: none"> Implement the Board of Directors’ decisions on information security. Coordinate information security affairs among departments. Regularly report information security progress and achievements to the Board of Directors

Information Security Management Mechanism

To establish systematic and forward-looking information security defense, the Company has implemented an information security risk management mechanism covering risk identification, risk assessment, and risk response. This has enhanced information security protection capabilities and provided a solid guarantee for stable business operations and the security of data assets.

Information Security Risk Management Mechanism

Risk Management Mechanism	<p>Risk Identification: Utilize advanced risk identification tools and methods to systematically identify internal and external potential information security threats, ensuring full coverage of risk assessment.</p> <p>Risk Assessment: Apply scientific assessment models to conduct qualitative and quantitative analysis of identified risks to accurately assess the likelihood and potential impact of risk occurrence, and achieve classified risk management.</p> <p>Risk Respos: Develop and implement differentiated response strategies based on risk assessments, including risk avoidance, transfer, mitigation, and acceptance, to ensure rapid and orderly response to risk events.</p>
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5.1 Product Management

Through a series of measures, including strengthened access control, enhanced data encryption and backup requirements, regular information security monitoring and auditing, standardized emergency response procedures, and comprehensive virus prevention, the Company has effectively consolidated information security defense and fully safeguarded the security of data and information systems.

Information Security Management Measures

Access Control	<ul style="list-style-type: none"> • Identity Authentication: The Company fully implements a multi-factor authentication mechanism integrating passwords and biometric features (e.g., fingerprints and facial recognition) to verify the authenticity and legitimacy of user identities and prevent unauthorized access. • Access Management: In strict accordance with the principle of least privilege, the Company assigns system and data access rights to employees based on their roles and business needs via OA approval processes. Sharing business system accounts and proxy software is strictly prohibited to prevent unauthorized operations.
Data Encryption and Backup	<ul style="list-style-type: none"> • Data Encryption: The Company applies high-strength encryption to the storage and transmission of sensitive and core business data, supported by a complete key management system. Encryption tools are used during data transmission to ensure the confidentiality and integrity of data throughout its lifecycle. • Data Backup and Recovery: A systematic data backup strategy is established to perform regular full and incremental backups, with backup data stored in remote sites. Detailed data recovery plans are developed to enable rapid and complete recovery of business data in the event of unexpected incidents.
Virus Protection	<ul style="list-style-type: none"> • Prevention Stage: The Company identifies risk scenarios and summarizes high-risk behaviors, implements mandatory protection measures, and visualizes them via verification methods to block virus intrusion at the source. • Monitoring Stage: Real-time virus behavior monitoring tools are fully deployed, including enhanced ransomware protection, communication tool lock-screen shortcuts, and regular full-disk scanning mechanisms, to effectively cut off virus transmission channels. • Outbreak Stage: Within 5 minutes of a virus outbreak, emergency isolation is conducted via network disconnection and device control. Further measures include in-depth virus scanning, full-disk formatting of infected terminals, and system reinstallation. • Long-term Protection: The Company enhances overall virus control capabilities through enterprise-level measures such as terminal control, phishing testing, and network isolation. Long-term dedicated protection is enforced for key departments, including finance and human resources. Employee capabilities are strengthened through the development of personal security protection guidelines.
Security Monitoring and Auditing	<ul style="list-style-type: none"> • Security Monitoring: An integrated security monitoring platform is deployed to conduct 24/7 real-time monitoring and intelligent analysis of networks, systems, and user behaviors, enabling rapid detection, alerting, and response to security incidents. • Security Audit: The Company regularly carries out specialized information security audits to comprehensively inspect the implementation of security policies, system compliance, and the effectiveness of management measures, driving continuous optimization of the security management system.
Emergency Response	<ul style="list-style-type: none"> • Emergency Organization: An information security emergency response team is established, with clear roles and responsibilities for each member to ensure orderly command and efficient coordination during emergencies. • Emergency Plan: Emergency response plans covering various types of security incidents are formulated, specifying disposal processes, communication mechanisms, and recovery procedures. Drills and plan revisions are conducted regularly to maintain practicality and effectiveness. • Emergency Response: Upon occurrence of an incident, the emergency team immediately activates the response plan to control impacts, restore business operations, and complete incident reporting, root cause analysis, and corrective actions, achieving closed-loop management.

Case: Information Security Attack-and-defense Drill

In 2025, against the backdrop of accelerated digital transformation, the Company successfully conducted three rounds of information security attack-and-defense drills on the Alibaba Cloud platform, focusing on three core scenarios: external penetration, internal control failure, and emerging threats. By simulating external hacker penetration attacks on core business systems, internal network infections caused by improper employee operations, as well as DDoS attacks and supply chain risks targeting cloud platforms, the Company implemented a series of practical response measures. These drills effectively strengthened the overall emergency response capabilities of all employees. A total of 56 system vulnerabilities were rectified, the emergency response time was shortened by 50%, and the rate of employees recognizing phishing emails increased to over 85%. The Company has comprehensively optimized its technical protection system, employee security awareness, and management mechanisms, which have significantly enhanced overall information security defense capabilities.



Information Security Defense Drill

Information Security Management Training

The Company attaches great importance to building an information security culture and has formulated an annual information security training plan. A systematic and highly targeted training curriculum has been designed based on the business needs of employees in different positions and at various levels, aiming to comprehensively improve the information security awareness and capabilities of all employees. We conduct regular training and simulation exercises. Through the Cloud Academy platform, the Company organizes new employees to complete security courses such as the *Office Security Protection Guide* via Giikin Academy, followed by online assessments. The Company promotes security knowledge in a systematic manner and incorporates real case studies, which effectively enhance employees' prevention awareness and practical response capabilities.

Information Security Training

Identification of Information Security Risks	Through scenario analysis, the Company effectively identifies five major information security risks, including viruses and Trojans, information leaks, social engineering fraud, targeted attacks, and threats from wireless and mobile terminals, so as to enhance risk prevention awareness among all employees.
Prevention of Phishing Emails	Focusing on common disguising methods, identification techniques, and standardized handling procedures for phishing emails, the Company strengthens employees' risk awareness through interactive teaching.
Virus Prevention and Removal	The Company deeply analyzes virus transmission routes, identification, prevention and recovery strategies, and combines scenario-based testing to consolidate practical capabilities.
Secure Use and Protection of Office Computers	The Company emphasizes the importance of standardized usage, systematically explains protection configurations, prevention techniques, personal information protection, and security incident response, and strengthens the terminal security defense line.

To foster a strong safety culture across the organization, the Company has adopted a variety of initiatives, including launching safety awards and organizing safety knowledge competitions, to boost engagement among all employees and embed safety awareness into daily operations and team activities.

Safety Culture Building

Safety Star Award	The Company has established the "Safety Star" award to recognize employees with outstanding safety awareness, setting a benchmark for the whole team.
Experience Sharing Platform	An experience-sharing platform has been built to encourage employees to actively exchange safety protection skills and promote mutual improvement across the team.
Safety Knowledge Competition	Safety knowledge competitions are organized to stimulate employees' enthusiasm for learning safety-related knowledge.
Promotion Poster on Safety	The Company creates safety promotion posters and displays them in office areas to continuously remind employees to prioritize safety in daily work.

5.1.4 Innovation and R&D

Jihong Group regards technological innovation as the core engine of development and continuously deepens the application and empowerment of technology in digital operations. The Company has established internal management systems, including the *Innovation Management System* and strictly follows the *New Product Design and Development Management Procedure*. The Company has comprehensively deployed cutting-edge fields such as cross-border social e-commerce and intelligent systems, and built differentiated competitive advantages through technological capabilities. In 2025, the Company spent RMB 136.10 million on R&D, accounting for 2.02% of operating revenue. The Company employed 602 R&D personnel, representing 12.66% of the total workforce. We are committed to building an integrated service ecosystem, continuously meeting diverse customer needs with end-to-end response capabilities, and promoting the continuous business structure upgrading.

Innovation and R&D Strategy

With “data-centric and technology-driven” as a strategic focus, and based on the dual-engine-driven business model of the packaging business and cross-border e-commerce, the Company has achieved a strategic upgrade from “technology empowerment” to “intelligent ecosystem”. Focusing on core technologies including artificial intelligence, big data and cloud computing, the Company has systematically built nine key technology systems covering intelligent video processing, intelligent image generation, intelligent marketing, risk control detection and other fields, forming end-to-end digital operation capabilities covering the front, middle and back ends of the business.

In 2025, the Company further increased R&D investment and achieved breakthroughs in AI middleware, multimodal large model applications, intelligent systems and other fields. The accuracy of video multimodal search reached more than 90%, the availability of image translation exceeded 95%, and the accuracy of knowledge base Q&A exceeded 95%. At present, relevant technologies have been widely applied in content generation, advertising, order fulfillment, warehousing and logistics, reducing operating costs, improving business efficiency and continuously optimizing the end-to-end user experience.

Intelligent E-commerce

Driven by data and artificial intelligence, the Company fully empowers marketing and operational links to support digital transformation and sustainable growth. The Company continues to deepen the “Goods Discovering People” business model, using AI algorithms to conduct in-depth analysis of overseas markets, accurately build user profiles, and develop differentiated strategies based on a value hierarchy system to precisely reach target users through multiple channels. Meanwhile, the Company has established a complete performance data collection and evaluation mechanism, realizing full-process data-driven and intelligent optimization from insight, outreach and conversion to iteration, so as to promote the high-quality development of the cross-border e-commerce business.



- Big Data Analysis for Product Selection
- Ad Page Creation
- Targeted Advertising Placement
- Customer Places an Order
- Warehouse Shipment
- International Logistics Distribution
- Order Completion

Jihong Group's Cross-Border E-Commerce “Matching Goods to Target Customers” Business Process

5.1 Product Management

Jihong Group deeply integrates the social media ecosystem with online shopping scenarios, establishing an agile operation model of “matching goods to target customers”. The Group has built systematic competitive advantages in key areas, including marketing accuracy, operational intelligence, and supply chain agility. This model not only reshapes the logic of e-commerce operations but also establishes differentiated barriers for the Company’s sustainable growth.

Cross-Border E-Commerce Sales Model at Jihong Group



Goods

- Utilize an AI-powered product selection platform to conduct precise product selection through big data.

Discovering

- Leverage social networks such as Meta, Google, and TikTok as marketing channels.
- Implement targeted marketing based on big data algorithms.

People

- Accumulate a massive user base through the integration of mobile internet and social networks.
- Apply user-centric product selection strategies, leveraging intelligent analysis of user profiles to precisely match product tags.

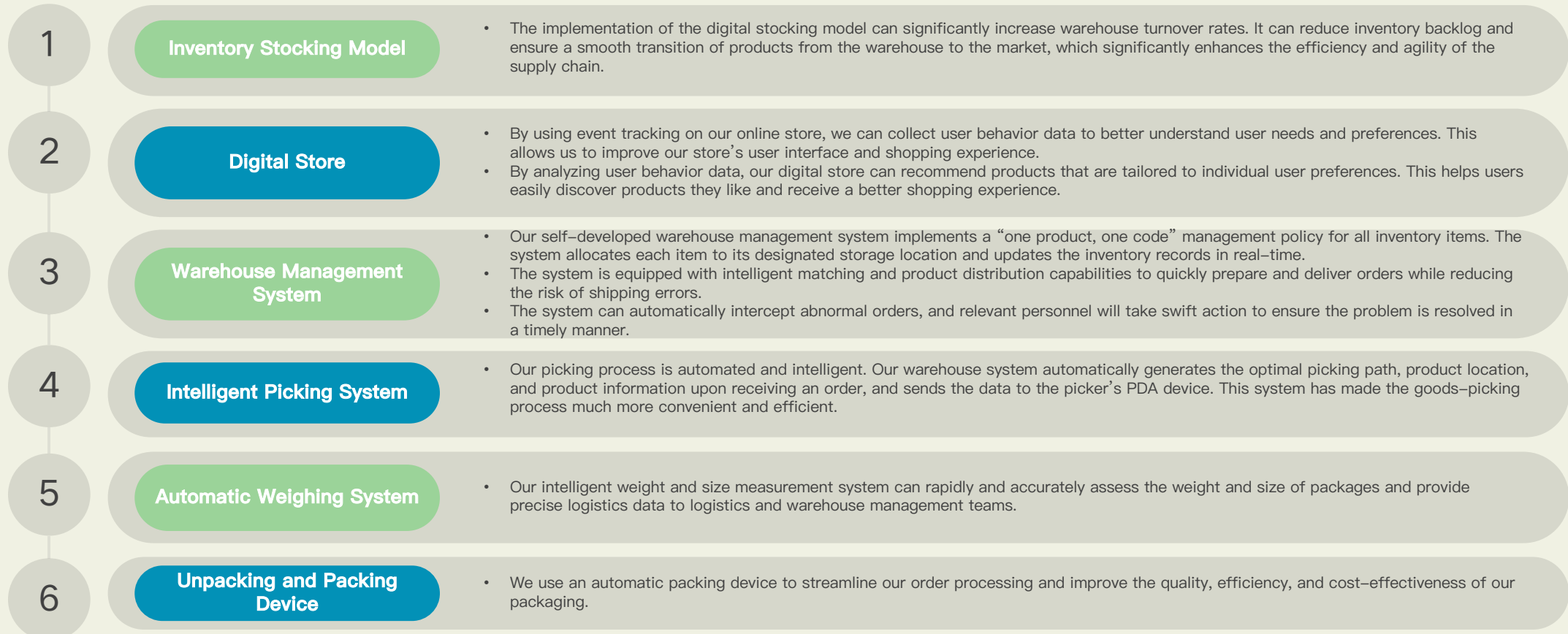
In 2025, Jihong Group continued to enhance the development of its e-commerce system by upgrading and optimizing its platform cockpit dashboard, the Star Ring Nexus Pro expert collaboration system, and the Amazon intelligent AI operating system. The Group is committed to improving business efficiency and competitiveness through technological empowerment, achieving the integration of efficiency enhancement and resource conservation.

Jihong Group’s Intelligent Model Updates

Platform Cockpit Dashboard	<ul style="list-style-type: none"> • Real-time inventory monitoring and intelligent alerts reduce storage energy consumption and potential waste from unsold stock. Enhanced information collaboration efficiency minimizes the carbon footprint associated with organizational communication. • Consistency in the consumer experience is ensured with rapid responses to service issues. Operational personnel are liberated from repetitive tasks, allowing them to focus on higher-value strategic work. • End-to-end visual monitoring of operational processes strengthens internal controls and risk alert mechanisms, supporting compliant operations and fully traceable decision-making.
Star Ring Nexus Pro System	<ul style="list-style-type: none"> • The Company precisely matches products and sample recommendations, which cuts down on inefficient logistics, transportation and packaging waste. Automated workflows further reduce energy consumption in digital operations. • We respect individual differences among experts, clarify collaboration terms, and protect creators’ rights and interests. By automating routine work, we free up operational manpower and enhance their sense of work value and creativity. • Programmatic execution mitigates operational risks, ensuring account security and business continuity, which drives the standardization and transparency of all collaboration processes.
Amazon Intelligent AI Operating System	<ul style="list-style-type: none"> • AI-generated content and imagery enable a “zero physical shoot” model, reducing sample logistics and photography-related energy consumption. Data-driven decision-making minimizes ineffective inventory and resource misallocation. • The barrier to entry for small and medium-sized sellers in the global market is lowered. Operations teams are freed from tedious administrative tasks to focus on core competencies in service and innovation. • Content compliance and image authenticity are enforced to strengthen consumer trust. Automated processes enhance overall operational stability and auditability.

Smart Warehousing

Jihong Group actively builds an intelligent integrated warehousing system, with intelligent scheduling and data collaboration as its core. Through comprehensive digital transformation and continuous empowerment of traditional warehousing operations, the system optimizes the efficiency of core links, including warehousing operations, inventory management, logistics sorting, and distribution tracking. This achieves end-to-end supply chain visibility and controllability, improves the stability and timeliness of order fulfillment, and significantly enhances the shopping experience and satisfaction of end consumers.



5.1 Product Management

In 2025, the Company closely aligned efforts with the goals of intelligence and lean management in warehousing and logistics, continuing to drive system optimization and model innovation.

Intelligent Warehousing Updates at Jihong Group

Launching Intelligent Small Goods Receiving System	<ul style="list-style-type: none">By integrating electronic scales with cameras, the system enables real-time product photography upon goods receipt and automatic weight collection for individual items, improving the basic product database.By incorporating volumetric data recorded in the system, the system provides the operations team with a reliable and accurate basis for cost estimation, supporting refined cost control.
Implementing the PAK Package and Correspondence Delivery Mode	<ul style="list-style-type: none">Compared with the original delivery model, this model reduces the average logistics cost per unit by RMB 4–8, achieving substantial cost savings.The system automatically identifies eligible orders based on preset conditional rules and labels them accordingly. Following assisted manual verification, it supports “one-click order replacement”, streamlining operational processes.
Reforming Warehouse Piecework Performance System	<ul style="list-style-type: none">Differentiated piece-rate standards are established based on job characteristics, with dynamic rules implemented for new products and seasonal items. The system supports monthly adjustments to historical rules to improve adaptability.Performance data visualization enables optimized personnel allocation and enhances the overall shipping efficiency of the warehouse.

Innovative Packaging

The Company takes innovation as its core driving force and continuously promotes the value-oriented and systematic upgrading of the packaging business. With graphic design, solution optimization, and marketing planning as the core pillars, the Company deeply integrates into the fast-moving consumer goods (FMCG) market, accurately responding to and leading consumers’ daily needs. For world-renowned FMCG customers, the Company provides customized packaging solutions covering a full range of categories and multiple scenarios, including color box packaging, eco-friendly food packaging color cartons, eco-friendly tote bags, and bundled packaging.

By establishing a one-stop supply chain service system covering planning, design, production, and sales support, the Company is committed to providing customers with comprehensive packaging solutions that integrate market foresight and brand performance, empowering brands to achieve value enhancement and sustainable growth.

One-Stop Packaging Services at Jihong Group



5.1 Product Management

In 2025, the Company won the Second Prize in the “China Competition of Creative Design Packaging” for outstanding creativity and professional expertise in packaging design. This award not only recognizes the Company’s design and innovation capabilities but also reflects its professional achievements in continuously pursuing the integration of aesthetics, functionality, and market value in packaging solutions.



Certificate and Works for Second Prize in the China Competition of Creative Packaging Design

Innovative Collaboration

The Company has always adhered to the core values of “responsibility, innovation, and achievement”. The Company actively integrates internal and external scientific research resources, establishes in-depth collaborative partnerships with teams, universities, industry associations, and stakeholders across the industrial chain, and jointly builds an open and innovative technology ecosystem. Through continuous efforts in advancing technological exchanges, resource sharing, and joint R&D, the Company is committed to gathering multi-party expertise to jointly shape a blueprint for sustainability within the industry.

In terms of industry-university-research cooperation, the Company has further deepened strategic collaboration with universities. The Company has successively established industry-university-research cooperation bases with several institutions, including Anhui University, the School of Fine Arts at Ningxia Normal University, and the Beijing Institute of Graphic Communication, focusing on joint technological breakthroughs and the cultivation of high-end talents. These efforts also inject sustained impetus into industrial innovation.

Case: Beijing Institute of Graphic Communication and Hohhot Jihong Printing and Packaging Co., Ltd. Jointly Establish an Internship and Practical Teaching Base

On July 29, 2025, Zhang Xin, Secretary of the Party Committee of Beijing Institute of Graphic Communication, and Chen Dan, Vice President, visited Hohhot Jihong Printing and Packaging Co., Ltd. They held in-depth discussions with Lin Guoliang, General Manager of Hohhot Jihong, and other representatives on student internship base building, joint talent cultivation, industry-university-research collaborative innovation and other key topics. Both parties agreed to jointly establish an internship and practical teaching base, and planned to set up the “Inner Mongolia Printing and Packaging Research Center”. Through the “government-industry-university” Coordination mechanism, the two sides would advance research on printing technologies and the transformation of scientific and technological achievements. This cooperation would further deepen collaboration in talent development, technological research and industrial upgrading, and jointly promote the digital and intelligent transformation and sustainable development of the printing industry.

University-Enterprise Cooperation Conference



5.1 Product Management

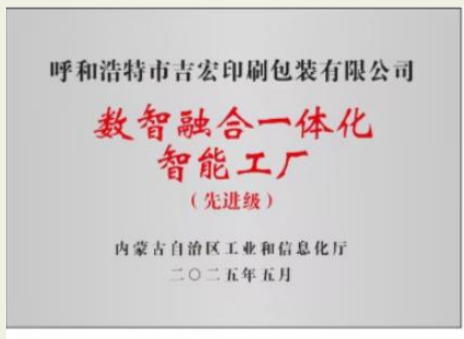
In addition, relying on its long-term technological and practical experience in packaging and printing, the Company actively participates in the development of industry standards, and promotes industrial standardization, innovation and upgrading with professional expertise. In 2025, the Company participated in the formulation of several industry standards, including *Assessment Requirements for Quality Grading and Forerunner—Bundle Packaging* and *Graphic Technology—Process Control for the Production of Half-tone Colour Separations, Proofs and Production Prints—Part 6: Flexographic Printing*. Based on practical experience and technical insights, the Company provided important references to ensure the scientificity and applicability of the standards, supporting the industry’s continued development toward greater standardization and efficiency.

Innovation Achievements

Innovation Achievements 2025 at Jihong Group



Giikin (Zhengzhou) Digital Technology Co., Ltd. won 2025 Data Element X Competition (Henan Division/Section) on September 8, 2025. The project was Research and Application of Intelligent Product Selection and Intelligent Recommendation System in the category of commercial circulation



The Company received the Advanced Intelligent Factory award from the Department of Industry and Information Technology of Inner Mongolia Autonomous Region in May 2025

2025年湖北省技术先进型服务企业
拟认定清单

序号	企业名称
1	武汉明源康源软件开发有限公司
2	武汉英台唯铁技术有限公司
3	武汉正时信息技术有限公司
4	武汉巨帆信息技术有限公司
5	武汉航度科技有限公司
6	武汉良里微推科技有限公司
7	武汉市易化网络科技有限公司
8	海陵工程科技(武汉)有限公司
9	武汉摩摩信息技术有限公司
10	泰威科技(武汉)有限公司
11	武汉汇智神元科技有限公司
12	摩托罗拉移动通信设备(武汉)有限公司
13	非唯云(武汉)数字科技有限公司

On August 8, 2025, as announced by the Department of Science and Technology of Hubei Province, the Company was awarded the title of Advanced Technology Service Enterprise in Hubei Province

附件
黄冈市2025年企业研发投入奖补名单

序号	企业名称	所属区域
1	湖北鑫安康药业有限公司	黄冈高新区
2	湖北瑞创信达光电有限公司	黄冈高新区
3	湖北海汇化工科技有限公司	黄冈高新区
4	黄冈鲁雅药业股份有限公司	黄冈高新区
5	武汉瑞阳化工有限公司	黄冈高新区
6	武汉青江化工黄冈有限公司	黄冈高新区
7	湖北联纯机械有限公司	黄冈高新区
8	武汉山羽新材料科技有限公司	黄冈高新区
9	黄冈市吉宏包装有限公司	黄冈高新区
10	黄冈银河药业业有限公司	黄冈高新区
11	索菲亚家居湖北有限公司	黄冈高新区
12	湖北格普光电科技有限公司	黄冈高新区

The Company received the R&D Investment Award from the Huanggang Science and Technology Bureau in September 2025

Technology Ethics

In the e-commerce business sector, the Company attaches great importance to ethical issues arising from the application of artificial intelligence (AI) technology. Guided by the core principles of people-oriented, safe and controllable, fair and just, transparent and explainable, the Company has formulated a series of internal management systems, including the *Code of Ethics for AI Applications*, *Data Security and Privacy Protection Management Measures*, and *Algorithm Fairness Review Process*. These systems ensure that AI systems meet requirements in terms of fairness and non-discrimination, transparency and explainability, data security and privacy protection, controllability and reliability, as well as cross-cultural awareness and social responsibility.

To ensure the effective implementation of these principles, the Company has established a Technology Ethics (Review) Committee, which is responsible for formulating, supervising, and enforcing the Group’s technology ethics policies. The Committee conducts independent and professional ethical reviews of high-risk AI projects to ensure that they comply with ethical principles throughout their entire lifecycle, from project initiation, R&D, and deployment to decommissioning. The Company adopts a zero-tolerance attitude toward any violation of technology ethics and has established clear accountability and disciplinary mechanisms.

5.1.5 Intellectual Property Protection

Jihong Group strictly complies with the *Copyright Law of the People’s Republic of China* and the *Patent Law of the People’s Republic of China*, establishing policies such as the *High-Tech Enterprise Management System*, the *Reward System for the Application of R&D Results* and the *Management System for High-Tech Projects*. These policies form a comprehensive intellectual property protection framework and an innovation incentive mechanism, ensuring the application of R&D achievements. In 2024, the Company filed 90 new patent applications, of which 36 were approved, and obtained 44 new software copyrights. As of the end of 2025 the Company has secured 445 approved patents.

To build a sound intellectual property management system, the Company has systematically established a full-process management and prevention mechanism from two dimensions: internal protection and external risk prevention.

Intellectual Property Management System at Jihong Group

Internal Intellectual Property Protection	External Infringement Risk Prevention
The Company clearly defines its intellectual property protection scope to include patents, trademarks, copyrights, design schemes, product samples, and production processes. All employees are required to strictly abide by relevant laws, regulations and internal policies when using corporate resources and technologies to prevent information leak. Meanwhile, the Company standardizes the management of employees’ R&D achievements, patent applications, trademark registrations and other related activities, ensuring that the Company’s intellectual property is systematically protected and used in compliance with regulations.	To avoid infringement on third-party intellectual property rights, the Company continuously strengthens employees’ awareness of intellectual property protection through internal training and clarifies the responsibilities and consequences of infringement. In the process of business cooperation, the Company strengthens the review and management of suppliers and partners to ensure that their business activities comply with intellectual property laws and regulations. In addition, the Company has established an intellectual property dispute handling mechanism to promptly identify and respond to relevant disputes and safeguard its legitimate rights and interests.

In 2025, the Company introduced the Science and Technology Innovation Space (Professional Edition) – Science and Technology Innovation Space System Service V1.0 and adopted big data technology to establish a full-cycle intellectual property infringement prevention system covering the pre-R&D, in-R&D, and post-R&D stages. As of the end of the reporting period, there were no infringements on third-party intellectual property rights in the Company. The overall prevention system has been operating effectively, providing a reliable safeguard for sustainable innovation.

Jihong Group’s Intellectual Property Infringement Prevention System

Pre- R&D	The Company conducts patent retrievals through the system and relies on massive innovation data to identify infringement risks.
In- R&D	The Company monitors competitors’ patent dynamics and provides intelligent warnings of potential technological barriers.
Closed Loop Process	The Company establishes a mechanism of retrieval, evaluation and adjustment, where the Legal Department and R&D Department collaborate to conduct patent analysis and optimize technical solutions, in order to avoid infringement risks at the source.

5.2 Supply Chain Management

Jihong Group places great emphasis on sustainable supply chain development, implementing a stranded supplier lifecycle management through policies such as the *Supplier Management Procedures, Procurement Management Procedures, Centralized Procurement Management Measures, and Sunshine Integrity Action Cooperation Agreement*. The Company integrates ESG requirements into its supplier management system, conducting regular ESG risk assessments, communication and training to coordinate supply chain development and enhance sustainability.

5.2.1 Supplier Admission and Evaluation

The Company has established a complete supplier management process focusing on key areas, including supplier admission, assessment of cooperation, routine management, and withdrawal mechanisms, so as to standardize full-cycle supplier management from introduction to collaboration. The relevant procedures cover supplier qualification review, cooperation supervision, and performance evaluation, ensuring systematic and effective implementation of supplier management.

Supplier Lifecycle Management Process

Qualified Admission	<ul style="list-style-type: none"> During the supplier admission stage, the Company conducts sustainability-oriented due diligence, with a focus on evaluating suppliers' legal and compliant business operations. Through face-to-face communication, on-site inspections and verification, the Company identifies potential supplier risks in the areas of environment, labor and compliance, and controls admission standards at the source.
Assessment Over Collaboration and Daily Management	<ul style="list-style-type: none"> The Company regularly carries out supplier performance evaluations and implements full lifecycle management covering product quality, service, cost and delivery. Assessments are conducted semi-annually, with optimization suggestions provided. Based on assessment results, suppliers are classified into five grades: A+, A, B, C and D, and graded management is applied. A+ suppliers (top performers) are given priority for cooperation, while D suppliers (below the threshold) are disqualified from contract performance, so as to optimize supply chain quality.
Withdrawal	<ul style="list-style-type: none"> For suppliers failing to meet assessment standards, the Company issues corrective and preventive action reports and requires rectification within a specified timeframe. If rectification still fails to meet requirements after three consecutive procurement cycles, the Company implements elimination measures, suspends purchasing, cancels their supplier qualification and terminates subsequent cooperation.

Number of Suppliers in 2025

Chinese Mainland	57,103
Hong Kong, Macau, Taiwan Regions of China & Overseas	1

5.2.2 Supply Chain ESG Management

Jihong Group integrates environmental and social responsibility requirements into the entire supply chain management process, focusing on key aspects including supplier admission, cooperation evaluation, and performance management, to continuously identify and control environmental and social risks across the supply chain. In supplier selection and cooperation, the Company not only focuses on product quality and supply capacity, but also comprehensively reviews suppliers' performance in compliance management, environmental protection, and labor rights protection. The Company prefers to establish partnerships with suppliers that possess a sound ESG management foundation and stable performance.

During supplier cooperation, the Company sets differentiated risk identification and management requirements based on the business scale and category characteristics of individual suppliers, with a focus on environmental protection, labor rights protection, and quality compliance as core priority areas. Meanwhile, the Company establishes clear requirements for suppliers in environmental governance, occupational health and safety, compliance management, anti-corruption, and other related fields.

Supplier ESG Management Requirements

Environmental Protection and Quality Control	<p>Suppliers must provide ISO 14001 Environmental Management System Certification. Preference is given to suppliers demonstrating strong environmental management practices and using eco-friendly materials and energy-efficient production processes to reduce their impact on the environment.</p> <p>Suppliers must provide ISO 9001 Quality Management System Certification and implement strict quality process control measures to ensure compliance with quality requirements and minimize resource waste caused by quality defects.</p>
Health and Safety	<p>Suppliers must obtain ISO 45001 Occupational Health and Safety Management System Certification and undergo assessments on worker safety measures. Preference is given to those with strong occupational health and safety management.</p> <p>Chemical suppliers must provide a Hazardous Chemicals Business License, Environmental and Safety Assessment Report, Chemical Safety Data Sheets, and Compliance Declarations to ensure that their production and business activities comply with safety and environmental requirements.</p>
Compliance Management and Anti-Corruption	<p>Suppliers must sign the <i>Sunshine Integrity Action Commitment Letter</i>, clearly requiring them to comply with cooperation agreements.</p> <p>Suppliers must adhere to fundamental laws and regulations, explicitly prohibiting corruption and bribery in contracts. Compliance risks are prevented in the supply chain through standardized procurement processes and supervision mechanisms.</p>

5.2.3 Supplier Communication

Jihong Group has established a regular communication mechanism with suppliers, committed to maintaining long-term and stable cooperative relations. The Company maintains continuous communication with suppliers on product quality management, safety management, environmental management, compliance and integrity requirements, helping them fully understand and implement the Group's relevant management requirements and sustainability philosophy.

Meanwhile, the Company regularly provides targeted communication and guidance to suppliers. Through ongoing communication and interaction, the Group deepens mutual trust and collaboration with suppliers, improves business synergy efficiency, and promotes the sustainable development of the entire value chain.

Case: Conducting Technical Exchanges on New Environmentally Friendly Materials with Bohui Paper

In 2025, the Company participated in a new technology exchange meeting organized by Bohui Paper, with a focus on its newly launched EPP zero-plastic paper cup. This product can replace traditional coating materials, which enhance environmental performance and reduce carbon emissions. Through communication, the Company gained a deeper understanding of the performance and application scenarios of such eco-friendly materials. On this basis, the Company promoted sampling testing and explored practical applications and customer-side promotion, providing support for green material application and business expansion.

Communication Meeting on New Technology



5.2.4 Equal treatment of SMEs

Jihong Group upholds the principles of fairness, impartiality and transparency in procurement activities throughout supply chain cooperation, and places strong emphasis on building stable and sustainable partnerships with SME suppliers. In respect of performance and payment management, the Company strictly abides by agreements, timely fulfills payment obligations under agreed payment terms and arrangements, and effectively safeguards the legitimate rights and interests of suppliers.

During the reporting period, the Company had no overdue or outstanding payments to SME suppliers, and all procurement payments were settled in full compliance with contract terms.

Jihong Group attaches great importance to the occupational health and safety of employees. The Company integrates the management philosophy of “people-oriented, safety-first, prevention-focused, and comprehensive management” into the entire production and operation process, and continuously implements an occupational health and safety management system. The Company focuses on key areas including workplace safety management, occupational health risk control, employee safety training, and emergency response management. The Company systematically advances regulatory compliance and on-site implementation, strengthens health and safety management for employees, contractors, and other relevant parties, and is committed to providing a safe, healthy and stable working environment for all staff.

5.3.1 Work Safety

Jihong Group strictly abides by applicable laws and regulations, including the *Work Safety Law of the People’s Republic of China*. The Company maintains and enforces a series of internal safety management systems, such as the *Work Safety Management System*, *Comprehensive Emergency Response Plan for Workplace Safety Accidents*, *Safety Risk Classification and Control*, *Hidden Danger Investigation and Management System*, and *Fire Safety Management System*. These systems clarify safety responsibilities at all levels and promote full implementation of safety obligations through responsibility breakdown and process-based supervision.

Jihong Group Work Safety Performance in 2025:

Number of work-related fatalities: **0** people; Work-related fatality rate: **0%**;

Lost workdays due to work-related injuries: **1,567** days; Investment in work safety measures: RMB **1.26** million.

2025 Work Safety Daily Management Measures at Jihong Group

Risk Control	The Company advances hazard identification and classified risk control, conducts systematic assessments of production processes, equipment, working environments, and employee behaviors, and implements differentiated risk control measures.
On-Site Safety Control	The Company further strengthens safety oversight over production areas, storage areas, and equipment, mitigating safety risks through routine inspections and targeted improvement campaigns. For the raw paper warehouse, finished goods warehouse, and key production equipment, the Company has established clear standards for material stacking, safety passageways, and equipment protection. Regular inspections and maintenance are carried out continuously, with identified issues rectified in a timely manner.
Safety Training and Emergency Management for Personnel	The Company provides tiered and categorized occupational safety training tailored to the characteristics and risk profiles of positions, ensuring safety requirements are implemented in frontline operations. All newly recruited employees must complete three-level safety training covering factory-level, workshop-level, and team-level instruction, ensuring they fully understand hazards and operational standards prior to taking up their posts. The Company strictly enforces certification requirements for employees engaged in special operations.
Emergency Drill	Based on production characteristics and potential risk scenarios, the Company optimizes the emergency management framework. The Company validates the operability of emergency plans and the responsiveness of personnel through regular drills. Drills focus on high-risk scenarios, including fire safety, mechanical injuries, and gas leaks, enabling employees to master emergency response procedures and enhance coordination and efficiency in incident handling.

Case Study: Ningxia Factory Identifies Safety Risk Points and Compiles the Hazard Identification and Risk Assessment List 2025

In 2025, in conjunction with process adjustments involving new tape applicators and paper straighteners, the Ningxia Factory carried out a reassessment of safety risks across the entire production facility. Through this work, the factory formulated the Hazard Identification and Risk Assessment List 2025. A total of 674 risk points were identified and subjected to four-level risk management: red, orange, yellow, and blue. No major risks were identified in this round.

Case Study: Month of Workplace Safety Campaign at Shaanxi Factory

In June 2025, Shaanxi Factory launched a series of Month of Workplace Safety activities under the theme “Everyone Knows Safety Emergency Response—Identifying Hidden Hazards Around Us.” Focused on production, warehousing, logistics and other key sectors, the campaign included safety awareness training, hazard identification and rectification, emergency evacuation and fire drills, with 126 employees participating.

The factory clarified safety responsibilities via a kick-off meeting, delivered training on safety awareness and proper use of personal protective equipment, systematically reviewed and updated hazard and risk registers, and carried out full inspections of water, electricity, gas and fire protection facilities across the site. All identified hazards were rectified timely. Emergency evacuation, firefighting and environmental incident response drills were also conducted to further strengthen employees’ emergency response capacity and drive the effective implementation of on-site safety management.



Shaanxi Factory Held Special Meeting on Workplace Safety to Deploy Activities

Case Study: Jinan Factory Launches Fire Safety Training and Emergency Evacuation Drill

On November 24, 2025, Jinan Factory organized fire safety training and a full-site emergency evacuation drill for all departments and employees, aiming to strengthen fire prevention awareness and on-site emergency response capabilities. The training adopted a format of theoretical instruction, case study and interactive Q&A, covering core content such as identification of fire causes and common hazards (such as electrical faults, illegal hot work, improper management of flammable materials), fire safety laws and regulations, fire prevention responsibilities, the proper use of fire extinguishers, fire hydrants and automatic alarm systems, key points for initial fire suppression, and practical escape skills (including covering the mouth and nose with wet towel, low-posture movement, and emergency exit identification). Targeted layered questioning was implemented to identify knowledge gaps in real time, reinforcing the corporate safety philosophy of “Everyone Knows Safety Emergency Response”.

On the same morning, the factory conducted an emergency evacuation drill simulating a production workshop fire. The on-site emergency plan was activated promptly, with each emergency response team fulfilling its assigned duties to guide employees in orderly evacuation and complete centralized headcounts. During the drill, emergency broadcasting, evacuation routes, and firefighting facilities operated normally, and overall evacuation efficiency improved year-on-year. Post-drill, the factory conducted a thorough review of identified issues and formulated targeted improvement measures, focusing on standardizing evacuation procedures and optimizing safety signage to further enhance emergency management capabilities.



Fire Safety Training



Evacuation Drill

5.3.2 Occupational Health and Safety

Jihong Group strictly complies with relevant laws and regulations, including the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*. The Group continuously advances the development of its occupational health and safety management system and rigorously implements the internally formulated Occupational Hygiene Management System. As of the end of the reporting period, all 10 of the Group's production bases have obtained ISO 45001 *Occupational Health and Safety Management System* certification. Through regular internal audits, management reviews, and third-party supervision audits, the effectiveness of system operation is systematically evaluated, driving continuous improvement.

Centered on safeguarding employee health, the Company conducts statutory occupational health examinations, including targeted physical checks for employees exposed to occupational hazards. The Company also fully covers employees with work-related injury insurance and work safety liability insurance to protect their legitimate rights and interests. During the reporting period in 2025, the Company recorded no occupational disease incidents, and employee safety training achieved 100% coverage.



Jihong Group has established a comprehensive talent management framework encompassing talent acquisition, rights protection, and capability development. By upholding compliance and fairness in employment and recruitment, optimizing salary and benefits, communication mechanisms, and employee care, and implementing institutionalized talent training systems, the Company delivers sustained human capital support for stable operations and business growth.

5.4.1 Diversity, Equality, and Inclusion

The Company adheres to legal employment practices, safeguarding employees' legitimate rights and interests. Fairness is enforced across recruitment, hiring, remuneration, performance appraisal, promotion, and career development—with strict prohibition of discrimination based on gender, age, ethnicity, origin, marital and family status, religious beliefs, or disability (factors unrelated to job requirements). This ensures equal development opportunities and equal pay for equal work, fostering an open and inclusive workplace culture.

To mitigate child labour and forced labour risks, the Company integrates compliance reviews into recruitment and onboarding, with rigorous identity and qualification verification. Aligned with the Law of the People's Republic of China on the Protection of Minors and the Provisions on the Prohibition of Using Child Labor, the Company's Corporate Social Responsibility (CSR) Management Manual stipulates that the Company and all subsidiaries shall strictly verify employee identity information during the recruitment process and explicitly prohibits hiring minors and all forms of forced labour. Suspected violations trigger immediate investigations and disciplinary actions against accountable directors and personnel. No child labour or forced labour incidents were recorded in 2025.

To meet business development and talent pool development needs, the Company adopts multi-channel recruitment with publicly disclosed vacancies, ensuring transparent and equitable application opportunities. In 2025, recruitment channels included online platforms, headhunting, and campus recruitment (via campus talks and internship-to-permanent), resulting in 654 new hires: 77% social recruits, 12% internal referrals, and 8% campus graduates.

Complementing recruitment, the Company advances industry-university cooperation and targeted training. Initiatives such as the “Hongling Project” and “Hongyu Plan” cultivate grassroots skilled talents and reserve management and professional personnel. At select bases, partnerships with vocational colleges include lectures, site visits, and tailored on-the-job training to align talent development with business needs.

5.4 Talent Empowerment

Recruitment Channels at Jihong Group

Campus Recruitment	Social Recruitment	Headhunting Recruitment
<ul style="list-style-type: none"> Establish strategic partnerships with major universities and colleges, identify outstanding fresh graduates in advance and reserve talents through campus talks, internships, and other methods. 	<ul style="list-style-type: none"> Recruit through leading domestic job portals, professional talent websites, and regional recruitment platforms, bringing in external talent with diverse industry experience and perspectives. 	<ul style="list-style-type: none"> Work with headhunting firms and talent agencies to recruit mid-to-senior-level professionals, ensuring high-quality hires and recruitment efficiency.

The Company has long regarded employee diversity as a key strategy for sustainability. Through a systematic talent management mechanism, the Company prioritizes employment opportunities for diverse groups, continuously advances inclusive employment practices, and fosters an inclusive, open and diverse talent ecosystem.

Highlight to Enhance Employee Diversity

Building a Diverse, Inclusive Talent Pool	Jihong Group is committed to constructing a diverse talent structure and optimizing employee career development channels to improve employee career pathways. Through a multi-level career growth system, the Company provides equitable opportunities for employees of varied backgrounds and capabilities, enabling talents to realize their full potential.
Advancing Youthfulness Strategy and Cross-border Talent Initiative	In 2025, the Company successfully completed the renewal of the board of directors, appointing Mr. Lu Tashan (born in 1998) as Executive Director and Secretary of the Board. This appointment of a Generation Z senior executive underscores the deepening of the youthfulness strategy.
Implementing Special Employment Plans for Vulnerable Groups	In response to national policies, Jihong includes employment of people with disabilities in annual talent targets. In 2025, the Company recruited 32 employees with disabilities, offering tailored job positions and humanistic care support. This practice not only helps fulfill corporate social responsibility but also advances inclusive social development.

Case: Overseas Business Talent Recruitment Program 2025

To support the overseas business expansion strategy, the Company launched an overseas business talent recruitment program targeting overseas production bases in the United Arab Emirates, Oman and other locations. The program focuses on introducing mid-to-senior professionals and technical specialists for key positions, including production management, quality management and functional support. Selected candidates have completed systematic training at domestic factories. The first batch of personnel will be deployed overseas in phases starting from 2026 to support the stable production and operation of overseas bases.

Case: Cooperation Between Xiaogan Jihong and Wuhan Vocational College of Information and Communication

Xiaogan Jihong has established an industry-university partnership with Wuhan Vocational College of Information and Communication. Through campus talks, company visits and customized training programs, the Company has guided students majoring in intelligent manufacturing to participate in the Hongling Engineering Training Program. In 2025, a total of 21 students had officially joined the Company, providing a stable talent pipeline of skilled professionals for intelligent manufacturing operations.

5.4 Talent Empowerment

Employment in 2025 at Jihong Group

Category		Unit	Data
Total Number of Employees		People	4,757
Number of Employees by Gender	Male	People	2,387
	Female	People	2,370
Number of Employees by Age	30 and below	People	2,113
	31-40	People	1,629
	41-50	People	747
	51 and above	People	268
Number of Employees by Titles	General Staff	People	4,338
	Middle Manager	People	346
	Senior Manager	People	73
Number of Employees by Region	Chinese Mainland	People	4,752
	Outside the Chinese Mainland	People	5
Number of Employees by Education	Below Junior College	People	1,906
	Junior College	People	979
	Undergraduate	People	1,770
	Graduate Above	People	102

Category		Unit	Data
Employee Turnover Rate		%	17.43
Employee Turnover Rate by Gender	Male	%	16.77
	Female	%	18.08
Employee Turnover Rate by Age	30 and below	%	20.17
	31-40	%	16.47
	41-50	%	11.21
	51 and above	%	17.30
Employee Turnover Rate by Region	Chinese Mainland	%	17.43
	Outside the Chinese Mainland	%	0

5.4.2 Employee Rights Protection

The Company adheres to the principles of lawful and compliant employment, and upholds the core guidelines of “compliance, fairness, motivation, competitiveness, and resilience”. The Company continuously optimizes its salary and benefits system and strengthens the protection of employees’ legitimate rights and interests. Meanwhile, the Company actively promotes fairness and a strong sense of belonging among employees through effective communication and care, fostering a stable, harmonious and positive working environment.

The Company attaches great importance to employees’ needs and establishes a stable and harmonious workplace through institutionalized communication and feedback mechanisms. In 2025, the Company formulated the Employee Management Measures, which stipulate that employees who object to position adjustments may submit a written appeal to their department supervisor. The department management team shall review the validity of the objection and issue a final decision accordingly. In addition, the Company published an announcement on its office platform to solicit opinions on the transparency of human resources policies, clarifying official feedback channels to widely collect employees’ views and suggestions.

In terms of compensation and benefits, the Company has established a comprehensive salary and incentive framework. In 2025, the Company maintained its structured salary system comprising basic salary, position-based salary, performance salary, commission, overtime pay and various bonuses and allowances. The Company also integrated long-term incentives such as annual dividends and equity incentives, forming a complete short-, medium- and long-term incentive mechanism. The Company has implemented a standardized salary calculation and payment process to ensure that employees receive their remuneration on time and in full. The Company also makes statutory contributions to social insurance and the housing provident fund for all employees, fully safeguarding their statutory rights and benefits.

To enhance employees’ sense of gain and belonging, the Company continues to provide diversified welfare programs and care initiatives. In 2025, the Company carefully organized a series of employee activities centered on the theme of “empowering growth, enhancing solidarity and building warmth together”, covering public welfare practices, team building, ideological guidance and other dimensions. Through participation in these activities, employees can deeply experience the care and further strengthen their sense of belonging and happiness.

Case Study: Holiday Benefits

The Company prepares holiday benefits and gifts for each employee during major festivals such as the Spring Festival and Mid-Autumn Festival.



Distributes Holiday Benefits to Employees

5.4.3 Employee Training and Development

Jihong Group attaches great importance to the long-term development and upskilling of employees, and regards employee growth as a fundamental pillar of sustainability. The Company has established a systematic talent development framework centered on job competency and organizational development needs, covering talent cultivation, career progression, and employee training. Through clear career development paths and tiered training arrangements, the Company supports employees in enhancing their professional capabilities and achieving career growth, and promotes the alignment of individual development with corporate strategic objectives.

Talent Development and Promotion

The Company has put in place internal management systems, including the Employee Career Development Management System and the Talent Development Management System, and conducts regular talent assessments to build a personnel mechanism where “the capable rise, the mediocre step aside, and the incomplete leave.” The Company has also systematically optimized the full-cycle management of training, development and promotion. On this basis, the Company has built a talent development pathway underpinned by a dual-track rank system, establishing parallel promotion channels for management roles and professional specialists. The Company has standardized the rank adjustment procedure, strengthened the application of performance appraisal and talent assessment results in promotion decisions, and formed a comprehensive evaluation system with performance, capability and values at its core.

Talent Development Plans 2025 at Jihong Group

Giikin Management Trainee Program	Jihong Group Management Talent Development Plan	Jihong Group Strategic Talent Cultivation Project “Hongyu Program”
<ul style="list-style-type: none"> The Giikin Management Trainee Program is designed to cultivate versatile talents with expertise in both business and management. Over 12 months, trainees go through rotational assignments, structured training, and performance evaluations to build their skills and adaptability. Trainees rotate through roles such as Business Assistant, Optimization Specialist, and Product Selection Specialist, gaining hands-on experience through company on-boarding, business rotations, and competitive placement exercises. The program is supported by mentors-hip, regular evaluations, and quarterly reviews, ensuring continuous development. At the end of the program, trainees are placed in roles that match their skills and interests, helping them grow while contributing to the Company’s success. 	<ul style="list-style-type: none"> The Company identifies high-potential employees through talent assessments and evaluations, preparing them for key leadership roles. Development efforts include hands-on project assignments, mentorship programs, and leadership courses, equipping employees with the skills needed for management positions. Qualified individuals are promoted through direct appointments or internal selection processes, ensuring a strong pipeline of capable leaders. This program helps build a talent pool for roles such as Vice Presidents, department heads in production, PMC, quality, and equipment management, as well as frontline team leaders, supporting both employee career growth. 	<ul style="list-style-type: none"> The program covers four stages: selection, development, appointment, and retention. In the selection stage, the focus is on identifying high-potential, highly committed, and highly qualified talents. The development stage is based on a work-study approach, combining on-the-job training, classroom learning, and mentorship to set clear growth objectives, and provides dual career paths in both technical and managerial roles. The retention stage offers performance bonuses, salary adjustments, and promotion incentives to support the long-term development and stability of core talent.

5.4 Talent Exmpowerment

Employee Training

In terms of employee training, the Company has established internal systems, including the Training Management System, to standardize training procedures and requirements, and has built a hierarchical and categorized training system covering new employees, incumbent employees, and management personnel.

The Company systematically carries out various training activities in accordance with the annual training plan, including job skill enhancement, management capability development, and specialized thematic training, to continuously meet the development needs of different employee groups. In 2025, the total annual training expenditure of Jihong Group was RMB 100,000.

Category		Unit	Data
Total Training Hours for all Employees		hour(s)	36,733
Average Training Hours for all Employees		hour(s)	7.40
Average Training Hours for all Employees by Gender	Male	hour(s)	6.82
	Female	hour(s)	8.12
Average Training Hours for all Employees by Titles	General Staff	hour(s)	7.25
	Middle Manager	hour(s)	11.10
	Senior Manager	hour(s)	3.39
Percentage of Employees Trained by Gender	Male	%	100
	Female	%	100
Percentage of Employees Trained by Titles	General Staff	%	100
	Middle Manager	%	100
	Senior Manager	%	100

Employee Training Status in 2025 at Jihong Group

Training Programs at Jihong Group

Job Training

The Company conducts job training (including pre-employment safety operation training, and quality management training, and skilled workers apprentice training).



Job Training at Jihong Group

Skilled Worker Apprentice Training

In 2025, the Company launched short-term talent training programs, with monthly assessments of participants conducted from March to December. A total of 7 multi-skilled workers and 2 skilled workers were trained.



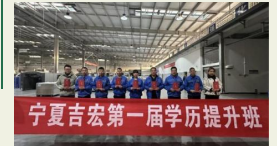
Skilled Worker Apprentice Training at Jihong Group

Vocational Qualification Training

In February 2025, three employees participated in the intermediate vocational qualification training and examination for Fire Protection Facility Operators and successfully obtained the corresponding qualification certificates.

Academic Qualification Training

To support employees' long-term career development and enhance the overall talent quality, Jihong Group has established an Academic Qualification Improvement Program for key positions across subsidiaries. Fully funded by the Company, the program provides systematic support for employees to pursue higher academic degrees.



Academic Qualification Training at Jihong Group

Case: Employee Skills Competition

In October 2025, the Company organized an employee skills competition with multiple events designed based on the practical needs of frontline positions. The competition covered color matching skills for the Offset Printing Department, forklift operation for the Storage and Transportation Department, fire safety drills for the Production Department, quality skills contests, knowledge quizzes, and PS publishing skills contests for the Technical Quality Department. The event helped employees enhance their professional capabilities and safe operation standards. The Company prepared prizes for participants and on-site observers, which effectively boosted employee engagement and teamwork atmosphere.



Employee Skills Competition

5.5 Public Welfare and Charity

Jihong Group actively fulfills corporate social responsibility by integrating philanthropy into business development, employee engagement and community development. The Company has maintained consistent participation in social welfare and rural revitalization initiatives through diversified channels. By leveraging resource advantages and operational capabilities, the Company encourages employees to engage in public welfare through volunteer services and charitable activities, with a focus on supporting vulnerable groups and the needs of communities. This enables the Company's development to better benefit society at large.

In 2025, employees participated in volunteer activities for a total of **180** person-times, contributing **33** hours of service, with public welfare projects receiving an investment of RMB **2,819,100**. Meanwhile, the Company invested RMB **70,000** in rural revitalization projects, benefiting **11,000** people.

Case: Public Welfare Activity on Arbor Day— "Planting Trees to Protect Forest Together"

On March 12, 2025, the Company celebrated the 47th National Arbor Day by organizing a public welfare tree planting activity themed public welfare practice and team collaboration in partnership with the authorities of Shifo Town. Employees traveled to a suburban public welfare tree planting base to participate in the event.

At the site, employees worked together in teams to complete the whole planting process orderly, including shoveling soil, fixing saplings, watering and maintenance. In total, more than 200 saplings were planted. The activity also included a special session of the Exclusive Sapling Sponsor. Employees were able to hang customized nameplates on the sponsored saplings and commit to regular maintenance and care in the future.

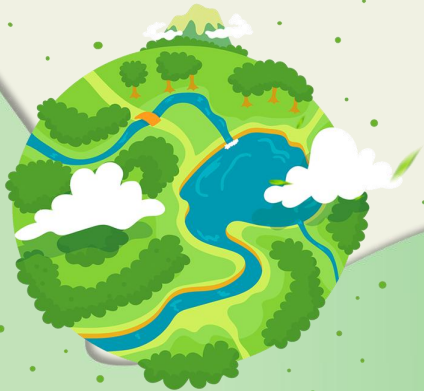


Public Welfare Activity on Arbor Day



6 Governance: Stable Operation

Jihong Group firmly adheres to the principles of compliant operation and transparent information disclosure, and deeply implements a sustainability-focused development philosophy. The Company optimizes corporate governance structure, strengthens risk management system, upholds ethical and compliant business conduct, and steadily improves the systematization, robustness and effectiveness of governance practices, laying a solid foundation for the long-term and healthy development of the enterprise.



Jihong Group views sound corporate governance as a core engine for steady growth. Guided by the philosophy of lean governance, the Company further refines governance mechanisms, enhances the board professionalism and diversity, improves the scientificity and foresight of strategic decision-making, effectively protects the rights and interests of shareholders, and promotes sustainable, high-quality and sound development.

6.1.1 Board of Directors Structure

Jihong Group fully complies with applicable laws and regulations, including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, the *Rules Governing the Listing of Stocks on Shenzhen Stock Exchange*, the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited*, as well as other regulatory requirements of listed jurisdictions. The Company conducts operations in accordance with internal governance instruments such as the *Articles of Association*, the *Rules of Procedure for Shareholders' Meetings*, and the *Rules of Procedure for the Board of Directors*. Based on actual operation, the Company has established a corporate governance and decision-making system centered on the Shareholders' Meeting, the Board of Directors and the senior management. Director elections and appointments follow a fair and transparent process, ensuring a governance system that is efficient, compliant, and stable while safeguarding the interests of both the Company and its shareholders. The Board of Directors has established four special committees: the Strategy Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Assessment Committee. Each special committee reports to the Board of Directors, conducts research and reviews on major governance matters, puts forward professional opinions and recommendations, and supervises the implementation of relevant resolutions, thereby improving the efficiency and quality of the Board's decision-making. As of the reporting period, the Company's Board of Directors consisted of 9 members, including 4 independent directors and 5 non-independent directors (including 1 employee representative director), with independent directors accounting for 44% of the Board.

Governance Structure

<p>Shareholders' Meeting</p>	<ul style="list-style-type: none"> The Shareholders' Meeting, as the highest governing body, is responsible for deciding business strategies and investment plans. It has the authority to appoint and dismiss directors and supervisors and make key company decisions. The Company follows strict procedures for convening, conducting, and voting in Shareholders' Meetings. A structured communication strategy is in place to encourage participation, ensuring that all shareholders, including minority shareholders, have equal standing and legal rights. In 2025, the Company held four Shareholders' Meetings.
<p>Board of Directors</p>	<ul style="list-style-type: none"> The Board of Directors, as the permanent body, is responsible for setting business plans and investment strategies, convening Shareholders' Meetings, and executing their resolutions. The Board is directly accountable to the Shareholders' Meeting. In 2025, the Company held 7 Board of Directors meetings, with a 100% attendance rate among board members.
<p>Senior Management</p>	<ul style="list-style-type: none"> Senior Management, as the executive branch of the Board of Directors, is fully responsible for daily operations and management under the Board's leadership.

6.1.2 Diversity of the Board of Directors

Jihong Group emphasizes the diversity and professionalism of the Board of Directors. In the selection of directors, the Company comprehensively considers multiple factors, including gender, age, professional competence, industry experience and educational background. This ensures that Board members possess solid professional qualifications, extensive industry experience and complementary knowledge structures covering key fields such as finance, law and corporate management, thereby ensuring informed and effective decision-making. Meanwhile, to maintain the stability and initiative of the Board, the Company has established a performance-based remuneration and incentive system, which effectively motivates directors and senior management to perform their duties diligently. As of the end of the reporting period, Jihong Group's Board includes 2 female directors.

Composition of the 6th Board of Directors⁷

Positions	Name	Gender	Age	Committee Appointment Status			
				Strategy Committee	Audit Committee	Nomination Committee	Remuneration and Assessment Committee
Non-Independent Directors	ZHUANG Hao	Female	57	C			
	ZHANG Heping	Male	57	M		M	
	ZHUANG Shu	Male	55				M
	LU Tashan	Male	28				
	BAI Xueting	Female	47				
Independent Directors	ZHANG Guoqing	Male	50		C		M
	DENG Yihai	Male	62		M		C
	CAI Qinghui	Male	52		M	C	
	XUE Yongheng	Male	65	M		M	

7.C: Chairman of board committees, M: Members of board committees

6.1.3 Investors Communication Mechanism

Jihong Group is guided by investor needs and adheres to the principles of openness and transparency in information disclosure, maintaining a clear and efficient communication mechanism with investors. The Company introduces management philosophy, corporate culture, and business performance through shareholders' meetings, earnings briefings, and other channels. To effectively protect investor and shareholder legitimate interests, the Company continuously improves shareholder return mechanisms, fostering a balanced relationship between the Company and its shareholders while strongly supporting sustainable development.

Investor Communication

The Company maintains close communication with investors through diversified channels, including information announcements, the investor relations interactive platform, performance briefings, investor hotline calls, designated email, the official website and WeChat official account, committed to establishing and sustaining long-term, stable and trust-based investor relations. During the reporting period, the Company held two earnings briefings, responded to 80 interactive Easy posts, and issued 138 announcements.

Shareholder Returns

The Company continuously improves the shareholder return mechanism. When formulating policies, the Company fully solicits opinions from shareholders and independent directors, with particular attention to the reasonable demands of minority shareholders. In respect of profit distribution, the Company prioritizes cash dividends and maintains the continuity and stability of its dividend policy, striving to achieve an effective balance between protecting the equity interests of all shareholders and promoting the long-term development of the Company.

Jihong Group continuously optimizes risk management mechanisms and clarifies risk management responsibilities at all levels. The Company proactively promotes risk identification, assessment and mitigation, and steadily improves the effectiveness of risk management. Meanwhile, the Company strengthens risk awareness training across all employees, providing solid support for the stable and sustainable development of various business operations.

6.2.1 Risk Governance

Adhering to the risk management principles of “knowable, controllable, and bearable”, Jihong Group has formulated and implemented a *Comprehensive Risk Management System*, which systematically standardizes risk control requirements embedded in various business processes and implements specialized management for major risks. The Company has established a risk management organizational structure consisting of the Board of Directors, the Audit Committee, and the *Audit and Financial Management Center*. With clear division of responsibilities and effective collaboration, all departments ensure the implementation of risk control measures and guarantee the orderly conduct of comprehensive risk management activities.

Risk Management Framework and Responsibilities at Jihong Group

Board of Directors

Oversees overall risk management and business operations.

Audit Committee

Audit Committee as a specialized committee under the Board, providing guidance and supervision for risk management activities.

Audit Department

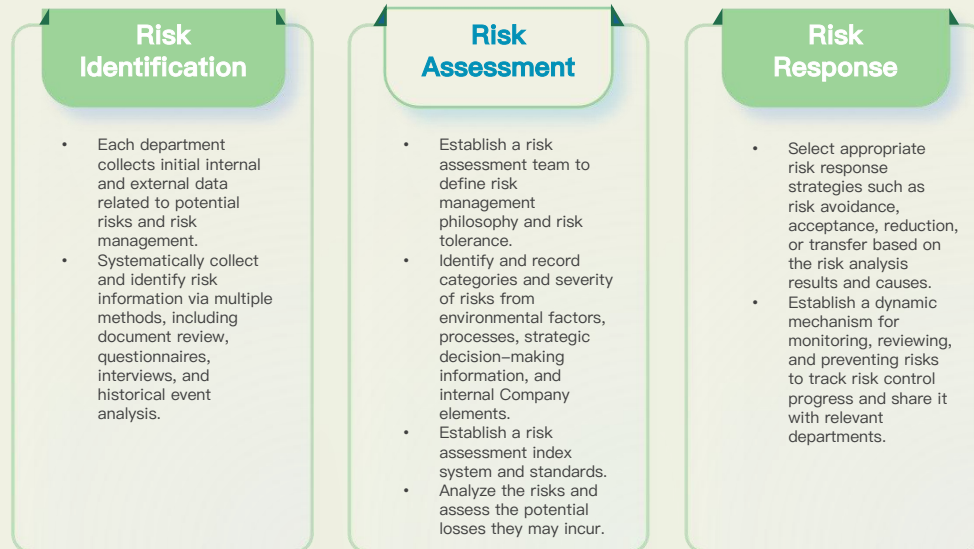
Reports regularly to the Audit Committee, monitoring internal control systems to ensure that they are properly established and effectively implemented.

To further strengthen internal management and risk prevention, the Company has carried out special audits of subsidiary factories in accordance with the internal audit system, and will strictly implement corresponding incentives and accountability mechanisms based on audit results. In September 2025, the Company conducted an operations management audit of Ningxia Factory. The audit results showed that the factory achieved excellent operational performance, and the Company granted performance bonus points as an incentive.

6.2.2 Risk Identification and Response

The Company continuously optimizes risk management processes, and regularly conducts risk identification, assessment and response activities to establish a dynamically updated risk database. In 2025, the Company identified key risk points embedded in production and operational activities, covering major business processes including procurement management, production management and sales management, as well as core areas such as logistics and asset management. Tiered and classified control measures have been implemented to effectively enhance risk control capabilities. Meanwhile, risk management has been integrated into the internal control audit system. The Company performs regular internal control self-assessments and engages third-party institutions to conduct internal control audits. During the reporting period, no significant or material risk events were identified in risk management and internal control activities.

Risk Management Process and Measures



6.2.3 Risk Awareness and Culture

The Company places emphasis on enhancing the risk awareness and control capabilities of all personnel. To address practical management requirements, the Company regularly organizes training sessions and awareness programs on contract approval, seal usage, and information system operations, ensuring employees fully comprehend and adhere to internal risk management policies, minimizing the likelihood of risk violations in daily operations.

Case: Comics on "Risk Control Talks"

In 2025, the Company launched a series of comic promotions on a regular basis, including Risk Control Talks and Tips on Avoiding Pitfalls. The series covers key risk management scenarios, including contract management, customer complaints, and procurement practices. Through such engaging formats, the Company effectively strengthens employees' risk control awareness and enhances their capacity to respond to risks.

Comics on "Risk Control Talks"



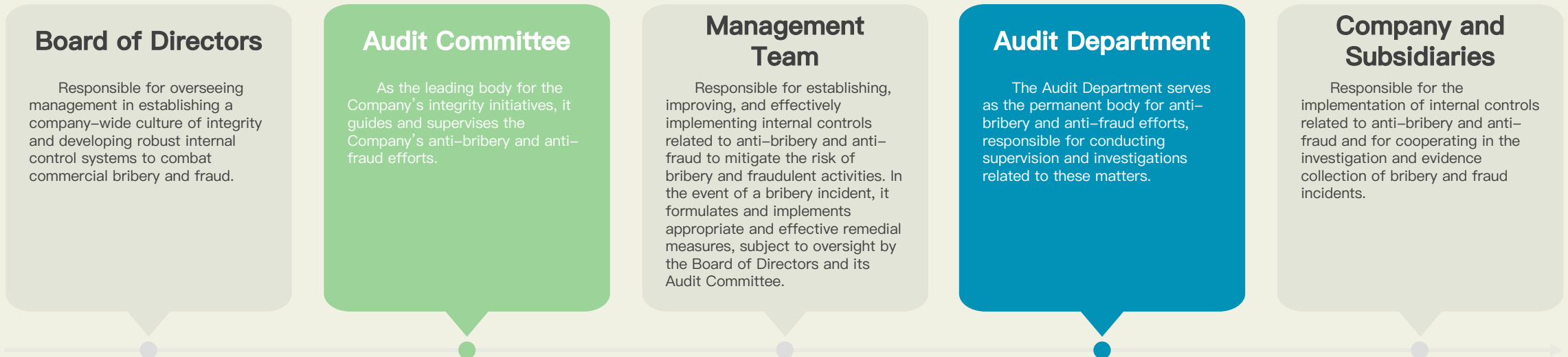
Jihong Group steadfastly adheres to core corporate values of “responsibility, innovation, and achievement,” and upholds the fundamental principle that “credibility and integrity lay the foundation for growth.” The Company continuously improves its business ethics and compliance management system, vigorously promotes an integrity-driven corporate culture, establishes and improves complaint channels, and maintains a zero-tolerance attitude toward corruption and unfair competition. The Company is committed to fostering a clean and upright business environment, providing a solid guarantee for high-quality development.

6.3.1 Business Ethics Governance

Jihong Group consistently prioritizes integrity and compliance within the corporate governance framework. The Company strictly abides by applicable laws and regulations, including the *Company Law of the People’s Republic of China*, the *Anti-Monopoly Law of the People’s Republic of China*, the *Criminal Law of the People’s Republic of China*, the *Anti-Unfair Competition Law of the People’s Republic of China*, and the *Anti-Money Laundering Law of the People’s Republic of China*. The Company has formulated internal management systems such as the *Conflict of Interest Management System*, the *Anti-Business Bribery, Anti-Fraud, and Reporting Management System*, and the *Gift Management Measures*. These systems explicitly prohibit commercial bribery, embezzlement, fraud, unfair competition and other illegal or non-compliant acts, and unswervingly adhere to lawful and compliant operation.

In 2025, the Company officially issued the *Anti-Unfair Competition Management System*. The Company consistently applies anti-unfair competition principles throughout operations, as reflected in various agreements signed with external parties, including a *Confidentiality Agreement in cooperation*, *Non-infringement Commitment* with customers, and *Transparent Agreement* with suppliers. These measures promote fair competition, oppose and prevent unfair competition practices, and respect the legitimate rights and interests of all parties.

Business Ethics Management System at Jihong Group



To enhance the risk controls against corruption, unfair competition, and other violations, Jihong Group has reinforced its integrity management measures. When appointing or promoting candidates for key positions, the Company conducts thorough integrity evaluations and enforces a strict anti-bribery commitment system. Candidates are required to sign the *Honest Operation and Compliance Management Commitment Letter*, with compliance performance integrated into their evaluations. Based on business ethics risk assessments, the Company also conducts regular audits, combining daily monitoring with targeted reviews. During the reporting period, the Company identified no business ethics-related risk factors such as bribery, extortion, fraud, or money laundering that materially impacted compliance.

Business Ethics Audit Measures at Jihong Group

Suppliers

When establishing cooperative relationships with suppliers and customers, the Company typically formalizes a shared commitment to upholding business ethics through written agreements, while informing them of specific complaint channels.

During routine audits, supplier management is incorporated into the audit scope. Key points include, but are not limited to, whether both parties have reached a consensus on jointly maintaining business ethics and whether any breaches of business ethics have occurred during the cooperation period.

Internal Employee Management

During onboarding procedures, the Human Resources Department briefs new hires on integrity and compliance requirements. Upon full understanding and agreement to comply, new employees sign the *Honest Operation and Compliance Management Commitment Letter*.

The Company stresses the *Code of Conduct for Management Personnel* at regular meetings, requiring managers to strictly adhere to relevant business ethics regulations.

In day-to-day operations, the Audit Department disseminates business ethics awareness materials, emphasising an integrity culture and institutional policies to all employees.

6.3.2 Business Ethics Training

Jihong Group continues to promote anti-corruption education and training and strengthens the development and implementation of a corporate culture of integrity, with a focus on improving the business ethics and anti-corruption awareness of all employees. The Company regularly organizes specialized training for senior management and directors on topics including the *Code of Conduct for Management Personnel* and the *Gift Management Measures*, so as to guard against potential misconduct and ensure integrity and compliance in corporate governance. For all employees, the Company expands the coverage of integrity promotion through posters, continuously conveying the importance of an integrity culture.

Case Study: Awareness Training on Open Procurement with Integrity

In 2025, the Company held the integrity awareness training on Open Procurement with Integrity. The program covered regulatory requirements, whistle-blowing mechanisms, integrity initiatives and procurement-related risks. This training further strengthened the procurement compliance and risk management system, improved supervision and reporting mechanisms, promoted the integration of an integrity culture into operations, and supported sustainable and high-quality development. The training was delivered to all members of the Procurement Centre and newly recruited procurement staff at the Suzhou factory, with a total of 8 participants. After the training, the Procurement Centre carried out cascaded secondary training for procurement personnel across subsidiaries, which effectively improved employees' risk management capabilities.



Case Study: Integrity Campaign for Mid-Autumn Festival and National Day

Ahead of the Mid-Autumn Festival and National Day holiday in 2025, the Company launched a special compliance and integrity campaign focused on regulated festival gift-giving and accepting practices. Training materials on gift-giving and accepting policies and compliance requirements were uniformly issued to department heads and managers of all subsidiaries. All responsible persons were required to complete self-study within the specified period and conduct internal training sessions for their respective teams. The Company also distributed compliance publicity posters to further strengthen integrity reminders.



As of the end of the reporting period, Jihong Group held six anti-corruption training sessions for employees and senior management, covering business ethics standards, reporting mechanisms, and reward and punishment regulations. A total of 394 participants attended, with cumulative training hours reaching 23 hours. For members of the Board of Directors, the Company provided five hours of anti-corruption training, achieving 100% coverage of all directors.

6.3.3 Reporting Management

Jihong Group strictly abides by the regulations of national disciplinary inspection and supervision authorities, and improves the *Anti-Business Bribery, Anti-Fraud, and Reporting Management System*. The Company optimizes complaint acceptance processes and mechanisms to ensure that complaints and reports are handled in a timely and effective manner. The Company has established diversified and easily accessible reporting channels, encouraging internal employees and external stakeholders such as business partners to report fraud or suspected violations via telephone, email, written correspondence or face-to-face meetings. Upon receipt of a report, the Audit Department launches an investigation in strict accordance with prescribed procedures, ensuring objectivity and impartiality throughout the process.

To protect the legitimate rights and interests of whistleblowers, the Company's internal management systems explicitly include protection provisions that prohibit any form of discrimination or retaliation, including unfair dismissal, harassment, or unreasonable disciplinary action. Without the consent of the whistleblower, the Company will not disclose their identity or the content of the report, ensuring effective protection during the investigation. Meanwhile, the Company resolutely prohibits false or malicious reporting. If such conduct is verified, corresponding measures will be taken against the whistleblower in accordance with regulations, so as to fully safeguard the integrity of the reporting system and maintain the effectiveness of reporting channels. In 2025, the Company had no litigation or administrative penalty cases involving unfair competition, embezzlement, bribery or money laundering.

Reporting Channels at Jihong Group

- Reporting Hotline: 18150353249
- Reporting Email: shenji@jihong.cn
- Reporting Address: Audit Department, Jihong Group, No.9 Putou Rd., Dongfu Industry Park II, Haicang District, Xiamen City, Fujian Province

7 Appendices



Environmental

General Disclosure & KPI		Indicator Description	Chapter References
Aspect A1: Emissions			
General Disclosure		Information on:(a) the policies; and(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	4.1.1 Environmental Management 4.1.2 Resource Management 4.1.3 Emission Management
KPI	A1.1	The types of emissions and respective emissions data.	4.1.3 Emission Management
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.3.4 Indicators and Targets
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.1.3 Emission Management
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.1.3 Emission Management
	A1.5	Description of emission target(s) set and steps taken to achieve them.	4.1.3 Emission Management
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	4.1.3 Emission Management

Aspect A2: Use of Resources			
General Disclosure		Policies on the efficient use of resources, including energy, water and other raw materials.	4.1.2 Resource Management
KPI	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	4.1.2 Resource Management
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	4.1.2 Resource Management
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	4.1.2 Resource Management
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	4.1.2 Resource Management
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	4.1.4 Green Products
Aspect A3: The Environment and Natural Resources			
General Disclosure		Policies on minimising the issuer's significant impacts on the environment and natural resources.	4.1.1 Environmental Management
KPI	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	4.1.1 Environmental Management

Climate-related Disclosures

General Disclosure & KPI		Indicator Description	Chapter References
Climate-related Disclosures	Governance	Governance	4.3.1 Governance
		Climate-related risks and opportunities	4.3.2 Strategy
		Business model and value chain	4.3.2 Strategy
		Strategy and decision-making	4.3.2 Strategy
		Financial position, financial performance and cash flows	Not applicable
		Climate resilience	Not applicable
		Financial effects of climate-related risks and opportunities	Not applicable
	Risk Management	Risk Management	4.3.3 Risk Management
	Metrics and Targets	Greenhouse gas emissions	4.3.4 Indicators and Targets
		Climate-related transition risks	4.3.2 Strategy
		Climate-related physical risks	4.3.2 Strategy
		Climate-related opportunities	Not applicable
		Capital deployment	4.3.2 Strategy
		Internal carbon prices	4.3.2 Strategy
		Compensation	Not applicable
		Industry-based metrics	Not applicable
		Climate-related targets	4.3.4 Indicators and Targets
Applicability of cross-industry metrics and industry-based metrics		Not applicable	

Social

General Disclosure & KPI		Indicator Description	Chapter References
Aspect B1: Employment			
General Disclosure		Information on:(a) the policies; and(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	5.4.1 Diversity, Equality, and Inclusion 5.4.2 Employee Rights Protection 5.4.3 Employee Training and Development
KPI	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	5.4.1 Diversity, Equality, and Inclusion
	B1.2	Employee turnover rate by gender, age group and geographical region.	5.4.1 Diversity, Equality, and Inclusion
Aspect B2: Health and Safety			
General Disclosure		Information on:(a) the policies; and(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	5.3.1 Workplace Safety 5.3.2 Occupational Health and Safety
KPI	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	5.3.1 Workplace Safety
	B2.2	Lost days due to work injury.	5.3.1 Workplace Safety
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	5.3.1 Workplace Safety 5.3.2 Occupational Health and Safety
Aspect B3: Development and Training			
General Disclosure		Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	5.4.3 Employee Training and Development
KPI	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	5.4.3 Employee Training and Development
	B3.2	The average training hours completed per employee by gender and employee category.	5.4.3 Employee Training and Development

Social

General Disclosure & KPI		Indicator Description	Chapter References
Aspect B4: Labour Standards			
General Disclosure		Information on:(a) the policies; and(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	5.4.1 Diversity, Equality, and Inclusion
KPI	B4.1	Description of measures to review employment practices to avoid child and forced labour.	5.4.1 Diversity, Equality, and Inclusion
	B4.2	Description of steps taken to eliminate such practices when discovered.	5.4.1 Diversity, Equality, and Inclusion
Aspect B5: Supply Chain Management			
General Disclosure		Policies on managing environmental and social risks of the supply chain.	5.2.2 Supply Chain ESG Management
KPI	B5.1	Number of suppliers by geographical region.	5.2.1 Supplier Admission and Evaluation
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	5.2.1 Supplier Admission and Evaluation 5.2.2 Supply Chain ESG Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	5.2.1 Supplier Admission and Evaluation 5.2.2 Supply Chain ESG Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	5.2.1 Supplier Admission and Evaluation 5.2.2 Supply Chain ESG Management

Aspect B6: Product Responsibility			
General Disclosure		Information on:(a) the policies; and(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	5.1.1 Quality Management 5.1.2 Customer Service 5.1.3 Information Security 5.1.4 Innovation and R&D
KPI	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	5.1.1 Quality Management
	B6.2	Number of products and service related complaints received and how they are dealt with.	5.1.2 Customer Service
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	5.1.5 Intellectual Property Protection
	B6.4	Description of quality assurance process and recall procedures.	5.1.1 Quality Management
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	5.1.3 Information Security
Aspect B7: Anti-corruption			
General Disclosure		Information on:(a) the policies; and(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	6.3.1 Business Ethics Governance
KPI	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	6.3.3 Reporting Management
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	6.3.3 Reporting Management
	B7.3	Description of anti-corruption training provided to directors and staff.	6.3.2 Business Ethics Training
Aspect B8: Community Investment			
General Disclosure		Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	5.5 Public Welfare and Charity
KPI	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	5.5 Public Welfare and Charity
	B8.2	3.5 Social Welfare	5.5 Public Welfare and Charity

7.2 Shenzhen Stock Exchange ESG Index

Dimensions	Index	Topics	Corresponding Clauses	Corresponding Chapter
Environment	1	Addressing Climate Change	Article 21–28	4.3.1 Governance 4.3.2 Strategy 4.3.3 Risk Management 4.3.4 Indicators and Targets
	2	Pollute Emissions	Article 30	4.1.3 Emission Management
	3	Waste Management	Article 31	4.1.3 Emission Management
	4	Ecosystem and Biodiversity Protection	Article 32	4.4 Biodiversity
	5	Environmental Compliance Management	Article 33	4.1.1 Environmental Management
	6	Energy Utilization	Article 35	4.1.2 Resource Management
	7	Water Resource Management	Article 36	4.1.2 Resource Management
	8	Circular Economy	Article 37	4.1.2 Resource Management
Society	9	Rural Revitalization	Article 39	5.5 Public Welfare and Charity
	10	Social Contribution	Article 40	5.5 Public Welfare and Charity
	11	Innovation-Driven Development	Article 42	5.1.4 Innovation and R&D
	12	Technology Ethics	Article 43	5.1.4 Innovation and R&D

Dimensions	Index	Topics	Corresponding Clauses	Corresponding Chapter
Society	13	Supply Chain Security	Article 45	5.2.1 Supplier Admission and Evaluation 5.2.2 Supply Chain ESG Management 5.2.3 Supplier Communication 5.2.4 Equal treatment of SMEs
	14	Fair Treatment of SMEs	Article 46	5.2.4 Equal treatment of SMEs
	15	Product and Service Safety & Quality	Article 47	5.1.1 Quality Management 5.1.2 Customer Service
	16	Data Security and Customer Privacy Protection	Article 48	5.1.3 Information Security
	17	Employees	Article 50	5.4.1 Diversity, Equality, and Inclusion 5.4.2 Employee Rights Protection 5.4.3 Employee Training and Development
	Sustainability Governance	18	Due Diligence	Article 52
19		Stakeholder Communication	Article 53	2.1 Identification of Material Issues 2.2 Impact Materiality Assessment
20		Anti-Bribery and Anti-Corruption	Article 55	6.3.1 Business Ethics Governance 6.3.2 Business Ethics Training 6.3.3 Reporting Management
21		Anti-Unfair Competition	Article 56	6.3.1 Business Ethics Governance 6.3.2 Business Ethics Training 6.3.3 Reporting Management

7.3 Feedback Form

Dear Readers,

Greetings! Thank you for taking the time to read the 2025 Xiamen Jihong Technology Co., Ltd. Environmental, Social and Governance (ESG) Report. We highly value your feedback and look forward to hearing your thoughts on our ESG management, practices, and reporting. Your opinions and suggestions serve as a crucial foundation for us to continuously improve our ESG management and implementation. We look forward to your response!

1. Which stakeholder category does your organization belong to within Jihong Group?

Shareholders and Investors Employees Suppliers Customers Government and Regulators Community Partners Industry Associations/NGOs

Other (Please specify): _____

2. How would you rate this report overall?

Good Fairly Good Average Poor

3. How would you rate the clarity, accuracy, and completeness of the information and data disclosed in this report?

Good Fairly Good Average Poor

4. How well do you think this report reflects the Company's fulfillment of its economic responsibilities?

Good Fairly Good Average Poor

5. How well do you think this report reflects the Company's fulfillment of its environmental responsibilities?

Good Fairly Good Average Poor

6. How well do you think this report reflects the Company's fulfillment of its social responsibilities?

Good Fairly Good Average Poor

7. Do you find the information provided in this report to be readable and comprehensible?

Good Fairly Good Average Poor

8. What content would you like to see included in future reports that has not been disclosed in this one?

9. Do you have any opinions or suggestions regarding the Company's environmental, social, and governance efforts or the preparation of this report?



Xiamen Jihong Technology Co., Ltd. Environmental, Social and Governance Report 2025

March 2026

