聯 康 集 團
Uni-Bio Science

Uni-Bio Science Group Ltd.
聯康生物科技集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code : 0690)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024

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LEADING GENUINE INNOVATION

ABOUT UNI-BIO

Uni-Bio Science Group Limited (the "Group") is a leading biopharmaceutical and healthcare company, whose core business involves the research and development, manufacturing and sale of innovative biopharmaceuticals that can treat human diseases. The Group is currently specialised in endocrinology, dermatology and ophthalmology. The Group is headquartered in Hong Kong and principally operates in Mainland China.

The Group continued to strengthen direct sales channels, and establish closer customer and business partner relationships with hospitals and sector-specific distributors respectively to increase sales of core products. In addition, the Group has established a digital marketing department and is actively expanding its online sales business. In January of this year, the Group's blockbuster osteoporosis product "Bogutai" received approval and was subsequently launched in March 2024, achieving sales of HK$62.9 million, surpassing initial expectations. The Group will continue to promote business development, and expand sales channels to improve operation efficiency, thereby laying a solid foundation for future development in the pharmaceutical and medical care industry.

Turnover	Gross profit margin	Proportion of R&D expenses to turnover
553 (HK$ in millions)	83.4%	9.5%

ABOUT THIS REPORT

This report is the eighth Environmental, Social and Governance ("ESG") Report (the "Report") released by the Group. The Report describes the Group's ESG policies, measures and performance during the year to help stakeholders understand the Group's progress and direction for sustainable development issues. For details of the Group's corporate governance, please refer to the section "Corporate Governance Report" in the Group's annual report for the year ended 31 December 2024. The Report is prepared in Chinese and English and has been uploaded to the website of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (www.hkexnews.hk) and the Group's website (www.uni-bioscience.com).

Scope of Reporting

The Report discloses the Group's environmental, social and governance performance for the financial year from 1 January 2024 to 31 December 2024 (the "Year"). The Report covers the operations in relation to the biological and chemical pharmaceutical product business in the Group's production bases in Beijing and Shenzhen (the "Plants"), as well as the head office in Hong Kong. Looking forward, the Group will review the scope of reporting on a regular basis, and gradually expand the scope of disclosure based on the principle of substantiality, thereby providing more comprehensive information for investors and stakeholders.

Reporting Standards

The Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "Guide") set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange, and is based on four reporting principles — materiality, quantitative, balance and consistency. A complete index is attached to the final chapter of the Report to facilitate the readers in browsing the Report by the Guide.

Reporting principles	Definition	Application of the Reporting Principles
Materiality	Importance shall be attached to reporting the ESG issues that have great impact on the Group and its stakeholders.	In 2024, the Group determined the impact of various ESG issues on the Group's operations through conducting a questionnaire with internal and external stakeholders. Based on the questionnaire results, the Group identified major environmental, social and governance related issues and made key disclosures.
Quantitative	KPI data must be measurable and comparative where appropriate.	Where feasible, the Group recorded and estimated quantitative data and compared them with the previous performance where appropriate. To ensure the accuracy of environmental KPIs, the Group has commissioned an external consultant to conduct a carbon assessment, which follows national and international standards such as guidelines issued by the National Development and Reform Commission of the People's Republic of China, ISO14064-1 and the Greenhouse Gas Protocol. Quantitative data on social KPIs in the Report are derived from statistical records of relevant departments.
Balance	The Group shall report its ESG performance during the Year objectively and truthfully.	By reporting in an objective and unbiased manner, the Report ensures that the disclosed information reflects the Group's overall ESG performance.
Consistency	The Group shall use consistent methodologies (including statistical methods for disclosures) to prepare the ESG report and allow for comparison of relevant data, thereby understanding its business performance.	Where feasible, the Group used consistent methodologies apply on the ESG data. Where any changes exist that may affect the date comparison with previous reports, the Group has added annotations to the Report accordingly.

Opinion and Feedback

The Report is available in both English and Chinese. In case of discrepancy, the Chinese version shall prevail.

The Group relies on valuable feedback provided by stakeholders for improvement. Should you have any questions or suggestions, please send your opinions and feedbacks to info@uni-bioscience.com.

BOARD INCLUSIVENESS

The board of directors of the Group (the "Board") is principally responsible for overseeing and the accountability of the Group's ESG strategy and reporting, with the assistance of the ESG task force of the board of directors of the Company (the "ESG Task Force"). The Board integrates the Group's ESG goals into businesses, identifies and manages the Group's ESG risks. The Board assesses the impact and consequences of the identified risks on the business and their likelihood of occurrence, and compares the risk assessment results to prioritise the risks. Following the ESG goals set by the Board, the ESG Task Force assists the Board in collecting data, assessing, evaluating and regularly reporting ESG performance, and compares the data with previous years, in order to provide strategic advice for future sustainable development. Our ESG Task Force is chaired by the Chief Executive Officer and comprised of independent directors and senior management, while the Finance Centre is responsible for execution. The Finance Director of the Group is directly responsible for the ESG Task Force and is responsible for organizing the implementation of the ESG-related structure.

The Board recognizes the importance of ESG and devotes time to discuss ESG-related issues, hold regular annual meetings with the ESG Task Force to receive briefings on any latest ESG issues, and reviews the ESG Report each year. During the Reporting Period, the ESG Task Force conducted regular meetings each year to review the Group's material ESG issues of different aspects at both strategic and operational levels. In order to achieve better ESG performance, the ESG Task Force evaluated and employed various strategies to increase energy efficiency and lower emission. The Board reviews ESG reports to identify and communicate issues to the management team in a timely manner to avoid ESG risks wherever possible. The Board dedicates the Finance Center to monitor ESG issues in each Business Unit. At the same time, the Board specifically reviews the relevant data indicators in ESG report on a quarterly basis and reviews the timeliness of the Group's current ESG-related policies after the ESG report is issued.

The Board has also engaged an independent ESG consultant to facilitate our ESG data collection and analysis, as well as to provide strategic advices on its future ESG development. The Board prepares the annual ESG report in accordance with the ESG Reporting Guide set out in the Listing Rules on the Stock Exchange of Hong Kong Limited. The Board ensures that the issuer has fully disclosed the relevant ESG risks and that the Board has not concealed any ESG-related risks. During the Year, the Group's short-term goals for sustainable development have been set and regular board meetings have been held to oversee the goal-setting process and the progress of related goals. The Board regularly reviews and follows up on the achievement of goals on key ESG topics in order to close the gap between the current progress and expectations. The Board also ensures that the Group's policies are consistently implemented.

DIRECTOR'S MESSAGE

As a biopharmaceutical company, the Group specialises in endocrinology, dermatology, orthopaedics and ophthalmology. The Group has established a fully integrated business platform for research and development, manufacturing, sales and distribution of biopharmaceutical and chemical products serving the entire value chain. The Group will strengthen the Board supervision and accountability on ESG issues and require the ESG Task Force to provide regular updates on environmental, social and governance issues.

Maintaining good communication with stakeholders plays an important role in the business development of the Group. During the Year, the Group has commissioned an external consultancy company to conduct a questionnaire with relevant stakeholders for identifying and determining the ESG issues that have a significant impact on the Group. The results of the questionnaire serves as an important basis for the Group to formulate its sustainable development strategy in the future, and they were also taken as a focus of disclosure in the Report to give the stakeholders a better understanding of the Group's sustainable development performance.

The quality of drugs has a direct impact on patient health. Therefore, the Group needs to maintain the quality of products continuously and ensure the safety of the drug used by the patients. The Group has developed various management strategies and standard operating procedures (SOP) to standardize the pharmaceutical production process and ensure that the quality of our products meets standards. In addition, the Group regards its employees as the cornerstone of its development. Adhering to the principle of "People First", the Group strives to provide an efficient workplace and reasonable rewards for its employees by providing competitive remuneration and equal development opportunities. On the basis of protecting the safety, health and legitimate rights and interests of employees, the Group has built a diversified staff training and development system that can help employees at all levels and positions to improve their professional skills and comprehensive abilities, thus achieving common development with the Group so as to create a good working environment. To address the use of hazardous chemicals during operations, the Group has also developed various contingency plans and taken early warning and preventive measures to cope with unexpected environmental and safety accidents.

With global climate commitments and carbon reduction as the top of the climate agenda, the Group's business units have taken into account climate considerations in their business activities and have identified key climate-related issues that may have significant financial or strategic implications to further guide the direction of sustainable development strategies. The Group strives to comply with the national air pollutant emission standards, greenhouse gas emission standards, water pollutant comprehensive emission standards and environmental noise emission standards, and gradually increases the use of green electricity by setting the energy conservation and carbon reduction as the general direction. Regarding the supplier management, the Group promotes environmental management throughout the supply chain through implementing the programmes to vet and screen suppliers for their sustainability performance. The Group will also continue to strengthen communication with stakeholders so as to better understand their expectations and views on the operations of the Group and to identify and respond to potential environmental and social risks as early as possible, thereby creating long-term values for shareholders and society.

Uni-Bio Science Group Limited
Kingsley Leung
Chairman

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Group firmly believes that good corporate governance become increasingly important to the Group's long-term business development. The Board is responsible for corporate governance and is fully in charge of formulating the Group's strategies and monitoring the Group's operations, so as to achieve the Group's strategic goals.

As regulatory authorities and stakeholders continually increase their expectations for sustainable development governance, the Group is committed to further improving its work on sustainable development, and will consider setting up an environmental, social and governance committee in the future, and clarifying the committee's scope of powers and available resources. The members of the committee will include the Group's core management personnel, so as to ensure the effective management of sustainable development issues.

Risk Management

The Group is committed to implementing effective risk management and internal monitoring system to safeguard the Group's assets and interests. The Board is fully responsible for the Group's internal monitoring system and reviews its effectiveness on a regular basis, and continuously identifies, evaluates and manages the risks. Through the Audit Committee, the Group conducted an annual review of the Group's risk management and internal system. Based on the review results, the Board considers the Group's risk management and internal control system are adequate and effective.

Risk Management Process

Identifying potential risks	Evaluating and sorting out identified risks	Estatblishing risk management strategy and internal monitoring process	Monitoring risk changes and reporting risks

The Group has identified five operational risks related to social issues, including potential danger of explosive hazardous chemicals, storage and use of hazardous chemicals, potential production accidents, fire safety and occupational health. The Group has established corresponding risk management strategies and internal management measures to reduce the operational risks and their impacts on the Group. Details of risk management are as follows:

Operational risks	Internal management measures
Potential danger of explosive hazardous chemicals	1. Access the public security system platform for real-time monitoring 2. Double lock management 3. The maintenance unit inspects the integrity of the monitoring regularly 4. The alarm system is connected to the guard room for 24-hour monitoring to ensure that problems can be found immediately 5. Conduct a safety assessment every three years 6. Regular special training for managers
Storage and use of hazardous chemicals	1. Special chemical inspection has been included in monthly safety inspection and regular inspection 2. Organize special training 3. Record keeping for the purchasing department

Operational risks	Internal management measures
Potential production accidents	1. Establish a safety leading group and a voluntary safety management team 2. Conduct risk analysis and hierarchical control of analysis results 3. Regular inspection and patrol 4. Strengthen publicity, education and safety training 5. Set up voluntary safety administrators to conduct frontline management and inspection, and timely feedback and rectification of problems and keep records 6. Provide necessary labor protection equipment according to the post
Fire safety	1. Regular inspection and maintain proper handover records 2. Organize training and exercises 3. Strictly implement monthly fire maintenance and linkage tests 4. Test electrical fire and lightning protection devices every year
Occupational health	1. Carry out annual occupational hazard testing, control occupational hazard factors and publicize them 2. Carry out occupational health examination for employees every year 3. Labor protection equipment shall be distributed according to the occupational hazard factors of the post

The Group is aware that its current risk management and internal control do not fully cover ESG issues. Looking ahead, the Group plans to incorporate sustainable development issues into the risk management system to effectively identify and manage related issues.

COMMUNICATION WITH STAKEHOLDERS

Communication with stakeholders helps stakeholders understand the Group's management policy for sustainable development and allows the Group to understand stakeholders' expectations and views. Stakeholders' opinions will help the Group to review its performance and potential risks and further improve its business development and management.

Major Ways of Communication with Stakeholders during the Year

Directors and Employees

- Maintaining two-way communication through various channels, including internal communications, staff activities and staff opinion collection boxes, etc.

Customers

- Maintaining good communication with customers via telephone and email
- Establishing the customer complaint mechanism to ensure high customer satisfaction
- Organising relevant meetings with customers

Suppliers and Business Partners

- Evaluation and review of candidate suppliers
- Field investigation and on-site audit of key suppliers
- Collecting supplier-related information during daily process and regularly check compliance and output performance of suppliers

Communities

- Encouraging employees to participate in volunteer and fund-raising activities
- Making donations to charitable organizations and drug donation activities

Investors and Shareholders

- Convening the annual meeting of shareholders every year to provide opportunities for shareholders to ask questions and reflect their views to directors
- Reporting to shareholders and investors on business operations and financial position of the Group through annual reports and other information disclosures
- Business operation and financial conditions of the Group
- Providing daily telephone and email inquiries

Regulatory Authorities

- Conducting management as required by national laws and regulations
- Responding to the inquires of regulatory authorities

Materiality Assessment

To identify the environmental and social issues that are critical to the Group and the stakeholders, the Group commissioned an external consultancy company BMI Environmental Consultancy Limited ("BMIEC") to collect the opinions of stakeholders through an online survey. All questionnaires were conducted anonymously to ensure that participating stakeholders can express their views and expectations freely and honestly.

Based on the ESG Reporting Guide and the business and industrial conditions of the Group, BMIEC identified 27 issues that were most relevant to the Group's business, covering four major areas, namely "environmental protection", "employment and labour practices", "operational practices" and "community investment", and used them as a basis for this questionnaire. The stakeholders were asked to rate the importance of the 27 issues to stakeholders and the Group's influence on the environment and society. Based on the questionnaire results, BMIEC conducted materiality analysis, identified the materiality issues and established the materiality matrix for determination and assessment. The following graph is the materiality matrix of the Group. The first 11 issues in the upper right box are the high materiality issues of the Group. The Group reviews the identified materiality issues and discloses them in the report.

Issue Category		Issue
Environmental protection	1.	Managing greenhouse gas emissions
Environmental protection	2.	Managing exhaust emissions
Environmental protection	3.	Wastewater discharge management
Environmental protection	4.	Mitigating and adapting to climate change
Environmental protection	5.	Waste management
Environmental protection	6.	Innovative research and development
Environmental protection	7.	Saving energy/improving energy efficiency
Environmental protection	8.	Managing the impacts of business operations on the environment and natural resources
Environmental protection	9.	Use of water resources and water saving measures
Environmental protection	10.	Waste reduction and rational use of packaging materials
Employment and labour practices	11.	Establishing a comprehensive employment system
Employment and labour practices	12.	Providing an equal and diversified work environment to eliminate discrimination or sexual harassment in the workplace
Employment and labour practices	13.	Providing a healthy and safe working environment for employees and preventing occupational diseases and work-related injuries
Employment and labour practices	14.	Providing training for employees to improve their knowledge and skills
Employment and labour practices	15.	Preventing child or forced labour
Employment and labour practices	16.	Complying labour laws and rules
Operational practices	17.	Protecting intellectual property rights
Operational practices	18.	Evaluating and managing environmental and social risks of the supply chains
Operational practices	19.	Establishing a GMP certification system to ensure drug quality
Operational practices	20.	Taking the responsibility for products or services provided
Operational practices	21.	Customer information and privacy protection
Operational practices	22.	Implementing the advertising supervision and drug labeling review system to regulate advertising and ensure proper use of products by consumers
Operational practices	23.	Putting an end to corruption and bribery
Operational practices	24.	Establishing anti-corruption whistle-blowing channels and procedures, and promising not to disclose the whistleblower's privacy
Operational practices	25.	Customer service quality and communication
Community investment	26.	Understanding the needs of the community and managing the impact of operations on the community
Community investment	27.	Investing resources for community development

ESG materiality matrix of Uni-Bio Science
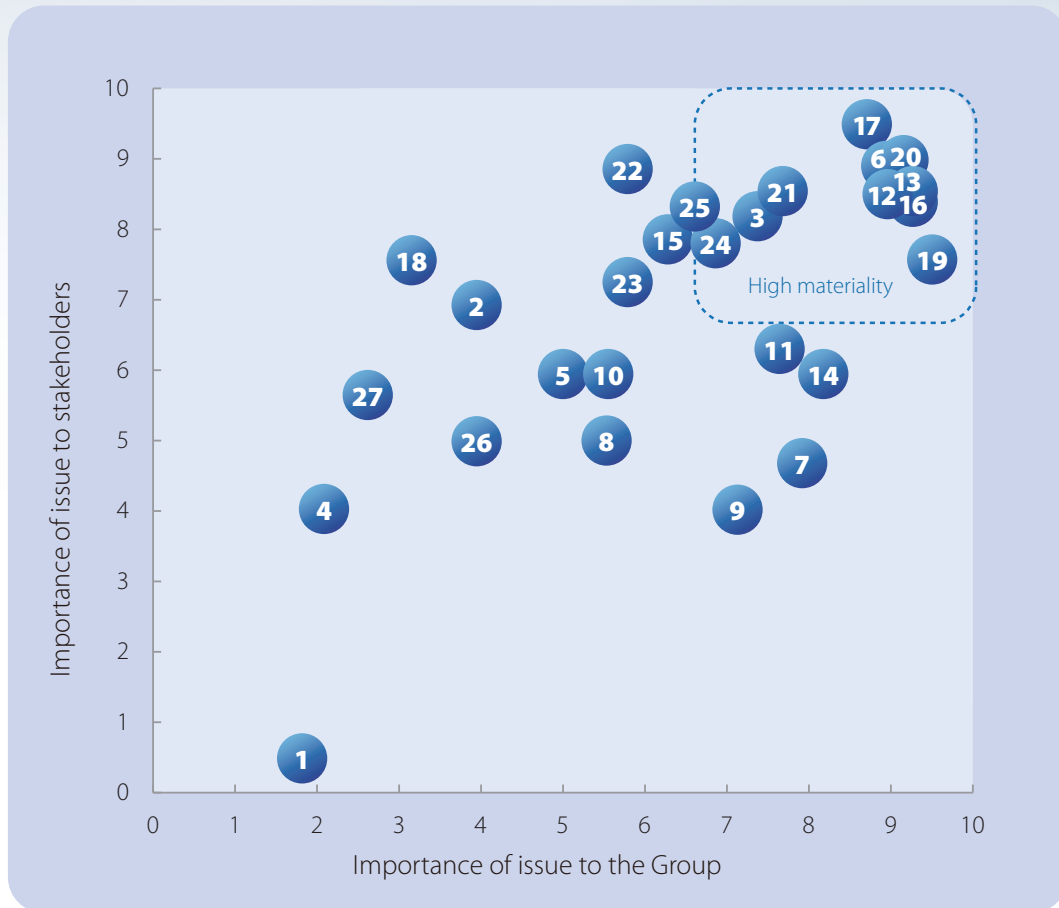
Issues of high materiality (ranked by importance)

Rank	No.	Issue
High materiality	17	Protecting intellectual property rights
	20	Taking responsibility for products or services provided
	6	Innovative research and development
	13	Providing a healthy and safe working environment for employees and preventing occupational diseases and work-related injuries
	16	Complying with labour laws and rules
	12	Providing an equal and diversified work environment to eliminate discrimination or sexual harassment in the workplace
	19	Establishing a GMP certification system to ensure drug quality
	21	Customer information and privacy protection
	3	Wastewater discharge management
	25	Customer service quality and communication
Low materiality	24	Establishing anti-corruption whistle-blowing channels and procedures, and promising not to disclose the whistleblower's privacy

RESPONSIBLE OPERATION

The Group attaches importance to product quality and supply chain management, and maintains long-term relationship of mutual trust with customers. Therefore, the Group has developed a number of policies and measures to manage the risks related to supply chain, quality management and corporate integrity.

Product Responsibility

As a pharmaceutical enterprise, the Group is deeply aware of the importance of product quality. The Group's pharmaceutical manufacturing plants in Beijing and Shenzhen have passed the GMP certification, and have established all kinds of procedures under the GMP system to manage the Group's pharmaceutical production process, including quality assurance, verification and confirmation, shipment and recall, and production technology. The Group has implemented a series of policies and measures to ensure the products comply with the quality standards during the development, production and sales process, thereby providing consumers with quality products. Further, the Group continues to invest in research and development of innovative and patented products that have potential and commercial values.

Product Responsibility Measures

Product Development	In 2024, in the dermatology and medical aesthetics sector, the Group obtained regulatory approval for recombinant collagen dressings and successfully launched our self-developed medical aesthetic product, 肌顏態®. Leveraging our proprietary Skbrella™ FN (recombinant human fibronectin) technology, 肌顏態® is designed to enhance skin quality, promote tissue repair, and support post-procedure recovery. The product has received high recognition from dermatologists and industry professionals. Additionally, through our collaboration with Chongqing Minji Medical Device Co., Ltd., we secured Class II medical device approval for our jointly developed recombinant collagen dressing. This achievement has further strengthened our commitment to delivering innovative skin repair solutions.
Quality Management	In order to ensure the quality level of products, the Group has revised and implemented the Production Process Management SOP during the Year to standardise the requirements on the staff, materials, equipment, technology and environment during the production process, in an attempt to prevent cross-contamination and errors in production.
	The Group also established the Finished Product Distribution Management to standardise the distribution process of finished products, where finished products can be distributed only after qualified for inspection and approved by the Quality Assurance Department. In accordance with the Administrative Regulations for Non-Conforming Products, if there is a quality problem during the materials, inspection, storage and production process, staff of the Production Department shall report to the Production Department and the Quality Assurance Department according to the Deviation Management SOP, then analyze the reasons and formulate solutions.
Product Labeling and Advertisement	To ensure the labels, instructions and other packaging materials of the products comply with the requirements of relevant laws and regulations, the Group formulated the Administrative Regulations for Printed Packaging Materials, and specified the process for handling and making the printed packaging materials. The Quality Assurance Department will report the printed packaging materials to the drug regulatory authority for review, so as to guarantee the customers' accurate understanding of the labeling content and proper use of the products.

The Group strictly complies with relevant laws and regulations on drug advertisements to ensure that promotional information are accurate, professional and compliant, and promises not to publish advertisements in mass media or publish prescription drug advertisements to the public by giving away medical publications and pharmaceutical journals. The Group will consider formulating policies in the future to regulate advertising behavior.

Complaint and Product Recall	In order to maintain customer satisfaction with the Group's products, the Group formulated the Administrative Regulations for Quality Complaints to handle customer complaints about product quality. Upon receipt of a customer complaint, the Quality Assurance Department will, based on the content of complaint, cooperate with relevant production and testing department for investigation. The Quality Assurance Department will initiate the recall procedures according to the investigation results and make corresponding correction as soon as possible, as well as formulate measures to prevent the recurrence of the incidents in the future. No complaints were received during the Year.
	To ensure the safety of the drug used by the public, the Group has developed the Administrative Regulations for Drug Recall and the Administrative Regulations for Drug Return to regulate the drug recall and return process. If the drug is likely to cause serious health hazards, it will be handled at the highest recall level, for which, the General Manager of the Group will take full responsibility and give the order for drug recall. In that case, drugs with problems will be comprehensively recalled within 24 hours. During the Year, the Group had not conducted any product recall to be recalled for safety and health reasons.
Customer Privacy	The Group highly values customer privacy. The Group possesses a confidentiality system which strictly prohibits employees from disclosing any confidential information (including customer information) to any third parties to protect customer privacy. Employees who violate confidentiality shall be liable for any economic damages and take relevant legal liabilities.

In addition, in terms of intellectual property rights, effective protection of intellectual property plays an important role in securing the research and development of an enterprise. Accordingly, the Group stipulates that an employee must sign a Commitment Letter on Intellectual Property Ownership with the Group upon his/her employment to ensure the employee familiar with the Group's provisions on intellectual property rights and to protect relevant benefits of the Group from infringement. At the same time, employees shall also abide by relevant provisions of the Employee Handbook relating to intellectual property rights, and protect relevant information from being leaked. The Group will continue improving relevant provisions on protection of the intellectual property rights to safeguard the interests of the partners. In addition, the Group has implemented the "Comprehensive Intellectual Property Management System" to promote technological innovation and the transformation of achievements, enhance core competitiveness and market position, standardize internal intellectual property management, and prevent intellectual property disputes. The Group also encourages employees to engage in innovative activities, thereby improving the overall innovation capability and level of the enterprise.

Anti-Corruption

The Group has been following a high standard of business ethics, integrity and compliance with relevant laws and regulations. The Group adopts a zero-tolerance attitude towards any form of corruption such as bribery, corruption, extortion, fraud and money laundering. The Group establishes provisions on business gifts in the Employee Handbook, which prohibits employees from accepting business gifts in any amount and form from customers or other partners. Where an employee is unable to refuse, he/she should hand over gifts to the relevant departments of the Group in full. The Group has also established a complaint mechanism to encourage employees to monitor and report any corrupt behaviour of employees, whereby they can report to the person in charge of human resources or the General Manager on any non-compliance found. The Group will then carry out investigation into the relevant incidents and take the follow-up actions. The Group holds anti-corruption training every year, including but not limited to laws and regulations, and keeps communication with employees to improve their professional quality and prevent legal risks. During the reporting period, there was no concluded legal case regarding corrupt practices brought against the Group or its employees. Additionally, the Group has established an Anti-Corruption Agreement, primarily aimed at preventing and combating corrupt practices while fostering a clean, honest, and law-abiding corporate environment. The agreement clearly defines the ethical standards and code of conduct for the company, ensuring employees understand what behaviors are permitted and prohibited, thereby regulating their actions. During the Reporting Period, the number of concluded corruption lawsuits filed against the Group or its employees was zero.

The Group specifically implements the comprehensive measures to secure the confidentiality of personal information and materials provided by whistleblowers. Unless consent for disclosure is given, whistleblower identity remains protected. The Group will ensure that employees are not subject to any form of threats, reprisals or inappropriate censures arising from reporting the aforesaid matters. Harassment or harm to whistleblowers is considered gravely inappropriate behaviour and verified cases will be severely dealt with.

Supply Chain Management

During the Year, the Group has 197 suppliers, mainly from Beijing, Guangdong Province and other regions in mainland China, which mainly supply raw materials, packaging materials, reagents, accessories, labels and equipment. The Group formulates relevant process of supplier selection in accordance with the Supplier Selection SOP and the Administrative Measures and Related Processes for Materials Purchase and Distribution.

The Group carefully selects quality suppliers through market comparison where possible. The Group evaluates and reviews candidate suppliers through the Questionnaire on Suppliers and the Supplier Qualifications Assessment Form on the basis of their performance record, experience, financial strength, reputation, ability to produce high-quality products and quality control effectiveness. For critical level materials, the Quality Management Department will also carry out testing and trial use, and evaluate according to the New Materials Test & Evaluation Form. The Group has also incorporated the sustainability and social responsibility of suppliers into its procurement process and established environmental requirements for suppliers. The Group will also conduct regular on-site audits on key suppliers and carry out field investigation on manufacturing plants and facilities of the suppliers; other suppliers will be reviewed in writing, and the selection process of all suppliers will be confirmed by the Quality Assurance Department.

In addition, in order to reduce the environmental and social risks related to supply chains, the Group also has environmental and social requirements on the suppliers, including:

The Group's Requirements on Suppliers in the Environmental and Social Aspects

- Product quality: GMP certificates for relevant pharmaceuticals, registration certificates for imported pharmaceuticals and ISO 9001 Quality Management System Certification

- Environmental protection: ISO 14001 Environmental Management System Certification and regular environmental monitoring

- Staff: Regular staff trainings and occupational health and safety of the staff

The Group collects relevant information about suppliers during the daily operation process and checks their compliance and output performance on a regular basis to ensure that suppliers consistently meet the relevant requirements of the Group. If a supplier fails to meet our criteria after assessment, its qualification as a supplier will be cancelled.

VALUING OUR EMPLOYEES

The success of the Group depends on the joint efforts and contributions of our employees. The Group has established various personnel systems and formulated related policies to provide a safe, comfortable and healthy working environment for employees and to ensure that all employees can receive reasonable remuneration, benefits, training, and promotion opportunities.

Health and Safety

The Group deeply understands the importance of occupational health and safety of employees. The Occupational Health Management SOP, the Operating Rules of Occupational Health on Post, the Occupational Health Management SOP and the Emergency Plan for Hazardous Chemical Accidents have been established to ensure the health and safety of employees and the protection from occupational disease hazards.

Occupational Disease Prevention and Control

In order to prevent, control and eliminate relevant risks related to occupational diseases, the Group has implemented the Occupational Health Management SOP, which establishes the responsibility system, rules and regulations and operating procedures for prevention and control of occupational disease. The purpose is to supervise and inspect the prevention and control work for occupational diseases during operations and eliminate the occupational hazard accidents and risks.

Based on the Responsibility System for Prevention and Control of Occupational Diseases, the Group has set up a leading group of occupational health work under the leadership of general manager of the Plants, which carries out the occupational disease prevention and control among employees, formulates and implements the annual occupational disease prevention and control plan and solution. The Group also provides employees with an annual report on the work plan for occupational disease prevention and control and implementation, actively listens to employees' opinions on occupational safety and health measures, and improves relevant system and measures.

The Group provides occupational health examination and establishes occupational health records for employees according to the category of occupational disease hazard factors, level of exposure, etc. If an employee is suspected of the occupational disease during the health examination, the Group will arrange the employee to accept treatment as soon as possible. The Group has entrusted an external inspection agency to test the production environment and identify the occupational hazard factors.

In accordance with the Hazard Warning and Notification System of Occupational Diseases, the Group shall truthfully disclose the potential occupational disease risks (such as exposure to dust, noise, high temperature and harmful gases) while recruiting an employee, and shall specify such risks in the labour contract. The Group also set up a bulletin board in the production workshop to announce the rules and regulations, operating procedures and emergency measures for prevention and control of occupational diseases, as well as the potential or generated hazards of occupational diseases and the potential risks. In view of the risk of potential hazards, the Group will provide employees with relevant protective measures such as dust masks or gas masks, sound insulation measures and heat insulation equipment.

Emergency Response for Hazardous Chemicals

In order to strengthen the prevention of hazardous chemical accidents and reduce the risks, the Group has formulated the "Emergency Plan for Hazardous Chemical Accidents", which stipulates that the Equipment Department should monitor and control the key hazard sources of the production sites every day. The Group has implemented preventive and early warning measures, including daily irregular inspection of hazard sources in workshops and warehouses, and has also established the safety inspection system for job positions with hazardous nature. If an unexpected incident occurs, the on-site personnel will report and make an alarm according to the emergency plan and the five-level response procedures, and respond to the incident based on how controllable it is. The purpose is to bring the source of the hazard under control in a timely manner, rescue any casualties and evacuate all personnel, and eliminate the potential dangers, thereby reducing the impact on the business operations and the safety and health of employees.

Safety Training and Emergency Drill

The Group provides regular occupational health trainings to its employees, so as to enhance their awareness of occupational safety and health and to teach them how to use the protective equipment and personal protection articles properly. The Group also holds fire drills and emergency evacuation drills on a regular basis to enhance the employees' awareness of emergency response.

No work-related accident or work-related fatalities occurred to the Group in the past three years including the current year.

Employment

The Group firmly believes that having a sound employment system will enable us to attract and retain talents. The Group has formulated the Employee Manual, the Attendance and Leave Management System of the Group, the Staff Welfare Management System, the Recruitment Management System of the Uni-Bio Group and the Human Resource Management Manual, which specify the recruitment, dismissal, salary, promotion, working hours, vacation, anti-discrimination, equal opportunities, benefits and other treatments for employees.

Recruitment and Dismissal	Remuneration and Benefits
The Group carries out recruitment according to the principles of impartiality, fairness and equal competition. The personnel department will provide persons who are employed with orientation to help them understand the rules and systems of the Company, work contents and requirements, etc. The Group and its employees may also terminate their labour contracts as required. Employees who voluntarily resign shall make an application according to resignation procedures.	The Group is committed to maintaining its competitiveness in the remuneration market in the industry and determines the remuneration of its employees based on their performance. The Group also provides a benefit system to its employees in accordance with government regulations, including making contribution to the social and labour insurance funds, the housing provident fund, endowment insurance, medical insurance, employment injury insurance, maternity insurance, unemployment insurance funds for employees. The Group provides employees with dormitory, meals, holiday allowances and organise annual check-up for them.

Promotion	Vacation
According to the performance management system, the Group provides employees with promotion opportunities. The Group regularly conducts performance assessment of its employees, and employees with outstanding performance will be given priority in promotion. In addition, national professional qualifications or academic qualifications at a higher level obtained by employees after self-study may also be taken into consideration for promotion.	In addition to statutory holidays, employees of the Group are also entitled to various paid holidays, including annual leave, marriage and funeral leave, maternity leave and nursing leave. Employees who have worked in the Group for more than one year are entitled to seven to fourteen days of annual leave each year, while employees who have worked for the Group for over ten years are entitled to up to twenty days of annual leave each year.

The Group is committed to providing a diverse and inclusive work environment for employees. It has implemented the employment system in accordance with the Labour Law of the People's Republic of China and other laws and regulations, and does not allow discrimination by employees in any form based on gender, age, nationality, marital status, physical condition or position. As an employer advocating equal opportunities, the Group is committed to providing equal employment opportunities for people with disabilities so that they can integrate into society. During the Year, the Group employed one person with disabilities to mainly assist in the Plants' operation of the Group.

Looking ahead, the Group will review the current employment system, and review and improve its diversification-related policies.

In order to foster good relationships with employees, the Group regularly organises various team building and employee activities, including sports meeting, travel, birthday parties and welcome parties for new employees, to enhance employees' sense of belonging to the Group. The Group has established suggestion box management rules to collect opinions from employees for helping the Group improve the employment system and employee-related policies.

Development and Training

The Group attaches great importance to the personal development of employees, providing various knowledge and skill training opportunities according to the needs of employees and corporate needs. The Group formulates annual training plans and related measures for its employees and individual departments in accordance with the Personnel Training Management SOP and the Performance Management System.

Training Type	Training Contents
Internal training	• Corporate culture and company management system; • Safety knowledge (including hazardous chemical safety management) , theory and operation training (including firefighting equipments); • GMP knowledge training (including pharmaceutical enterprise laws and regulations); and • Professional skills, operation, safety knowledge and skills training.
External training	• Regulation application training organised by the training center of National Medical Products Administration, and various industry associations; • Professional and technical training provided by equipment manufacturers; • Industry exchange and training in technologies; and • Professional quality training.

In order to encourage employees to actively pursue personal career development, the Group may take the training results of employees as an important basis for year-end performance evaluation and promotion. In addition to the priority in promotion and salary increase, outstanding employees may obtain more opportunities for future external training. The Group has arranged anti-corruption training for its employees and directors.

During the Year, there were 487 employees of the Group who received training, which accounted for 100% of the total number of its employees. During the Year, the average training hours per employee were 34.7 hours.

Labour Standards

The Group prohibits the employment of child labour in its operations. In accordance with the Employee Manual and the Human Resource Management Manual, the employment of child labour under the age of 16 is strictly forbidden by the Group. The Group's personnel administration department checks the identity documents of the applicants during the recruitment process. If child labour is employed by mistake, the Group will immediately terminate their employment contracts and contact their parents to take them home.

The Group also prohibits forced labour. In accordance with the overtime work management rules in the Employee Manual and the Human Resource Management Manual, all overtime work is subject to the submission of a written application, and approval by the department head and the general manager. All overtime work is compensated in the form of compensatory time off or overtime allowance. In addition, the Group strictly prohibits any unfair restrictions on the employment relationship between employees and the Group, such as withholding deposits or identity documents, and restricting personal freedom of employees and forcing them to work by means of violence and coercion.

ENVIRONMENTAL PROTECTION

The Group attaches great importance to the use of resources and emissions in its operation and the impact of its operation on the surrounding environment. The Group has formulated various environmental protection policies to reduce the negative impact of its operation on the environment and improve the energy efficiency of its operation.

Emissions

The Group pays attention to the environmental impact of emissions generated in its operation. The Group has formulated the SOP for Management of Three Wastes, the Internal Guidelines of the Group for Environmental Protection and Use of Natural Resources, and the Hazardous Waste Management Plan to standardise the treatment processes of various hazardous wastes, solid wastes, wastewater and exhaust gas. In addition, the Group regularly conducts exhaust gas and wastewater testing to ensure safe discharge and meet relevant testing standards.

Waste and Liquid Waste

In order to ensure the proper disposal of waste from operation and production, the Group disposes of waste in accordance with the SOP for Management of Three Wastes and the Hazardous Waste Management Plan. Non-hazardous wastes, such as general wastes and office wastes, are collected and disposed of by the environmental hygiene department. Liquid wastes and other hazardous wastes are generally stored by the Plants in corresponding containers, such as reinforced plastic buckets, or lidded paper buckets or iron buckets, with labels indicating corresponding hazardous wastes, and are finally collected and treated by qualified waste treatment companies. Liquid wastes such as mercury-containing liquid waste and liquid waste of chemical reagents, must be neutralised and steam sterilised before being discharged. All hazardous wastes are recorded in the Waste Handover Records for future review.

During the Year, the Group generated a total of approximately 4.0 tonnes of hazardous waste and approximately 337.6 tonnes of non-hazardous waste.

	Waste Type	Emissions in 2024	Emissions in 2023	Unit
Hazardous Waste	Waste engine oil	–	–	
	Liquid waste of chemical reagents	–	0.46	
	Laboratory waste	0.27	0.86	
	Laboratory organic waste liquid	1.93	1.81	
	Empty reagent bottles	0.86	0.09	
	Liquid waste from tests	0.96	0.99	Tonne
	Mercury-containing waste lamps	0.01	0.01	
Non-Hazardous Waste	Cartons and woven bags	4.02	3.11	
	Kitchen waste	119.0	114.5	
	Domestic waste	214.6	206.2	

The following table set forth the trend analysis and target of reduction in the discharge of waste and waste liquid during the Year. For detailed description, please refer to the corresponding section:

	Trend analysis	Target	Progress	Steps required
Hazardous and non-hazardous waste	The Group's hazardous and non-hazardous waste emissions increased by approximately 10% and the discharge of hazardous and non-hazardous waste also increased relatively in 2024, as compared with that in 2023.	The Group has set a target of maintaining the discharge intensity (per million pieces of production) of hazardous and non-hazardous waste at the level of the Reporting Period for the next 3 to 5 years.	Target in progress	Recycle reusable hazardous waste into the production process. As a resource, recyclable waste will be collected and handed over to the joint venture unit for reuse, so as to effectively reduce the amount of waste disposal.

Wastewater

During the Year, the Group generated a total of 25,037 m^3 of wastewater. The Group's wastewater discharge volume in 2024 increased by approximately 10%, primarily attributable to the commissioning of new production facilities, as compared with that in 2023.

In order to properly treat the sewage discharged from the production workshop and boiler room, the Group has completed the construction of a sewage treatment system in the Plants, which will be used to treat the production wastewater and domestic wastewater of the Plants.

Exhaust Gas

Air emissions from the Group mainly come from the operation of the production base in Beijing and Shenzhen, including respirable particulate matter from the production process, pollutants released from the combustion of natural gas by gas-fired boilers, and exhaust gas produced from the use of automobiles. Exhaust gas must be purified before being discharged. According to the SOP for Management of Three Wastes, the Group regulates the emission of exhaust gas. The gas generated from the fermentation area, and the positive bacteria control area of the laboratory of the Group is treated by filters before being discharged.

During the Reporting Period, exhaust gas arising from the combustion process of the Group mainly include nitrogen oxides (NOx), sulfur oxides (SOx) and respirable particulate matter (PM). As set out in the table below, the Group generated 10.62kg, 0.26 kg and 0.78 kg of NOx, SOx and PM during the Reporting Period respectively.

Emission Type	Emissions in 2024	Emissions in 2023	Unit
Nitrogen oxides (NO_x)	10.62	8.47	
Sulfur oxides (SO_x)	0.26	0.19	Kg
Respirable particulate matter (PM)	0.78	0.62	

Greenhouse Gas ("GHG")

During the Year, the Group commissioned a consultancy company to conduct a carbon assessment to quantify GHG emissions (or "carbon emissions) generated by its operations. The quantitative process is based on the guidelines issued by the National Development and Reform Commission of the People's Republic of China and international standards such as ISO14064-1 and the Greenhouse Gas Protocol.

The Group's carbon emissions come mainly from indirect emissions from purchased electricity (scope 2), accounted for 93% of the total emissions. For the main sources of carbon emissions, the Group will continue to assess record and disclose its greenhouse gas emissions and other environmental data every year, and review the effectiveness of existing measures, so as to facilitate further development of emission reduction targets in future. The Group will consider formulating relevant policies for the management of greenhouse gases and emission reduction targets, so as to reduce greenhouse gas generated by the operation.

	Total greenhouse gas emission	Carbon emissions from purchased electricity	Greenhouse gas intensity (based on production volume)[1]
2024	2,654 tCO_2e	accounted for: 93%	333.42 tCO_2e per million pieces
2023	2,525 tCO_2e	accounted for: 94%	319.62 tCO_2e per million pieces[2]

The Group controls and reduces exhaust gas emissions and greenhouse gas emissions through strict control of business practices during its operation. We will ensure that our business vehicles meet national standards and make greater use of digital technology to reduce unnecessary business travel.

[1]   The annual production volume in 2024 and 2023 is 7.96 million and 7.90 million pieces, respectively. This data is used to calculate intensity data.
[2]   The annual production volume in 2023 is restated as 7.90 million pieces.

	Trend analysis	Target	Progress	Steps required
Greenhouse Gas	The Group's greenhouse gas emissions increased by approximately 5% and the discharge intensity of greenhouse gas also increased relatively in 2024, as compared with that in 2023.	The Group has set a target of maintaining the discharge intensity (per million pieces of production) of greenhouse gas emissions at the level of the Reporting Period for the next 3 to 5 years.	Target in progress	Set targets for greenhouse gas emissions and reduce electricity consumption.

Environment and Natural Resources

Chemical leakage accidents have a great impact on the surrounding environment. Therefore, the Group has formulated the Hazardous Waste Management Plan and established the Environmental Management Committee. In addition to arranging and implementing the environmental management of the Plants, the committee also handles the abnormal events in environmental management, and reduces the impact of the operation on the surrounding environment.

Position Duties of the Environmental Management Committee

Position	Responsibility
Director of the Environmental Management Committee	• Leading environmental management work of the Group; and • Approving the execution documents of all environmental management work.
Executive Director of the Environmental Management Committee	• Assisting the Director of the Environmental Management Committee to coordinate the environmental management work of various departments of the Group.
Secretary General of the Environmental Management Committee	• Implementing environmental management policies; • Working with government departments; and • Arranging training in relation to internal environmental management.
Members of the Environmental Management Committee	• Measuring the relevant data of environmental management.

Use of Resources

In order to ensure the effective use of resources in the course of operation, the Group has formulated the Corporate Energy Conservation Management System and the Internal Guidelines of the Group for Environmental Protection and Use of Natural Resources, which specify the policies on resource management and regulate resource management. In 2024, the Group has no problems in obtaining suitable water sources.

Use of Resources	Saving Measures
Water consumption	• Use water economisers and avoid keeping taps running for a long time, and regularly check water equipment to ensure that there is no water leakage;
	• When possible, clean vehicles with buckets of water and avoid leaving the hose running;
	• Check the water supply pipes regularly. If pipe damage is found, the pipe shall be repaired and replaced in a timely manner, so as to reduce water leakage and ensure that no water is wasted; and
	• Place "Water Conservation" in prominent places to encourage water conservation.
Electricity	• Use more environmentally-friendly and energy-saving electrical appliances;
	• Turn off the power supply of idle electrical appliances and avoid leaving appliances on standby; and
	• Check the electric power facilities regularly, and report any leakage or trip found, for repair, in a timely manner.
Packaging material	• Packaging materials shall be printed, distributed and used in accordance with the SOP for Packaging Materials Management in Production Workshops to ensure the proper use of packaging materials;
	• If repackaging is required due to any abnormal condition in the packaging and production process, the repackaging shall be carried out only after inspection and investigation by and approval from relevant personnel, and shall be recorded for future review; and
	• Reduce the use of packaging materials.

The following table set forth the trend analysis and target of reduction in water consumption during the Year. For detailed description, please refer to the corresponding section:

	Trend analysis	Target	Progress	Steps required
Water consumption	The Group's water consumption increased by approximately 8% and the discharge intensity of water consumption also increased relatively in 2024, as compared with that in 2023.	The Group has set a target of maintaining the discharge intensity (per million pieces of production) of water consumption at the level of the Reporting Period for the next 3 to 5 years.	Target in progress	Set water reuse targets to reduce new water consumption.

During the Year, the resources used by the Group mainly included fossil fuels burned in the Plants and electricity, water, raw materials and packaging materials consumed in our daily operation. The consumption of electricity, which is a form of indirect energy, ranked first among all consumed energy of the Group, and accounted for approximately 94% of the total energy consumption of the Group. The increase in total energy consumption in 2024 was mainly due to the construction of the new facility.

	Total direct energy consumption[1]	Total indirect energy consumption[1]
2024	2,804 MWh-equivalent	5,544 MWh
2023	2,500 MWh-equivalent	5,346 MWh

The following table set forth the trend analysis and target of reduction in energy consumption during the Year. For detailed description, please refer to the corresponding section:

	Trend analysis	Target	Progress	Steps required
Energy	The Group's energy consumption increased by approximately 6% and the intensity of energy consumption also increased relatively in 2024, as compared with that in 2023.	The Group has set a target of maintaining the discharge intensity (per million pieces of production) of energy consumption at the level of the Reporting Period for the next 3 to 5 years.	Target in progress	Implement energy saving measures to reduce energy consumption.

For the use of other resources, please see the section headed "OVERVIEW OF KEY PERFORMANCE INDICATORS" in relation to environmental performance.

Looking ahead, the Group will conduct more refined control and management to improve the efficiency in the use of resources in the process.

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[1] The energy conversion method adopted by the Group is based on the "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" and the IPCC Default Net Calorific Values Database.

CLIMATE CHANGE

The Group is aware of the urgency of response to climate change and is committed to taking the steps possible to manage its climate risks. The ESG Task Force regularly reviews the impact of its day-to-day operations on climate change and is committed to implementing environmentally-friendly operational measures that seek to reduce GHG emissions and the pressure on global climate change. At the same time, we will actively assess and manage climate-related business risks and improve our resilience to climate change. During the Reporting Period, the ESG Task Force began identifying climate-related risks that could cause financial and operational disruptions and incorporating them into a monitoring list.

The Group's operations and equipment involve potential physical and transition risks. For example, more frequent and severe extreme weather events such as typhoon and rainstorms may pose physical damage and threat to the production base and affect the supply and pricing of paper and packaging. The continuous rise in temperature may also increase the energy and cost of the production base to maintain an appropriate production environment. On the other hand, increasingly stringent compliance and disclosure responsibilities, such as the increased responsibility for greenhouse gas emission reporting and the Ecological Bureau's requirement for real-time monitoring of sewage discharge, may also bring transition risks such as increased legal liability and operating costs to the Group.

To reduce the risk of climate change, the Group is committed to saving energy and water, increasing real-time monitoring equipment and networking with the Ecology Bureau to reduce greenhouse gas emissions. It will also increase the use of environmentally friendly paper and reduce packaging materials to contribute to climate change mitigation. The Group has also formulated emergency plans for environmental emergencies, strengthened prevention and control measures for extreme weather events, and improved its response capacity.

COMMUNITY ENGAGEMENT

The Group is committed to fulfilling its corporate social responsibility and encouraging its employees to give back to the society. The Group has formulated the Community Interest Policy, which specifies policies and objectives of the Group on social investment. In the Year, the Group organized employee representatives to visit and donate supplies (such as daily necessities) to the Shenzhen Min Ai Disabled Children's Welfare Center, and to extend care and material donations (including daily necessities) to the elderly living alone at the Changping Nursing Home for the Elderly in Dongguan. Looking ahead, the Group will consider reaching more institutions and expanding the scope of projects that could be benefited from our donations, so as to further increase social participation and bring positive impact on the society.

Objectives under the Community Interest Policy

1. Creation of jobs;
2. Driving the development of local related industries;
3. Improving local infrastructure construction;
4. Public welfare and charity;
5. Employment promotion; and
6. Local economic development.

PERFORMANCE ON COMPLIANCE

The Group understands that violation of laws and regulations will lead to material impacts such as administrative penalties and even suspension of business for rectification. The Group has formulated policies and standard operating procedures in accordance with relevant laws and regulations to provide concrete working guidelines for employees. The following laws and regulations have a significant impact on the Group. During the Year, the Group has complied with relevant laws and regulations, and there was no violation (including not receiving any corruption-related litigations against enterprises or employees).

Aspects	Relevant laws and regulations that have significant impacts on the Group
Emission	• Environmental Protection Law of the People's Republic of China • Law of the People's Republic of China on Prevention and Control of Water Pollution • Law of the People's Republic of China on the Prevention and Control of Atmospheric and Pollution • Emission Standards for Air Pollutants in the Pharmaceutical Industry
Employment	• Labour Law of the People's Republic of China Labour • Contract Law of the People's Republic of China • Law of the People's Republic of China on the Protection of Women's Rights and Interests • Regulations Concerning the Labour Protection of Female Staff and Workers
Health and safety	• Production Safety Law of the People's Republic of China • Law of the People's Republic of China on the Prevention and Control of Occupational Diseases • Fire Protection Law of the People's Republic of China
Labour standards	• Labour Law of the People's Republic of China • Law of the People's Republic of China on the Protection of Minors

Aspects	Relevant laws and regulations that have significant impacts on the Group
Product liability	• Product Quality Law of the People's Republic of China • Patent Law of the People's Republic of China • Pharmaceutical Administration Law of the People's Republic of China • Good Manufacturing Practices for Pharmaceutical Products • Trademark Law of the People's Republic of China • Advertising Law of the People's Republic of China • Reviewing and Standards for the Examination and Publication of Drug Advertisements • Interim Measures for the Administration of Censorship of Advertisements on Drugs, Medical Devices, Dietary, Supplements and Formula Foods for Special Medical Purposes • Provisions on the Administration of Pharmaceutical Directions and Labels • Regulations for the Implementation of the Drug Administration Law of the People's Republic of China • Measures for the Administration of Drug Registration • Measures for the Supervision over and Administration of Pharmaceutical Production • Measures for the Supervision and Administration of Circulation of Pharmaceuticals • Standards for Quality Control of Pharmaceutical Trading • Measures for the Reporting and Monitoring of Adverse Drug Reactions • Good Pharmacovigilance Practice • Good Laboratory Practice
Anti-corruption	• Anti-Unfair Competition Law of the People's Republic of China • Anti-Money Laundering Law of the People's Republic of China

In order to ensure that the Group complies with the above laws and regulations, the Group has formulated various systems and policies, and requires its employees to comply with them. Meanwhile, the Group regularly provides training to employees to enhance their awareness of compliance with laws and regulations. The Group also strengthened the monitoring of potential risks to ensure its business operation complies with laws and regulations.

OVERVIEW OF KEY PERFORMANCE INDICATORS

Environmental Performance

Environmental KPIs		Amount 2024	Amount 2023	Unit
A1.1	**The types of emissions and respective emissions data**			
	Nitrogen oxides	10.62	8.47	Kg
	Sulfur oxides	0.26	0.19	Kg
	Respirable particulate matters	0.78	0.62	Kg
A1.2	**Total greenhouse gas emission[1]**			
	Scope 1[2]	58.97	45.91	tCO_2e
	Scope 2[3]	2,476.01	2,363.17	tCO_2e
	Scope 3[4]	118.74	116.27	tCO_2e
	Total greenhouse gas emission	2,653.72	2,525.35	tCO_2e
	Greenhouse gas intensity (based on area)[5]	0.10	0.13	tCO_2e per square meter
	Greenhouse gas intensity (based on production value)[5]	333.38	319.66	tCO_2e per million units
A1.3	**Total hazardous waste**			
	Total hazardous waste	4.03	4.22	Tonne
	Hazardous waste intensity (based on area)[5]	0.16	0.21	Tonne per thousand square meters
	Hazardous waste intensity (based on production volume)[5]	0.51	0.53	Tonne per million units
A1.4	**Total non-hazardous waste**			
	Total non-hazardous waste	357.6	323.8	Tonne
	Non-hazardous waste intensity (based on area)[5]	13.89	16.09	Tonne per thousand square meters
	Non-hazardous waste intensity (based on production volume)[5]	44.92	40.99	Tonne per million units

[1] The greenhouse gas emissions are based on (but not limited to) "Greenhouse Gas Protocol: Corporate Accounting and Reporting Standards" published by the World Resources Institute and the World Business Council for Sustainable Development and the "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the SEHK.

[2] Scope 1 includes emissions from the combustion of fossil fuels from stationary and mobile sources and fugitive emissions from refrigeration equipment. Although R-22 refrigerant used in refrigeration equipment is not included in the six greenhouse gases covered by the Kyoto Protocol, the emissions resulting from its leakage are also included in the assessment, so as to provide true and fair presentation of the information on greenhouse gas.

[3] Scope 2 includes emissions from electricity purchased from power companies, with reference to, including but not limited to, the Notice on the Management of Greenhouse Gas Emission Report of Enterprises in 2023-2025 issued by the Ministry of Ecology and Environment of China in 2023 and the "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the SEHK.

[4] Scope 3 includes upstream and downstream emissions caused by employee business trips.

[5] The total construction area of the Group in 2024 and 2023 is approximately 25.75 thousand square meters and 20.12 thousand square meters, and the annual production volume in 2024 and 2023 is 7.96 million and 7.90 million pieces respectively. The annual production volume in 2023 is restated as 7.90 million pieces.

Environmental KPIs	Amount 2024	Amount 2023	Unit
A2.1 **Total energy consumption**[1]			
Natural gas	2,635.01	2,375.40	MWh-equivalent
Diesel	56.91	27.60	MWh-equivalent
Gasoline	111.74	96.50	MWh-equivalent
Electricity	5,282.52	5,084.64	MWh-equivalent
Heating	261.27	261.27	MWh-equivalent
Total energy consumption	8,347.45	7,845.41	MWh-equivalent
Energy intensity (based on area)[2]	0.32	0.39	MWh-equivalent per square meter
Energy intensity (based on production volume)[2]	1,048.67	993.09	MWh-equivalent per million pieces
A2.2 **Total water consumption**			
Total water consumption	51,782	47,811	Cubic meter
Water consumption intensity (based on area)[2]	2.01	2.38	Cubic meter per square meter
Water consumption intensity (based on production volume)[2]	6,505.28	6,052.02	Cubic meter per million pieces
A2.5 **Total packaging material used for finished products**			
Total amount of packaging materials	152.78	149.64	Tonne
Packaging material intensity (based on area)[2]	5.93	7.44	Tonne per thousand square meters
Packaging material intensity (based on production volume)[2]	19.19	18.94	Tonne per million units

[1] The energy conversion method adopted by the Group is based on the "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" and the IPCC Default Net Calorific Values Database.

[2] The total construction area of the Group in 2024 and 2023 is approximately 25.75 thousand square meters and 20.12 thousand square meters, and the annual production volume in 2024 and 2023 is 7.96 million and 7.90 million pieces respectively. The annual production volume in 2023 is restated as 7.90 million pieces.

Social Performance

Number of Employees[1]		2024		2023	
By gender	Male	244		204	
	Female	243		203	
By age	Aged under 30	152		124	
	Aged 30-39	173		151	
	Aged 40-49	129		103	
	Aged above 50	33		29	
By rank	Directors	8		8	
	Senior executives	19		14	
	Middle-level executives	118		102	
	General staff	342		283	
By geography	Mainland China	475		395	
	Hong Kong	12		12	
Total number of employees		487		407	
Ratio of male to female employees		1:1		1:1	

Number of new employees and new hire rate		2024		2023	
By gender	Male	82	34%	53	26%
	Female	75	31%	60	30%
By age	Aged under 30	83	55%	57	46%
	Aged 30-40	52	30%	47	31%
	Aged 41-50	21	16%	9	9%
	Aged above 50	1	3%	0	0%
By rank	Directors	2	25%	1	13%
	Senior executives	2	11%	0	0%
	Middle-level executives	20	17%	1	1%
	General staff	133	39%	111	39%
Total		157	32%	113	28%

[1] The data of the number of employees is based on the labour contract signed with employees provided by the human resources department of the Group. The data cover employees who have a direct employment relationship with the Group in accordance with relevant local laws and those whose work or workplace is controlled by the Group. The above method of reporting employment data is based on the "How to prepare an ESG Report — Appendix 3: Reporting Guidance on Social KPIs".

Number of turnovers and turnover rate of employees[1]		2024		2023	
By gender	Male	42	18%	32	16%
	Female	35	13%	44	22%
By age	Aged under 30	44	28%	40	32%
	Aged 30-40	22	13%	21	14%
	Aged 41-50	6	5%	10	10%
	Aged above 50	5	15%	5	17%
By rank	Directors	1	13%	0	0%
	Senior executives	1	5%	0	0%
	Middle-level executives	8	7%	4	4%
	General staff	67	19%	72	25%
By geography	Mainland China	77	15%	76	19%
	Hong Kong	0	0%	0	0%
Total		77	15%	76	19%

Occupational Safety and Health Performance[2]	2024 total	2023 total	2022 total
Number and rate of work-related fatalities in the past three years	0 (0%)	0 (0%)	0 (0%)
Number of work-related injuries	0	0	0
Lost days due to work-related injuries	0	0	0

[1] Employee turnover data are based on labour contracts signed with employees provided by the human resources department of the Group. The turnover rate is calculated by dividing the number of employees who left during the Year by the number of employees during the Year. The reporting method used for the above turnover data is based on the "How to prepare an ESG Report — Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

[2] Information on employee casualties was obtained from the human Resources department of the Group. The methodology used to report the above number and ratio of work-related deaths is based on the "How to prepare an ESG Report — Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

Breakdown of the number of employees trained in 2024[1]			Percentage of employees trained	Training hours (hours)	Average training hours (hours)
By gender	Male	244	100%	8,444	34.6
	Female	243	100%	8,444	34.7
By rank	Directors	8	100%	310	38.8
	Senior executives	19	100%	655	34.5
	Middle-level executives	118	100%	4,032	34.2
	General staff	342	100%	11,891	34.8
Total		487	100%	16,888	34.7

Breakdown of the number of employees trained in 2023[1]			Percentage of employees trained	Training hours (hours)	Average training hours (hours)
By gender	Male	204	100%	6,120	30.0
	Female	203	100%	7,105	35.0
By rank	Directors	8	100%	260	32.5
	Senior executives	14	100%	594	42.4
	Middle-level executives	102	100%	3,315	32.5
	General staff	283	100%	9,056	32.0
Total		407	100%	13,225	32.5

[1] The training materials were obtained from the human resources department of the Group. Training refers to the vocational training attended by the Group's employees during the Year. The method adopted in reporting the number and percentage of trainees above are based on the "How to prepare an ESG Report — Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

Region where the supplier is located	2024 Number of suppliers	Number of suppliers implementing relevant practices
Guangdong Province	112	112
Zhejiang Province	5	5
Shanghai	13	13
Hunan Province	3	3
Hubei Province	3	3
Jiangsu Province	12	12
Shanxi Province	1	1
Anhui province	3	3
Fujian province	4	4
Jiangxi province	1	1
Shandong Province	5	5
Hebei province	1	1
Shanxi province	1	1
Liaoning province	1	1
Beijing	30	30
Chongqing	1	1
Switzerland	1	1
Total	198	198

Region where the supplier is located	2023 Number of suppliers	Number of suppliers implementing relevant practices
Guangdong province	62	62
Zhejiang province	7	7
Shanghai	19	19
Hunan province	4	4
Hubei province	1	1
Jiangsu province	19	19
Shaanxi province	1	1
Shanxi province	4	4
Chengdu	3	3
Xi'an	2	2
Tianjin	7	7
Shandong province	8	8
Hebei province	9	9
Beijing	39	39
Chongqing	1	1
Switzerland	1	1
Total	187	187

Product quality	2024 total	2023 total
Percentage of products recalled due to safety and health issues	0	0
Number of complaints related to products or services	0	0

REPORTING CONTENT INDEX OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

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A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (in '000 kWh) and intensity (e.g. per unit of production volume, per facility)	22, 27
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	18, 22, 27
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	22
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	21
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, volume per production unit	27

Main areas	Description	Page index/ remarks
A3 Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources	20
A3.1	Description of the significant impact of activities on the environment and natural resources and the actions taken to manage them	20
A4 Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	22
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	23
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	15-16, 24
B1.1	Total workforce by gender, employment type, age group and geographical region	28
B1.2	Employee turnover rate by gender, age group and geographical region	29
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	13-14, 24
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	14
B2.2	Lost days due to work injury	14
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	13-14

Main areas	Description	Page index/remarks
B3 Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	14, 16
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	30
B3.2	The average training hours completed per employee by gender and employee category	30
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	17, 24
B4.1	Description of measures to review employment practices to avoid child and forced labour	17
B4.2	Description of steps taken to eliminate such practices when discovered	17
B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain	12-13
B5.1	Number of suppliers by geographical region	31-32
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	12-13
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	12-13
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	12-13

Main areas	Description	Page index/remarks
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, labeling and privacy matters relating to products and services provided and methods of redress	10-11
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	32
B6.2	Number of products and service related complaints received and how they are dealt with	10-11
B6.3	Description of practices relating to observing and protecting intellectual property rights	10-11
B6.4	Description of quality assurance process and recall procedures	10-11
B6.5	Description of consumer data protection and privacy policies, how they are implemented ad monitored	10-11
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	12
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	12
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	12
B7.3	Description of anti-corruption training provided to directors and staff	12
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	23
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	23
B8.2	Resources contributed (e.g. money or time) to the focus area	23