

ANGELALIGN TECHNOLOGY INC.
時代天使科技有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 6699

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Environmental, Social and
Governance Report



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ABOUT THE ESG REPORT

Angelalign Technology Inc. (the “**Company**” or “**Angelalign**”) and its subsidiaries (the “**Group**” or “**We**”) hereby release the 2024 Environmental, Social and Governance (“**ESG**”) Report (the “**ESG Report**”), which is our fourth ESG Report to present our ESG strategy, philosophy, practice and performance.

About the Company

The Company is an investment holding company. The Group is a leading global clear aligner company, specializing in the research, design, and manufacturing of clear aligners. The business of the Group spans over 50 countries across Europe, the Middle East and Africa (EMEA), Asia-Pacific, North America and South America. The Company was listed on the Main Board of the Stock Exchange on June 16, 2021 with stock code 6699.

Reporting Scope

The ESG Report is an annual report dated from January 1, 2024 to December 31, 2024 (the “**Reporting Period**”). To ensure the completeness and coherence of the statements, some of the contents may be beyond the aforementioned timeframes. The reporting scope of social KPIs for the year covers the Company’s headquarters in Shanghai, Chuangmei Center and Huishan Production Center in Wuxi, and Aditek in Brazil, while the reporting scope of environmental KPIs covers the Company’s headquarters in Shanghai, Chuangmei Center and Huishan Production Center in Wuxi. Other information and KPIs disclosed in the ESG Report cover the Company and its subsidiaries, which are consistent with those disclosed in our Annual Report.

Data Description

The data and information of the ESG Report are from our internal statistical reports or official documents, and the amount of currency involved is denominated in USD.

Reporting Principles

The ESG Report is prepared in accordance with the provisions of the “Environmental, Social and Governance Reporting Guide” (the “**ESG Guide**”) in Appendix C2 to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited and the GRI Standards, and in the following reporting principles:

Materiality

We identify important ESG issues through stakeholder engagements and materiality assessments, and make targeted disclosures in the ESG Report;

Balance

The ESG Report faithfully presents our environmental and social performance;

Quantitative

The ESG Report discloses the standards, methods and sources of the conversion factors adopted for emission and energy data reports;

Consistency

The KPIs and statistical methods of the 2024 ESG Report are consistent with those set forth in the 2023 ESG Report to facilitate comparability.

ESG MANAGEMENT

As the globalization strategy continues to deepen, Angelalign regards ESG management from a global perspective as an important part of corporate strategy. We are committed to building a comprehensive ESG governance framework and actively incorporate the concept of sustainable development into operational practices, in order to comprehensively improve the ESG governance level of the Company.

Board Statement

The Board Responsibilities

As the highest decision-making body for ESG management, the board of directors of the Company (the “**Board**”) is responsible for the guidance of our ESG-related matters, formulating ESG management policies, strategies and objectives, reviewing the progress of the objectives, and monitoring the overall implementation of ESG-related matters.

Execution of ESG Works

At the business operation level, our management is responsible for promoting ESG management and ESG reporting, formulating ESG management systems and processes, and setting specific ESG indicators. Each major functional department forms an ESG working group, which is responsible for the implementation of daily management of ESG works and ESG management policies approved by the management, and reports regularly.

ESG Risk Management

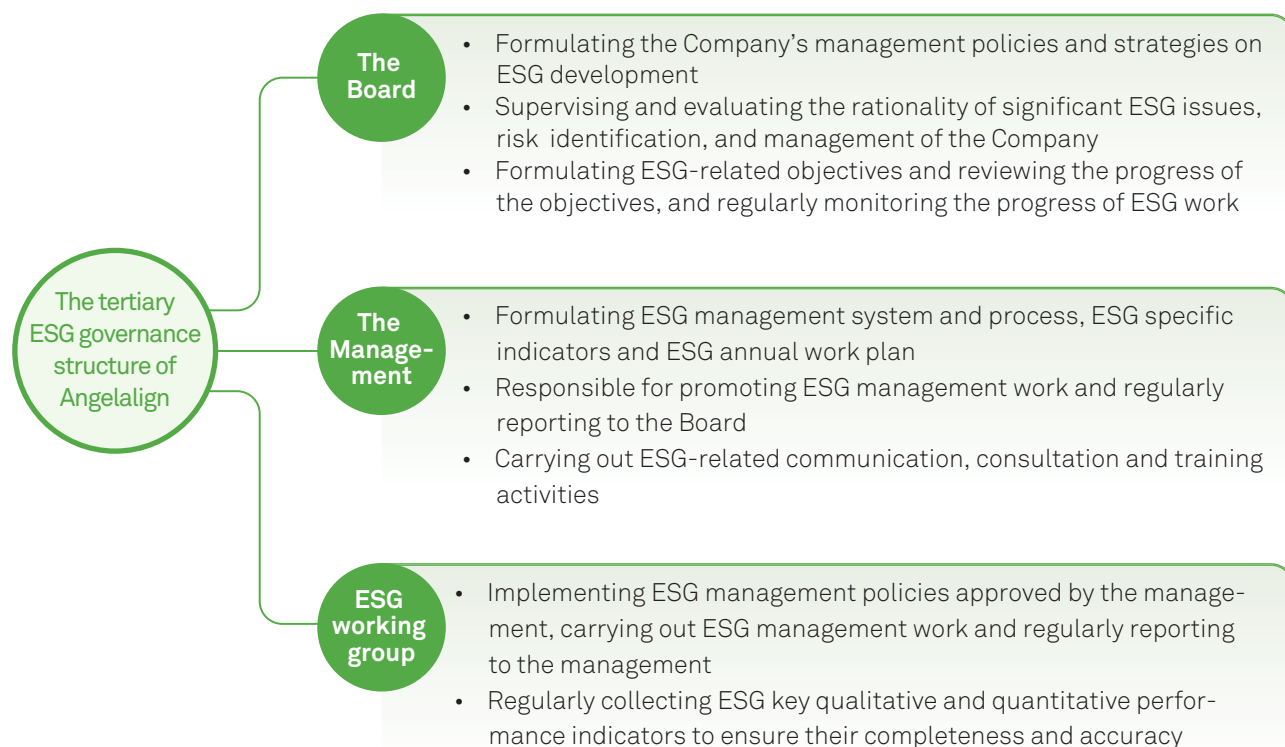
In order to effectively prevent and control the Company’s potential ESG risks, we evaluate, prioritize and manage the identified ESG risks and opportunities in the course of operation, and ensures that appropriate and effective ESG risk management and internal control systems are in place that are in line with the actual business situation, so as to promote the effective implementation of ESG management strategies.

Key ESG Issues

We are committed to realizing the common value of stakeholders, and has established stable and transparent communication channels and feedback mechanisms to identify, evaluate and follow up the key ESG demands of stakeholders in a timely manner, identify key ESG issues that are important to the Company, and supervise and manage relevant content.

ESG Governance Structure

The Company has established and improved the ESG governance structure from the Board to the ESG working group in a top-down manner, and effectively integrated ESG management strategies into various departments and key business processes.



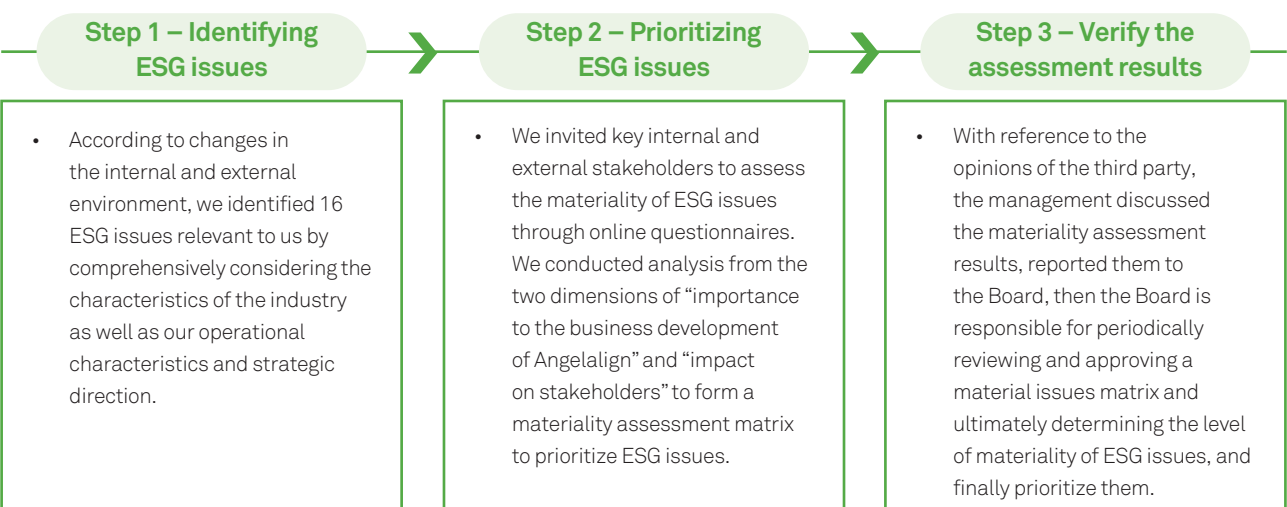
Stakeholder Engagement

We attach great importance to the expectations and demands of stakeholders, establish a good communication mechanism with stakeholders to regularly communicate on the Company's ESG performance, focus of attention and the impact, and take stakeholders' suggestions into the consideration of major strategic decision-making factors of the Company.

Stakeholder	Expectation and Concern	Communication Channel
 Governments and Regulators	Operation compliance Strict compliance with regulatory requirements Anti-corruption	Inspection of institutions Reporting Official communications
 Shareholders and Investors	Product quality and safety Returns on investments Corporate governance Information security and privacy protection	Announcements and circulars General meetings Investor communication meeting
 Employees	Employees' rights and benefits Occupational health and safety Product quality and safety Intellectual property protection	Employee training Internal announcements and emails Employee care activities Employee publication
 Clients	Product quality and safety Protection of clients' rights Information security and privacy protection	Client surveying Satisfaction survey Channel for complaints
 Suppliers	Customer service Commercial ethics Win-win cooperation	Business visits Daily meetings Academic conferences
 Communities and Media	Contributions to community development Healthy community Raising public awareness	Public benefit project Charity donation Media interviews and communications

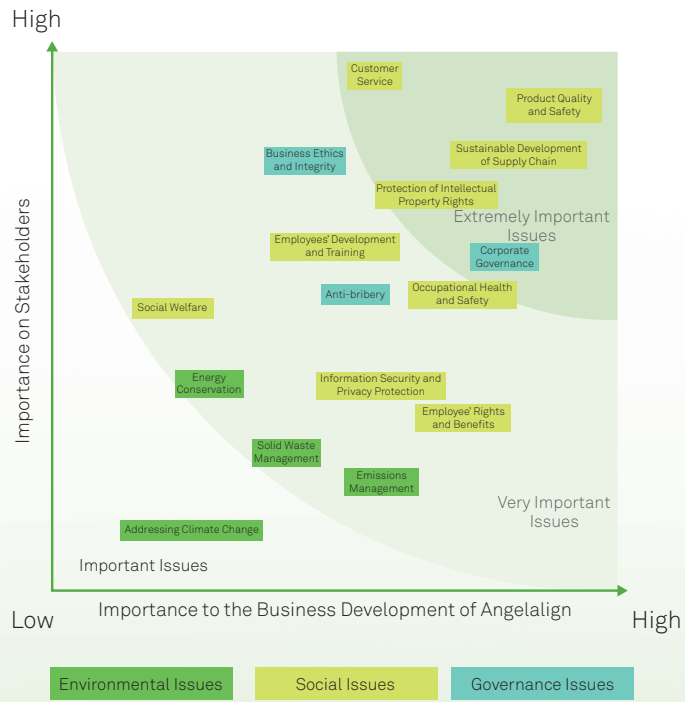
Materiality Assessment

Based on the “materiality” principle in the ESG Guide, we determine important ESG issues on a regular basis through a materiality assessment process and clarify key areas of ESG work by taking into account the potential impact of ESG issues on the Company’s operation strategy, financial position and long-term development prospects, as well as the impact of the Company’s operations on the environment, society and other external stakeholders.



ESG Materiality Assessment Procedures

The Company’s materiality issue matrix for the year ended December 31, 2024 is as follows:



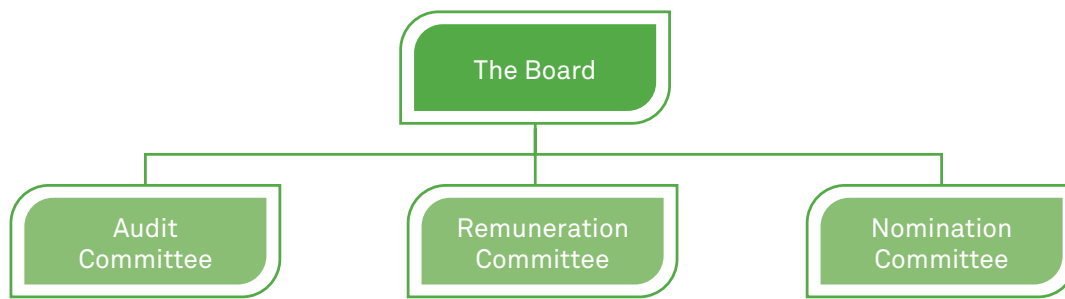
The 2024 Materiality Assessment Results of Angelalign

BUILDING THE FOUNDATION OF DEVELOPMENT WITH COMPLIANCE AND INTEGRITY

Based on a global view, Angelalign is committed to building a solid and efficient compliance system. Under the promotion of globalization strategy, we have established a compliance system in line with international ethical and responsibility standards, which serves as the cornerstone for consolidating our stable development and leading the business towards globalization. We continue to strengthen the transparency and effectiveness of supervision and management, improve our policies, systems and processes, and require the management of the Company to lead by example and promote in-depth integration and practice of compliance culture from top-down.

Diversified Governance

Angelalign has established a comprehensive corporate governance system to ensure that shareholders' rights and interests are protected and promote value growth of the enterprise. Three committees under the Board of the Company supervise matters in different dimensions to ensure the stable operation of the Company. Under the guidance of the Committee, we actively take measures to fulfill our responsibilities to stakeholders and achieve more transparent management.



Governance Structure of Angelalign

We believe that the diversity of the Board will bring more different views and a broader perspective to governance decision-making and can better respond to the ever-changing business environment. We have adopted the Board Diversity Policy and endeavor to ensure that our Board members have the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of its business strategy. We will seek to realize Board diversity in consideration of a number of factors, including but not limited to professional experiences, skills, knowledge, gender, age, cultural and educational background, ethnicity and length of service. In addition, the Board and the Nomination Committee will review the Board Diversity Policy from time to time to ensure its continued effectiveness.

Compliance and Risk Management

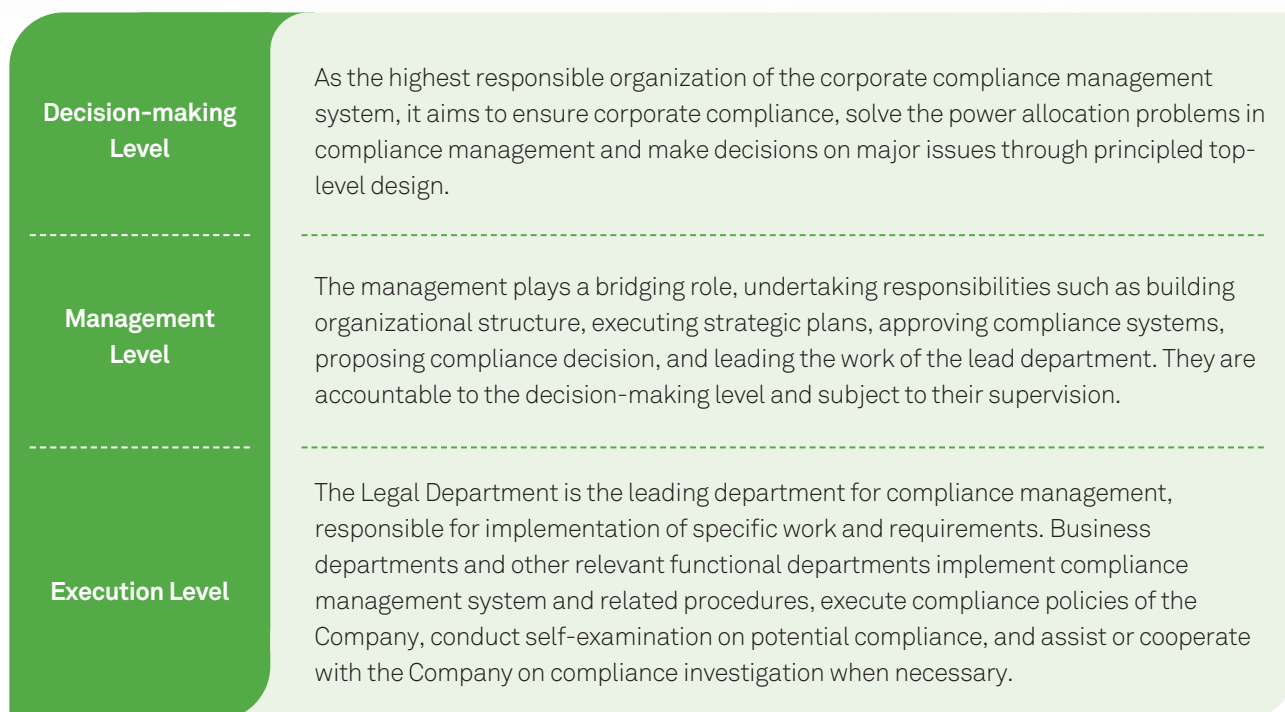
Angelalign advocates the values of customer first, integrity, responsibility, cooperation and innovation, and has gradually established a compliance management system and internal control system for global regulatory requirements in the promotion of globalization strategy, to ensure the legal compliance and sustainable operation of the Company.

Compliance Management

An efficient, coordinated and cooperative compliance organization is important for the enterprise to effectively carry out compliance management and governance in accordance with the law. In 2024, we formulated and published the Compliance Manual (合規手冊) in both Chinese and English versions, which serves as a guiding document for the Company's compliance management, in accordance with the applicable laws and regulations of the countries and regions where the Company operates. The Compliance Manual includes the main document of the Code of Business Conduct (商業行為和道德準則) and four supporting documents, namely, the Compliance Reporting and Investigation Policy (合規舉報及合規調查管理規範), the Compliance Audit Policy (合規審計管理規範), the Compliance Organization Policy (合規組織管理規範) and the Marketing Promotion Management Policy (營銷宣傳管理規範):

- The Code of Business Conduct stipulates the standards and regulations that employees must comply with, covering a wide range of key areas of compliance management such as health and safety, intellectual property rights, business conduct, data security, etc., and provides detailed guidelines for all employees of Angelalign to follow.
- The Compliance Reporting and Investigation Policy specifies the systematic and standardized management rules and procedures for compliance reporting and compliance investigation to ensure the effectiveness and timeliness of the Company's internal compliance management. At the same time, the document also emphasizes the protection of the whistleblower and the anti-retaliation system to maximize the protection of the legitimate interests of the Company and the rights and interests of employees.
- The Compliance Audit Policy sets out the principles, basis and dimensions of compliance audit, which is conducive to timely discovering potential compliance issues and violations within the Company, evaluating the effectiveness of the design and implementation of the compliance system, and providing compliance control suggestions and guidance to the management.
- The Compliance Organization Policy specifies the compliance governance structure and division of responsibilities, in order to strengthen the cooperation of members of compliance organizations and provide sufficient personnel organization reserves for enterprise compliance risk management and possible compliance risk events.
- The Marketing Promotion Management Policy provides requirements and explanations for marketing content audit, marketing activity supervision, process supervision and compliance audit of marketing activities, and marketing and publicity responsibility, with the aim of improving product quality, continuous innovation, and protecting the rights of cooperating organizations and consumers, and promotes regulated marketing and honest business operation.

Angelalign has established a tertiary compliance management structure of “decision-making level-management level-execution level”, which defines the scope of responsibilities and coordination mechanism of each level to ensure the effective implementation of compliance management work. We have also established a Compliance Committee to well manage corporate compliance risks and respond to potential compliance risk events.



In order to enhance the overall compliance awareness and capability of our employees, we provide various compliance trainings and require all employees to complete them on time. We regularly organize training activities for different groups, including new employee compliance training, annual employee compliance training, department-specific compliance training, management compliance training, third-party compliance training, etc., to constantly deepen and spread the compliance culture within the Company and the cooperation network. During the Reporting Period, we organized training on the Compliance Manual for our employees worldwide to ensure that they can deeply understand and implement the Company’s compliance requirements in their daily work.

Case: New Employee Compliance Training in 2024

In 2024, we organized a number of new employee compliance training activities aimed at cultivating good professional ethics. During the training process, we used a series of vivid and specific cases to deeply analyze the serious consequences that may be caused by non-compliant behavior, in order to alert each new employee. In addition, an exam section was included in the training to ensure that each participant can deeply understand and master the training contents.

Internal Control and Risk Management

We are committed to establishing a sound internal control system and strengthening risk management to ensure efficient business operations, assets safety and accurate financial reporting. We have set up the “Angelalign Process Committee” to improve operational efficiency and identify potential risks through problem-driven to ensure the steady development of the Company.

The Company has established a risk management system, setting out the duties and responsibilities of each party and the relevant risk management policies and procedures. The Board directly oversees the risk management function through the Audit Committee and senior management, and reviews the effectiveness of risk management and internal control systems at least once a year. The Audit Committee assists the Board in leading management, monitoring and overseeing risk management and internal control systems. The senior management is responsible for the overall implementation of risk management and internal control plans and policies determined by the Board and managing risks related to all business operations of the Company. Senior management evaluates and develops response measures for identified major risks, and regularly reports to the Board.

In order to effectively address corporate risks, we have established three defense lines against compliance risks. Business departments and other departments with general management function have also become an important guarantee for the coordinated and effective operation of the compliance management system, the first defense line for compliance risk prevention, together with the compliance management department and other departments with compliance management functions as the second defense line and the internal audit as the third defense line, forming an effective cycle operation mechanism for compliance planning, implementation, supervision and audit.



Three Defense Lines for Compliance Risk

The Company attaches great importance to risk management, implements dynamic risk management, and regularly carries out risk dashboard reporting each quarter. We identify and list core risks based on the actual development of each business line to ensure that risk identification is comprehensive and accurate. Meanwhile, we also pay attention to bottom-up risk assessment and response, and continuously optimize risk management strategies through feedback and suggestions from the grassroots, comprehensively improving the efficiency and risk management level of the Company.



Risk Dashboard Implementation Process

In addition, we attach great importance to key nodes in risk process management and control. We organized risk-related training activities to enhance employees' understanding of risk management and response capabilities, in order to ensure that they can accurately identify potential risks at work, and take effective measures to prevent and respond risks.

Internal Audit

During the year, we established regular (quarterly) and non-regular reporting mechanisms to discuss internal audit management and audit plans, in order to ensure comprehensive coverage and timely response of internal audit and stable operation of the Company.

We actively established and improved the audit management system and operation process, focusing on the effectiveness of internal control and risk management. We formulate an annual audit plan based on the actual situation of the Company, specifying the audit scope, frequency, key risk areas, audit methods and procedures, resource allocation, etc., and carry out internal audit work in accordance with local laws and regulations, regulatory requirements, international treaties and rules and systems of Angelalign. We provide timely feedback to the management and relevant departments responsible therefor on the audit results to facilitate the establishment and improvement of the internal control system, including the compliance management system, within the operating management level of the Company.

Commercial Ethics

Bearing in mind our concept of business integrity, we strictly comply with the laws and regulations on anti-corruption, anti-extortion and anti-fraud in the countries and regions where we operate.

Business Ethics and Anti-Corruption

We have defined fraud, commercial bribery, anti-monopoly and conflict of interests in our Compliance Manual, listed the types of violations, and strictly prohibited employees from engaging in such behaviors. As the highest responsible organization for business ethics management of Angelalign, the Board resolves the allocation of authority in the management of business ethics through principled top-level design and makes important decisions. The management is responsible for executing strategic plans related to business ethics and anti-corruption, approving systems, proposing decision-making opinions, and leading department work etc. During this Reporting Period, we did not have any corruption litigation cases.

Definition of fraud

Refers to the behavior of individuals or small groups within or outside a company who use illegal means such as deception to seek improper personal or group benefits and harm the legitimate economic interests of the company; or seeking illegitimate economic benefits for the company, while potentially bringing illegitimate benefits to individuals.

Definition of commercial bribery

Refers to the provision, promise, giving, acceptance, or solicitation of any improper advantages, directly or indirectly, in violation of applicable laws, in order to induce or reward individuals for taking advantage of their position to act or refrain from acting.

Definition of monopoly

Refers to the concentration of operators who reach monopoly agreements, abuse their dominant market positions, and have or may have the effect of excluding or restricting competition.

Conflict of interests

Refers to any form of conflict between the interests of any individual and Angelalign. Conflict of interests may occur in any area of operations of the Company.

We have formulated systems such as the Management Policy for Conflicts of Interest of Management (管理層利益衝突管理制度) and the Sunshine Practice Management Policy (陽光從業管理制度) to define the situations and handling principles for internal and external conflicts of interest of the management, clarify the management responsibilities of all departments, further improving the integrity management system of the Company and creating a corporate atmosphere of integrity, honesty, fairness and impartiality. We also have provisions in our Compliance Manual regarding gifts, hospitality and other conveniences, and employees are not allowed to give or receive any gift in the event of imposing or attempting to impose undue influence on the Company's decision-making.

All employees are required to sign the Integrity Practice Commitment Declaration Form (員工廉潔從業承諾書), which clearly prohibits any form of bribery, soliciting and accepting bribes, and regulates employees to properly manage and resolve possible conflicts of interest.

In addition, we also provide guidance on business ethics for suppliers, requiring them to sign the Sunshine Agreement (陽光協議), and provide them with reporting channels such as email, telephone and letter to improve the ethical level of the supply chain and jointly build a solid defense line against corruption.

We incorporate business ethics and anti-corruption into our annual compliance audit plan to conduct audits of relevant processes, personnel and departments in accordance with legal and regulatory requirements, internal company rules and ethics, effectively identify potential business ethical risks, and ensure that the Company operates in compliance with high standards of compliance principles.

BUILDING THE FOUNDATION OF DEVELOPMENT WITH COMPLIANCE AND INTEGRITY

We regularly organize anti-corruption training for the Board and all employees around the world every year, focusing on business ethics and anti-corruption. Through theoretical learning and practical activities, we ensure that all employees have a deep understanding of the Company's compliance policies and professional ethics and strengthen their compliance awareness.

We provide employees, suppliers, customers and other third parties with a number of whistleblowing channels to contact Compliance Management Department via email, telephone or written letter to report any suspected violations of the Code of Business Conduct.

Email address: jubao@angelalign.com (China); compliance@angelaligner.com (non-China)

Hotline: +86-021-56561919

Mail address: 7/F, Building No. 7, KIC Business Center, No. 500 Zhengli Road, Yangpu District, Shanghai, PRC

Angelalign attaches importance to compliance whistleblower investigations and requires employees to cooperate with investigations. The complaint and report information shall be summarized and judged by the compliance director of the Legal Department, and the compliance investigation team shall carry out investigation. According to the investigation results, the Company takes corresponding measures such as punishing offending employees, notifying the government and cooperating with the investigation.

We have made corresponding provisions on whistleblower protection and anti-retaliation in the Compliance Manual, to ensure confidentiality of reported information, zero tolerance for any form of retaliation, and serious handling and remedial measures once retaliation is discovered.

Responsible Marketing

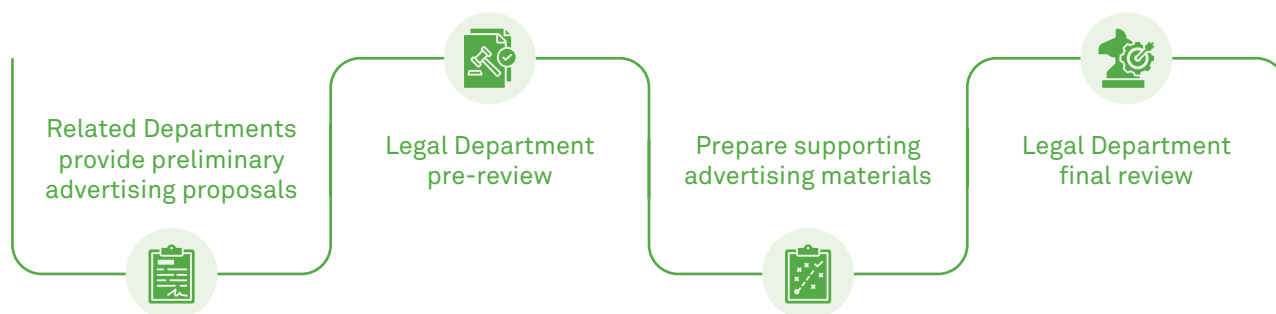
As an international medical device company, we strictly abide by the marketing-related laws and regulations of the countries and regions where our business operates in global marketing and sales activities. We adhere to the principle of responsible marketing, avoid exaggeration or false publicity to mislead consumers, and make every effort to protect the rights and interests of customers, and proactively build up and maintain our brand image.

In order to promote regulated marketing and honest business operation, we have specified the review requirements for external advertising, promotional materials, and other content in the Marketing Promotion Management Policy, including special requirements for medical device advertising, in order to identify and filter out potentially illegal, irregular, or inappropriate content. In the contracts signed with customers, we have set up special provisions related to business ethics and compliance, which stipulate and restrict the behavior of employees interacting with doctors and other health care personnel.

BUILDING THE FOUNDATION OF DEVELOPMENT WITH COMPLIANCE AND INTEGRITY

In addition, we continue to pay attention to the latest regulatory developments related to global brand logos, closely integrate with the actual operational situation of the Company, and timely update the Guidelines for the Use of Brand and Product Logos (品牌及產品標識使用指南) and the Application Specifications for Technical Logos (技術類標識應用規範) to ensure the standardized and efficient use of brand logos and maintain a good brand order.

We have established and implemented a strict advertising review process, requiring all marketing activities to be submitted for approved in advance and not held without authorization, and must comply with the basic requirements of contract signing, material review, voluntary participation, etc., to ensure that all marketing activities are legal and authentic.



Advertising Review Process

The Company carries out full process supervision and compliance audit on marketing activities, including pre-approval, in-process supervision and post spot checks. The person in charge of the activities is required to provide detailed information on the activities. The Company has the right to develop audit plans and review all aspects of the activities. The responsible department shall properly keep the relevant information of the activities to ensure the smooth progress of subsequent audits.

We reserve the right to immediately request the responsible department to stop any marketing activities without reporting and approval, and evaluate the damage to Angelalign according to the impact caused by the activities, and at the same time require relevant responsible persons to bear corresponding responsibilities. We also require that all marketing activities carried out in the name of Angelalign must be legal and compliant, and employees who violate the regulations will be seriously punished according to the Company's regulations, including warnings, penalties, termination of contracts, and transfer to regulatory authorities.

During the year, we provided training to all employees around the world on the requirements of responsible marketing. Meanwhile, we launched a special ethical compliance training for our sales staff, explaining the use of advertisements and marketing materials in detail, as well as the specific criteria for the development of marketing activities, to ensure that marketing activities are legal and compliant.

Information Safety

We strictly comply with laws and regulations related to information security and network security, and are committed to building a comprehensive and rigorous information security management system structure to ensure legal compliance of data processing and protect users' information security and privacy rights in all aspects. We have been certified with ISO/IEC 27701 Privacy Information Management System and ISO/IEC 27001 Information Security Management System, and our core business systems have been certified as Grade III for Protection of Information System by the State.

- **Security Governance Structure of Angelalign**

Angelalign has established a top-down information security management structure consisting of decision-making level, execution level and compliance representatives from various jurisdictions to control cybersecurity risks in all respects.

Decision-making level: The Board of the Company is accountable for the overall responsibility of cybersecurity, with Chairman of the Board and CEO serving as joint team leaders, and other members include Head of Data Compliance, Head of Information Security and Data Protection Officers (DPOs). It is responsible for approving the implementation of information security, data compliance management systems, operational mechanisms, annual plans and audit plans, and making strategic decisions on the organizational management and technical solutions provided by the execution level.

Execution level: Consisting of Legal Department, Information Security & Data Security Group, IT Department and security representatives from each business department, the Execution level is responsible for legal and regulatory affairs and data compliance management and coordination, promoting the technical capacity building of information security and data security, applying the security management system to business processes, and making monthly reports to the decision-making level on a regular basis.

Global compliance representatives: Compliance representatives are set up in various jurisdictions around the world, responsible for interfacing with local regulatory authorities on data security and privacy matters to realize integrated global security control.

- **Information Security Policy and Guidelines**

Angelalign attaches great importance to the security and stability of information system by implementing various measures, in order to secure data and business safety. During the Reporting Period, the Company updated all existing systems of information security and privacy security, adding and revising more than 20 information security-related policies and systems such as the Information Security and Privacy Management Manual (信息安全和隱私管理手冊), the Regulations on Data Breach Prevention Management (數據防洩漏管理規定) and the Regulations on Information System Classification Management (信息系統分級管理規定), including information security policies, information security organizations, human resources security, information security incident management, business continuity management, privacy security, etc. In addition, we also clarified the definition of data compliance in the Compliance Manual, and continuously improve the technical level and supporting facilities of management and risk prevention by establishing information security and privacy management systems.

During the Reporting Period, we established a Build in Security and Build in Privacy mechanism from the system design stage, and formulated the Pre-Launch Security Checklist for Application Systems (應用系統上線前安全檢查清單). Before all new systems are launched, we implement strict pre-launch security checks to ensure that the system meets the Company's security standards before being put into use.

Besides, through a series of daily management measures such as data desensitization, strict permission management, comprehensive data processing impact assessment (DPIA) and strict security inspection before product launch, we continuously optimize and improve the level of data and information security management, to ensure the security and compliance of information assets, and provide a safer and more reliable digital service environment.

- **Non-China Information and Data Security Protection**

We attach great importance to non-China information security and data security. We have established a data compliance committee, and set up a series of core indicators for monthly data compliance operations, covering organizational structure, data encryption, de-identification, exercise of data subject rights, privacy policy development, information security posture and compliance audit, etc.. We actively respond to and comply with relevant regulatory requirements such as the EU General Data Protection Regulation (GDPR), and undertake to promptly respond to and properly process requests from data subjects within a required time period for compliance.

When conducting business in countries with mandatory data localization requirements, we fully utilize the resources of DPOs and external professional consultants to jointly promote the smooth implementation of data localization strategies. We also strictly follow the principle of separate storage and retrieval of domestic and foreign data to ensure the safe isolation of personal information and personal health information.

In addition to the security tools installed for our domestic employees, we have also equipped the work computers of our non-China employees with threat prevention and data breach prevention products to strengthen security defense.

- **Data and Personal Privacy Protection**

We attach great importance to the privacy protection of user data, and have defined the principles of data collection in the Regulations on Data Security Management (數據安全管理規定) to ensure that all collection activities are legal and compliant. We have also clarified and made public the specific rules for data collection and use, and comply with the requirements of “minimum necessary”, “independent choice” and “authorized consent” to avoid excessive and unreasonable collection of personal information.

In addition, we further strengthen the communication mechanism with the data subject in the Regulations on the Management of Data Subject Rights Response (數據主體權利響應管理規範), the Regulations on Privacy Compliance Governance Organization (隱私合規治理組織規範) and the Measures for the Management of Privacy Incident Response (隱私事件響應管理辦法) updated this year, clearly grant the data subjects with the right to know, informing them of the purpose in detail for which their data will be used, and process it with their explicit consent. At the same time, we have also established an emergency response mechanism to ensure that data subjects can be notified promptly in the event of privacy security incidents to safeguard their legitimate rights and interests.

We conduct data breach drills annually, and in 2024, we conducted data breach drills for each of our global business regions, aiming to improve the ability of our global business and IT teams to respond to unexpected data breaches, ensure process standardization and enhance cross-departmental collaboration. Additionally, we conduct annual data recovery drills on a regular basis to validate the ability of critical systems to respond to emergencies and ensure the Recovery Time Objective (RTO) and Recovery Point Objective (RPO) of our systems are within the control of the Company.

- **Information Security Audit and Risk Assessment**

In 2024, the Internal Audit Department conducted an audit of the information system access control module to ensure the effectiveness of data compliance and information security controls. At the same time, we also engaged a third-party organization to conduct a number of security assessments to comprehensively and carefully review the compliance of the Company in respect of data security and information security management practices in non-China markets based on the privacy and security rules under the US Health Insurance Portability and Accountability Act (健康保險可移植性和責任法案) (HIPAA), as well as relevant laws, regulations and security standards of those non-China countries where the Company operates and is going to operate by the end of 2025, and to complete the rectification of all risks.

- **Enhancing Employee Information Security Awareness**

We launched the Phishing Email Attack Prevention Guide (釣魚郵件攻擊防範指南) and conducted global phishing simulations on a regular basis to enhance the information security awareness and preparedness capabilities of all employees. In 2024, we organized a series of video training and tests on information security awareness for all employees, focusing on common work safety hazards, such as data protection, end-point protection, and social engineering attacks, and, together with real-life case analyses, providing practical advice to jointly build an indestructible information security defense line.

Intellectual Property Protection

In strict compliance with the laws and regulations in the field of intellectual property and trademarks in the countries and regions where we operate, we have established a sound and complete intellectual property protection framework, and formulated internal rules and regulations such as the Intellectual Property Application and Management Process (知識產權申請與管理流程), Intellectual Property Protection Guide (知識產權維護指南), Intellectual Property Dispute Resolution Mechanism (知識產權糾紛解決機制) and Trademark Management Regulations (商標管理規定) to promote the standardization, institutionalization and refinement of intellectual property management. By the end of 2024, we had successfully registered 574 trademarks, obtained 241 patents, 22 software copyrights and 58 domain names registered worldwide.

In order to strengthen the protection of non-China intellectual property rights, we optimized the decision-making process of non-China patents and trademarks. In 2024, we successfully applied for nearly 20 patents and more than 20 trademarks out of China, covering Europe, America, Australia and Southeast Asia, etc. Meanwhile, we continued to cooperate with well-known insurance companies, which provided strong support and guarantee for intellectual property protection of products in the global market.

Angelalign emphasizes the protection of its own and its business partners' intellectual property and trade secrets. Employees are required to keep and use trade secret information appropriately during their employment and return all documents, data, equipment and other tangible or intangible assets containing trade secrets in their entirety upon resignation. For trade secret information provided by external partners, the Company strictly complies with the requirements under confidentiality agreements and internal policies, and regulates the use of the same only within the scope of authorisation.

In order to prevent intellectual property infringement risks, the Company regularly conducts intellectual property risk assessments for ongoing projects and develops response measures based on the evaluation results. At the same time, we have established a decision-making and approval process for non-China patents, clarifying the steps and requirements for Chinese patent applications to enter non-China markets, and providing solid institutional support for global intellectual property protection. Thanks to our good intellectual property management, during the Reporting Period, Angelalign was evaluated as a qualified entity for the performance evaluation of enterprise intellectual property management standards in Jiangsu Province and awarded the "Golden Code Award" of advanced entity for Intellectual Property Work in the Software and Information Technology Service Industry in Wuxi.

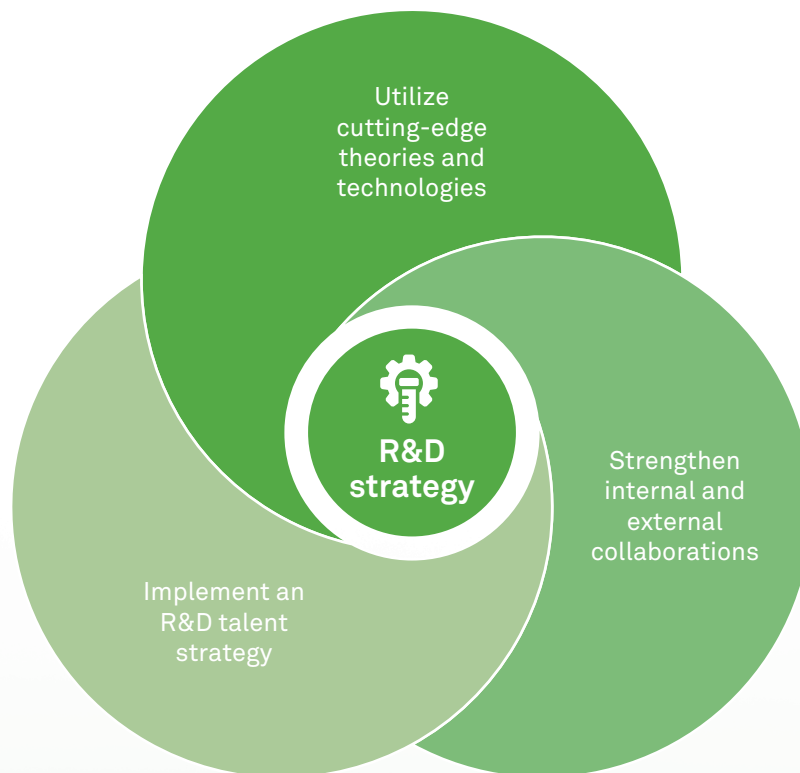
We have formulated the Intellectual Property Incentive Measures (知識產權獎勵辦法) to encourage innovation of employees. We provide incentive payments to patent inventors who have made contributions to invention patents, utility model patents and design patents. We also regularly organize training on intellectual property protection, including high-value patent cultivation training, basic patent training, etc., to raise employees' awareness of intellectual property rights.

ENSURING PROMINENT QUALITY WITH CUTTING-EDGE TECHNOLOGY

Quality management is the cornerstone of corporate success and an important embodiment of Angelalign's commitment to global customers. We are determined to adhering to the concept of "customer first" and are committed to winning the trust and support of global customers through high-quality products and services to promote the steady development of the Company in the world.

R&D Innovation

In the process of expanding the global market, Angelalign has always taken innovation as a strong engine and actively implemented the "Three Major R&D Strategies" ("Utilize cutting-edge theories and technologies, Implement an R&D talent strategy, and Strengthen internal and external collaborations"). We continued to increase investment in R&D resources and drove the upgrade of the oral industry chain through the professional strength and technical reserve of our Digital Stomatology Research Institute, realizing more accurate and efficient diagnosis and treatment, more intelligent doctor-patient interaction, more convenient data management, and more inclusive medical services. In 2024, we realized the digitalization and intellectualization of the production process, and won the honors of "The First Batch of Four-Star Cloud Enterprises in Jiangsu Province in 2024" and "The Intelligent Factory of Customized Clear Aligners".



Three Major R&D Strategies of Angelalign

Innovation Achievements

Relying on the technology precipitation of Angelalign, we continue to apply computer technology to the whole process of digital orthodontics, from initial patient diagnosis, auxiliary diagnosis, program design, production to process monitoring, efficiently connecting dentists, patients and product services. We continuously iterate and upgrade the “iOrtho Digital Orthodontic Intelligent Service Platform” and gradually launch digital tools to meet the ever-escalating and customized needs of dentists and patients. During the Reporting Period, we won the first prize of Innovation Technology Award of China Simulation Society and the title of “2024 Shanghai Top 100 Hi-Tech Achievement Transformation Projects”.

Case: iOrtho Digital Orthodontic Intelligent Service Platform

In 2024, we continued to iterate the “iOrtho Digital Orthodontic Intelligent Service Platform” and launched a variety of new digital tools such as smile operator, oral intelligence analysis, intelligent panoramic film analysis, real-time generation of solutions, difficulty assessment of tooth movement, monitoring of tooth movement progress, etc. The iOrtho 11.0 system supports seven languages, can better meet the needs of physicians around the world, providing a reference for clinical diagnosis, treatment evaluation and modification and helping physicians make more accurate treatment decisions, and better predict and manage treatment risks.

In June 2024, we launched the new Angel Mandibular Advancement Splint (天使颌垫) and A6 Mandibular Advancement Block (A6颌板), featuring an integrally molded “fishbone” structure with optional mandibular shapes, which are highly customizable, adaptable and stable, and enhance the overall product offering for open-bite and mandibular advancement therapy. Meanwhile, our aligner with compliance indication function received NMPA’s certificate of registration in June, providing customers with more optional functions.

During the Reporting Period, the Dentistry-Dental Splint Bracketless Orthodontic Aligner (牙科学膜片式无托槽正畸矫治器) standards under YY/T 1932-2024, jointly drafted by the Dental Medical Devices Testing Center of Peking University School of Stomatology, Shanghai EA Medical Instruments Co., Ltd., and Sichuan Testing center for Biomaterials and Medical Devices Co., Ltd., was published upon approval by the National Medical Products Administration (“NMPA”). The standards stipulate the performance indexes and testing methods for splint bracketless orthodontic aligners and 3D printing dental molds, which fills in the gaps in standards in this field and provides clarified basis and specifications for the production and supervision of invisible orthodontic aligners. As a major drafting entity, Angelalign innovatively proposed the quantitative requirements for many technical indicators, standard testing methods and standard testing samples. We aim to effectively promote the standardization and high-quality development of the industry and further protect the interests of users with the publication of the standards.

Industry-Academia-Research Cooperation

In order to foster the innovation, development and promotion of orthodontic technology in China, we have launched the “Joint Innovation A+” Plan since 2015, aiming to cultivate and forge a high-quality innovative team consisting of world-class medical experts. In recent years, we constantly promote diversified cooperation models, working with a number of dental hospitals, universities, professional colleges and other research institutions to explore the innovative methods and technologies of clear aligners.

ENSURING PROMINENT QUALITY WITH CUTTING-EDGE TECHNOLOGY

During the Reporting Period, the project “Research and Industrialization of Digital Orthotics for Adolescent Mandibular Deformities”, which was developed in collaboration with Ninth People’s Hospital affiliated to Shanghai Jiaotong University School of Medicine, won the first prize of “Shanghai Industry-Academia-Research Cooperation Excellent Project Award” for its innovative and outstanding industrialization achievements. The “Digital Aligner for Treatment of Children and Adolescents Retrognathia” featuring the digital clear aligner mechanical interface “angelButton (天使扣)” and the active force reinforcement arm “angelArm (天使桿)” has obtained the registration certificate from the NMPA and is a fully independently developed active force aligner in China, marking a significant breakthrough in China’s medical device industry.

Promotion of Intelligent Manufacturing

Angelalign has always regarded intelligent manufacturing technology as an important part of strategic investment. It continuously optimizes intelligent production system, improves production efficiency with the concept of lean production, and promotes digital intelligence transformation in process research and development, automation, supply chain management and other aspects, further improving the scale production efficiency of customized products and achieving extensible world-class manufacturing capability. During the Reporting Period, we continued to explore and practice, realized the transformation and upgrading of the core technology of aligner, upgraded the production line of 3D printing modules, and continuously optimized the automation level of aligner production line, spraying process and material packaging to respond to market changes and customer needs, and achieve long-term sustainable development.

Case: Upgrading Core Technology of Aligner Production

Since the automatic production line of aligner was launched in 2017, after years of iteration, the automatic production of customized aligners has reached a very high level of automation. At present, the large-scale production and manufacturing of Angelalign’s aligners is crossing the stage from automatic production to intelligent production, realizing the transformation from manufacturing to intelligent manufacturing. In 2024, we achieved a comprehensive upgrade of the aligner laser cutting on the core process module of the aligner. The laser cutting system was independently developed by Angelalign, which covers the intelligent extraction and generation of the aligner cutting path. By using robot offline programming technology to match laser energy based on cutting paths with robot speed, we can realize precise cutting of the edge of the aligners to ensure the pace of the cutting process and greatly reduce the equipment cost investment.

Case: Upgrading 3D Printing Module Production Line

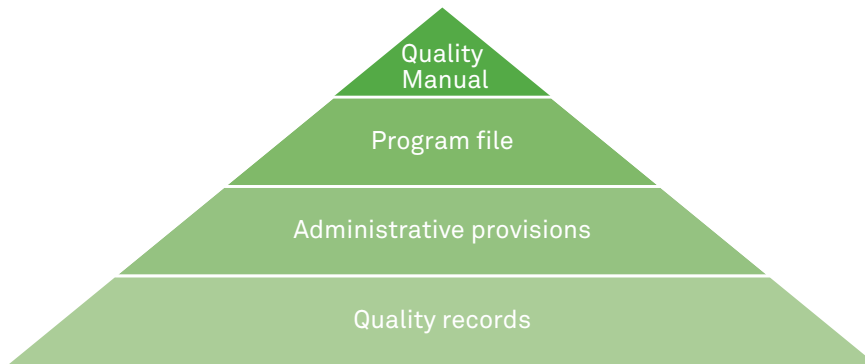
In 2024, we further upgraded our independently developed 3D printing and post-processing system, improved the intelligent typesetting printing of dental mold height, optimized the scraper structure and control module, and achieved an improvement of more than 30% in the overall printing efficiency for a single machine system. At the same time, we realized intelligent board replacement for AGVs in 3D printing, replacing manual material collection and handling processes through machine autonomous decision-making and allocation scheduling, and greatly improved the equipment utilization. In the inspection process, the stereo-lithography intelligent vision inspection module replaces manual defect judgment, providing strong support for the creation of the “dark factory” for aligner manufacturing.

Quality of Products

Angelalign strictly controls product quality. It continuously improves products and services through construction of global quality management system, target setting and correction and prevention processes to meet customers' all-round needs and ensure the provision of safe and effective products and high-quality services to customers.

Quality System

Based on the globalization strategy, in 2024, we established a quality management system (QMS) that meets the requirements of global regulatory regulations such as China GMP, EU MDR, US CFR820 and MDSAP, specifying the whole workflow of product realization, including product R & D, medical design, production process, sales and after-sales, covering the whole life cycle of products and ensuring the quality, safety and control of the whole life cycle of products. At present, we have obtained ISO 9001:2015, ISO 13485:2016, MDSAP certification.



Documentation Structure of Quality Management System



ISO 13485: 2016



ISO 9001: 2015



MDSAP

ENSURING PROMINENT QUALITY WITH CUTTING-EDGE TECHNOLOGY

We have formed a global quality management structure to strictly control product quality. The CEO of the Group is the main responsible person for the quality of our medical device products, responsible for organizing the formulation of the quality policy and quality objectives of the Company, and ensuring that the quality management department and quality management personnel effectively perform their duties. With the support of management and the joint efforts of all employees, we continuously improve and enhance the effectiveness and compliance of the system.

CEO	Formulate quality policies and quality goals, conduct management reviews, communicate with employees on the importance of quality, and continuously improve the quality management system.
Management Representative	Responsible for planning the quality management system to meet the requirements of the quality management system.
Department Head	Formulate a specific plan for quality management, including product demand confirmation, division of responsibilities and authorities, and filing of documents and records.

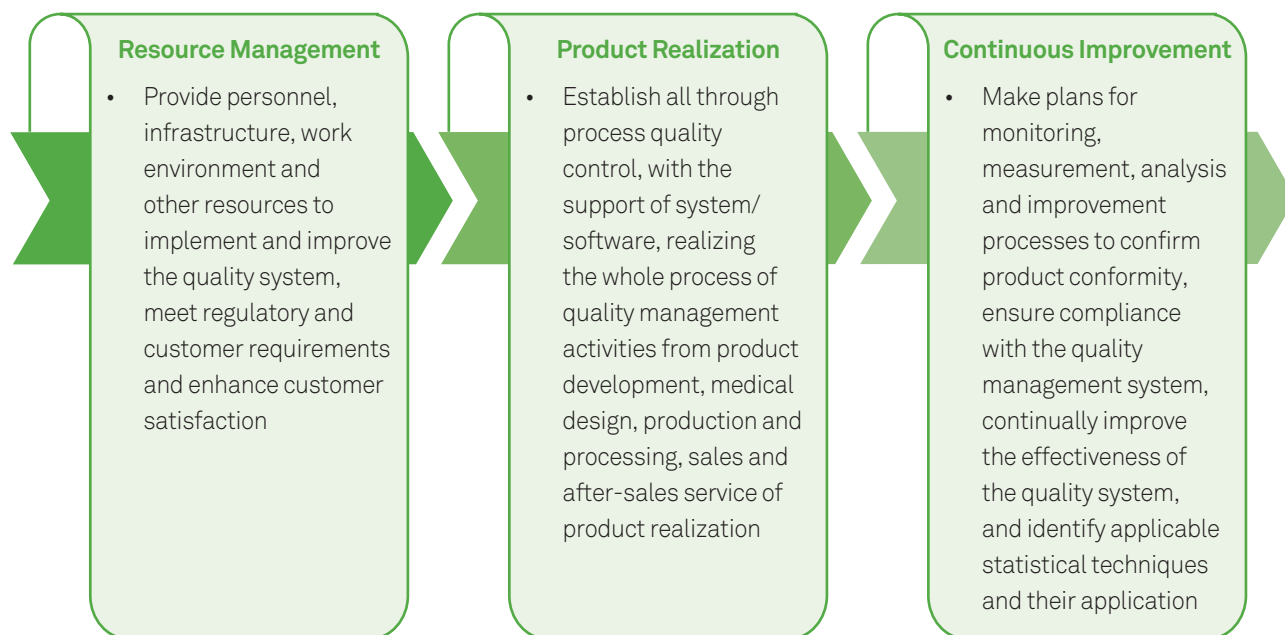
Organizational Structure of Product Quality Management

Adhering to the quality policy of Angelalign, we are constantly pursuing and improving our products and services to meet the full range of customer needs. In 2024, we set clear quality targets according to the production specifications of each product, and regularly tracked the achievement of the targets. During the Reporting Period, we achieved our quality objectives.

Quality Targets for 2024 (Partial)	
• One-time pass rate of final inspection	• Production process complaint rate
• One-time pass rate of medical cases	• Customer satisfaction

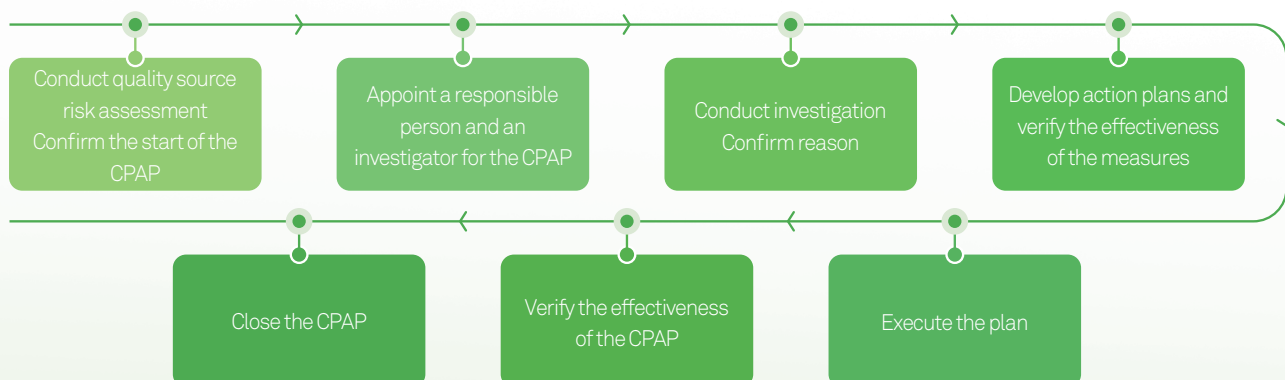
Quality Control

We have formulated the Risk Management Procedure (風險管理程序) to strictly identify potential hazards closely related to products, comprehensively assess and effectively control risks, and monitor the effectiveness of control measures. In addition, we continuously refine our quality management model in terms of resource management, product realization and continuous improvement to achieve quality control throughout the life cycle. At the same time, we guarantee the safety and effectiveness of materials through material research and product testing during the research and development stage and regular product performance testing after mass production.



Product Life Cycle Quality Management

We have established the Corrective and Preventive Action Procedure (CPAP) (糾正和預防措施程序) to actively implement effective corrective and preventive action procedures. We conduct in-depth analysis and proper handling of product quality defects and various quality hazards in the production process, and strive to prevent the recurrence of similar problems and maintain the effective operation of the quality management system.



The Corrective and Preventive Action Procedure of Angelalign

Case: A6 Jaw Plate Product Quality Improvement

A6 jaw plate is an innovative solution for clear aligners launched by Angelalign, which helps patients improve their facial contour and neat teeth alignment through the dual roles of jaw orthodontic and teeth orthodontic. During the product iteration process of this year, we carried out multiple rounds of fine optimization work for A6 jaw plate structure. By adding fishbone structure on the basis of cavity structure, the structural strength has been effectively improved, which not only greatly reduces the risk of fracture and collapse of A6 jaw plate in use, but also significantly enhances product durability, further consolidating the competitive advantage of the products.

Quality Improvement

In accordance with the provisions of the Internal Audit Procedures (内部审核程序), on the basis of weekly regular supervision and audit work, Angelalign planned audit of the quality management system not less than twice a year, covering all processes, business activities, functional segments and various regions involved in the management system. During the Reporting Period, we conducted 5 internal audits on GMP, ISO 13485 and ISO 9001 system certification, quality-related laws and regulations, the quality management system documents and product technical requirements of the Company. At the same time, we actively responded to 6 audits and inspections from external regulatory agencies and third-party certification bodies, and independently conducted 1 FDA simulation audit. All audits have been passed and the rectifications have been completed for key and general non-conformities.

We attach great importance to the construction of high-quality culture and actively carry out quality control and product safety training through internal lecturers or inviting third-party organizations, covering business system training, MDR training, ISO13485 system training, etc. During the Reporting Period, we conducted 8 quality-related trainings for target groups. At the same time, we conducted training courses on lean production, on-site 5S improvement, quality management and control on the production side for frontline supervisors and employees. During the Reporting Period, the Production Centre conducted 17 training courses with over 500 participants in total.

Customer Satisfaction

Angelalign is committed to providing customers with high-standard quality services. It has built customer complaint handling processes that meet global customer needs, which promotes continuous improvement and refinement of customer communication channels and problem-solving mechanisms. It is not only conducive to quickly and properly handle various demands of users, but also to build trust bridges with customers.

Customer Communication

We strictly follow the laws and regulations of the countries and regions where our business is located, and have developed institutional processes such as the Customer Service Management System (客戶服務管理制度) and the Regulations on Complaint Handling (投訴處理程序). We rigorously regulate the customer complaint handling process and after-sales service mechanism to ensure timely and comprehensive understanding of customer demands and feedback. We collect customer opinions and demands through customer service teams, sales teams, or distributors of the Group's headquarters and in other countries and regions where we operate, and further report relevant circumstances to the responsible department. Only after the problem is resolved and the relevant customer is satisfied, can the complaint be closed. Through regular customer complaint analysis meetings or mail monitoring, we strictly manage matters related to customer complaints, whereby continuously optimizing product and service quality, and enhancing customer trust.



Angelalign Complaint Handling Process

ENSURING PROMINENT QUALITY WITH CUTTING-EDGE TECHNOLOGY

In addition to complaints, we actively listen to customers' voices and make full use of WeChat group, customer communication system, enterprise hotline, enterprise customer service mailbox and other channels to collect customer evaluation and feedback information in an all-round way. In addition, we regularly carry out customer service skills training activities, regularly organize internal experience sharing meetings of customer service, and conduct special training on common problems, so as to improve service standards and business skills.

In order to understand the real thoughts of our customers and explore their potential needs, we conducted annual satisfaction surveys covering various dimensions such as iOrtho software, customer representative services, customer service, orthodontic products and training support. In 2024, our customer satisfaction result was good.

We actively promote quarterly satisfaction surveys and monthly new doctor satisfaction surveys with a view to improving customer experience, and timely feedback customers' opinions on medical design, products and services to relevant departments. Meanwhile, we seek effective solutions and formulate rectification measures through a closed-loop mechanism to promote continuous improvement and improvement of various tasks and continuously improve customer satisfaction.

During the Reporting Period, we received 1,620 complaints with a handling rate of 100 %.

Product Recall

In accordance with laws and regulations and the requirements of ISO 13485 medical device quality management system, we have formulated management systems such as Product Recall Procedure (產品召回程序) and Market Action Procedure (市場行動程序). These stipulate the handling requirements for non-conforming products after delivery, including market corrective actions such as recall and advisory notice, so as to ensure the control and elimination of product defects for products of a certain category, model or batch that have been marketed and sold with defects, and to strictly control product quality. During the Reporting Period, we did not have any product recalls for safety and health reasons.

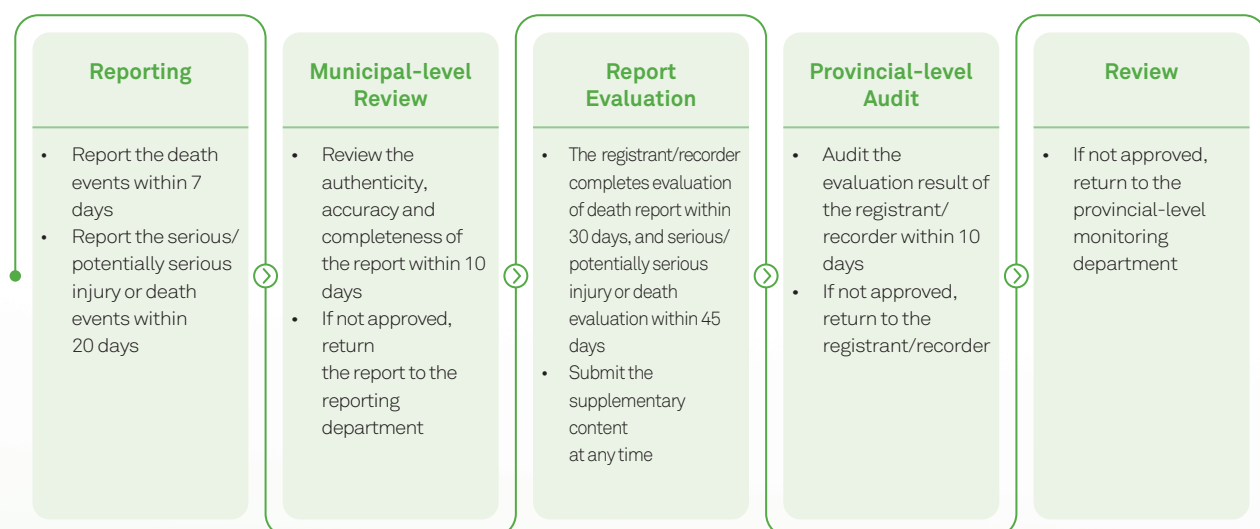
Angelalign Product Recall Procedures

- Product recalls are categorized into three levels according to the severity of product safety hazards;
- If a recall decision is made, the Quality Department shall prepare and submit a recall plan and report the same to the drug regulators;
- In the recall process, a report on the implementation of the recall plan shall be submitted to the drug regulators on a regular basis, with detailed records concerning the handling of the recalled medical devices;
- The final evaluation report concerning such medical device recall shall be submitted to the drug regulators and cooperation will be taken to complete the follow-up investigation.

The Company has established a post-marketing supervision system that meets the requirements of global regulations and formulated a series of normative documents such as Post-marketing Supervision Procedure (上市後監督程序), Alert System Procedure (警戒系統程序) and Market Action Procedure. We also focus on information collection, in-depth analysis and effective application of products after marketing, and set up a global post-marketing supervision system (PMS) team to carry out post-marketing supervision actions in order to ensure the continuous safety and efficiency of marketed medical devices. For all countries involved in product sales, we have established a comprehensive table for agent contact and alert information inquiry, launched global information monitoring work, and submitted post market supervision reports to regulatory authorities in various countries according to the prescribed cycle.

To strengthen the delivery and post-use supervision and management of medical device products, we have formulated the Procedures for Monitoring and Re-evaluation of Adverse Events (不良事件監測和再評價程序) and the Alert System Procedure, and established a leading group for medical device adverse event monitoring to standardize the monitoring, handling and control process of adverse events and promote the orderly implementation of regular risk evaluation and re-evaluation.

We publish telephone, postal address, mail address, fax and contact information in prominent positions of product instructions for use, outer packaging or company website. We actively collect information related to adverse events from medical device distributors and users, and establish an open, transparent and convenient reporting channel for operators and users. We also screen any suspected adverse events from customer complaints or feedback according to the medical device adverse event reporting standards, and query whether there is adverse event information reported by users through the national medical device adverse event monitoring system, so as to take necessary countermeasures in a timely and decisive manner and make every effort to protect the interests and safety of customers to the greatest extent.



Angelalign Adverse Medical Device Event Reporting Process

Win-win Cooperation

Sustainable Supply Chain

In order to establish and improve the supplier management process, Angelalign updated the management documents such as Supplier Management Procedure (供應商管理程序), Procurement Control Procedure (採購控制程序) and Supplier Code of Conduct (供應商行為準則), and created an integrated online control platform through deep integration of procurement management software and financial sharing software. The platform can realize various key steps such as supplier admission audit, regular audit and comprehensive evaluation, and standardized implementation of exit mechanism, effectively improving the accuracy, transparency and management efficiency of supplier management, laying a solid foundation for stable operation and quality assurance of procurement business.

Approval Management

- All potential suppliers are required to provide business licenses, quality certifications and other relevant qualification documents, and prioritize the environment-friendly suppliers with benign reputation in the industry
- Conduct rigorous on-site reviews for all key suppliers who provide products that directly affect the quality, key functions and performance indicators of final products, to ensure that they are capable of delivering products and services that meet the requirements

Supplier Classification Management

- Create profiles for qualified suppliers and maintain the relevant materials on a regular basis
- Categorize suppliers according to the material type, service type, and impact on final products

Regular Review and Assessment

- Conduct regular on-site reviews and performance assessments for suppliers
- Conduct annual supplier evaluations, reviewing and analyzing the quality, technical level, and delivery capability of the materials and services supplied by them according to the Supplier Performance Evaluation Form (供應商績效評價表)
- With regards to the suppliers with a low overall score in the performance evaluation, formulating a supplier development plan and urge them to make rectifications within a limited period of time

Change and Termination Management

- Suppliers are required to initiate changes in accordance with the Change Notification Procedure (變更通知程序) before implementing any change that may affect the satisfaction of products to specified procurement requirements
- If a supplier is assessed to have significant deficiencies that affect the quality of a purchased item, will consider discontinuing the purchase and conducting a termination review, and promptly assess the risk of the purchased item in use to the products

Lifecycle Quality Management on Suppliers

ENSURING PROMINENT QUALITY WITH CUTTING-EDGE TECHNOLOGY

In 2024, we initiated annual reviews of 264 suppliers, of which 45 performed on-site reviews.

In order to meet the key demands of procurement in terms of quality control, cost control and delivery guarantee, we continue to promote supplier capacity improvement projects and actively carry out supplier assistance actions. For small-scale medical device model production suppliers, after examining their development potential and technical capabilities, we effectively relieve their capital pressure by providing model data, the full pre-payment of sampling fees and commitment to the number of orders after passing inspection, providing stable and predictable business guarantee for them. This also improves the Company's supply chain synergy advantage and risk resistance ability in market competition.

As of the end of the Reporting Period, Angelalign had 626 long-term cooperative suppliers. The following table shows the number of suppliers by region:

Region	Unit	Year ended December 31, 2024
East China	Suppliers	392
South China	Suppliers	56
North China	Suppliers	42
Other countries and regions	Suppliers	136

Sustainable Procurement

Angelalign attaches great importance to the green development of the supply chain, actively assumes social responsibility, and promotes the green and low carbon development of the supply chain. During the Reporting Period, we formulated the "Angelalign Green Procurement Policy (Trial)" (時代天使綠色採購政策(試行)) to integrate green environmental protection concepts into procurement activities. We give full consideration to the requirements of environmental protection, resource conservation, safety and health, low carbon recycling and recycling in the procurement process, and give priority to the procurement of raw materials, products and services that are conducive to environmental protection, such as energy conservation, water conservation and material conservation. At the same time, Angelalign runs the concept of environmental protection and resource conservation through the whole life cycle of products, and constructs the upstream and downstream supply relationship coordinated between economic activities and environmental protection.

We fully consider the labor rights and occupational health and safety of upstream suppliers. During the Reporting Period, we strengthened the requirements on labor rights and occupational health in the supplier audit process, and required on-site rectification for suppliers who did not meet the requirements, so as to promote suppliers to protect the legitimate rights and interests of their employees and help build a responsible supply chain.

Industry Influence

Angelalign actively participates in industry conferences, shares experience and knowledge, and promotes common development of the whole industry. During the Reporting Period, we hosted the Technical Seminar on “Trace the Essence of Scientific Diagnosis and Treatment”, the Children and Adolescents Orthodontic Euro-International Forum, and the First European Academic Forum on Angelalign Clear Aligner, inviting industry experts to exchange and discuss industry focuses, bringing new exploration results and application sharing to the industry. In addition, we also actively participated in a number of international conferences and academic seminars such as the 23rd Annual Meeting of the Chinese Orthodontic Society to promote industry co-construction through exchanges and sharing.

Angelalign also actively participates in the revision of industry standards and contributed to the formation of comprehensive and reliable industry standards. During the Reporting Period, YY/T 1932-2024 Dentistry-Dental Splint Bracketless Orthodontic Aligner, the first industry standard for dental membrane-type non-bracket orthodontic appliances (clear aligner) which we jointly formulated, was officially released.



Technical Seminar on “Trace the Essence of Scientific Diagnosis and Treatment”



The 23rd Annual Meeting of the Chinese Orthodontic Society

Case: The First European Academic Forum on Angelalign Clear Aligner

In March 2024, Angelalign hosted the First European Academic Forum on Clear Aligner. The forum, with the theme of “Together towards the future”, invited 14 authoritative experts in the field of orthodontics to give speeches, attracting professional doctors from all over the world to participate. The latest progress and future trends of clear aligner technology were discussed, and the clinical application and development of clear aligner technology were explored through real case demonstrations, allowing exchange of professional and innovative thinkings in the forum.

Case: The 23rd Annual Meeting of the Chinese Orthodontic Society

In October 2024, the 23rd Annual Meeting of the Chinese Orthodontic Society was held. Around the “Digital Orthodontic Whole Process,” Angelalign booth displayed the key links of clear aligner such as diagnosis analysis, plan formulation, follow-up monitoring, etc. Through interactive screens and 3D simulation, doctors can experience digital tools to improve the accuracy of diagnosis and the efficiency of treatment. During the exhibition, Angelalign invited professional lecturers to share cutting-edge technology at their booth. The topics covered included the orthodontic treatment concepts for common malocclusions in children and adolescents, as well as the specific applications of clear aligner in various scenarios. These sessions were designed to help doctors tackle complex cases.

MAINTAINING FRIENDLY ENVIRONMENT WITH GREEN AND LOW-CARBON OPERATION

Adhering to the concept of ecological priority and green development, Angelalign strengthens the construction of environmental management system, and actively responds to the challenges of global climate change. It deeply integrates energy conservation and emission reduction strategies into daily operations, and is committed to improving the efficiency of energy and resource use. Angelalign is determined to become a key participant and active contributor to the construction of global ecological civilization.

Environmental Compliance

Angelalign strictly abides by relevant laws and regulations in and out of China. We have established a safety and environment department to implement environmental management responsibilities, and have defined environmental protection compliance requirements in the Compliance Manual. Meanwhile, we have formulated the Environmental Protection Policy (環境保護方針政策) and are committed to conducting business around the world with green and low carbon production and operation methods.

In 2024, we formulated environmental management goals based on the actual situation of the Company, and all of them have been achieved.



Environmental Management Goals of Angelalign for 2024

In addition, we pay attention to environmental protection and sustainability when renovating the new factory building in Chuangmei Center. Environmentally friendly coatings with low volatile organic compounds (VOC) were strictly selected to reduce environmental pollution and potential threats to workers' health. We strive to create a green and safe production environment.

Use of Resources

We attach importance to resource management and have formulated the Energy and Water Conservation Management System (節能節水管理制度) to build a standardized and systematic resource use management structure. Through the efficient use of energy and continuous optimization of product packaging design, we vigorously promote the improvement of resource utilization efficiency, and realize the economical use of resources while obtaining economic benefits.

In order to create a good atmosphere for energy conservation and consumption reduction and promote the high-quality implementation of "green operation", we issued the initiative of "green office and low carbon life", covering eight core points such as advocating saving lighting electricity, reducing office paper consumption, promoting green travel and commuting methods, and practicing green procurement. We call on all employees of the Company to strive to be advocates, practitioners and supervisors of green environmental protection.

MAINTAINING FRIENDLY ENVIRONMENT WITH GREEN AND LOW-CARBON OPERATION

In 2024, we updated the air compression system and adopted frequency converters for energy consumption regulating, effectively reducing the energy consumption of the air compression system by more than 40%. Aditek also optimized its energy sources by installing rooftop PV, further driving our transition to a more environmental-friendly and sustainable energy mix.

For the purpose of water conservation, we have adopted a series of water management measures to ensure the rational and sustainable use of water resources.

Our key performance indicators for the use of resources during the Reporting Period are as follows:

Use of Resources	Unit	Year ended December 31, 2024
Total Direct Energy	MWh	29.5
<i>Gasoline</i>	<i>MWh</i>	<i>29.5</i>
Total Indirect Energy	MWh	19,816.9
<i>Electricity Consumption</i>	<i>MWh</i>	<i>19,816.9</i>
Total Energy Consumption	MWh	19,846.4
Energy Consumption Intensity	MWh/total revenue (USD million)	73.8
Total Water Consumption	Ton	128,298.0
Total Water Consumption Intensity	Ton/total revenue (USD million)	477.3
Total Packaging Materials	Ton	371.7
<i>Carton</i>	<i>Ton</i>	<i>371.7</i>
Intensity of Packaging Materials	Ton/total revenue (USD million)	1.4

Notes:

1. Our water sources are all municipal water, so we are assured of adequate and suitable water.
2. Our direct energy is derived from gasoline and diesel fuel generated in our business operations and our indirect energy is derived from purchased electricity consumed.
3. Since there is no other environment and natural resource involved in our operations, Aspect A3 (environment and natural resources) and A3.1 (description of the significant impacts of business activities on the environment and natural resources and actions taken to manage such impacts) are not applicable.
4. The reporting scope of KPIs covers the Company's headquarters in Shanghai, Chuangmei Center and Huishan Production Center in Wuxi.

Pollution Prevention

Angelalign strictly abides by the requirements of relevant laws and regulations in the field of pollution prevention and control, and strictly controls a number of key areas of environmental management such as exhaust gas, wastewater, waste and noise. We regularly engage third-party professional testing agencies to conduct relevant assessments to ensure that all pollutants are handled in a compliant manner. We also take active measures to strengthen environmental management and continuously reduce pollutant emissions.

MAINTAINING FRIENDLY ENVIRONMENT WITH GREEN AND LOW-CARBON OPERATION

Wastewater Management

We attach importance to the management of wastewater discharge and ensure that all of our production bases strictly comply with the relevant local laws, regulations and standards during the course of their operations, and ensure that wastewater is discharged into the municipal pipeline network on the condition that it has been treated and that our water quality parameters meet the standards. In 2024, we continued to take measures to manage wastewater discharge risks, fully automating the clean-free process and eliminating the use of propylene carbonate. Compared with 2023, the purchase volume of washing solution decreased by 120 tons year-on-year, and the output of waste washing solution decreased by 217 tons year-on-year.

Our key performance indicators for wastewater during the Reporting Period are as follows:

Emissions	Unit	Year ended December 31, 2024
Amount of Wastewater	Ton	70,230.4

Note: The reporting scope of KPIs covers the Company’s headquarters in Shanghai, Chuangmei Center and Huishan Production Center in Wuxi.

Air Emission Management

We continue to invest in and improve technology for the collection and treatment of air pollutant emission sources, and actively control and reduce exhaust emissions. During the Reporting Period, the waste gas treatment facilities of Huishan Production Center were upgraded from activated carbon adsorption to water spray and activated carbon adsorption, increasing the waste gas treatment efficiency by approximately 20%.

MAINTAINING FRIENDLY ENVIRONMENT WITH GREEN AND LOW-CARBON OPERATION

Our key performance indicators for exhaust gas during the Reporting Period are as follows:

Emissions	Unit	Year ended December 31, 2024
NMHC	Ton	0.5
Particulate Matter	Ton	0.1

Notes:

1. Our total emissions of NMHC and particulate matter are equal to the emission rates of NMHC and particulate matter multiplied by the operating hours of the exhaust treatment facilities during the Reporting Period where the emission rates were tested by a third-party professional testing company.
2. The reporting scope of KPIs covers the Company's headquarters in Shanghai, Chuangmei Center and Huishan Production Center in Wuxi.

Waste Management

In order to minimize the impact of hazardous waste on the surrounding environment, we have updated and continuously optimized the Solid Waste Management System (固體廢物管理制度), the Solid Waste Operation Guideline (固體廢物作業指導書) and other relevant regulations, which serve as the framework for our waste management. We continuously strengthen the standardized management of and compliant disposal of waste, and implement the compliant collection, classification, storage and transfer of different types of waste, in order to avoid pollution to soil and surrounding environment due to improper waste disposal. These effectively ensure that the Company's waste management work is always in compliance, and aim to build a solid management defense line for achieving green sustainable development.

General Solid Waste Management

- 350 tons of valuable waste were recycled in 2024, accounting for 55%
- The remaining waste was entrusted to general solid waste treatment departments for recovery and disposal

Hazardous Waste Management

- Separately store hazardous wastes and post labels
- Establish a hazardous waste ledger and regularly entrust the recycling and disposal of the waste to qualified departments

MAINTAINING FRIENDLY ENVIRONMENT WITH GREEN AND LOW-CARBON OPERATION

Our key performance indicators for hazardous and non-hazardous waste emissions during the Reporting Period are as follows:

Waste	Unit	Year ended December 31, 2024
Total Hazardous Wastes	Ton	265.5
<i>Cleaning Waste Liquid</i>	<i>Ton</i>	<i>141.3</i>
<i>Activated Carbon</i>	<i>Ton</i>	<i>43.0</i>
<i>Packaging Drums</i>	<i>Ton</i>	<i>36.9</i>
<i>Shower Tower Waste Liquid</i>	<i>Ton</i>	<i>37.0</i>
<i>Waste gloves</i>	<i>Ton</i>	<i>6.2</i>
<i>Waste filling materials</i>	<i>Ton</i>	<i>1.2</i>
Hazardous Waste Intensity	Ton/total revenue (USD million)	1.0
Total Non-hazardous Waste	Ton	308.4
<i>Photochemical Model</i>	<i>Ton</i>	<i>300.3</i>
<i>Gypsum Model</i>	<i>Ton</i>	<i>8.1</i>
Non-hazardous Waste Intensity	Ton/total revenue (USD million)	1.1

Note:

1. Our hazardous waste types and emissions are sourced from the Circulate Forms for Transferring Hazardous Wastes (危險廢物轉運聯單).
2. The reporting scope of KPIs covers the Company's headquarters in Shanghai, Chuangmei Center and Huishan Production Center in Wuxi.

Noise Management

We regularly monitor the noise at the plant boundary, to ensure that it complies with the requirements of the emission limit values of GB12348 -2008 Emission Standard for Industrial Enterprises Noise at Boundary (GB 12348 – 2008 工業企業廠界環境噪聲排放標準). We constantly reduce noise by installing sound insulation and silencing materials and devices to minimize the noise pollution generated during our production and operation and to improve the quality of the environment.

Addressing Climate Change

Climate change is one of the major risks faced by the world today, which affects human health and business operations at the same time. Angelalign has been exploring solutions to address climate change in conjunction with our corporate practices and contributing to the fight against climate change. We have integrated the management of climate-related issues into our ESG governance framework, with the Board overseeing and guiding our approach and strategy for climate change management. We have initiated the identification of climate change risks and opportunities based on the actual operation of the Company to understand the impact of climate-related risks and opportunities on the Company's business operations. Meanwhile, we have formulated a response strategy based on our risk identification and incorporated climate solutions into our daily operations to enhance our climate resilience.

MAINTAINING FRIENDLY ENVIRONMENT WITH GREEN AND LOW-CARBON OPERATION

In order to effectively prevent and control the possible high temperatures, typhoons and other severe weather, we formulate the Extreme Weather Emergency Response Plan (極端天氣應急預案) in accordance with the relevant management requirements and the reality of the production site, to estimate and analyze the place and time where the hazards are likely to occur, to specify the personnel of emergency organization structure and duties, and to achieve a rapid response to extreme weather through the complete on-site emergency procedures and measures. At the same time, we regularly organize and conduct training on environmental emergency management to enhance the emergency response standard and risk awareness of our staff.

- High-temperature weather: Provide sugar water, green bean soup and other anti-heat-cooling drinks and the necessary protective gear and heat-prevention drugs in the production sites.
- Typhoon weather: Require personnel to immediately stop on-site overhead operations and evacuate from dangerous workplaces, and efficiently conduct the on-site vigilance and emergency vehicle deployment.

In order to minimize the impact of our business activities on the environment, we have integrated the measures regarding energy conservation and emission reduction into our design, manufacturing and operational processes, and continue to reduce greenhouse gas emissions by improving energy efficiency and replacing energy-efficient equipment to better cope with climate change risks. For specific disclosure information related to climate change, please refer to the “Appendix 1: Climate-related Information Disclosure Report”.

Angelalign’s 2024 key performance indicators for greenhouse gas emissions are summarized in the table below.

Greenhouse Gas Emissions	Unit	Year ended December 31, 2024
Direct Greenhouse Gas Emissions (Scope 1)	tCO ₂ e	7.2
Indirect Greenhouse Gas Emissions (Scope 2)	tCO ₂ e	10,633.7
Total Greenhouse Gas Emissions	tCO ₂ e	10,640.9
Intensity of Greenhouse Gas Emissions	tCO ₂ e/total revenue (USD million)	39.6

Notes:

1. Greenhouse gas accounting is presented in terms of carbon dioxide equivalents. The carbon dioxide emission factors of purchased electricity in our business operations in China are derived from the average emission factors of the national power grid in the Announcement on the Release of Carbon Dioxide Emission Factors for Electricity in 2022 (關於發佈 2022 年電力二氧化碳排放因子的公告) issued by the Ministry of Ecology and Environment.
2. Our direct energy greenhouse gas emissions (Scope 1) come from gasoline and diesel generated in business operations, and our indirect energy greenhouse gas emissions (Scope 2) come from purchased electricity consumed.
3. The reporting scope of KPIs covers the Company’s headquarters in Shanghai, Chuangmei Center and Huishan Production Center in Wuxi.

CONTRIBUTING TO HARMONIOUS SOCIETY WITH DIVERSITY AND UNDERSTANDING

“People-oriented” has always been the core value of Angelalign. We respect and cherish the individuality and contribution of each employee around the world, and are committed to providing a diverse and inclusive working environment for employees. We fully appreciate their hard work and growth. At the same time, we actively fulfill our social responsibilities and use our professional capabilities, resources and innovative technologies to give back to society and build a better world with them.

Employee Development

We always pay attention to and protect the legitimate rights and interests of employees, actively create a diversified and inclusive working environment, and support employees to achieve personal career development in Angelalign through a sound training system and clear promotion paths, laying a solid talent foundation for our long-term success.

Compliance Employment

We always adhere to the principle of “compliance employment”, and strictly abide by the laws and regulations of the countries and regions where our business is located. We have formulated the Recruitment Management System (招聘管理制度) and the Entry and Exit Management System (入離職管理制度) to standardize the recruitment, employment and resignation processes of employees, and ensure that the rights and interests of employees are not infringed, and will complete the corresponding release in due course.

We resolutely resist illegal employment practices such as the employment of child labor and forced labor. In order to ensure that the employment is in compliance with the Provisions on the Prohibition of Using Child Labor (禁止使用童工規定), we focus on checking the applicants’ valid identification to ensure that the applicants have reached the legal age for employment. If any person who has not reached the legal age for employment works in the Company, we will conduct background checks on the corresponding personnel in accordance with the regulations and deal with it in accordance with the requirements of laws and regulations to prevent such incidents. During the Reporting Period, there was no child labor or forced labor in the Company.

We continuously improve our recruitment process to enhance recruitment efficiency. Through headhunting services, campus recruitment, online recruitment and internal recommendation, we actively attract outstanding talents from all over the world. During the Reporting Period, we continued to build our employer brand and carried out school-enterprise cooperative recruitment projects with 30 colleges and universities in 16 provinces. We successfully recruited 551 students. To align with the Company’s global strategic positioning and business development, we actively expand non-China recruitment and successfully recruited international talents from many countries, injecting new vitality into the Company’s global vision and diversified development.

As of December 31, 2024, we had 3,576 employees, all of whom were full-time employees.

Employees Category		Number	Percentage	Turnover Rate
Gender	Male	1,713	47.9%	14.8%
	Female	1,863	52.1%	14.9%
Age	<30 years old	1,901	53.2%	16.7%
	30-39 years old	1,389	38.8%	12.6%
	≥40 years old	286	8.0%	12.3%
Region	Wuxi	1,672	46.8%	14.6%
	Other regions	1,904	53.2%	15.1%

Note: Employee turnover rate = the number of departed employees during the Reporting Period/(the number of departed employees during the Reporting Period+ number of employees at the end of the Reporting Period), and the statistical range of the number of departed employees include those who terminate their employment relationship due to voluntary resignation and retirement.

Equality and Inclusion

Angelalign believes that employees from diverse backgrounds are an important source of continuous vitality for the organization. We actively promote diversity, equality and inclusion and strive to create such a working atmosphere for every employee around the world.

• Protection of Human Rights

We are well aware of the importance of human rights and our responsibility to uphold, respect and protect them. Therefore, we uphold the principles of pluralism, equality and inclusiveness, and strictly comply with laws, regulations and standards related to human rights. We follow the spirit of international human rights conventions such as the United Nations Universal Declaration of Human Rights (世界人權宣言) and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work (關於工作中的基本原則和權利宣言), and have formulated and issued Human Rights Statement (人權聲明), to promote human rights practices globally with the highest standards and ensure that our business activities, policies and practices are in line with internationally recognized human rights norms and standards.

We are committed to respecting the dignity and rights of each human being and firmly oppose all forms of human rights violations, including but not limited to discrimination, exploitation, abuse and forced labor. We commit ourselves to regularly reviewing our operations and human rights practices to ensure that Angelalign remain consistent with internationally recognized human rights norms and standards. At the same time, we will promptly correct any non-compliance with human rights norms and standards and transparently report to the public on the progress and challenges of Angelalign in human rights.

CONTRIBUTING TO HARMONIOUS SOCIETY WITH DIVERSITY AND UNDERSTANDING

We also require all business partners, suppliers and employees to comply with internationally recognized human rights standards, and call on employees, partners, suppliers, governments and all sectors of society to pay attention to and support the cause of human rights, jointly promote the development of human rights, and strive for a more just, equal and inclusive world.

- *Anti-discrimination and Anti-harassment*

All employees of Angelalign are entitled to work in an environment free of discrimination and harassment. Our Employee Manual (員工手冊) and Code of Business Conduct (商業行為和道德準則) include non-discrimination and non-harassment clauses, which clearly state that we have zero tolerance for discrimination, refuse all discrimination and prejudices, and strictly prohibit any form of harassment (including sexual harassment and non-sexual harassment) and discrimination based on race, gender, color, religious belief, ethnicity, age, military service status or disability in the workplace. Once an employee is found to have committed illegal discrimination or harassment, both the perpetrator and the participant will face severe punishment, including but not limited to terminating the labor contract relationship and bearing civil or criminal consequences.

- *Diversity and Inclusion*

Angelalign places gender equality at the heart of diversity, inclusion and equality in corporate culture. We adhere to the principle of equal pay for equal work and pay fairly according to such factors as job requirements, employee performance and individual ability, ensuring that male and female employees with the same position, experience and work performance receive equal remuneration. In addition, we actively provide equal career development opportunities and platforms for female employees, with female employees accounting for over 30% of middle level or above management, demonstrating that the Company has achieved phased results in promoting gender equality and facilitating the career development of female employees.

Rights and Benefits

We provide paid holidays such as statutory holidays, annual leave, bereavement leave, marriage leave, maternity leave, personal leave and sick leave to all employees around the world, and establish a market-competitive compensation and welfare system based on basic salary, post salary, subsidy and performance bonus to fairly reward employees' contributions and motivate them. In addition, we purchase employer liability insurance and commercial insurance such as critical illness insurance and commercial medical insurance for all employees to provide additional protection to attract and retain outstanding talents.

- *Communication with Employees*

Angelalign highly values communication with employees, respects and cherishes the voice of each employee. We are committed to creating an equal, harmonious, smooth, and transparent communication environment for our employees. We have established diverse appeal channels and communication platforms, supporting employees to provide feedback to the Company through various means such as Ding Talk, phone and mail. Through flexible and diverse channels of appeal communication, we are able to timely understand employees' genuine feedback and demands regarding the work environment and management methods.

We continue to expand the ways of information exchange and contact between the Company and employees through internal communication channels and carriers, such as Angelalign Newspaper, national TV, Ding Talk announcements, and all-employee emails. In addition, we regularly organize employee seminars every year, inviting new employees or representatives to participate, which serves as a platform for employees to speak freely, and to enhance trust and understanding through direct communication.

In order to help new employees adapt to the Company's environment quickly and integrate into the group, we arrange one-on-one communication meetings for new employees, conduct new employee satisfaction surveys, and listen to new employees' feedback and voices in a timely manner, to understand their adaptation and provide necessary resources for new employees to help them solve their puzzles. During the Reporting Period, the result of new employee satisfaction survey was close to 100%.

- *Staff Care*

We promote work-life balance among our employees and create a caring and warm working environment through organizing colorful corporate culture activities to continuously enhance their sense of well-being. We provide our employees with rest and recreational facilities such as football and basketball courts and yoga studios. We also regularly organize thematic activities on festivals such as the Mid-Autumn Festival, Dragon Boat Festival and Women's Day, as well as various kinds of rich and diverse team-building activities, so as to enhance the sense of belonging and team cohesion of our employees. In addition, we regularly provide benefits such as holiday gifts, high temperature subsidies and afternoon tea. We pay much attention to the needs of employees who have difficulties in life and strive to build a friendly and harmonious working atmosphere.

In order to recognize the efforts of each employee, we organize annual commendation meetings and major project pledging meetings to make employees fully feel valued and seen through commendation and encouragement, and enhance their recognition of corporate culture.



Dragon Boat Festival Activities



Mid-Autumn Festival Activities



Women's Day Activities



Commendation Conference

Case: See Smile, Build a Better World Together — Angelalign 3rd Parent-Child Family Day Activity

In order to enhance the understanding and recognition of employees' families to the Company, and let children understand the working environment and work content of their respective parents, the Company organized Angelalign the third parent-child family day activity in October 2024. During the event, employee families planted trees together, played interactive games such as Happy Battle together, and were provided with free dental health checkups. A total of 36 families participated in this event, and each family was filled with laughter. Through interactive games, children felt the warmth of the Company with happiness planted in their hearts.



Angelalign Parent-Child Family Day

Training and Development

Angelalign values employee development and talent empowerment, and has formulated the Employee Development Policy (員工發展政策), which is committed to actively investing in every step of employee growth through a complete training system and smooth career development paths.

- *Performance and Promotion*

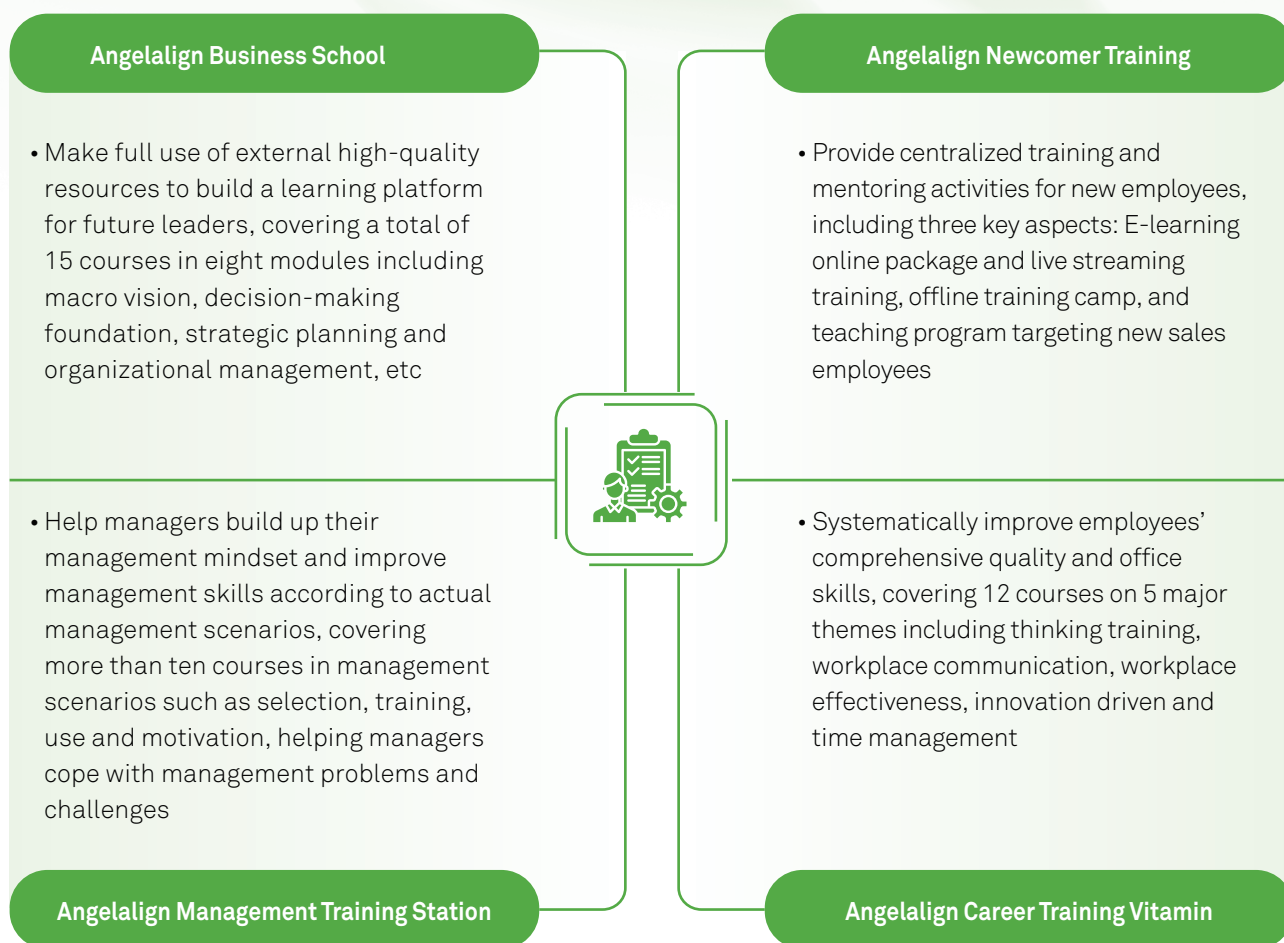
We have established a sound management and professional dual-regulation position ranking system to meet the career planning needs of different employees, and encourage employees to work hard in their areas of expertise to maximize their professional value. We ensure that each employee has equal opportunities for promotion and development, and set up a promotion window in April every year to provide promotion opportunities for employees with excellent performance, huge potential, compatible values and outstanding abilities. During the Reporting Period, we further optimized the employee competency model to more accurately reflect the strategic direction and business development needs of the Company and provide a more scientific basis for the promotion mechanism.

In order to actively mobilize the initiative, creativity and motivation of our employees, we have improved the assessment mechanism and indicators through the Performance Management System (績效管理制度) and the Management Measures for Performance Appraisal and Bonus Payment (績效考核與獎金發放管理辦法), and have adopted scientific, reasonable and effective management measures for performance appraisal. We also continue to improve our long-term incentive mechanism by establishing a share incentive plan to maintain our core competitiveness and motivate our employees to achieve long-term development.

- *Staff Training*

Angelalign focuses on the comprehensive and multi-level development of employees, formulated the Training Management Program (培訓管理程序), constructed a comprehensive and systematic training system, and set up diversified training programs such as Angelalign Business School, Angelalign Newcomer Training, Angelalign Management Training Station, Angelalign Career Training Vitamin to continuously improve the professional knowledge and skills of employees and provide a solid guarantee of talents for the long-term development of the Company. We attach great importance to the skill enhancement of employees in special positions, encourage self-empowerment and participation in external training courses related to their positions and reimburse their expenses.

CONTRIBUTING TO HARMONIOUS SOCIETY WITH DIVERSITY AND UNDERSTANDING



In July 2024, Angelalign launched Angelalign E-learning online platform. As a one-stop learning platform that integrates a variety of learning resources and functions, Angelalign E-learning provides employees with a variety of online courses. It can also plan personalized learning paths according to each employee's career development needs, assisting the growth and progress of employees in their career. As at the end of the Reporting Period, Angelalign E-learning had launched 1,289 online courses with a total 11,844 learning hours.

During the Reporting Period, the coverage rate of employee training was 100% for both online and offline, with a total of 80,451.5 hours spent on centralized training.

Category	Index	Average Training Hours during the Reporting Period
Gender	Male	20.2
	Female	24.6
Rank	Management	66.2
	General staff	21.3

Case: Angelalign New Employee Training Program

In terms of new employee training, after years of development, we have successfully organized 29 training sessions with rich design, comprehensive content and fine operation. In 2024, we held 5 offline training sessions and 4 live-streaming training sessions, covering 508 participants. Through a series of well-designed training sessions and mentoring programs, new employees are growing rapidly, injecting new vitality into the Company's development.

Online 30-day Learning Package And Live-streaming Training

- Covering company culture, basic knowledge of medical products and systems and processes, helping new employees to quickly grasp the core knowledge and integrate into the Company culture, laying a solid foundation for their future work

Offline 5-day Intensive Training

- The training set up the opening ceremony, systematic courses, co-creative exchanges, written tests and practical tests, as well as the conclusion of the commendation and other links, the theoretical knowledge learned online into the actual operation ability
- At the end of the training period, an outstanding group and an outstanding individual will be selected based on a combination of factors such as classroom performance and assessment results of each new staff member

Teaching Program Targeting New Sales Employees

- Developed a 4-month mentoring manual and mentoring programme based on the extensive experience of a number of senior mentors
- For all new employees in sales positions, the department will arrange for them to be taught by senior masters, in accordance with the established plan for teaching action to ensure that they can quickly adapt to the working environment, master market strategy, sales visits, product presentations and other work skills and knowledge



Angelalign New Employee Training

Case: Angelalign Business School Program

Facing the rapid changes in the external environment, Angelalign launched the “Angelalign Business School Program” in order to strengthen the organization and cultivate more outstanding talents. During the Reporting Period, we invited five senior lecturers from the School of Management of Fudan University to complete training courses such as “Complexity and Breakthrough of China Economy” (中國經濟的複雜性與突破), “Management Economics” (管理經濟學) and “Data Statistics and Decision Making” (數據統計與決策). Students believed that through the courses, not only their horizons have been greatly expanded, but also their knowledge reserves have been significantly improved. We sincerely hope that through this project, each student can learn knowledge, apply what they have learned into practice, never forget their original intentions, work together and contribute more wisdom and strength to the development of the Company.



Angelalign Business School Program

Healthy and Safety

Angelalign always regards the “People-oriented, Life first” as its core principle, and puts the protection of employees’ life and health in the first place. We firmly believe that ensuring the health and safety of employees is fundamental for promoting employees’ well-being and improving their productivity and creativity. We have established a compliant and sound employee safety management system and created a healthy and safe working environment for employees in strict accordance with laws and regulations related to production safety and occupational health. In the past three years including the Reporting Period, we did not have any work-related deaths of employees. During the Reporting Period, we lost 124 working days due to work-related injuries, of which 24 days were due to traffic accidents on the way to and from work.

Production Safety

To implement the production safety policy of “safety first, precaution orientation, and comprehensive management”, we have formulated internal policies and systems such as the Safety Production Responsibility System (安全生產責任制) and the Safety Hazard Investigation and Management System (安全隱患排查治理制度), which provide clear guiding principles for the safety management of our operating sites. To further strengthen safety management, we have incorporated health and safety affairs into the work responsibilities and supervision and management scope of the management and execution level. We have also established the Safety and Occupational Health Committee consisting of the Vice President, Safety and Environmental Protection Department members and managers of each department, to ensure effective implementation of safety measures.

• *Classification and Management of Safety Hazards*

To strictly implement the requirements of safety production, we have systematically classified accident hazards to better understand their characteristics and risk level. At the same time, we have organized specialists to carry out investigations of accident hazards and management in each production area and other key areas to minimize accident hazards and safeguard employees' safety at all times.



Plant

- Responsibilities and obligations of employees under the Work Safety Law of the People's Republic of China
- Safety management regulations and systems
- Accident emergency response process
- Main hazard sources and safety protection measures
- Basic knowledge of production safety and accident case sharing



Department

- Safety regulations and procedures of the department/workshop
- The layout and working environment of the department/workshop
- Main sources of danger, possible injuries and protective measures in the department/workshop
- Main occupational hazards and protective measures in the workshop
- Lessons learned from historical accident cases in the department/workshop



Group

- Post operation procedures (theory + field practice)
- Safety production duties of the post and labor discipline
- Risk points, protective measures and safety precautions of the post
- Occupational hazards and protective measures
- Personal protective equipment requirements for the post
- Emergency stop and disposal process for accident/incident scenarios

Safety Management Measures

CONTRIBUTING TO HARMONIOUS SOCIETY WITH DIVERSITY AND UNDERSTANDING

- *Safety Production Training and Drills*

We attach great importance to the training and dissemination of production safety, and have established a tertiary safety education and training system at the factory level, department level and group level. We have also formulated clear safety training requirements for persons in charge, safety management personnel, special equipment operators, and other employees, enhancing their safety awareness in all aspects and at all levels, and continuously optimize and improve the requirements.

To improve the emergency response ability of employees, Angelalign has taken active and effective measures and regularly organized safety training and drills. By simulating various emergencies or accidents, employees can become familiar with emergency response procedures and master handling skills in practice to ensure that they can deal with the emergencies or accidents in the fastest and most effective way. In 2024, we organized workshop for safety training, fire evacuation and fire-fighting drills to continuously improve employees' ability and awareness of safety operation.



Fire Drills

Occupational Health

In order to create a healthy and safe working environment for employees and ensure their health, our preventive measures for occupational health include health check, daily health management and health and safety training. In addition, we arrange reasonable rest time during working days to effectively relieve employees' fatigue caused by long working hours, reducing the risk of accidents.

Occupational Health Physical Examinations

- Regularly organize physical examinations and occupational disease examinations to understand employees' physical conditions in a timely manner.

Daily Health Management

- Provide standard, proper and effective personal protective equipment for employees who are exposed to occupational hazards, and supervise their use.
- Install scientific and effective occupational disease protection equipment in the workplace, such as putting protection covers above the laser marking machine, providing laser glasses, installing mufflers on exhaust pipe.

Health and Safety Training

- Carry out internal traffic safety training to improve employees' traffic safety awareness.
- Dispatch employees to external professional training institutions to receive first-aid training, so that they can acquire first-aid knowledge and skills.
- Carry out mental health training for factory workers.

Occupational Health Preventive Measures

Public Welfare

Upholding the mission that "Bring people confident smiles with technologies", Angelalign actively gives back to the society with a warm and caring heart, and is committed to sharing a win-win situation with the society. We fully utilize our professional advantages and jointly launch the "Champion Smile Program" and other public welfare projects to make every effort to light up the hope for numerous Chinese children and athletes, showing their beautiful smiles, and helping them shine with confidence and charm on the stage of life.

Champion Smile Program

Angelalign has launched the “Champion Smile Program” jointly with the Training Bureau of the General Administration of Sports of China (the “**Training Bureau**”) since the establishment of a strategic partnership with the Training Bureau in 2017. So far, it has provided products for national team athletes in preparation for sport events for 8 consecutive years and aggregately provided customized oral health solutions for more than 400 national team athletes and coaches, thereby developing an oral health management system centering on the clear aligner technology for the competitive sports sector and assisting Chinese athletes to show their confident smiles and athletic charm in international arenas.

In April 2024, Angelalign, together with professional dentists, carried out an oral examination activity for the Training Bureau to prepare for the Olympic Games. During the activity, Angelalign provided hundreds of portable oral care kits, aiming to help the athletes keep oral hygiene at anytime and anywhere, so that they can embrace the challenges of the Olympic Games in the best condition.

In June 2024, the “Chinese Champion Smile Support Camp” was formally established with the joint efforts of Angelalign and the Training Bureau. Subsequently, the support team, together with Chinese dentists, went to France to provide a full range of oral health services to national team athletes during the games, including MOOELI digital oral examination, produce immediate comprehensive oral health status reports online and give necessary medical advice.

Through this activity, Angelalign not only continued its strong care and support for Chinese athletes, but also showed the world China’s leading technology and excellent expertise in the field of oral health.



Oral Examination for Olympic Athletes

APPENDIX 1: CLIMATE-RELATED INFORMATION DISCLOSURE REPORT

Against the backdrop of global climate change, low carbon development is a common development path recognized by all sectors of the society and a common action method for different stakeholders to cope with climate change. Angelalign continues to explore action plans to address climate change, comprehensively optimizes greenhouse gas management such as energy management, climate risk and opportunity identification, improves its climate resilience and business resilience, and strengthens climate change mitigation actions.

Governance

We attach great importance to issues related to climate change, continuously improve the internal management system and constantly enhance the effectiveness of governance on climate change. We integrate the governance of climate-related issues into the overall ESG structure to ensure that climate change issues can be scientifically and systematically managed and monitored

Climate-related Management Responsibilities

The Board

To supervise the management policies and strategies related to ESG development, and evaluate, rank and manage important ESG risks and opportunities, covering our climate change strategies, climate-related risks and opportunities.

The Management

To carry out overall deployment and systematic promotion of climate-related work, evaluate climate risks, formulate risk response strategies and measures, supervise the implementation of key measures, and coordinate, deploy, guide and supervise the climate management work of various departments; and to regularly report the progress of climate-related work to the Board.

ESG Working Group

To undertake the Company's climate-related development plans, pay attention to the current and emerging climate-related regulations, refine climate action plans and promote the implementation of key measures, report the results of climate-related work, and promote the realization of climate change-related visions.

Relevant Business Departments and Production Plants

Relevant business departments such as the supply chain and administration, as well as production plants around the world are included, which are responsible for the implementation of climate change-related adaptation and mitigation strategies, and proposing and implementing operational and practical measures on climate change-related issues.

Strategy

We recognize that climate change brings both potential risks and opportunities to the entire value chain and impacts our business strategies, operations and financial results. Based on China's macro environment, industry characteristics and our own business model, we have conducted a comprehensive assessment of the short-, medium-and long-term climate change risks (including physical risks and transformation risks) and opportunities faced by our business, and formulated corresponding response strategies.

Climate Risk

	Risk Type	Risk Name	Description	Potential Financial Impact	Time Dimension	Response Measures
Physical Risks	Acute risk	Typhoon Flood Rainstorm	The increase in the severity and frequency of extreme weather events may have an impact on the Company's business continuity and resource costs	Increase operating costs (such as energy, water, raw materials price)	Short-term	Continuously monitor the weather, conduct safety inspections and equip necessary protective and emergency response devices in advance Formulate contingency plans for extreme weather, define the personnel and duties of the emergency response organization, and realize rapid response to extreme weather
	Chronic risk	Average temperature rise	The increase in average temperature leads to the need to consume more energy to regulate the temperature of the production site, and the probability of heat stroke and other sudden diseases of employees increases	Increase the operating costs of basic utilities, and increase cost of additional subsidies to ensure the health of employees in high temperatures	Long-term	Make plans and work arrangements in advance for staggering power consumption during peak hours Replace energy-saving equipment, continuously monitor the energy consumption of the equipment and improve it timely Prepare heatstroke prevention and cooling medicines in summer and reduce outdoor work for employees

APPENDIX 1: CLIMATE-RELATED INFORMATION DISCLOSURE REPORT

	Risk Type	Risk Name	Description	Potential Financial Impact	Time Dimension	Response Measures
Transformation Risks	Policy and regulatory risk	Increased carbon emission rights pricing Intensified environmental regulation	The country has implemented a carbon emission trading mechanism, and the pharmaceutical industry may be included in the national carbon emission trading industry in the future The government has strengthened the supervision of the environment and added new requirements for the low carbon transformation of enterprises	May increase operating costs due to the purchase of carbon emission allowances for compliance and increased environmental regulatory requirements	Long-term	Pay attention to the latest national policies and regulations, and evaluate their impact on our operations Closely follow the policies, and layout new industries based on the Company's business operations
	Technology risk	Low carbon technology transformation cost	Industrial technology to high efficiency, energy saving, emerging low carbon technology transfer	The market expansion and maintenance of traditional technologies have been hindered, and revenue has been affected Investment in efficient, energy-saving and low carbon production technology and research and development costs increased	Long-term	Consider the environmental impact and energy efficiency for equipment procurement, and prioritize the use of low emission equipment Actively promote technological innovation, such as developing the use of clean energy
	Market risk	Changes in customer behaviors Volatility of market information	Customers are increasingly concerned about the carbon footprint of the value chain and tend to use environment friendly products and services Affected by climate change or the national dual carbon policy, market information fluctuations such as sudden power outages, water outages, and electricity price increases may occur	Increase in production costs as a result of getting close to the needs of customers for environment friendly products Changes in operating costs associated with changes in market resource and energy prices	Medium-term	Enhance communication with customers and promptly understand their preferences in the market Improve the level of data collection and information disclosure to ensure transparency of environmental performance
	Reputation risk	Stakeholders' increasing attention to the reputation of the Company	With the gradual increase of stakeholders' attention to climate change, green and low carbon, they are increasingly concerned about the Company's green and low carbon performance	If the Company fails to meet stakeholders' expectations, operating costs may increase, which will have an impact on the Company's valuation	Long-term	Strengthen communication with stakeholders and proactively respond to their inquiries about the Company's response to climate change Comprehensively improve ESG governance and corporate brand value

APPENDIX 1: CLIMATE-RELATED INFORMATION DISCLOSURE REPORT

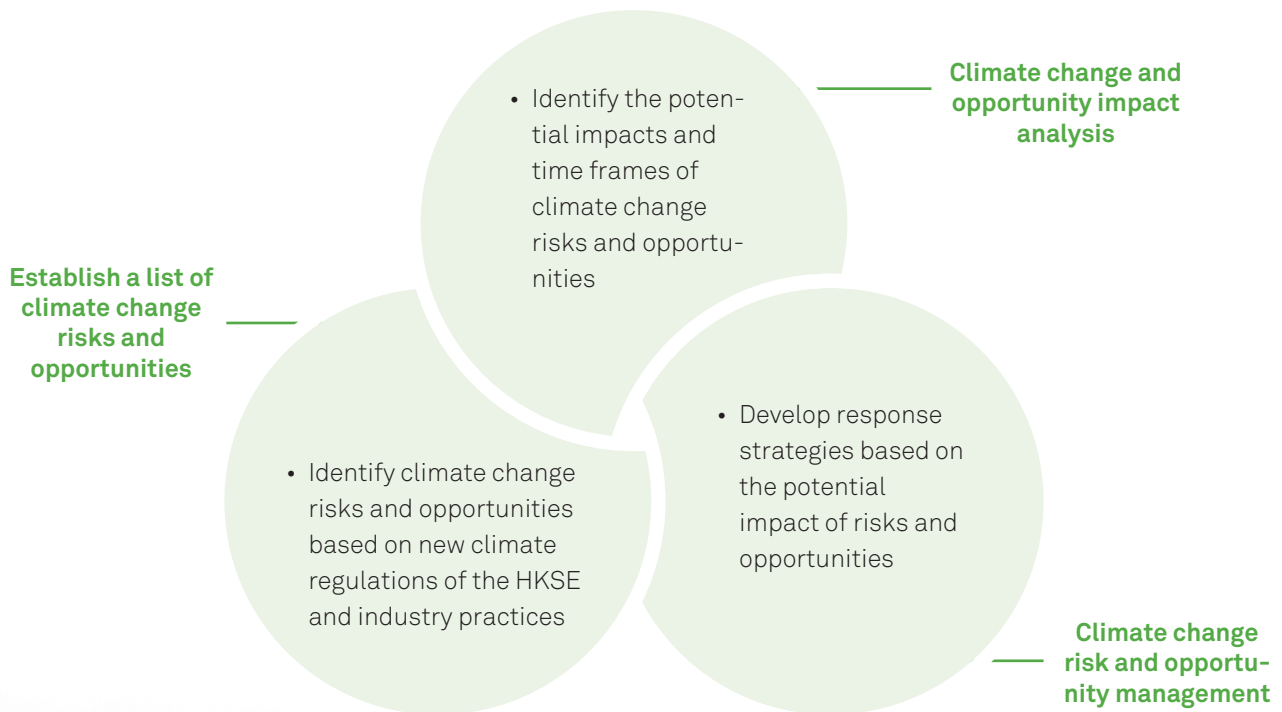
Climate Opportunities

Type of Opportunity	Name of Opportunity	Description	Potential Impact	Time Dimension	Response Measures
Resource Efficiency	Energy-saving technology Resource recycling and reuse	Continue to promote the concept of green operation, through the energy-saving optimization of infrastructure, technology and process, improve the efficiency of resource and energy use	Reduce operating costs	Medium-term	Promote advanced intelligent manufacturing technology and optimize production processes Promote the reuse of resources such as waste and reclaimed water recycling to increase the efficiency of resource utilization
Energy Substitution	Clean energy and renewable energy Carbon market participation	With the successive introduction of renewable energy policies and incentive methods, we use clean energy and renewable energy instead, and participate in the carbon trading market	Reduce energy costs Reduce the risk of greenhouse gas emissions, thus reducing the sensitivity to changes in carbon trading prices	Long-term	Explore opportunities to use clean energy such as photovoltaic to optimize the Company's energy structure Continuously promote clean production, reducing greenhouse gas emissions to increase the possibility of future profits in the carbon trading market
Products and Services	Consumer preference New product development	Under the theme of sustainable development, the public's preference for using green products and services has gradually increased. The Company can adapt to market trends by developing low carbon products and services, thus obtaining competitive advantages	Increase operating income, enhance corporate reputation and increase business demand for products and services	Long-term	Actively monitor market preference trends and focus on the development of green and low carbon products
Market Opportunity	Government incentive policies and subsidies	The introduction of carbon neutrality, clean energy, environmental protection subsidies and other related policies plays a guiding role in the market and help the Company develop new markets and business	Increase the Company's operating income by exploring and entering new markets	Long-term	Continuously focus on new markets and actively deploy new markets and businesses brought about by climate change Increase cooperation with partners in low carbon solutions and product development
Resilience	Energy-saving project improvement Sustainable supply chain	As the Company continues to improve its ability to respond to climate change risks and seek new opportunities, it enhances its operational capabilities under different conditions through energy-saving initiatives, and enables supply chain reliability and strengthens climate change resilience of suppliers	Enhance market valuation through resilience planning, and reduce operating costs by improving supply chain stability and reliability	Long-term	Continuously launch energy-saving initiatives and promote green office and green operation to enhance the Company's market valuation Promote low carbon concepts throughout the entire value chain and encourage suppliers and customers to work with us to improve operational resilience

Risk Management

Angelalign has established a risk management system, setting out the duties and responsibilities of each party, as well as relevant risk management policies and procedures. It adopts a dynamic risk management program to cope with constantly changing risk situations, regularly identifies and evaluates risk factors that may have adverse effects on achieving its objectives and formulates appropriate response measures.

Recognizing that climate related risks and opportunities will become an important part of corporate risk, we have identified climate related physical risks, transformation risks, and climate related opportunities. To optimize resource allocation, we are actively evaluating the identified climate change risks and formulating effective management measures to ensure that the identified climate change risks are within a manageable range.



Angelalign Climate Change Risk Management Process

APPENDIX 1: CLIMATE-RELATED INFORMATION DISCLOSURE REPORT

Indicators and Objectives

To better cope with climate change and reduce the impact of business activities on the environment, we have been striving to better collate greenhouse gas emissions. This report discloses our energy-induced emissions and greenhouse gas emissions (Scope 1 and Scope 2). Our direct greenhouse gas emissions (Scope 1) mainly come from gasoline and diesel, while indirect greenhouse gas emissions (Scope 2) mainly come from purchased electricity.

To better cope with climate change and reduce the impact of business activities on the environment, we are committed to improving our overall energy management standards, avoiding unnecessary energy consumption, enhancing energy efficiency, actively exploring opportunities for renewable energy applications, and reducing energy consumption and greenhouse gas emissions. Please refer to the table below for the greenhouse gas emissions and energy consumption indicators of Angelalign in 2024, and the section headed “Maintaining Friendly Environment with Green and Low-carbon Operation” for other environmental indicators.

Energy Consumption	Unit	Year ended December 31, 2024
Total Direct Energy	MWh	29.5
Gasoline	MWh	29.5
Total Indirect Energy	MWh	19,816.9
Electricity purchased	MWh	19,816.9
Total Energy Consumption	MWh	19,846.4

Greenhouse Gas Emissions	Unit	Year ended December 31, 2024
Direct Greenhouse Gas Emissions (Scope 1)	tCO ₂ e	7.2
Indirect Greenhouse Gas Emissions (Scope 2)	tCO ₂ e	10,633.7
Total Greenhouse Gas Emissions	tCO ₂ e	10,640.9
Intensity of Greenhouse Gas Emissions	tCO ₂ e/total revenue (USD million)	39.6

Notes:

1. Greenhouse gas accounting is presented in terms of carbon dioxide equivalents. The carbon dioxide emission factors of purchased electricity in our business operations in China are derived from the average emission factors of the national power grid in the Announcement on the Release of Carbon Dioxide Emission Factors for Electricity in 2022 (關於發佈 2022 年電力二氧化碳排放因子的公告) issued by the Ministry of Ecology and Environment.
2. Our direct energy greenhouse gas emissions (Scope 1) come from gasoline and diesel generated in business operations, and our indirect energy greenhouse gas emissions (Scope 2) come from purchased electricity consumed.
3. The reporting scope of KPIs covers the Company's headquarters in Shanghai, Chuangmei Center and Huishan Production Center in Wuxi.

APPENDIX 2: ESG INDEX

Hong Kong Stock Exchange Guidelines

Aspects	Description	Corresponding Chapters
A1	Emissions	Maintaining Friendly Environment with Green and Low-carbon Operation
General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and harmless waste.	Maintaining Friendly Environment with Green and Low-carbon Operation
A1.1	The types of emissions and respective emissions data.	Pollution Prevention
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.	Addressing Climate Change
A1.3	Total hazardous waste produced and intensity.	Pollution Prevention
A1.4	Total non-hazardous waste produced and intensity.	Pollution Prevention
A1.5	Description of emission target(s) set and steps taken to achieve them.	Pollution Prevention
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.	Pollution Prevention
A2	Use of Resources	Maintaining Friendly Environment with Green and Low-carbon Operation
General Disclosures	Policies on the efficient use of resources, including energy, water and raw materials.	Use of Resources
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Use of Resources
A2.2	Water consumption in total and intensity.	Use of Resources
A2.3	Description of energy use efficiency target(s) and steps taken to achieve them.	Use of Resources
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 achieved them.	Use of Resources
A2.5	Total packaging material used for finished products and with reference to per unit produced.	Use of Resources

APPENDIX 2: ESG INDEX

Aspects	Description	Corresponding Chapters
A3	Environment and Natural Resources	Maintaining Friendly Environment with Green and Low-carbon Operation
General Disclosures	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Use of Resources
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Use of Resources
A4	Climate Change	Maintaining Friendly Environment with Green and Low-carbon Operation
General Disclosures	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Addressing Climate Change
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.	Addressing Climate Change
B1	Employment	Contributing to Harmonious Society with Diversity and Understanding
General Disclosures	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.	Employee Development
B1.1	Total workforce by gender, employment type (for example, full – or part-time), age group and geographical region.	Employee Development
B1.2	Employee turnover rate by gender, age group and geographical region.	Employee Development
B2	Health and Safety	Contributing to Harmonious Society with Diversity and Understanding
General Disclosures	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.	Healthy and Safety
B2.1	Number and rate of work-related fatalities in each of the past three years including the reporting year.	Healthy and Safety
B2.2	Lost days due to work injury.	Healthy and Safety
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Healthy and Safety

Aspects	Description	Corresponding Chapters
B3	Development and Training	Contributing to Harmonious Society with Diversity and Understanding
General Disclosures	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employee Development
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Employee Development
B3.2	The average training hours completed per employee by gender and employee category.	Employee Development
B4	Labor Standards	Contributing to Harmonious Society with Diversity and Understanding
General Disclosures	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.	Employee Development
B4.1	Description of measures to review employment practices to avoid child and forced labor.	Employee Development
B4.2	Description of steps taken to eliminate such practices when discovered.	Employee Development
B5	Supply Chain Management	Ensuring Prominent Quality with Cutting-edge Technology
General Disclosures	Policies on managing environmental and social risks of the supply chain.	Win-win Cooperation
B5.1	Number of suppliers by geographical region.	Win-win Cooperation
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Win-win Cooperation
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Win-win Cooperation
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Win-win Cooperation

APPENDIX 2: ESG INDEX

Aspects	Description	Corresponding Chapters
B6	Product Responsibility	Ensuring Prominent Quality with Cutting-edge Technology
General Disclosures	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.	Quality of Products
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Customer Satisfaction
B6.2	Number of products and service-related complaints received and how they are dealt with.	Customer Satisfaction
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Protection
B6.4	Description of quality assurance process and recall procedures.	Quality of Products Customer Satisfaction
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Safety
B7	Anti-corruption	Building the Foundation of Development with Compliance and Integrity
General Disclosures	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.	Commercial Ethics
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.	Commercial Ethics
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Commercial Ethics
B7.3	Description of anti-corruption training provided to directors and staff.	Commercial Ethics
B8	Community Investment	Contributing to Harmonious Society with Diversity and Understanding
General Disclosures	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.	Public Welfare
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Public Welfare
B8.2	Resources contributed (e.g. money or time) to the focus area.	Public Welfare

GRI Standards

GRI Standards	Disclosure	Corresponding Chapters
The Organization and its Reporting Practices	2-1 Organizational details	About the Company
	2-2 Entities included in the organization's sustainability reporting	About the ESG Report
	2-3 Reporting period, frequency and contact point	About the ESG Report
	2-4 Restatement of information	/
	2-5 External accreditation	/
Activities and Workers	2-6 Activities, value chain and other business relationships	About the Company
	2-7 Employees	Contributing to Harmonious Society with Diversity and Understanding
	2-8 Workers other than staff	Contributing to Harmonious Society with Diversity and Understanding
Governance	2-9 Governance structure and composition	Building the Foundation of Development with Compliance and Integrity
	2-10 Nomination and selection of the highest governance body	Please refer to the Company's Annual Report
	2-11 Chairman of the highest governance body	Please refer to the Company's Annual Report
	2-12 Role of the highest governance body in overseeing the managing impacts	Building the Foundation of Development with Compliance and Integrity
	2-13 Delegation of responsibility for managing impacts	/
	2-14 Role of the highest governance body in sustainability reporting	About the ESG Report
	2-15 Conflicts of interest	Please refer to the Company's Annual Report
	2-16 Communication of critical concerns	ESG Management
	2-17 Collective knowledge of the highest governance body	/
	2-18 Evaluation of the performance of the highest governance body	Please refer to the Company's Annual Report
	2-19 Remuneration policies	Please refer to the Company's Annual Report
	2-20 Process to determine remuneration	/
	2-21 Annual total compensation ratio	/

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GRI Standards	Disclosure	Corresponding Chapters
Strategy, Policies and Practices	2-22 Statement on sustainable development strategy	ESG Management
	2-23 Policy commitments	Maintaining Friendly Environment with Green and Low-carbon Operation
	2-24 Integration of policy commitments	/
	2-25 Processes to remediate negative impacts	/
	2-26 Mechanisms for seeking advice and raising concerns	/
	2-27 Compliance with laws and regulations	Strictly comply with the relevant laws and regulations of each country/region
	2-28 Membership of associations	/
Stakeholder Engagement	2-29 Approach to stakeholder engagement	ESG Management
	2-30 Collective bargaining agreements	/
GRI 3: Materiality Issues	3-1 Process to determine materiality issues	ESG Management
	3-2 List of materiality issues	
	3-3 Management of materiality issues	
GRI 201: Economic Performance	201-1 Directly generated and distributed economic value	About the Company
	201-2 Financial impacts of climate change and other risks and opportunities	Climate-related Information Disclosure Report
	201-3 Defined benefit plan obligations and other retirement plans	/
	201-4 Financial subsidies from the Government	/
GRI 202: Market performance	202-1 The ratio of starting salary based on gender to the local minimum wage	/
	202-2 Proportion of hiring executives from local communities	/
GRI 203: Indirect economic impact	203-1 Infrastructure investment and supportive services	Contributing to Harmonious Society with Diversity and Understanding
	203-2 Significant indirect economic impact	
GRI 204: Procurement Practice	204-1 Proportion of expenditure on procurement from local supplier	/
GRI 205: Anti-corruption	205-1 Operating sites where corruption risk assessment has been conducted	Building the Foundation of Development with Compliance and Integrity
	205-2 Communication and training on anti-corruption policies and programs	
	205-3 Incidents of corruption and actions taken	

GRI Standards	Disclosure	Corresponding Chapters
GRI 206: Improper Behavior	206-1 Litigation for anti-competitive behavior, antitrust and antimonopoly practices	Building the Foundation of Development with Compliance and Integrity
GRI 207: Taxation	207-1 Tax administration methods	/
	207-2 Tax governance, control and risk management	/
	207-3 Stakeholder engagement and management of tax-related issues	/
	207-4 Country reports	/
GRI 301: Material	301-1 Materials used by weight or volume	Maintaining Friendly Environment with Green and Low-carbon Operation
	301-2 The recycled feed used	
	301-3 Recycled products and packaging materials	
GRI 302: Energy	302-1 Energy consumption within the organization	Maintaining Friendly Environment with Green and Low-carbon Operation
	302-2 External energy consumption of the organization	
	302-3 Energy intensity	
	302-4 Reduce energy consumption	
	302-5 Reduce energy demand for products and services	
GRI 303: Water Resources and Effluents	303-1 Organizing interactions with water as shared resource	/
	303-2 Managing drainage related impacts	No such water source
	303-3 Water supply	Maintaining Friendly Environment with Green and Low-carbon Operation
	303-4 Drainage	
	303-5 Water consumption	
GRI 304: Biodiversity	304-1 Operating sites owned, leased, and managed by the organization in biodiversity-rich areas located in or adjacent to protected areas and outside protected areas	N/A
	304-2 Significant impacts of activities, products and services on biodiversity	
	304-3 Protected or restored habitat	
	304-4 Species listed on the IUCN Red List and National Conservation List in habitats affected by operations	

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GRI Standards	Disclosure	Corresponding Chapters
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Maintaining Friendly Environment with Green and Low-carbon Operation
	305-2 Energy indirect (Scope 2) GHG emissions	
	305-3 Other indirect (Scope 3) GHG emissions	
	305-4 Greenhouse gas emission intensity	
	305-5 Reduction of GHG emissions	
	305-6 Emissions of ozone depleting substances (ODS)	
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant gas emissions	
GRI 306: Waste	306-1 Waste generation and significant waste-related impacts	Maintaining Friendly Environment with Green and Low-carbon Operation
	306-2 Management of significant waste-related impacts	
	306-3 Waste generated	
	306-4 Waste transferred from disposal	
	306-5 Waste entering for disposal	
GRI 308: Supplier Environmental Assessment	308-1 New suppliers screened using environmental standards	Ensuring Prominent Quality with Cutting-edge Technology
	308-2 The negative impact of supply chain on the environment and the actions taken	
GRI 401: Employment	401-1 New employees and employee turnover rate	Contributing to Harmonious Society with Diversity and Understanding
	401-2 Benefits provided to full-time employees (excluding temporary or part-time employees)	
	401-3 Parental leave	
GRI 402: Labor/ Management Relations	402-1 Minimum notice period for operational changes	Strictly comply with the relevant laws and regulations of each country/region

GRI Standards	Disclosure	Corresponding Chapters
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	Contributing to Harmonious Society with Diversity and Understanding
	403-2 Hazard identification, risk assessment and incident investigation	
	403-3 Occupational health services	
	403-4 Occupational health and safety: worker participation, consultation, and communication	
	403-5 Worker training on occupational health and safety	
	403-6 Promotion of worker health	
	403-7 Prevent and mitigate occupational health and safety impacts directly related to business	
	403-8 Workers covered by the occupational health and safety management system	
	403-9 Occupational injury	
	403-10 Work-related ill health	
GRI 404: Training and Education	404-1 The average number of training hours per year per employee	Contributing to Harmonious Society with Diversity and Understanding
	404-2 Employee skill improvement plan and transition assistance plan	
	404-3 Percentage of employees receiving regular performance and career development assessments	
GRI 405: Diversity and Equal Opportunities	405-1 Governance bodies and diversity of employees	Building the Foundation of Development with Compliance and Integrity
	405-2 Ratio of basic wages and remuneration between male and female	/
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	Contributing to Harmonious Society with Diversity and Understanding
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operating sites and suppliers that may face risks to freedom of association and collective bargaining rights	/
GRI 408: Child Labor	408-1 Operating sites and suppliers at significant risk of child labor incidents	No such operating sites or suppliers
GRI 409: Forced or Compulsory Labor	409-1 Operating sites and suppliers at significant risk for incidents of forced and compulsory labor	No such operating sites or suppliers

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GRI Standards	Disclosure	Corresponding Chapters
GRI 410: Security Practice	410-1 Security personnel who have received training on human rights policies or procedures	/
GRI 411: Indigenous rights	411-1 Events involving infringement of indigenous rights	N/A
GRI 413: Local community	413-1 Operating sites with local community participation, impact assessment, and development plans	Contributing to Harmonious Society with Diversity and Understanding
	413-2 Operating sites that have actual or potential significant negative impacts on local communities	No such operating sites
GRI 414: Supplier Social Assessment	414-1 New suppliers screened using social standards	Ensuring Prominent Quality with Cutting-edge Technology
	414-2 The negative impact of supply chain on society and the actions taken	/
GRI 415: Public Policy	415-1 Political donations	/
GRI 416: Customer Health and Safety	416-1 Evaluate the health and safety impacts of product and service categories	Ensuring Prominent Quality with Cutting-edge Technology
	416-2 Incidents of non-compliance involving health and safety impacts of products and services	
GRI 417: Marketing and Labeling	417-1 Requirements for products and service information and labeling	Ensuring Prominent Quality with Cutting-edge Technology
	417-2 Incidents of non-compliance involving products and service information and labeling	
	417-3 Incidents of non-compliance involving marketing	
GRI 418: Customer Privacy	418-1 Confirmed complaints related to infringement of customer privacy and loss of customer data	Building the Foundation of Development with Compliance and Integrity

Summary of Laws and Regulations

Operating Location	Chapter	Name of Laws and Regulations
Mainland China	Building the Foundation of Development with Compliance and Integrity-Commercial Ethics	Anti-Unfair Competition Law of the People's Republic of China
		Criminal Law of the People's Republic of China
		Anti-Trust Law of the People's Republic of China
		Advertisement Law of the People's Republic of China
		Law of the People's Republic of China on the Protection of Consumer Rights and Interests
	Building the Foundation of Development with Compliance and Integrity-Information Safety	Civil Code of the People's Republic of China
		Cybersecurity Law of the People's Republic of China
		Data Security Law of the People's Republic of China
		Personal Information Protection Law of the People's Republic of China
		Management Measures for Information Safety Level Protection
	Building the Foundation of Development with Compliance and Integrity-Intellectual Property Protection	Trademark Law of the People's Republic of China
		Patent Law of the People's Republic of China
		Anti-Unfair Competition Law of the People's Republic of China
	Ensuring Prominent Quality with Cutting-edge Technology-Customer Satisfaction	Law of the People's Republic of China on the Protection of Consumer Rights and Interests
		Measures for the Administration of Medical Device Recalls
		Good Manufacturing Practice for Pharmaceutical Products (GMP)
	Maintaining Friendly Environment with Green and Low-carbon Operation -Environmental Compliance	Environmental Protection Law of the People's Republic of China
		Law of People's Republic of China on Environmental Impact Appraisal
		Environmental Protection Tax Law of the People's Republic of China
	Maintaining Friendly Environment with Green and Low-carbon Operation-Use of Resources	Energy Conservation Law of the People's Republic of China
		GB/T 2589-2020 General Rules for Calculation of Comprehensive Energy Consumption
		Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions from Industrial Enterprises in Other Industries (Trial)
	Maintaining Friendly Environment with Green and Low-carbon Operation-Pollution Prevention	Solid Waste Pollution Prevention and Control Law of the People's Republic of China
		Atmospheric Pollution Prevention and Control Law of the People's Republic of China
		Law of the People's Republic of China on Prevention and Control of Pollution from Environmental Noise
		GB 12348 – 2008 Emission Standard for Industrial Enterprises Noise at Boundary
		Labor Law of the People's Republic of China
	Contributing to Harmonious Society with Diversity and Understanding-Employee Development	Labor Contract Law of the People's Republic of China
		Provisions on the Prohibition of Using Child Labor
	Contributing to Harmonious Society with Diversity and Understanding-Healthy and Safety	Work Safety Law of the People's Republic of China
		Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases

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Operating Location	Chapter	Name of Laws and Regulations
Other Operating Locations	Building the Foundation of Development with Compliance and Integrity-Commercial Ethics	US Foreign Corrupt Practices Act UK Anti-Bribery Act
	Building the Foundation of Development with Compliance and Integrity-Information Safety	EU General Data Protection Regulation (GDPR) US Health Insurance Portability and Accountability Act (HIPAA)
	Building the Foundation of Development with Compliance and Integrity-Intellectual Property Protection	US Trade Secrets Protection Act 2016 US Economic Espionage Act 1996 US Uniform Trade Secrets Act
	Maintaining Friendly Environment with Green and Low-carbon Operation -Use of Resources	EU Trade Secrets Protection Directive US Energy Policy and Conservation Act 1975 US Clean Water Act
	Maintaining Friendly Environment with Green and Low-carbon Operation -Pollution Prevention	US Hazardous Waste Management Act US Clean Air Act
	Contributing to Harmonious Society with Diversity and Understanding-Employee Development	US Fair Labor Standards Act UN Universal Declaration of Human Rights ILO Declaration on Fundamental Principles and Rights at Work
	Contributing to Harmonious Society with Diversity and Understanding-Healthy and Safety	US Occupational Safety and Health Act US Tennessee Occupational Safety and Health Act EU Article 153 of the Treaty on the Functioning of the European Union EU Council Directive 89/391 (EU) French Labor Code Part IV Health and Safety at Work Italian Civil Code, Title V No. 81/2008