



海底捞国际控股有限公司
HAILILAO INTERNATIONAL HOLDING LTD.
(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)
Stock Code 股份代號 : 6862



2025

Environmental,
Social and
Governance Report



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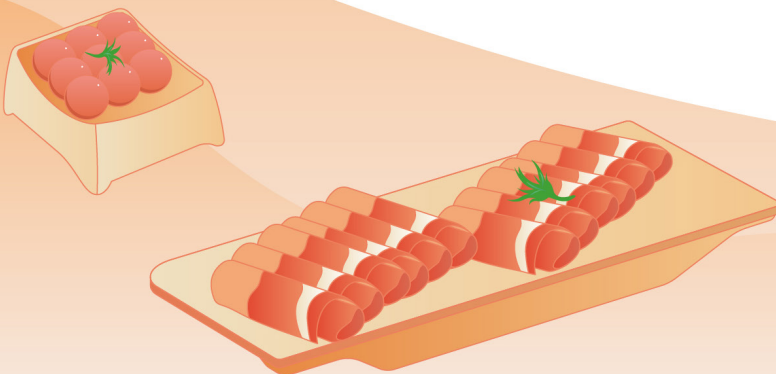
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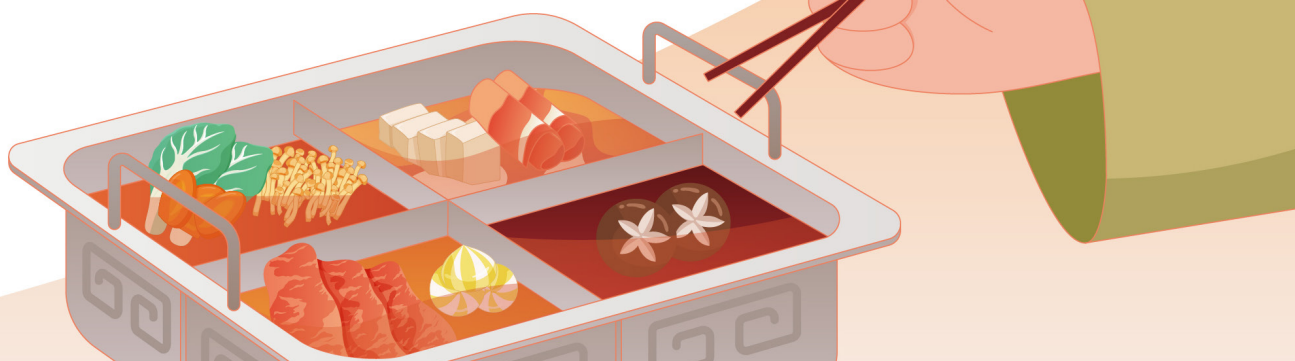
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About this Report

The Environmental, Social and Governance (ESG) Report for 2025 of Haidilao International Holding Ltd. (hereinafter referred to as "the report" or "this report") is the eighth annual report and environmental, social and governance (ESG) report released by Haidilao International Holding Ltd. The report aims to disclose the Company's management system, practical initiatives, and performance in 2025 in environmental, social and governance aspects.



Reporting Period

The time range of the report is from January 1, 2025 to December 31, 2025. To maintain information consistency and completeness, certain content involves information from previous years, and some activity descriptions extend beyond the above Reporting Period.



Reporting Boundary

The subject of the report is Haidilao International Holding Ltd., comprising its branches and subsidiaries. For clarity and readability, "Haidilao International Holding Ltd." and its branches and subsidiaries are referred to as "Haidilao", "the Group", "the Company" or "we/us" in this report.

Reporting Principles

Materiality

The Board determines the materiality of our ESG issues and is responsible for reviewing the Company's ESG goals and strategies. The disclosure of the report covers stakeholder engagement, materiality issue identification and analysis, materiality issue matrix and process and outcome of participation of material stakeholders.

Quantitative

Statistical standards, methods, assumptions, calculation tools for quantitative key performance indicators herein and source of conversion factors are all explained in the relevant sections.

Balance

This report shall provide an unbiased picture of the Company's performance for the year and should avoid selection, omissions or presentation formats that may unduly influence users' decisions or judgments made by the report readers.

Consistency

The statistical methodologies applied to the data disclosed in this report shall be consistent with those of last year. Any changes will be clearly explained and stated in the report for reference by report readers.



Reporting Standards

- United Nations Sustainable Development Goals (UN SDGs)
- The Environmental, Social and Governance Reporting Code in Appendix C2 to the Listing Rules of Hong Kong Exchanges and Clearing Limited



Description of Data

All information and data in this report are derived from Company annual report, internal formal document, internal statistics and public information. Certain financial data are from the financial statements of FY2025. In case of discrepancy between this report and the annual report, the latter shall prevail. Unless otherwise stated, the amounts in this report are denominated in Renminbi ("RMB"). The Board takes responsibility for the truthfulness, accuracy and completeness of this report.



Access to the Report

This report is prepared in both traditional Chinese and English. In case of discrepancy in understanding, the traditional Chinese version shall prevail. The report is available for reviewing or download on the website of HKEX (<https://www.hkex.com.hk>) and the official website of Haidilao (<https://www.haidilao.com>).



Contact

If you have any questions or feedback regarding the report, or suggestions for improving Haidilao's sustainability efforts, please feel free to contact us through the following channels:

Customer service hotline: 4009-107-107

Customer service email: hdl@haidilao.com

Media inquiry email: media@haidilao.com, ir@haidilao.com



About Us

Company Profile

Haidilao was founded in 1994. Over three decades of development, the Company has grown into an internationally renowned catering enterprise. As a large-scale catering chain enterprise with operations worldwide, the Company upholds the principle of integrity in business, and prioritizes the stable quality and safety of food, providing consumers with more attentive services and healthier, safer, more nutritious, and more reliable food. By the end of 2025, there were 1,360 Haidilao restaurants (including 79 franchised restaurants) in Chinese mainland, and 23 in Hong Kong, Macau, and Taiwan regions. Throughout the year, self-operated Haidilao restaurants in the Greater China region served 384 million person-times in total.

Adhering to the philosophy of "service and customer centric", Haidilao places innovation at its core and regards attentive service as a fundamental principle. We are committed to providing customers with "thoughtful, warm, and comfortable" services, building a high-reputation hot pot brand that integrates regional characteristics of hot pot cuisine.

In the future, Haidilao is committed to advancing its diversified development strategy, actively building a multi-brand, multi-format catering ecosystem. On one hand, we will expand our existing hot pot business with multiple dining context such as enterprise hot pot, camping hot pot, banquet restaurants, and late-night snack dining themed restaurants. On the other hand, we will deepen the multi-brand incubation program of "Pomegranate Plan", build a multi-brand growth matrix, and explore other catering formats such as YEAH QING BBQ, Nyoj Sushi, and Dapaidang Hot Pot, to meet the needs of different scenarios and consumer groups. Through scientific management, we aim to build a comprehensive service ecosystem that connects diverse lifestyle needs of customers, providing consumers with more attentive services and enjoyable dining experiences.



By the end of 2025



There were
1,360 Haidilao restaurants in
Chinese mainland
(including 79 franchised restaurants)



Throughout the year, self-operated Haidilao
restaurants in the Greater China region served
384 million person-times in total



Quantitative Data

By the end of 2025



Total number of existing self-operated
restaurants in the Greater China region

1,304 Unit



Total number of Haidilao restaurants in the
Greater China region (including franchised)

1,383 Unit



Number of franchised Haidilao
restaurants in the Greater China region

79 Unit



Number of Haidilao restaurants in Hong
Kong, Macau, and Taiwan regions of China

23 Unit



Honors and Recognition

We have been deeply engaged in the catering industry, committed to providing high-quality food and services, practicing integrity in operations, and contributing to society. Therefore, in 2025, we received extensive recognition and accolades from professional institutions and the industry.



The 7th National Civilized Unit
Central Leading Group for Publicity, Ideological and Cultural Work



Selected as a CMG Rural Revitalization Observation Report (2023-2024)
China Media Group



2025 Kantar BrandZ Top 100 Most Valuable Chinese Brands
Kantar BrandZ



Gold Award of Effie Positive Change Awards
Effie Greater China



The 14th Seven-Star Awards for Contribution in Food Safety & Public Health
China Food Health Seven-Star Convention Alliance



China Advertising Great-wall Awards of China Advertising Association, and Bronze Award in 2025 China Advertising Great-wall Awards
China Advertising Association




Advanced Primary-Level Party Organization in Emerging Sectors of Sichuan Province (2024)
Sichuan Provincial Committee for the Non-public Economic and Social Organizations



First Prize (Team) and Outstanding Contribution Award in National Food Safety Manager Vocational Skills Competition
China Association of Business Professionals



2025 Top 10 Call Centers (300-1,000 Seats) – Excellence in Customer Experience Award
Industry Development Committee of China Call Center



Best ESG Innovation Award
ZhiTong Financial



2025 High-quality Development Innovation Demonstration Enterprise; Selected as "Demonstration Case for High-quality Development and Innovation"
Southern Metropolis Daily



Selected as "Annual Industry Influential Brand"
caijing.com.cn



The 9th DMAA International Digital Marketing Awards – Silver Award and Bronze Award
DMAA International Digital Marketing Summit



Best Practice Award for Digital Intelligence Application
Customer Insight



2025 Caring Enterprise for Supporting Persons with Disabilities in Fengtai District, Beijing
Beijing Fengtai District Disabled Persons' Federation



Excellence Award for Organizational Learning and Development
Sanjiek



Acknowledged Contributor to Music Copyright Protection
China Audio-Video Copyright Association





Sustainability Strategy

Board Statement

We strictly comply with the requirements of the Environmental, Social and Governance Reporting Code of the Stock Exchange of Hong Kong Limited, continuously strengthening the Board's oversight of and engagement in ESG matters, and diligently fulfilling our responsibilities for sustainable development.

As the highest decision-making body for ESG matters of the Company, the Board bears ultimate accountability for ESG matters. The Board is responsible for setting the overall ESG direction of the Company, reviewing the results of materiality assessment of ESG issues, ESG risks and opportunities, and the prioritization of ESG-related matters. Through regular meetings, the Board oversees the progress toward ESG objectives and the Company's sustainable development performance. When formulating and adjusting ESG management policies and strategies, the Board fully considers identified ESG risks and opportunities, prioritizing the improvement of high-materiality issues to lay a solid management foundation for the formulation and implementation of subsequent sustainable development strategies.

Relying on a robust ESG governance structure, the Company systematically advances the implementation of ESG initiatives, continuously enhancing ESG management capabilities and performance. In daily operations, Haidilao integrates ESG principles into its development strategy, optimizes management measures in line with business practices, and realizes normalized ESG management.

Looking ahead, Haidilao will continuously sharpen its core competitiveness and elevate its brand influence, deepen the development of its ESG management system, steadily advance its sustainable development process, create long-term value for stakeholders, establish an industry benchmark for sustainable development, and actively contribute to high-quality industry development.

This report discloses detailed information on the progress and results of the Company's ESG work in 2025, and was reviewed and approved by the Board on March 24, 2026.

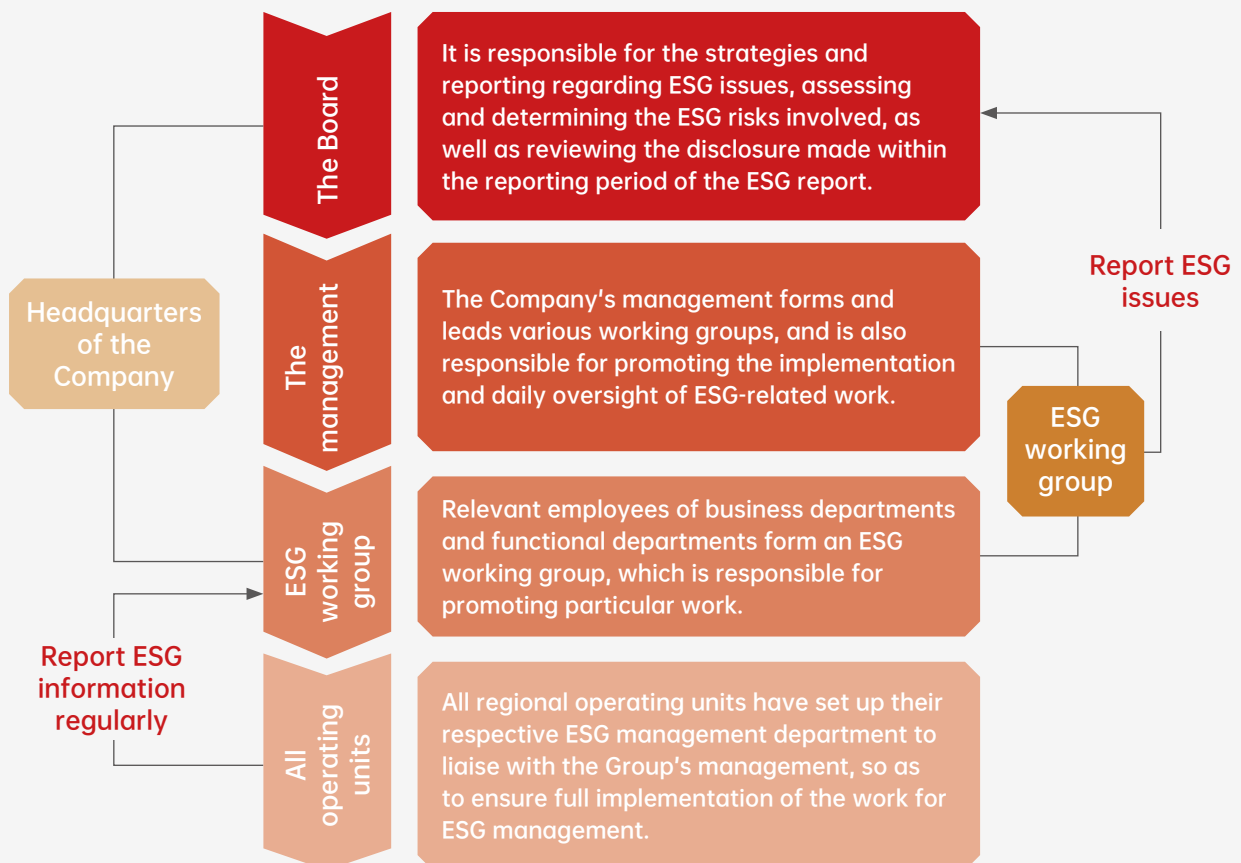
ESG Governance

Haidilao has established a three-level sustainable development and management structure of "decision-making, execution and practice", with clear authorities and accountability, as well as step-by-step implementation. Supported by a well-structured management system, the Company has effectively strengthened the Board's leadership and oversight in ESG governance, promoting process-oriented, standardized and routine ESG management.

As the decision-making body, the Board is responsible for regularly reviewing ESG progress, implementation of policies and strategies, and target achievement, and approving the Company's ESG report. As the management and execution body, the management and the ESG working group are accountable for coordinating and advancing the implementation of ESG initiatives. Taking into account macro policies, regulatory requirements, and key ESG concerns within the industry, they proactively identify the Company's materiality issues as well as ESG risks and opportunities; assess and prioritize the impacts of these issues, risks, and opportunities on business development and strategic planning; formulate corresponding response measures; review, evaluate, and monitor the sustainable development performance of each operating unit; and provide recommendations for improvement to the Board. Operational units, as the execution level, collaborate with the ESG working group to implement specific ESG measures, fully execute ESG management measures, and submit relevant information and data in a timely manner to ensure the orderly advancement of ESG work.




To strengthen ESG oversight and governance, the Company has formulated and implemented the Haidilao Management Measures for ESG Working Group, clearly defining the ESG Working Group's responsibility for the comprehensive promotion and implementation of ESG strategies. The ESG working group comprises professionals from various business and functional departments, regularly reporting ESG-related matters and progress to the Board.

ESG Management Mechanism of Haidilao




Stakeholder Engagement

The Company attaches great importance to fostering sound interaction and long-term communication with stakeholders. It fully identifies and actively responds to the reasonable expectations and demands of stakeholders, including shareholders and investors, consumers, employees, suppliers, and partners, by establishing diversified and regular communication channels. Through this approach, the Company continues to build an open, transparent, and efficient communication mechanism, enhancing stakeholder engagement and satisfaction.

Stakeholders	Expectations and Demands	Communication Channels	Our Responses
 <p>Shareholders and investors</p>	<ul style="list-style-type: none"> • Stable business development • Compliance and integrity operation • Accurate and transparent information disclosure • Zero risk of food safety • Return on investment 	<ul style="list-style-type: none"> • Annual General Meeting and other general meetings • Corporate communications such as letters/circulars to shareholders and notices of meetings • Shareholders/investor conferences, roadshows and other activities • Announcements on the Stock Exchange and information on the Company's website • Regular information disclosure 	<ul style="list-style-type: none"> • Constantly enhancing operational quality and corporate value • True, reliable and timely information reporting and disclosure • Establishing and maintaining effective communication channels
 <p>Government and regulators</p>	<ul style="list-style-type: none"> • Legal and compliance operation • Sound internal control and risk management • Accurate and transparent information disclosure • Responsible public company image • Safe operation 	<ul style="list-style-type: none"> • Regular information reporting • Conferences/symposiums • Routine communication • File issuance and submission/on-site guidance • Compliance report 	<ul style="list-style-type: none"> • Enhancing internal regulation and compliance operation • Responding to relevant enquiries in a timely manner • Pre-communication of key matters
 <p>Consumers</p>	<ul style="list-style-type: none"> • Food safety and hygiene • Food quality and diversity • High-quality service experience • Nutritious and healthy food • Customer privacy protection • Timely response to customer demands 	<ul style="list-style-type: none"> • Customer satisfaction surveys and feedback forms • Service complaint and response • Feedback on the Company's official website • Restaurant service communication • After-sales evaluation of the Haidilao membership shop • Customer service center and hotlines 	<ul style="list-style-type: none"> • Maintaining a system and the management for food safety • Implementing strict control over food ingredients procurement, processing, and food preparation • Providing personalized services • Regularly inspecting feedbacks from members • Optimizing dining environment • Safeguarding consumers' rights and interests • Making rapid response and proper handling of customer demands



Stakeholders	Expectations and Demands	Communication Channels	Our Responses
 <p>Employees</p>	<ul style="list-style-type: none"> • Protecting the legitimate rights and interests of employees • Occupational health and safety • Improving the remuneration and benefits of employees • Providing fair employment opportunities • Training and development 	<ul style="list-style-type: none"> • Labor contracts and rules and regulations • Employee satisfaction surveys • Employee communication conference • Employee care activities • "Haihaoyouni" internal online platform 	<ul style="list-style-type: none"> • Fair recruitment and equal employment • Optimizing compensation and benefit system • Providing abundant training programs • Optimizing occupational development channels • Support for employees in need • Listening to the feedback of employees • Ensuring employee health and safety • Protecting the legitimate rights and interests of employees
 <p>Suppliers and partners</p>	<ul style="list-style-type: none"> • Fair, transparent, stable, and sustainable partnerships • Quality assurance • Fulfillment of promises • Collaborating to achieve a win-win situation 	<ul style="list-style-type: none"> • Regular conferences with suppliers • Supplier/contractor access, evaluation, and assessment mechanisms • On-site inspections, guidance, and communication 	<ul style="list-style-type: none"> • Standardizing the supplier management policy • Strengthening supplier quality management and control • Implementing fair and open procurement • Enhancing partners' sustainability capabilities • Annual suppliers conference
 <p>Community and the public</p>	<ul style="list-style-type: none"> • Operating in accordance with laws and regulations • Participating in public welfare activities • Creating job opportunities • Promoting economy development • Facilitating community harmony • Responsible public company image 	<ul style="list-style-type: none"> • Information disclosure • Community investment programs • Participating in public welfare activities • Party construction work 	<ul style="list-style-type: none"> • Organizing volunteering activities • Fulfilling corporate social responsibility • Organizing public welfare activities • Organizing rural revitalization activities
 <p>Experts</p>	<ul style="list-style-type: none"> • Accurate and transparent information disclosure • High-quality industry standards • Exchange and sharing of sustainable development experiences 	<ul style="list-style-type: none"> • Thematic seminars • Industry exchange • Project research 	<ul style="list-style-type: none"> • Actively participating in industry exchanges • Accurate and transparent information disclosure • Participation in the compilation of industry standards
 <p>Public welfare organizations</p>	<ul style="list-style-type: none"> • Adhering to green operation • Advocating the concept of environmental protection • Actively participating in public welfare projects and contributing to the creation of social value 	<ul style="list-style-type: none"> • Information disclosure • Participating in public welfare activities 	<ul style="list-style-type: none"> • Advocating the concept of green operation • Strictly managing treatment of kitchen waste • Organizing public welfare activities



Materiality Assessment

Based on the characteristics of the catering industry and its own business model, and building upon the materiality issues identified in the previous year, the Company comprehensively considered the latest regulatory policies, industry standards, development trends, and stakeholder concerns. Through benchmarking analysis and multi-stakeholder discussions, the Company systematically conducted the identification and assessment of materiality issues for the current year.



With reference to the Environmental, Social and Governance Reporting Code of the HKEX, MSCI ESG ratings for the catering industry, and investors' key focus, the Company consolidated and categorized similar issues through peer benchmarking and expert evaluation, ultimately identifying 21 materiality issues.



The Company conducted a questionnaire survey where internal and external stakeholders including directors, senior management, employees, government and regulators, shareholders and investors, suppliers and partners, consumers, communities and the public, experts, and public welfare organizations were invited to assess issue materiality and a total of 1,349 valid questionnaires were received. Based on these responses, the Company comprehensively assessed the internal impact of each issue on business development and its external impact on the environmental and social dimensions.

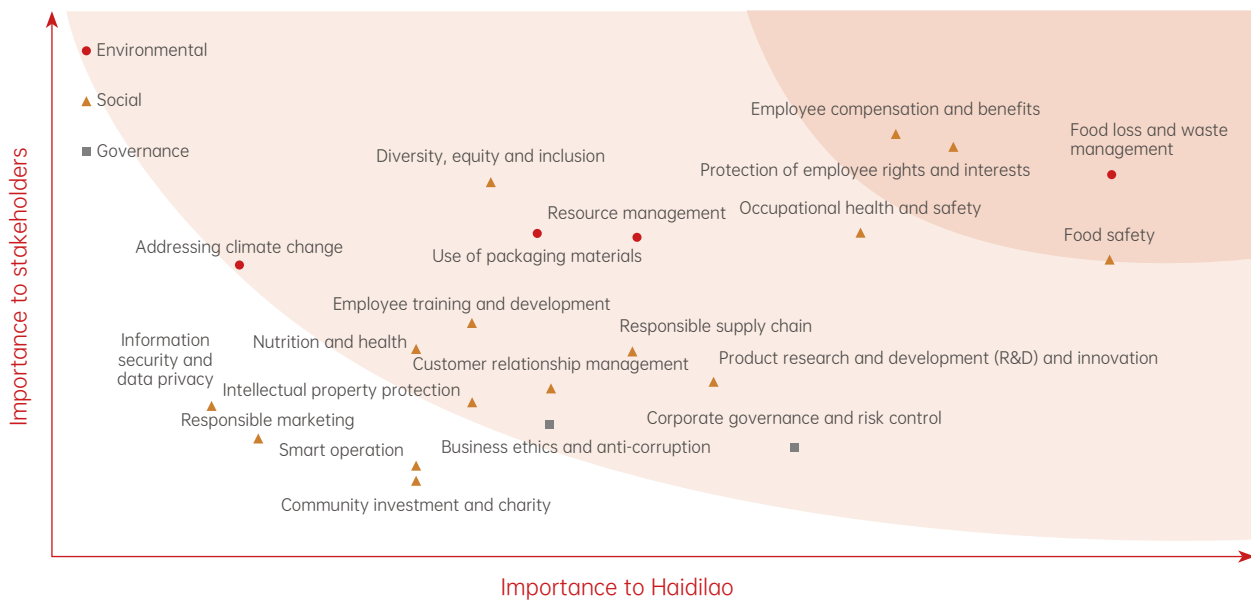


Based on the results of the questionnaire, and analysis from the two dimensions of "Importance to Haidilao" and "Importance to stakeholders", the Company prioritized the issues and formed the Haidilao ESG materiality matrix for 2025. These issues were categorized into highly important issues, moderately important issues, and generally important issues, thereby ensuring that the identification and assessment results were objective and comprehensive.



Internal management and external experts reviewed the process of materiality issue analysis, after which the analysis results were submitted to the ESG working group and the Board for review, and Haidilao ESG materiality matrix for 2025 was ultimately determined.

Haidilao ESG Materiality Matrix for 2025



Based on the results of the materiality analysis, the Company focused on and primarily disclosed high-importance issues in this report to reflect our priorities in ESG work and respond to stakeholder concerns.

Importance	Issues	Addressed in Sections
Highly important issues	Food loss and waste management	Green Development
	Protection of employee rights and interests	People-Oriented
	Employee compensation and benefits	People-Oriented
	Food safety	Taking Food Safety as a Top Priority
Moderately important issues	Occupational health and safety	People-Oriented
	Resource management	Green Development
	Use of packaging materials	Green Development
	Diversity, equity and inclusion	People-Oriented
	Product research and development (R&D) and innovation	Taking Food Safety as a Top Priority
	Responsible supply chain	Taking Food Safety as a Top Priority
	Corporate governance and risk control	Operating with Integrity
	Employee training and development	People-Oriented
	Customer relationship management	Thoughtful Service
	Business ethics and anti-corruption	Operating with Integrity
	Nutrition and health	Taking Food Safety as a Top Priority
	Intellectual property protection	Operating with Integrity
	Addressing climate change	Green Development
Generally important issues	Smart operation	Taking Food Safety as a Top Priority
	Community investment and charity	Empowering the Community
	Information security and data privacy	Thoughtful Service
	Responsible marketing	Operating with Integrity

01

Taking Food Safety as a Top Priority



The Company adheres to the bottom line of food safety and has established and continuously improved a full-procedure food safety management system covering the supply chain, production and processing, logistics and warehousing, and terminal restaurants. Through measures such as strengthening policies and rules, enhancing risk identification and prevention, advancing digital management and traceability, improving emergency response mechanisms, and fostering a strong food safety culture, we implement strict, standardized, and end-to-end control over all key processes. This continuously enhances our food safety governance capabilities and risk response capacity, effectively safeguarding consumers' dietary safety and health.

Alignment with SDGs:





Focusing on Food Safety

Haidilao strictly complies with the Food Safety Law of the People's Republic of China, the Regulations on Food Safety of Catering Services, and other applicable laws, regulations, and food safety supervision requirements in the countries and regions where it operates, adhering to lawful and standardized operations. In line with our operational characteristics and management needs, we have established and continuously improved internal food safety management systems at both the restaurant and supply chain levels, forming a comprehensive framework with clear compliance boundaries, full-process coverage, and standardized execution.

Restaurant

- The Company has established a comprehensive food safety management system for restaurant operations, covering key areas such as ingredient and process control, purchased goods inspection, health management, personnel management, food additive management, training and assessment, and food safety incident handling.
- Relevant documents include but are not limited to the Haidilao Restaurant Manual for Food Safety Management, Haidilao Restaurant Specification for Food Safety and Hygiene Design, Haidilao Restaurant Plan of Food Protection, Regulations on the Management of Food Safety Training for New Restaurants, and Risk Assessment Policy for Restaurant Safety and Food Safety Innovation Projects.
- During the year, we newly formulated the Food Safety Control Requirements for Restaurant Specialty Condiment Stations and revised the Action Plan for Enhanced Food Safety Requirements for Summer and Autumn - Key Operational Points for Each Position.

Supply Chain

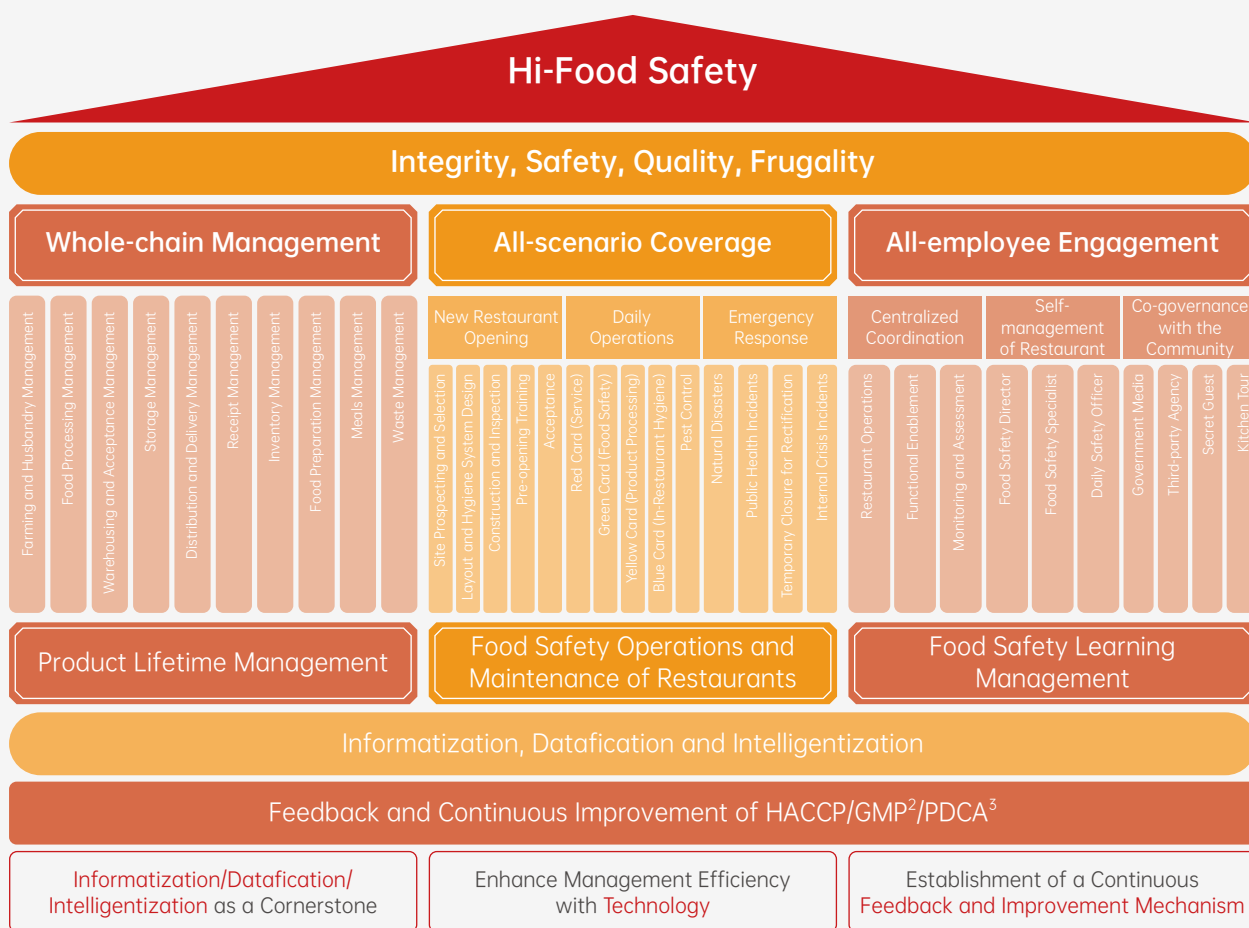
- To achieve full-process food safety control across the supply chain, the Company has established a management system covering key areas such as supplier management, product quality control, unqualified product handling, and product recall.
- Relevant documents include but are not limited to Haidilao Regulations on the Management of Proofs and Receipts to Food Suppliers, Emergency Response System for Non-Conformance in Sampling Inspection of Haidilao Supply Chain, and Policy for Standard Formulation and Control of Main and Auxiliary Ingredients.
- During the year, we also newly formulated the Haidilao Whistleblowing Management Standards for Supply Chain Food Safety and revised documents such as the Criteria for Edible Food Determination and Prohibited Ingredients.



Food Safety Management System

Drawing on industry-leading food safety management models, Haidilao implements standardized control across stages - including procurement of food ingredients, storage, processing, packaging, transportation, and sales - in strict accordance with the requirements of ISO 22000 Food Safety Management System and Hazard Analysis and Critical Control Point (HACCP¹) certifications. We have established the "Hi-Food Safety" management system featuring "Whole-chain Management, All-scenario Coverage and All-employee Engagement", ensuring comprehensive food quality and safety assurance. To ensure effective implementation of the food safety management system, the Company has appointed dedicated food safety and quality management personnel. Through a combination of internal unannounced audits and external audits conducted by third-party institutions, we carry out routine supervision and evaluation of food safety management, continuously improving control effectiveness.

In 2025, the Company comprehensively advanced the preparation for HACCP system certification at both headquarters and restaurant levels, establishing a framework covering seven categories of hazard factor investigation forms and systematically identifying potential risk scenarios to support scientific and precise hazard analysis. By continuously improving system development, strengthening process supervision, and implementing proactive risk prevention measures, the Company has comprehensively enhanced its food safety governance capabilities, providing consumers with safe and reliable dining assurance.



¹ HACCP: Hazard Analysis and Critical Control Point

² GMP: Good Manufacturing Practice

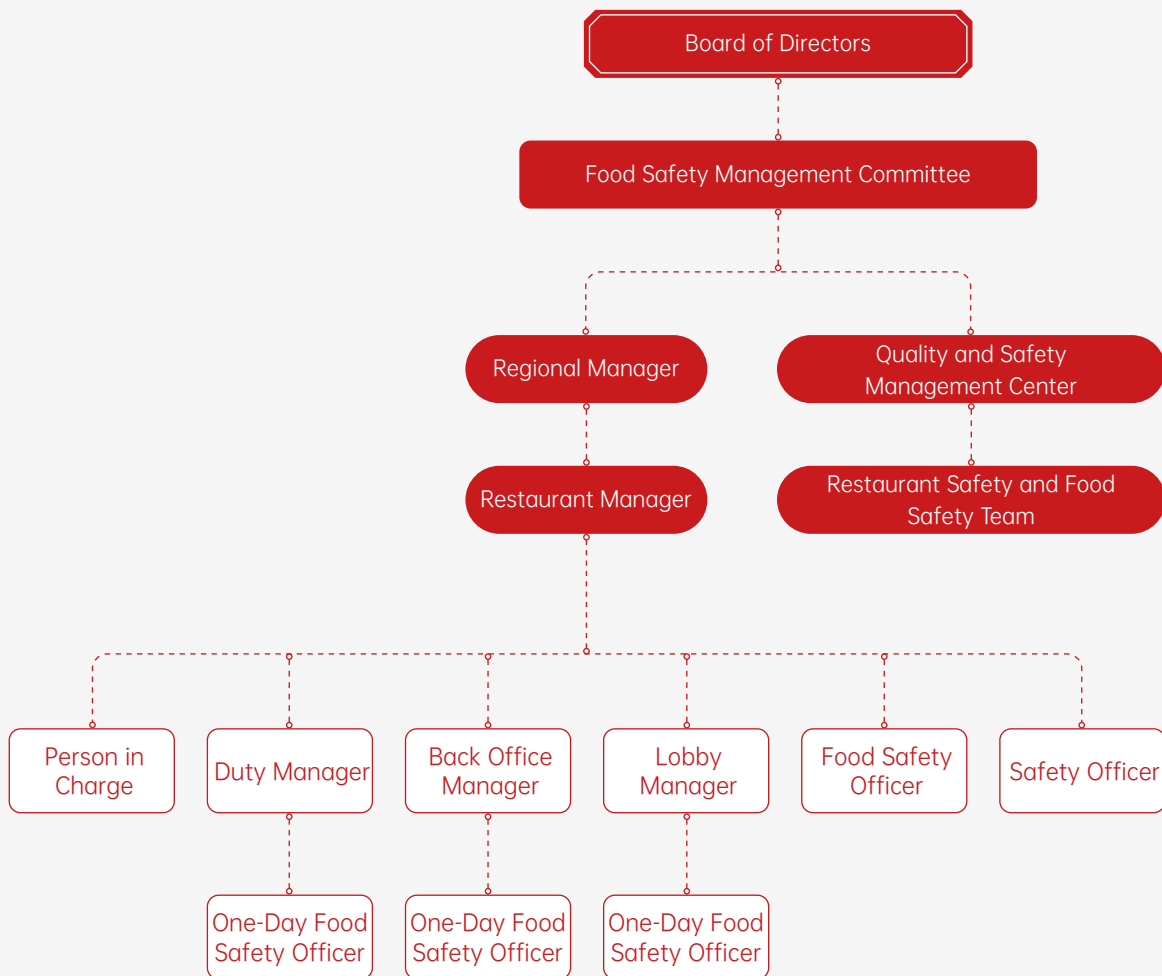
³ PDCA: A widely applied circular management approach to quality management, continuous improvement, and problem solving, which consists of four stages: Plan, Do, Check, and Act.

Main Responsibility of Food Safety

Haidilao strictly complies with the Provisions on the Supervision and Administration of the Implementation of the Primary Responsibility for Food Safety by Food Production and Distribution Enterprises and has formulated the Main Responsibility Management System for Food Safety of Haidilao Group, implementing the main responsibility system for food safety. Through a food safety scoring and assessment mechanism, the Company assigns food safety responsibilities to each position in a hierarchical and categorized manner.

The Company has established a top-down food safety management structure, with a Food Safety Management Committee led by the Chief Executive Officer as the primary accountable officer, while the Board performs oversight responsibilities for food safety management. The Company's Quality and Safety Management Center continuously conducts supervision, assessment, and improvement of the supply chain, central kitchens, and restaurants from the perspectives of risk monitoring, public opinion warning, and technical service support. In addition, we appoint food safety officers in each of our restaurants to carry out daily inspections, weekly reporting and monthly scheduling, to ensure comprehensive and strict implementation of the food safety systems and procedures.

Food Safety Management Structure





Food Safety Management System

Haidilao empowers food safety management through digital technologies. Leveraging systems such as the Quality and Safety Responsibility System, Restaurant Quality and Safety Information System, Restaurant Intelligent Monitoring and Identification System, Pest Management Platform, and Quality and Safety Scoring System, the Company has established an intelligent food safety management model. This ensures that food safety management is efficient, transparent, and traceable, thereby comprehensively enhancing management efficiency and standardization.



Quality and Safety Responsibility System

Based on self-inspection mechanisms and monthly coordination meetings, the system establishes a closed-loop management of "self-inspection for issue identification, rectification, task assignment, task follow-up, and verification follow-up". Food safety officers and quality inspectors are responsible for task execution, while restaurant managers review and supervise implementation. The task calendar visually displays daily tasks and their status, achieving transparent, standardized, and efficient management of food safety. In 2025, the system expanded its scope from food safety to include production safety. The average task compliance rate across restaurants exceeded 99%.



Restaurant Quality and Safety Information System

This system is a unified management platform for restaurants nationwide, integrating 12 modules of food safety and production safety management. It supports mobile Feishu interaction. As a self-developed unified backend, the system integrates the management functions of systems such as "Restaurant Intelligent Monitoring" and "Restaurant Food Safety Responsibility", achieving resource sharing and permission synchronization. In 2025, the system pushed special inspection tasks throughout the year, with a restaurant rectification completion rate of over 95%.



Restaurant Intelligent Monitoring and Identification System

This system has been deployed across businesses including food delivery services and secondary brands. Utilizing AI algorithms, it automatically identifies restaurant improper operations and pushes alarm information to restaurant management personnel in real time for timely verification and corrective action. Currently, 20 algorithms have been launched, covering scenarios such as rodent detection, improper employee operations, and equipment obstruction. The identification accuracy rate exceeded 90%.



Pest Management Platform

This platform has been fully launched and covers all restaurants nationwide. Service personnel carry out a standardized disinfection service workflow via the WeChat mini program, which also supports service evaluation and automatic identification of high-risk restaurants. In 2025, the platform provided more than 30,000 services across Haidilao, its secondary brands, and delivery restaurants, achieving standardized and intelligent pest prevention and control across restaurants.



Quality and Safety Scoring System

This system covers all business formats, including Haidilao, food delivery services, and secondary brands. It provides all restaurant employees with access via a Feishu mini program, enabling them to view their deducted points, added points, and reward points at any time. This facilitates the standardization and digitalization of restaurant-level quality and safety assessments.

Establishing Enterprise Standards

Haidilao implements stringent product standards and has developed multiple internal testing and acceptance criteria for food safety, covering the entire process from ingredients and production techniques to physicochemical indicators and finished products. Starting from the procurement stage, we strictly monitor food safety indicators, including pathogens, pesticide residues, veterinary drug residues, illegal additives, contaminants, and food additives, ensuring that all indicators meet safety standards.

While strengthening internal standards, the Company actively participates in the development of industry, local, and group standards. We contributed to the formulation of two local standards—Specification for the Use of Tableware and Utensil in Catering Units and Specification for Health Management of Employees in Catering Units—as well as eight group standards, including Guide for Evaluating Commodity Quality Standards and Sealing Label for Takeout Food Packaging. In addition, we completed the formulation and filing of the corporate standard for Prepared Seasoned Meat Products. With continuously enhanced food safety management and solid control performance, Haidilao received the 14th Seven-Star Awards for Contribution in Food Safety & Public Health in 2025.



Haidilao Won the 14th Seven-Star Awards for Contribution in Food Safety & Public Health

Food Safety Risk Management

Haidilao has established a "Product Lifecycle Risk Safety Control Program". Based on the PDCA cycle, we conduct risk identification, assessment, monitoring, and management across all stages, including research and development, product selection, new supplier access, new product production implementation, acceptance, and market launch, thereby promoting refined food safety management. The Company establishes a food safety risk management file for each product, implementing dual-point documentation at both risk input and output stages to eliminate assessment and control blind spots, ensuring full product risk management traceability while improving the timeliness and effectiveness of risk management.

Risk identification, assessment and monitoring

Risk identification and management

- **Comprehensive risk review:** During product pilot testing, initial mass production, and subsequent production, we conduct comprehensive reviews of raw materials, processes, production management, testing capabilities, and restaurant usage to identify potential risks and embed them into the management process. The improvement effectiveness is then verified through spot checks.
- **Targeted risk inspection:** For known risks identified through public opinion, consumer feedback, or risk sampling, we conduct in-depth inspection to determine the causes and formulate solutions.
- **Food safety hazard analysis:** We implement a risk-based testing plan for restaurants and the supply chain, identify safety hazards at various stages of production and operation. We regularly commission third-party agencies to analyze risks in restaurant ingredient acceptance, food preparation, meal serving and collection, cleaning and disinfection, and waste management, identifying key control points and formulating improvement measures.



Risk assessment and early management

- **Judgment of edible and prohibited ingredients:** We establish criteria for judging ordinary food supplies, new food materials, medicinal and edible ingredients, food microbial strains, and additives.
- **Full-chain risk assessment of core products:** We conduct whole-chain risk identification and assessment for core products, collaborating with third-party agencies to formulate product standard specifications.
- **Early risk assessment for new products:** During new product development and launch, we dynamically adjust risk assessment efforts by incorporating it into product on-site audits to ensure safety before market launch.
- **Major hazard response mechanism:** For major food safety hazards, we will initiate the Substitution Procedure for Products with Food Safety Hazards of Haidilao to ensure that they meet standards before being launched.

Risk monitoring and dynamic management

- **Material monitoring:** We conduct inspections on product raw materials, factory dispatch, warehouse receipt, and type; carry out risk-based random sampling; and promptly remove non-compliant products from circulation.
- **Restaurant and Central Kitchen Monitoring:** We monitor tableware, water, ice, oil, condiment stations, food materials, self-made beverages, and hygiene (hands, tools, equipment), etc.; conduct sampling inspections according to the annual plan, promptly report issues, and guide improvements, verifying the effectiveness of rectification through re-inspections.
- **Public opinion and policy response:** In response to food safety public opinion and new national standards, we carry out emergency responses, investigations, and risk sampling inspections to ensure no safety hazards exist.



Food Safety and Quality Control



Restaurant

The Company has established a standardized management system covering the formulation, review, upload, and access of standards. This enables back-of-house staff to stay updated on the latest operational procedures in real time, effectively mitigating quality risks caused by unclear or outdated standards. Meanwhile, leveraging the Product Processing Work Instructions, the Company identifies risk points, optimizes processes, and drives continuous quality improvement to prevent product defects. A standardized inspection mechanism combining comprehensive inspections and targeted inspections has been implemented to achieve full coverage of restaurant products.

We conduct regular food safety inspections at the restaurant level to ensure compliance with food safety standards. In 2025, we conducted 5,781 restaurant quality and safety inspections and guidance sessions, 626 delivery inspections, and 2,774 inspections for secondary brands restaurants, as well as 92 spot checks in Hong Kong, Macau, and Taiwan regions. For the special regulatory requirements in Hong Kong, Macau, and Taiwan regions, we issue daily, weekly, and monthly inspection plans in real time via digital means, ensuring full coverage. More than 5,000 daily food safety inspection tasks were pushed in these regions.

We also conduct sampling inspections on restaurant products, tableware, condiment stations, etc. During the reporting period, we conducted sampling inspections on materials across a total of 1,350 Haidilao restaurants, and 356 inspections covering secondary brands and delivery restaurants.



Supply chain

We implement a scientific risk classification system for suppliers and formulate differentiated inspection strategies based on risk levels. Through rigorous qualification reviews, on-site inspections, and unannounced audits, we ensure that suppliers consistently meet Haidilao's high standards. During the year, the supplier management system was further improved with the introduction of a joint audit mechanism with the food safety department, effectively enhancing audit efficiency and risk identification capabilities.

We formulate ingredient and product testing plans, covering supplier factory tests, type tests, arrival acceptance tests, and risk sampling inspections. For failed risk sampling inspections, we strictly enforce Emergency Response System for Non-conformance in Sampling Inspection of Haidilao Supply Chain to prevent issue escalation. During the year, Haidilao had 38 regional warehouse laboratories with testing capabilities nationwide. Shuhai factories and Qin Hai Beijing factory conducted testing on a total of 34,793 product batches.





Warehousing and distribution

Haidilao implements strict end-to-end control over warehouse management. Incoming goods are inspected in accordance with standards such as the Guidelines for Pesticide Residue Testing and the Goods Receipt Management System for Warehouse Keepers of Restaurants, with a focus on verifying transportation temperature, packaging integrity, and product quality. Products that do not meet requirements are firmly rejected. During the storage process, we have established the Food Storage Management System and the Material Management System, which set strict requirements for the storage conditions of different types of ingredients, alongside close monitoring of shelf life. To strengthen ingredient management, we classify ingredients into three levels based on defect risk, covering over 95% of materials. Graded inspections are conducted periodically: Level 1 risk products are comprehensively inspected every two months, while Level 2 and Level 3 risk products are inspected every 6 months and 12 months, respectively.

In logistics and distribution, the Company has established a nationwide distribution network covering all restaurants to ensure timely product supply. For frozen, refrigerated, and ambient products, we have formulated stringent loading and transportation standards and equipped vehicles with continuous temperature recorders to ensure product freshness and safety during transportation. For restaurants in remote areas, we reduce delivery times and ensure food freshness by establishing additional regional warehouses and central kitchen facilities.

To enhance information flow and issue resolution efficiency, we utilize multi-dimensional data tables to build product quality dashboards, enabling real-time information reception and precise task allocation, ensuring rapid response and timely handling by responsible personnel across the supply chain. For critical issues and major risks, the dashboard supports rapid alerts and proactive prevention, minimizing potential losses to the greatest extent.

Product Recall and Emergency Response

The Company places high importance on product quality and continuously improves product traceability and recall management processes. We have established the Haidilao Product Recall Handling System for Supply Chain, and Measures for the Management of Unqualified Food Materials and Supplies in Haidilao Supply Chain, clearly defining handling procedures at each stage to ensure that food safety issues can be rapidly traced and effectively resolved. During the year, no ingredients were returned after sale due to safety and health reasons. The percentage of products recalled due to safety and health reasons accounted for 0% of the total products sold or delivered. All affected ingredients were returned prior to sale, without entering the consumer market or impacting consumers.

In cases of quality or safety anomalies, the Company promptly activates response mechanisms in accordance with the Emergency Response System for Media Incidents Relating to Food Safety in Haidilao Supply Chain, the Haidilao Product Recall Handling System for Supply Chain, and the Measures for the Management of Unqualified Food Materials and Supplies in Haidilao Supply Chain. These frameworks activate response mechanisms, and clarify procedures for product recalls and timeliness requirements, ensuring standardized and orderly handling. When restaurants receive returned goods due to quality issues, we immediately initiate a traceability mechanism. Restaurants must self-inspect product batches, production dates, and supplier information and report the same to the quality inspection department at headquarters. Once the issue source is identified, the Company proactively implements product recalls, records the entire recall process, and conducts in-depth analysis of root causes to formulate corrective measures. To continuously enhance emergency response capabilities, the Company organizes regular simulation drills for product recalls each year to strengthen risk prevention and control capabilities.

Scenarios Applicable to Product Recall Regime

- Recall of raw and auxiliary materials;
- Defective products returned from restaurants;
- Returns due to logistics reasons;
- Returns due to reasons attributable to restaurants;
- Returns of zero-inventory products;
- Returns due to other reasons.

In response to abnormalities in food safety and quality, the Company has established the Emergency Response System for Media Incidents Relating to Food Safety in Haidilao Supply Chain, the Measures for the Management of Severe Foreign Object at Haidilao Food Restaurants, and the Emergency Response System for Non-conformance in Sampling Inspection of Haidilao Supply Chain. In accordance with the Emergency Response Plan for Food Safety Incident, emergency measures such as suspension of supply and root cause investigation are implemented. Comprehensive inspections are conducted for the involved suppliers and all restaurants within the same city to ensure thorough rectification of issues.

Food Safety Emergency Quality Incident Handling Procedure

- **Report promptly:** Report to local health and market supervision departments within two hours of the incident;
- **Rescue immediately:** Organize rescue teams promptly to send affected consumers to hospitals;
- **Secure the scene:** In the event of a food safety incident, relevant personnel must immediately halt production and operations. They must seal and preserve all food items, ingredients, tools, utensils, equipment, and the site that are suspected to have caused or could potentially cause the incident. When securing the scene, the following must be retained as evidence for further investigation: affected food products, food-contact tools and containers and tableware and utensils;
- **Cooperate with investigations:** The responsible personnel of the affected restaurant and relevant employees must fully cooperate with the investigating authority in the food safety incident investigation and handling process, and provide true details regarding the food safety incident.





Food Safety Culture Development

Haidilao actively cultivates a food safety culture by establishing a comprehensive training system covering different business segments, organizational levels, and all employees. Multiple food safety training sessions were conducted regularly throughout the year, effectively reducing the occurrence of food safety issues at restaurants. Through diversified approaches, including food safety training camps, experience-sharing video production, on-site food safety guidance, special food safety campaigns, online knowledge dissemination, and quality and safety micro-learning sessions, the Company continuously enhances employees' professional competence and sense of responsibility in food safety, promoting the internalization and practical implementation of food safety requirements. During the year, the Company conducted 42 online and 14 offline safety training sessions, with over 0.13 million person-times participating in online training and over 300 person-times in offline training, respectively, and a training assessment pass rate up to 90%, providing employees with abundant learning resources.

For key positions, the Company continuously strengthened food safety training efforts to comprehensively enhance professional capabilities:



For new employees in relevant positions

We continuously track the training progress of new hires, new restaurant managers, and new quality inspectors to ensure timely mastery of the latest food safety requirements.



For back-of-house managers

We have established a dedicated product training group. Relevant teams share common issues identified nationwide in the group on a daily basis, enabling restaurants to promptly implement corrective actions and improve product quality. Additionally, the product audit leader conducts centralized training sessions each month, providing a detailed analysis of recurring issues to further enhance restaurants' understanding of key product risk points and critical operational requirements.



For quality inspectors

We conduct regular systematic self-inspections. By strengthening inspectors' product knowledge and professional skills, we enhance product rechecks of restaurants, reduce potential errors in operational processes, and further ensure consistent output quality.

To translate training outcomes into stable professional capabilities, the Company encourages employees to obtain food safety-related certifications, promoting learning through examinations and enhancing competencies through certification. During the year, the number of participants in the reserve quality inspector examination reached 3,532 person-times, with a pass rate of 76%; the number of participants in the junior food safety officer certification examination reached 2,912 person-times, with a pass rate of 72%; and 112 candidates participated in the intermediate (Level B) quality inspector certification examination, with a pass rate of 58%. At the same time, the Company conducted certification assessments for quality inspector positions, with 3,592 employees undergoing certification for quality inspector roles and 159 for intermediate-level quality inspector roles. Both professional capabilities and certification pass rates continued to improve.

To support the coordinated development of diversified business formats, the Company has simultaneously advanced food safety capability building in new business segments. In 2025, dual safety certifications were completed for multiple business formats, including food delivery services, YEAH QING, and Jugaogao Hot Pot, promoting the extension of standardized and systematic food safety management to new business areas.



Haidilao "Daily Safety Officer"

Since 2019, Haidilao has implemented the "Daily Safety Officer" system to promote full participation and end-to-end supervision in food safety management. To foster a strong culture around this initiative, the Company enhances transparency and traceability by displaying real-time food safety updates, responsibilities, and inspection results through dedicated boards and identifiable armbands. Restaurant managers and core management actively take the lead in participating in the "Daily Safety Officer" program, setting examples to drive accountability across all employees. In addition, the Company has introduced incentive mechanisms such as the "Food Safety Model" award, "Flowing Red Flag" Award, and "Green Card Star" certifications to encourage excellence and continuous improvement among employees.

Food Safety Initiatives

- In March 2025, the Company launched a Food Safety Enhancement Month campaign, utilizing AI monitoring systems to conduct real-time supervision of food operation practices in kitchens across all restaurants nationwide. The campaign focused on more than 20 key operational checkpoints, including proper wearing of hairnets, masks, and uniforms, standardized cleaning of tableware, proper covering of waste bins, and behavioral practices, ensuring compliance with food safety standards. For restaurants where issues were identified, the Company organized comprehensive retraining for all employees to ensure full mastery and strict adherence to operational standards. Restaurants with violations were subject to strict assessments, and such violations served as disqualifying criteria for quarterly excellence evaluations, thereby driving continuous improvement.
- In May 2025, the Company launched a multi-dimensional empowerment program for food safety officers. This program adopted an innovative integrated training approach combining "theoretical instruction, scenario-based simulations, and experience sharing". Centralized training sessions were conducted to enhance the professional competence and practical capabilities of food safety officers, ensuring effective implementation of food safety management requirements at the frontline.



Haidilao Multi-dimensional Empowerment Program for Food Safety Officers



Food Safety Initiatives

- In June 2025, the Company carried out an 89-day nationwide food safety campaign covering more than 1,200 restaurants. This campaign promoted standardized implementation through centralized rectification measures. Key actions included opening kitchen areas for supervision, utilizing AI monitoring for risk alerts, standardizing handover procedures for key positions, strengthening practical training, establishing closed-loop hazard rectification mechanisms, organizing thematic activities, implementing incentive mechanisms for foreign object self-inspection, setting benchmark restaurants, and conducting food safety awareness campaigns. These efforts deeply integrated food safety management into daily operations, effectively enhanced employees' safety awareness and operational compliance, and continuously strengthened the Company's food safety assurance system.



Haidilao Won the First Prize (Group) at the National Vocational Skills Competition for Food Safety Managers

In terms of reward and penalty management, we have established a comprehensive and multi-dimensional incentive mechanism to motivate employees and partners to jointly improve food safety and quality management standards.



We introduced the "Daily Safety Officer Reward Points Exchange" program to encourage employees to actively participate in food safety management. All employees take turns serving as "Daily Safety Officer" to inspect, supervise, and address gaps in daily food safety operations, strengthening everyone's awareness of food safety as a bottom line and reinforcing Haidilao's food safety defenses.

We implemented the Haidilao International Supply Chain Food Quality and Safety Points-based Reward and Punishment Management System to ensure suppliers strictly comply with food safety standards. Through internal reinforcement and external advocacy, we embed the concept of food safety into employees' daily work and convey Haidilao's rigorous food safety values to suppliers.



Driving R&D and Innovation

Haidilao drives development through innovation. By improving the R&D management system and incentivizing employee innovation, we continuously optimize healthy product offerings and small-portion dishes. Leveraging smart lobby and smart kitchen systems, we enhance operational efficiency and customer experience.

R&D and Innovation Management

R&D Management System

We have established a comprehensive product innovation management system, a Product Management Department and a Product Committee responsible for planning and executing new product development. We have formulated the Haidilao Process for Product Development and the Product Process Management System of Restaurants, which clearly define the processes, standards, and requirements for new product research and development, ensuring the standardization and efficiency of product R&D. Additionally, we have integrated scientific nutritional pairing principles with reference to the Guideline for the Design of Nutritional Light Meal published by the China Cuisine Association into the meal nutrition function table planning to offer consumers healthier dining choices.

Innovation Incentive Mechanisms

To precisely incentivize product innovation and stimulate the enthusiasm of R&D and business teams, the Company has established the Blockbuster Product Reward Rules, introducing targeted incentives for regional and localized products. This encourages R&D personnel to develop products tailored to regional consumption characteristics, thereby enhancing the dining experience. We revised the Haidilao Procedures and Policy for Product Marketing and Promotion, clarifying departmental responsibilities and new product development timelines to ensure efficient implementation of innovations, and enhancing the intrinsic motivation of R&D teams through measures such as improved performance-based bonuses.

Product R&D and Optimization

We focus on market demand, leveraging data analysis to identify consumption trends and nutritional needs. By continuously tracking product ordering performance, we strive to launch high-quality products that meet consumer expectations.

<p>Optimizing core flavors to ensure consistent experience</p>	<p>Innovating preservation technology to ensure safety and taste</p>	<p>Implementing scientific quality control to enhance dining experience</p>
<p>We continuously upgrade the flavor and quality of our classic products. For example, we have optimized the entire value chain of the "Rich Mushroom Broth Hot Pot" to ensure consistent taste. We have also upgraded our clear oil hot pot base using ultra-fine grinding technology to enhance the numbing and spicy flavor and improve ingredient absorption. In addition, we have developed a variety of Three Delicacies bases to enrich customer choices.</p>	<p>We enhance product quality through technological advancements to maintain optimal consumption conditions. A key initiative includes extending the shelf life of sesame paste through technical improvements, significantly prolonging its refrigerated freshness while ensuring both food safety and consistent quality.</p>	<p>We collaborate with universities to conduct targeted research, applying scientific methods to improve key ingredient quality. For example, through cooperation with a university, we established an objective evaluation system for beef tripe quality, stabilizing and improving its texture. We have also developed proprietary coating formulas for crispy pork to ensure consistent product quality and enhance customer satisfaction.</p>



Product Nutrition and Health

Haidilao actively responds to the United Nations sustainable development goal (UN SDGs)—“Good Health and Well-being”—and national strategic initiatives such as the Outline of the Healthy China 2030 Plan. Guided by scientific dietary principles, we continuously expand and optimize our product portfolio, aiming to meet consumers’ demand for healthy diets through a diverse and nutritious product matrix.

Nutritious and Healthy Products

We are committed to reducing the use of artificial additives and allowing ingredients to return to their natural flavors. In 2025, the Company prioritized the development and launch of multiple natural and healthy products free from preservatives and artificial colorings. These “additive-free” products mainly cover the following categories:



Fresh Ingredient Series

Including freshly cut beef, seafood, and chicken, with supply chain optimization ensuring freshness and purity from source to table.



Natural Soup Base Series

Development of soup bases such as fig chicken soup, olive chicken soup, five-finger fig chicken soup, clear chicken soup, and rice congee, relying on the natural ingredients themselves to deliver rich and authentic flavors.



Healthy Snack Series

With the introduction of hawthorn strips, hawthorn dices, pistachios, sunflower seeds, and vegetable crisps produced by vacuum low-temperature frying and dehydration technology, consumers are provided with a healthier option without compromising the natural flavors of the raw materials.

We actively respond to the national initiative of “reducing salt, oil, and sugar” by optimizing product formulations:



No-salt/low-salt products

Reformulation of classic snacks, such as upgraded crispy rice crackers and Hi crispy snacks, with sodium content reduced by over 30% compared to previous versions, significantly reducing the risk of excessive salt intake.



Sugar-free/low-sugar products

Introduction of standardized sweetness options—“Less Sugar,” “Even Less Sugar,” and “No Sugar”/“Sugar-Free” —across a range of our beverage offerings, further reinforcing our product orientation toward sugar-free and low-sugar choices to meet consumers’ health needs. Examples include the “Five Parts Wild” Yunnan Sour Papaya beverage available in an “Even Less Sugar” version, the Guava Berry Avocado beverage launched with a “No Added Sugar” version, and the Orange Extraordinary beverage and Cherry Berry Fruit Tea beverage both rolled out with a “Sugar-Free” version.



Low-fat products

Development and launch of poultry-based products such as cumin chicken drumstick meat and green pepper chicken slices, providing consumers with more flavorful and low-fat healthy options.

While offering fundamental healthy choices, we also focus on enhancing specific nutrient supply and improving ingredient quality:



Nutrient-fortified products

We have initiated R&D planning for foods fortified with specific nutrients (such as iodine, iron, vitamins A/D, and zinc), aiming to provide more targeted nutritional solutions for consumers with special needs in the future.



Organic products

We place strong emphasis on the inherent quality of ingredients and have introduced organically certified ingredients. For example, the boletus mushrooms served are sourced from professional production bases in Yunnan and have received China Organic Product Certification for consecutive years. Going forward, we are committed to expanding such collaborations and enrich our portfolio of organic ingredients.

Small-Portion Product Offering

To meet customers' needs for appropriate portion sizes and balanced nutrition, Haidilao systematically promotes portion optimization. Most product categories now offer small-portion options, including "semi-dishes", "four-grid hotpot soup bases", and the innovative "Mini Hot Pot" format, guiding customers to order on demand and achieve dietary diversity and nutritional balance more flexibly.

Through optimized portion design of classic products, we have made small-portion options a mainstream choice among customers. In 2025, approximately 80% of customers selected "semi-dishes" when ordering, and about 70% of total sales were generated from semi-dishes and flexible small-portion combinations such as the "four-grid hotpot soup base".

Building on this, we introduced small-portion solutions tailored to specific dining scenarios. In 2025, we piloted the weekday "Mini Hot Pot" lunch in Nanjing, offering quarter-portion options for 27 popular dishes designed for one to two people. Through small-portion offerings and high value-for-money combinations, pilot restaurants achieved a 7% increase in table turnover and a 4% increase in revenue during weekday lunch periods. In addition, we launched double-person small-portion meal sets with dishes reduced to quarter portions. In 2025, 400,000 sets were sold, supporting customers in achieving balanced diets.



Weekday "Mini Hot Pot" Lunch



Smart Operation

Haidilao is committed to deeply integrating digital technologies and automation equipment to systematically promote the intelligent transformation of lobby services and kitchen operations, thereby comprehensively enhancing operational efficiency, service quality, and food safety management.

Scenario	Item	Item Description and Outcomes
Smart Lobby	Intelligent Reception System	Utilizing AI video analysis technology to identify table status in real time and synchronize information to service terminals used by front-of-house staff, thereby optimizing table turnover. This system has been deployed in more than 1,200 restaurants.
	Hi-Mei Integrated Machine	Integrating multiple functions, including power bank rental, photo printing, queue display, and fridge magnet accessory sales, optimizing reception area layout while saving space and equipment costs. It has been implemented in over 130 restaurants.
	Intelligent Floor Cleaning Machine	Combining washing, brushing, and suction functions to improve cleaning efficiency and standardization. It has been deployed in more than 490 restaurants.
	Food Delivery Robot	Replacing manual tasks such as dish delivery and food serving, improving operational efficiency while offering customers a novel dining experience. It has been applied in over 300 restaurants.
Smart Kitchen	Shelf-life Label Printer	Printing shelf-life labels for ingredients to prevent food safety risks caused by manual recording errors and improve efficiency. It has been deployed in approximately 1,100 restaurants.
	Fresh Beef Slicing Machine	Assisting in achieving standardized and efficient slicing of fresh beef, reducing labor requirements and ensuring product consistency. It has been applied in over 300 restaurants.
	Cup and Chopstick Washing Machine	Integrating cup and chopstick washing functions to reduce equipment footprint, lower energy consumption, and minimize time spent on hygiene maintenance. It has been deployed in over 40 restaurants.
	Kitchen Waste Treatment Equipment	Improving waste oil recovery rates and reducing kitchen waste emissions through optimized design. It is currently in use in more than 30 restaurants.
	Self-developed Hot Pot Preparation Machine	Connected to the front-end ordering system, enabling the kitchen to receive digital hot pot base orders, replacing traditional paper tickets and reducing the risk of missed or incorrect orders. It is currently being piloted in 14 restaurants.
	Self-developed Intelligent Frying Machine	Upgrading existing frying equipment by managing oil usage cycles and enhancing automation. It is currently being piloted in 6 restaurants.

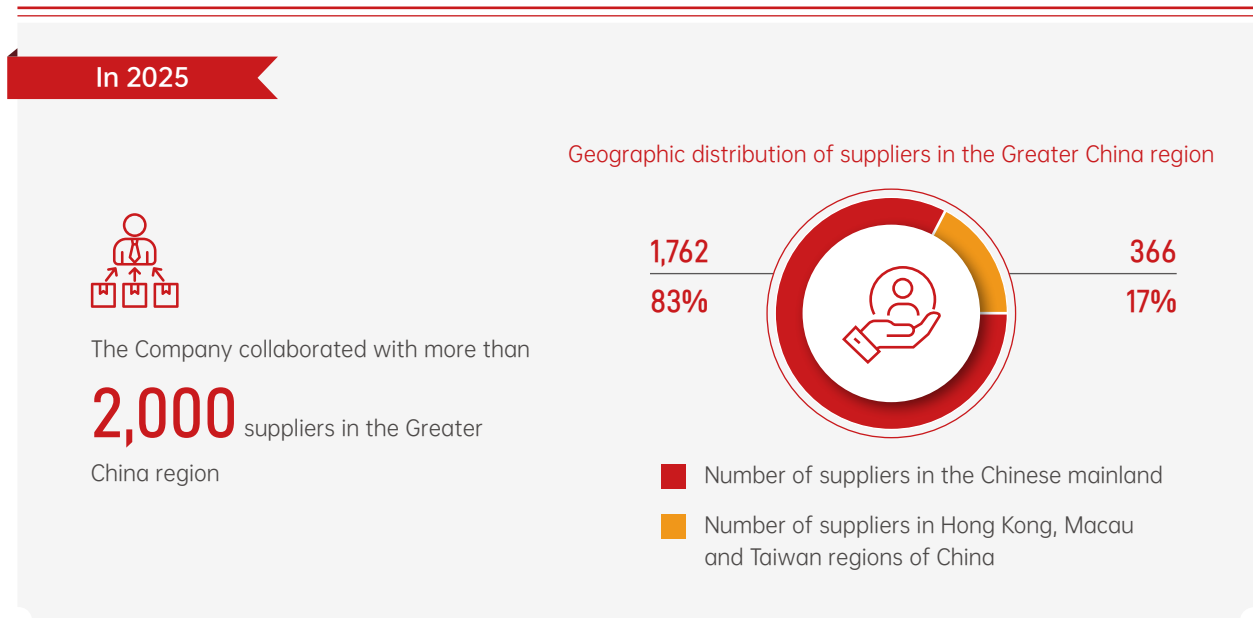
Co-building a Responsible Supply Chain

Haidilao is committed to establishing a transparent, efficient, and responsible supply chain management system. We systematically implement end-to-end supplier management, improve product traceability mechanisms, and promote sustainable practices such as transparent procurement, green procurement, and local sourcing. We continuously strengthen communication and collaborative empowerment with suppliers to jointly enhance supply chain resilience, quality, and overall efficiency.

Supplier Management System

The Company has established an end-to-end supplier management system covering supplier selection, access, evaluation, and withdrawal. Environmental and social risk management requirements are integrated into internal policies such as the Haidilao Group Class A Material Supplier Management Policy, Haidilao's Incentive Measures for Suppliers and External Partners, and the Measures for Handling Suppliers Unqualified in On-site Review, thereby improving the standardization and efficiency of supplier management.

In 2025, the Company collaborated with more than 2,000 suppliers in the Greater China region, all of whom were managed under this system. Among them, 44 suppliers were removed from cooperation due to environmental and social risk factors.





Supplier selection and access

During the supplier selection process, the Company adheres to high standards and strict requirements, comprehensively evaluating suppliers' scale, production capacity, operational conditions, and safety management capabilities, with food safety qualifications and performance serving as core indicators. The Company actively partners with various premium suppliers and prioritizes industry leaders with proven excellence in food safety and quality management, safeguarding the high quality and safety of raw materials and products from the source.

The Company implements a systematic, multi-level onboarding review mechanism covering sample evaluation, qualification review, packaging assessment, laboratory testing, on-site audits, and unannounced inspections. Suppliers that fail documentation review or on-site audits are subject to a one-vote veto. During food safety factory audits, we focus on evaluating suppliers' production environments, factory management controls, and warehousing practices to ensure full compliance with food safety requirements throughout the production process.

Supplier evaluation and tiered management

The Company applies scientific assessment methods to classify suppliers and supplied materials based on risk levels. Supplier performance ratings are issued quarterly based on assessment indicators, which determine subsequent audit frequency and requirements. Material risk levels are determined based on multiple factors, including national sampling inspection results, internal testing data, procurement volume, usage scenarios, and customer complaints. Supplier risk levels are assessed based on audit results, identified issues, and the complexity of industry processes.

The Company has established a comprehensive supplier performance evaluation system. Through monthly and annual assessments, suppliers are evaluated across delivery timeliness, service quality, cost, innovation, food safety, and integrity, and graded management is implemented based on a clear points-based system. The Company regularly consolidates and analyzes supplier audit results, specific issues, and potential risks. Upon identifying abnormalities, an early warning mechanism is immediately activated and targeted measures are implemented to ensure prompt resolution.

Supplier support and elimination

The Company adheres to the principle of "support as the primary method and elimination as the secondary option", aiming to grow together with suppliers. Before considering supplier elimination, we engage in full communication and provide targeted guidance and support. For suppliers that still fail to meet requirements after support measures, we will take actions such as suspending cooperation, placing them on a blacklist to terminate the cooperation, or permanently barring them from doing business with us.

Product Traceability Management

Haidilao places strong emphasis on supply chain traceability and has established a systematic product traceability policy and management system. By implementing full-chain traceability for key product categories and promoting suppliers to obtain environmental sustainability certifications, the Company aims to ensure product quality and safety, enhance supply chain transparency, and fulfill its commitments to consumers.

The Company has formulated and publicly disclosed the Responsible Sourcing Policy, clearly outlining traceability and sustainable sourcing commitments for seafood, palm oil, beef, and dairy products. At the organizational level, the Company has established a dedicated traceability project team and has joined industry associations such as the China Cuisine Association, China Chain-Store & Franchise Association, and China Hospitality Association as an official member to jointly advance supply chain risk assessment and mitigation efforts across the industry.

The Company has integrated traceability management into its end-to-end supplier management system. During supplier access reviews, on-site audits, and unannounced inspections, strict traceability capability assessments are conducted, including document verification and on-site traceability testing. During on-site audits, we conduct full-chain traceability verification on no fewer than three batches of processed products, covering key stages such as upstream ingredient sourcing, supplier management, incoming inspection, process records, and material balance traceability. Suppliers that fail to meet traceability requirements are classified as high-risk entities and subject to enhanced management measures.

The Company implements specialized traceability management for key categories. Some of our seafood, palm oil products, beef and lamb, and dairy products are traceable to their origin.

Seafood

We have developed targeted sustainability capability enhancement plans for seafood suppliers, focusing on key categories such as kelp seedlings. For kelp seedlings, by optimizing the supply chain and establishing contract farming arrangements, we have achieved 100% full-chain traceability for partner bases. These products have obtained organic certification.

Palm oil

As of the end of 2025, the Company did not directly purchase palm oil, but instead conducted indirect procurement and management through designated large suppliers, and its use was limited to the production of clear oil base in certain regions.

Beef and lamb

For key products such as pressed beef and lamb, we implement full-chain traceability and strict management, covering the whole process from supplier audits at processing plants and transportation controls to in-restaurant delivery inspection, storage and use.

Dairy products

We primarily cooperate with leading industry brands. Some fresh milk products have obtained dual organic certification from China and the European Union. Approximately 17% of dairy procurement volume consists of products with sustainability certifications. Domestic dairy products are traceable to the farm level, with system records including milk source farms, production batches, and inspection reports. Through annual supplier evaluations, on-site audits, and communication visits, the Company promotes sustainable development concepts and requirements to suppliers, supporting dairy suppliers in enhancing their sustainability capabilities and obtaining relevant certifications.

By establishing a full-chain traceability system, Haidilao is committed to providing safe and reliable products to consumers while promoting sustainable development across the value chain.



Sustainable Procurement Practices

Haidilao fully integrates environmental, social, and governance (ESG) principles into supply chain management. By establishing systematic procurement standards and collaborative mechanisms, we promote joint implementation of sustainable development goals with supply chain partners.

Compliance and Access

In supplier selection and access, compliance is treated as a fundamental threshold. All suppliers are required to strictly comply with laws and regulations related to anti-corruption, labor rights, health and safety, and environmental protection. We prioritize cooperation with suppliers that are certified under the ISO 14001 Environmental Management System, ISO 22000 Food Safety Management System, HACCP (Hazard Analysis and Critical Control Points) System, BRC Global Food Standard, FSSC 22000 Food Safety System, ISO 45001 Occupational Health and Safety Management System, and ISO 9000 Quality Management System. During the access review stage, the Company verifies suppliers' actual compliance and management capabilities through a multi-faceted process that includes reviewing certification documents, conducting on-site evaluations, and examining employment practices.

Green Procurement

The Company has established a green procurement plan and incorporates environmental performance into the supplier evaluation system. We encourage suppliers to reduce unnecessary use of packaging materials and prioritize the use of recyclable and biodegradable environmentally friendly materials. In takeaway operations, we actively promote the use of biodegradable materials such as bagasse (sugarcane pulp) containers, polylactic acid (PLA) straws, and paper straws. In core operational processes such as central kitchens, we prioritize the adoption of environmentally friendly and energy-efficient advanced equipment to reduce energy consumption and pollutant emissions.

Transparent Procurement

We adhere to the principles of "integrity, fairness, impartiality, and transparency". By formulating the Haidilao Compliance Code, we have established a transparent procurement system to prevent corruption risks. Personnel in key positions are required to sign an integrity commitment letter during their initial engagement with suppliers, explicitly prohibiting any form of improper benefit transfer. In addition, through access communications, supplier conferences, and open letters, we communicate integrity requirements to suppliers, emphasizing the prohibition of bribery, gift-giving, and entertainment offerings.

The Company has established reporting and audit mechanisms. By posting supervisory notices such as the Haidilao Incentive Measures for Suppliers and Other External Partners in public areas, we encourage suppliers to report employee misconduct. Cases are handled promptly in accordance with the Haidilao Regulations on the Management of Supplier Reviewers, with the aim of fostering a clean, mutually beneficial, and sustainable cooperation ecosystem.

Localized Procurement

The Company actively promotes localized procurement, placing emphasis on introducing regionally distinctive products with geographical indication characteristics to enrich product diversity. At the same time, the Company leverages its supply chain to support rural revitalization by promoting high-quality agricultural products from remote areas to restaurants nationwide. This helps farmers expand market access, creating both economic and social value.

Supply Chain Resilience

To address risks of supply disruption caused by force majeure events such as extreme weather and natural disasters, the Company has established backup distribution plans in accordance with the Shuhai Supply Chain Emergency Distribution Service Rules. This ensures timely and stable supply of key materials under emergency conditions, enhancing overall supply chain resilience and reliability.

Supplier Communication and Empowerment

Haidilao regards suppliers as key partners within the value chain. Through systematic communication, capability enhancement, and targeted support, we promote coordinated improvements in food safety, quality management, and sustainable development across the supply chain.

Regular Communication

The Company organizes the "Haidilao Supply Chain Conference" annually, inviting core suppliers to jointly explore innovation pathways, share industry trends and management practices, and strengthen strategic alignment. At the conference, we recognize partners with outstanding performance in areas such as product development and logistics management, reinforcing a long-term value-oriented approach.

Meanwhile, the Company has established a dynamic food safety early warning mechanism. Each month, regulatory updates and risk alerts are released via the official website and food safety information platforms. Early warnings are issued in advance for seasonal materials such as vegetables and fruits, guiding suppliers to optimize production and inventory planning and enhance responsiveness.

Capability Building

To strengthen suppliers' food safety management capabilities, the Company conducted 7 face-to-face training sessions in 2025, covering 244 suppliers with 271 participants. The training covered key topics, including HACCP, TACCP⁴ and VACCP⁵ practice, foreign object control, the revised GB2760/7718/28050 standard, hygiene management and pest control, and process management, and targeted core supplier quality control and management personnel, enhancing compliance awareness and food safety management capabilities.

In 2025



The Company conducted **7** face-to-face training sessions



Covering **244** suppliers



with **271** participants

⁴ TACCP: Threat Assessment and Critical Control Point

⁵ VACCP: Vulnerability Assessment and Critical Control Point



Targeted Support

In response to issues identified during access reviews, unannounced audits, or customer complaints, the Company has established a closed-loop support mechanism covering identification, guidance, and follow-up, delivering categorized and targeted assistance. In 2025, we provided targeted support to 38 suppliers, covering areas such as quality systems, on-site rectification, and process optimization. A total of 29 improvement objectives were achieved. 7 suppliers were recognized as "Outstanding Suppliers for Quality Improvement" due to their significant progress.



Case Project to Improve the Vegetable Supply Chain in the Beijing-Tianjin-Hebei Region

To enhance the stability of regional vegetable supply, Haidilao, in collaboration with Shuhai, advanced the "Beijing-Tianjin-Hebei Vegetable Base Development Project", implementing full-chain optimization across planting, processing, and logistics. On the planting side, four production bases were established, achieving a 79.6% annual base supply rate for nine key vegetable categories. On the processing side, through on-site guidance, suppliers were supported in optimizing operational standards, workshop layout, and 5S⁶ visual management. On the logistics side, through distribution network integration, the daily transportation distance from suppliers in the Beijing-Tianjin-Hebei region to Shuhai warehouses was reduced by 46%, while vehicle load rates improved and average daily receiving time was shortened, significantly enhancing ingredient freshness. Following project implementation, customer complaints related to vegetables decreased by 73% compared with the same period in 2024. Meanwhile, supply chain traceability systems and order intelligent coordination systems were implemented, initially establishing a standardized and replicable direct supply model from vegetable bases.

Incentive Mechanisms

The Company has established diversified incentive mechanisms to recognize suppliers' outstanding performance and continuous improvement. The "Haidilao Quality Award" is granted to core suppliers with more than one year of cooperation and consistently leading quality performance, while the "Haidilao Quality Progress Award" recognizes partners that have achieved significant breakthroughs in quality improvement. Through recognition incentives and resource collaboration, the Company fosters a positive supplier development ecosystem.

⁶ 5S management is a workplace organization method that encompasses five principles: Seiri, Seiton, Seiso, Seiketsu, and Shitsuke. It aims to create a clean, orderly, safe, and efficient production environment while eliminating various forms of waste.



Thoughtful Service



The Company consistently adheres to a customer-centric approach and continuously enhances service quality. By optimizing dining environments, innovating immersive experiences, upgrading restaurants, membership, and delivery services, we meet diverse customer needs. We also improve customer experience through a robust complaint handling mechanism and continuous improvement based on satisfaction surveys. In addition, we strengthen customer information security and privacy protection systems and uphold responsible marketing principles to effectively safeguard consumers' legitimate rights and interests.

Alignment with SDGs:





Crafting Thoughtful Service

We strictly control food safety at our restaurants, innovate personalized service models, enhance membership management systems, and maintain open customer feedback channels to provide every customer with a safe, comfortable, and enjoyable dining experience.

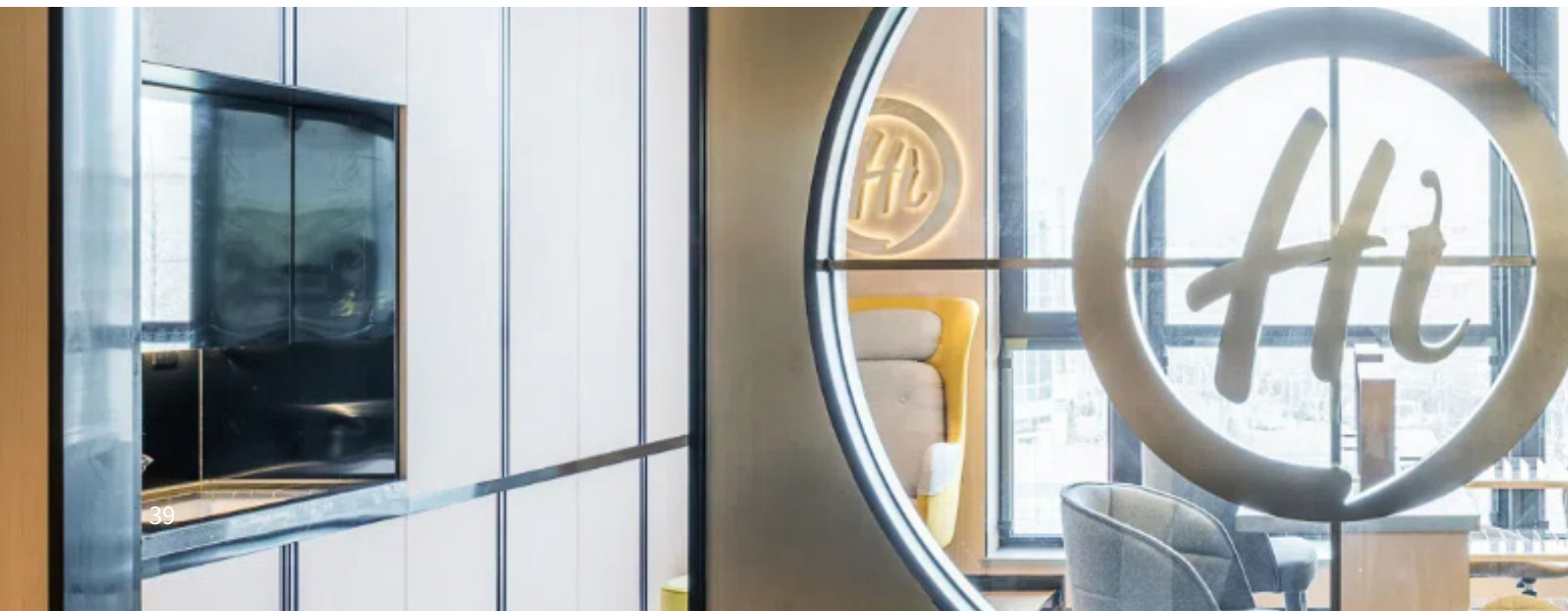
Enhancing the Dining Experience

Guided by customer needs, the Company continuously improves dining experience across multiple dimensions, including food safety, environmental comfort, and service care. In terms of restaurant-level food safety management, we strictly comply with national standards and have developed the Haidilao Restaurant Manual for Food Safety Management and the Haidilao Restaurant Plan of Food Protection, maintaining high standards of food safety control. The Company standardizes restaurant hygiene management, regularly maintaining, servicing, cleaning, and disinfecting facilities and equipment. We continuously strengthen freshness management in self-service condiment areas and implement protective measures such as food covering and sealing during off-peak hours to effectively prevent contamination risks, creating a safe and reassuring dining environment for customers.

While ensuring basic dining safety, the Company also actively addresses the needs of special groups, continuously enhancing inclusiveness and human-centered service. For elderly individuals, patients, persons with disabilities, pregnant women, and children, we provide dedicated care and convenience services throughout waiting, dining, and departure stages. We also upgrade restaurant facilities by establishing nursing rooms, improving restroom facilities, and optimizing the overall dining experience.

To further safeguard customer experience and ensure stable restaurant operations, the Company has established a comprehensive emergency management system and formulated the Emergency Response Plan for Restaurants. This plan covers various scenarios, including operational disruptions caused by power outages, water supply interruptions, gas or steam supply failures, equipment malfunction or damage, natural disasters, and network failures, as well as emergency restaurant closures due to public health incidents. It ensures operational stability and minimizes the impact of unexpected events on customer safety and dining experience.

The Company regards customer feedback and opinions as a key basis for optimizing products and services. It has established the Haidilao Four-Color Card Evaluation Rules, which comprehensively assesses restaurant operations across four dimensions: on-site service, product preparation, environmental hygiene, and food safety. In addition, the Company conducts satisfaction surveys for condiment stations and deepens user demand analysis, formulating targeted strategies and measures for customer acquisition, re-engagement, and repeat consumption among segmented customer groups, thereby continuously improving service quality.





Implementing personalized services

Haidilao consistently adheres to the "service and customer centric" philosophy. With innovation at its core, we move beyond traditional standardized and uniform service models to advocate personalized and distinctive service experiences. Guided by a people-centered approach, we are committed to delivering thoughtful, warm, and comfortable services to customers.



In-restaurant Performances and Services

- **Diverse artistic performances**

We offer a variety of engaging performances, including noodle-pulling shows, face-changing and dance performances, and birthday celebrations, providing customers with a dual feat of visual enjoyment and culinary delight.

- **Value-added services**

Our restaurants provide comprehensive services to meet the diverse needs of customers, including hand care and manicure services. In selected restaurants, we also offer services such as shoe cleaning, hair washing, children's play areas, and photo printing.



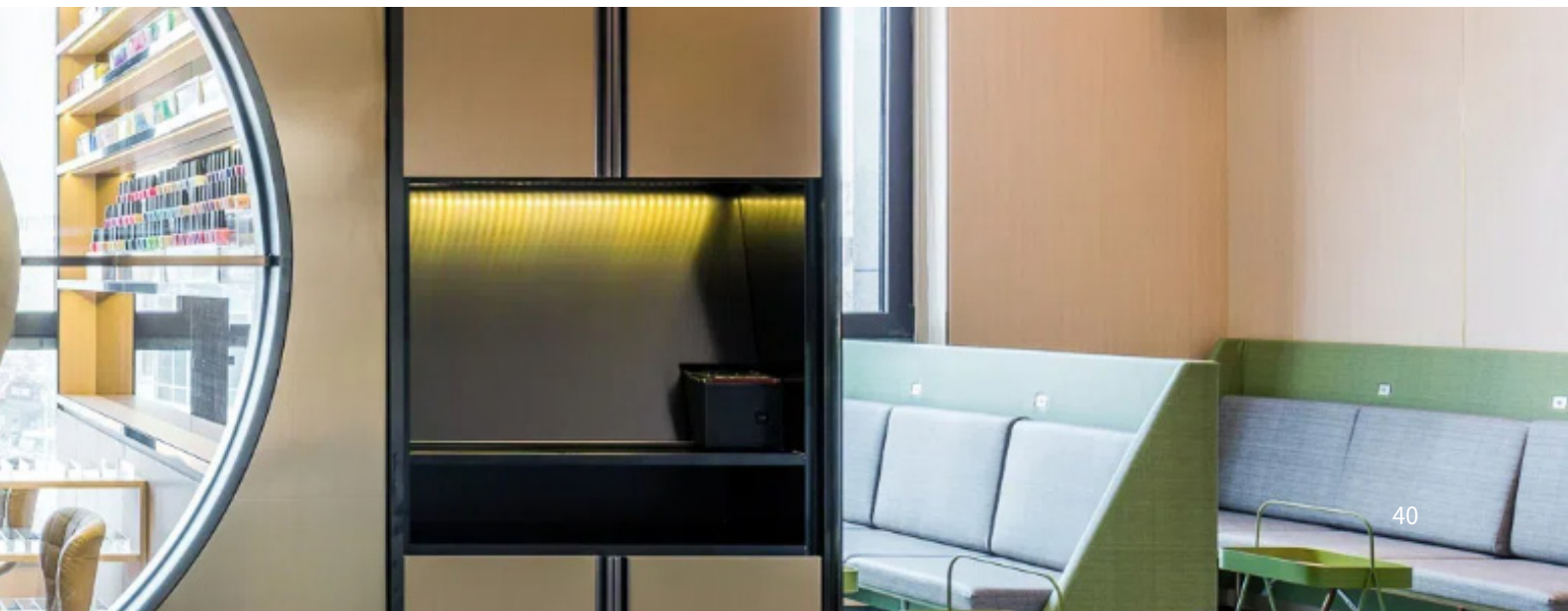
Delivery Services

- **Meal assistance services**

We go beyond traditional takeaway models by incorporating services such as on-site table setup, hot pot base preparation, and post-meal cleanup into our delivery service, enabling customers to enjoy hotpot conveniently anytime and anywhere.

- **Joyful feast**

We have introduced an innovative delivery dining model that provides customized hotpot catering services for occasions such as birthday parties, family gatherings, business banquets, and team events. The "joyful feast" offering delivers a unique and personalized hotpot experience.



Upgrading membership benefits

We have established the Haidilao Membership Management Policy to standardize the management of member accounts, loyalty points, data, and personal information. Membership benefits are disclosed through multiple channels, including the official website, mini programs, apps, and ordering iPads. The Company continuously launches diverse membership benefit programs. By introducing and optimizing exclusive privileges such as express queue channels, complimentary dishes, and exclusive commemorative badges for Black Sea members, we enhance members' sense of experience and belonging.

In 2025



Haidilao gained
37 million new members



The total number of registered members to over
220 million



Membership mall and member day

To enhance the member experience beyond in-restaurant dining, we launched the online platform "Haidilao Mall", integrating product resources from multiple brands for member to choose from. Offerings include Haidilao mooncakes, fresh food products, and co-branded items. The Company has established a weekly Member Day (every Wednesday), offering exclusive benefits such as free dishes and double loyalty points for first dine-in orders. Through regular promotional activities, we strengthen customer engagement, effectively drive in-restaurant consumption, and enhance customer loyalty and repurchase intentions.



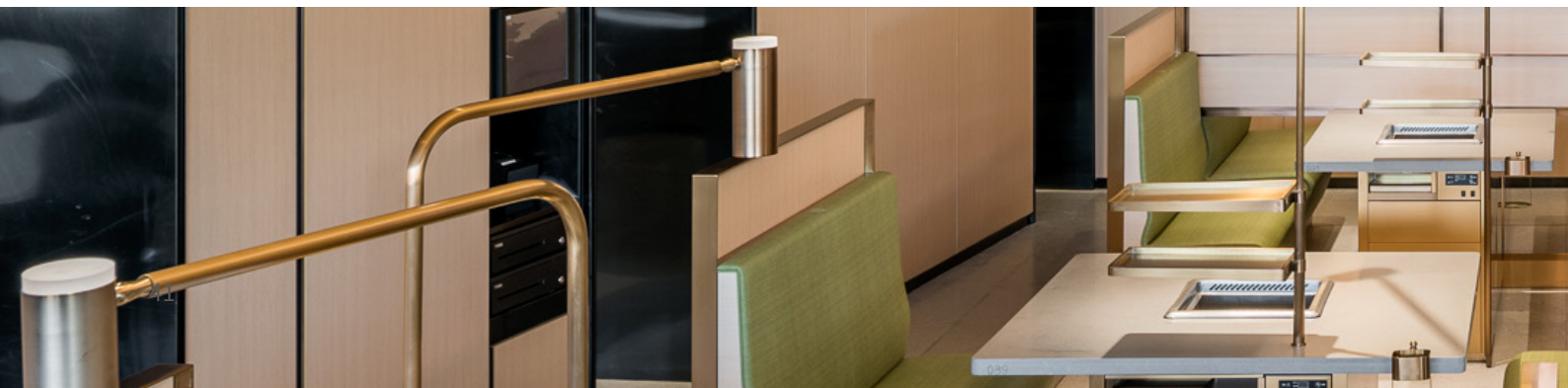
Flavor preference settings

Through the Haidilao official application, members can pre-set their personal flavor preferences, including ingredients, spiciness, and numbness levels. When dining in-restaurant, we recommend hotpot bases, ingredients, and condiments based on members' customized preferences.



Parent-child activities

The Company offers online registration channels for member families and organizes various parent-child DIY interactive activities, enabling parents to dine with peace of mind while children enjoy engaging waiting experiences, significantly enhancing the dining experience for family customers. At the same time, we enhance brand affinity through heartwarming services such as themed birthday parties for children and parent-child milestone tracking programs.





Enhancing Customer Satisfaction

Haidilao places consumer experience at the core and uses customer feedback as a key basis for service improvement. The Company has established diversified complaint handling channels covering restaurants, customer service centers, delivery platforms, departmental email systems, social media, membership mini programs/apps, and online malls, enabling full-channel collection and rapid response to customer demands. To further standardize complaint handling procedures, the Company has formulated the Customer Complaint Handling Guidelines and the Management Guidelines on Complaint Handling Authorization and Remedy, dynamically tracking each complaint to ensure timely and professional resolution. In addition, building upon internal quality inspections of employee service performance, the Company has established a quality inspection team composed of personnel from corporate functions and restaurant operations. Through dual-direction quality inspections, we accurately identify service gaps and ensure high standards of customer service.

To ensure an efficient closed-loop complaint handling process, the Company has established a complaint handling mechanism centered on "rapid response, standardized handling, root cause resolution, and proactive care." Complaints are handled in accordance with standardized procedures of "receive—review—reassure—resolve—file" protocol to ensure that issues are properly resolved. Business departments monitor and track the complaint handling process in real time, ensuring accountability and proactively updating customers on progress, thereby ensuring transparency and traceability throughout the process. During the year, the Company developed customized service remedy solutions based on different complaint types and customer needs, continuously improving customer satisfaction and brand recognition. Meanwhile, we leverage intelligent systems to integrate multi-channel complaint data and analyze issues, continuously improving complaint handling efficiency. During the year, the Company received over 50,000 complaints related to products, services and other matters, with a 100% resolution rate.

The Company continuously conducts customer satisfaction surveys, systematically collecting customer feedback through regular and structured research to accurately identify consumer needs and areas for service improvement. In 2025, the Company achieved a customer service positive feedback rate of 99.58% and an overall customer satisfaction rate of 92.22%.

During the year



The Company received over
50,000 complaints related
 to products, services and other matters



Resolution rate reached
100%

In 2025



The Company achieved a customer
 service positive feedback rate of
99.58%



Overall customer satisfaction
 rate of
92.22%



Safeguarding Consumer Rights

Haidilao upholds the concept of responsible marketing and strictly complies with relevant laws and regulations in conducting marketing activities. We place strong emphasis on information security and privacy protection, standardizing the collection, use, storage, and sharing of information to effectively safeguard consumers' legitimate rights and interests.

Information Security and Privacy Protection

Haidilao strictly complies with the Law of the People's Republic of China on the Protection of Consumer Rights and Interests and the Personal Information Protection Law of the People's Republic of China, and has established internal policies including the Specifications for the Management of Customer Personal Information and Privacy Protection, Policy on Privacy Policy Update Process and Specifications for Use of Member Data of Haidilao. These ensure that the collection, use, and management of consumer information, both online and offline, are lawful and compliant throughout the entire process. The Company has established a sound information security governance structure and set up a Data Security and Compliance Task Force responsible for major decision-making recommendations, emergency response, compliance improvement, and training related to data processing, data security, and consumer information protection, continuously enhancing employees' security awareness. During the reporting period, the Company did not violate any laws or regulations related to data security or privacy protection.

End-to-end data security management

Haidilao manages consumers' personal information throughout the entire process, including data collection, transmission, use, storage, external sharing, and destruction, ensuring compliance with laws and regulations at every stage while fully respecting user rights. During the data collection stage, we adhere to the principles of legality, necessity, and transparency, obtaining explicit consent from consumers beforehand. We adopt encryption technologies for the transmission and storage of personal information and apply de-identification measures for displayed data to minimize the risk of data leakage. For data sharing and external provision, Haidilao implements strict review mechanisms, including pre-assessment, authorization, process supervision, and signing agreements with third parties to ensure necessity and security of data sharing.

Cybersecurity protection and emergency response

Through measures such as improving emergency response plans, strengthening routine inspections, and introducing automated tools, Haidilao comprehensively enhances its capability to respond to cybersecurity risks. The Company has formulated the Cyber and Information Security Incident Emergency Response Plan to ensure rapid response, proper handling, and timely remediation of vulnerabilities to prevent recurrence. The security team regularly conducts cybersecurity inspections and penetration tests, and strengthens encryption for the transmission and storage of sensitive data to effectively reduce the risk of data breaches. In addition, the Company has introduced automated database credential management tools to enable secure custody and automatic rotation of database account credentials, reducing the risk of credential leakage and strengthening cybersecurity defenses.

Customer privacy protection

The Company places high importance on customer privacy protection and continuously optimizes its privacy policies. In accordance with the Administrative Measures for Personal Information Protection Compliance Audits, we have established a dual supervision mechanism combining internal self-inspections and external professional audits. A comprehensive special regular audit covering the full lifecycle of personal information—collection, storage, use, sharing, and destruction—is conducted to strengthen closed-loop remediation of identified issues. To address issues such as insufficient data desensitization and inadequate security measures in data transmission and storage within existing systems, the Company applies irreversible desensitization technologies to sensitive information such as users' mobile phone numbers and identification numbers. In addition, the Company requires all projects involving external data provision to conduct Personal Information Protection Impact Assessments (PIA), with assessment reports documented and archived to ensure effective implementation of privacy protection requirements.



Responsible Marketing

Haidilao strictly complies with the Advertising Law of the People's Republic of China and the Trademark Law of the People's Republic of China. The Company has established internal policies such as the Haidilao Brand Marketing Specifications, the Advertising Compliance Review System and the Regulations on the Management of Social Media Platforms in Chinese mainland, forming a full-process management mechanism covering pre-review of marketing materials, marketing risk alerts, monthly inspections, and public opinion monitoring. The Company has established a tiered accountability system with corresponding disciplinary measures for violations. It is committed to eliminating false or misleading claims in advertising and ensuring that all marketing and promotional activities remain fully compliant with applicable laws and regulations. In addition, Haidilao standardizes user-generated marketing, cross-industry marketing, and media communications, and clearly defines employee conduct and third-party account management standards. We continuously monitor regulatory developments and promptly remedy or remove non-compliant content to ensure the compliance of marketing activities.

To adapt to evolving market conditions and innovative marketing approaches, the Company continuously enhances employees' awareness of compliant marketing through policy communication and compliance training. Leveraging the Brand Service Help Desk, we regularly share negative case studies of marketing practices on a monthly basis to strengthen frontline awareness and risk prevention. During the year, more than 60 training sessions were conducted, covering all employees, restaurant managers, and various functional departments, with total participation exceeding 2.58 million person-times.

During the year



More than

60

training sessions were conducted



Total participation exceeding

2.58

million person-times



03

People-Oriented



Haidilao regards employees as its most valuable asset. We adhere to compliant employment practices, promote diversity and inclusion, and are committed to creating a fair, safe, and inclusive workplace environment. Through competitive compensation and benefits, comprehensive occupational health protection, systematic training mechanisms, and open career advancement pathways, we support employees in realizing their personal value and growing together with the Company.

Alignment with SDGs:





Adhering to Compliant Employment

Attracting core talent is crucial for Haidilao to maintain competitive advantages and drive innovation. Building on compliant employment, we have established open and diverse recruitment channels to support employees in realizing their potential, fostering a fair, equitable, and orderly employment environment.

Employee Recruitment and Employment

Haidilao adheres to the principles of compliant and equal employment, strictly complying with the Provisions on the Prohibition of Using Child Labor, the Law of the People's Republic of China on the Protection of Minors, and the Labor Law of the People's Republic of China. Employment management is further standardized in accordance with internal policies such as the Internal Recruitment System of Haidilao International Holding Ltd., the Recruitment and Training System for Functional Departments, and the Related Regulations on the Health Inspection of Employees between 16–18 Years Old. Haidilao recognizes and respects the fundamental principles set forth in the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Ten Principles of the United Nations Global Compact, and the UN Guiding Principles on Business and Human Rights. The Company has issued the Employment and Diversity Policy, explicitly prohibiting child labor and any form of forced labor, and implementing measures to safeguard human rights.

We adopt a combination of direct recruitment and recruitment through third-party agencies, and actively attract talent through campus recruitment, internal and external referrals, and other channels. In 2025, we continued to promote flexible employment models, further increasing the proportion of non-standard employment. Through part-time and other flexible positions, we not only ensured adequate staffing for restaurants but also provided more flexible employment opportunities for a broader population.

To prevent risks of child labor and forced labor at the source, the Company has established and continuously improved its recruitment management measures. Applicants are required to provide valid identification documents, and their age is verified through professional systems. Individuals below the legal working age are not permitted to complete onboarding procedures. The Company conducts specialized training for recruitment personnel and employment managers, clearly communicating the prohibition of child labor and enhancing their ability to identify related risks. In addition, the Company conducts qualification reviews and process supervision of outsourced recruitment agencies to ensure consistent employment standards are followed and to prevent the hiring of individuals under the age of 16. During the recruitment process, applicants are fully informed of job responsibilities, working conditions, and compensation, strictly preventing false or misleading recruitment practices.

In the event that child labor is identified, the Company immediately initiates an emergency response: arranging health examinations at the Company's expense, contacting guardians and arranging proper care, and recording age-related information to improve management systems. Responsible personnel are subject to strict disciplinary actions in accordance with internal policies, ensuring the protection of minors' legal rights and interests.

The Company is committed to eliminating all forms of forced labor and workplace harassment. Overtime arrangements follow the principle of voluntariness and work schedules are determined through mutual agreement between management and employees. We continuously operate the employee rights protection hotline and anonymous reporting platforms to ensure that employees' opinions and concerns are addressed promptly and handled confidentially. In 2025, Haidilao did not encounter any incidents involving child labor or forced labor.

In 2025



Haidilao did **not** encounter any incidents involving child labor or forced labor

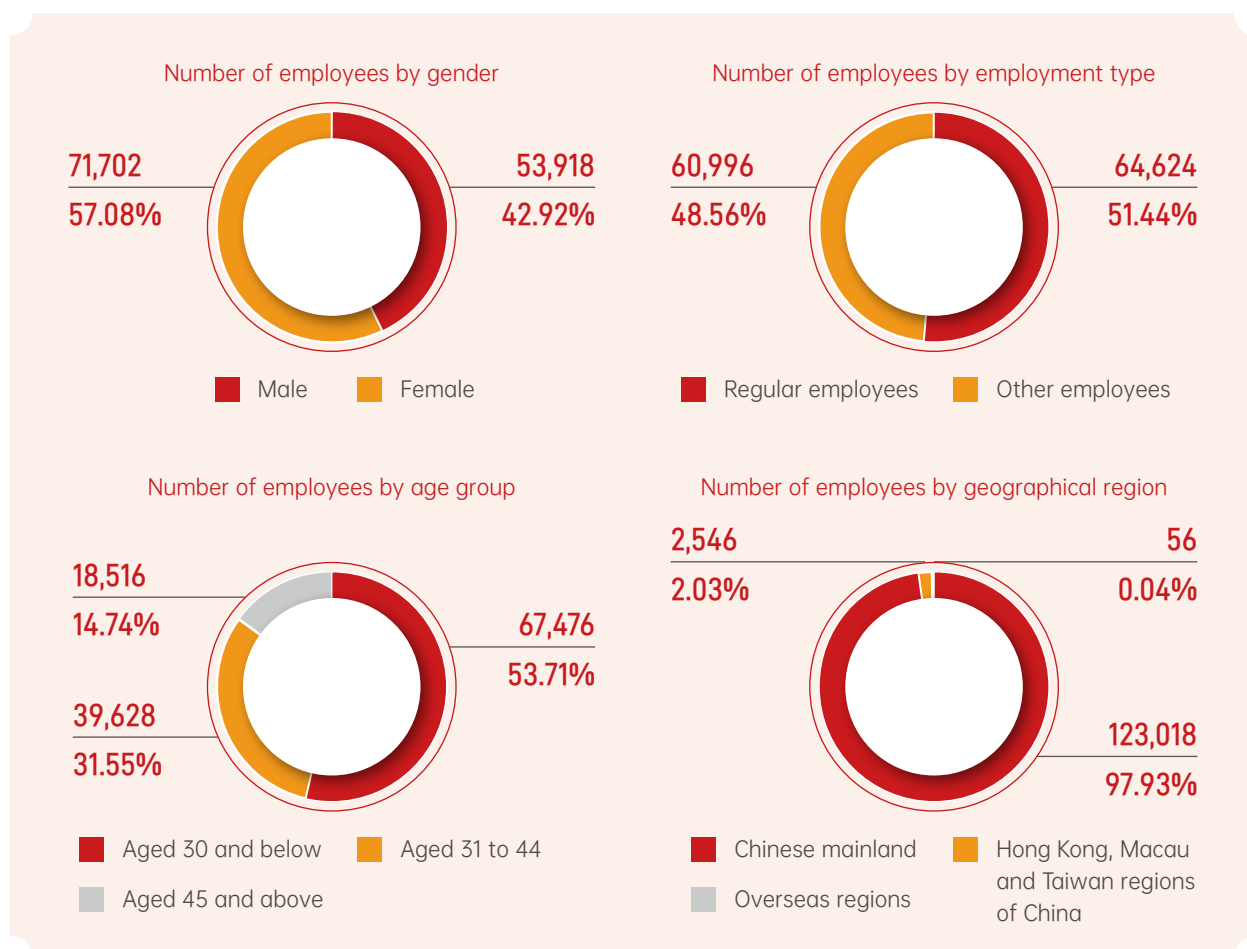


Diversity, Equity and Inclusion

Haidilao upholds a culture of diversity, equity, and inclusion, and is committed to building a workplace ecosystem that embraces differences. Throughout the employee lifecycle—from recruitment, selection, development, to appointment and retention—we strictly adhere to fairness principles and implement comprehensive anti-discrimination mechanisms. Selection is based on capability and potential, and we avoid any bias or unfair treatment based on gender, race, physical health, age, religion, sexual orientation, nationality, or family background. As of December 31, 2025, female employees accounted for 57% of Haidilao's total workforce.

The Company collaborates with third-party institutions to promote employment opportunities for vulnerable groups. We design tailored employment programs for persons with disabilities, organize dedicated recruitment events in cooperation with special education institutions, and provide on-site consultation services. At the same time, we continuously improve accessible working environments, provide personalized career development guidance, and introduce additional benefits and subsidies for special groups, striving to build an inclusive and equitable career development platform that encourages every employee to realize their potential and personal value.

Haidilao has established an anti-sexual harassment center to provide professional support and consultation services to employees. Employees who encounter or suspect sexual harassment may seek assistance through this center. Upon receiving inquiries or reports, the center provides immediate support and initiates investigation and handling procedures as appropriate. For matters beyond the center's scope, we assist in connecting employees with relevant specialized agencies or departments, with associated costs borne by the Company. In 2025, the anti-sexual harassment center received and properly handled two employee cases, both of which were verified and resolved through communication and follow-up actions.



Protecting Employees Rights

Haidilao places great importance on employee well-being and continuously improves its compensation and benefits system. Through thoughtful employee care initiatives, we aim to enhance employee satisfaction and enable every employee to gain a sense of value and belonging within a supportive workplace environment.

Remuneration Policy

Haidilao adheres to the principle of equal pay for equal work and regularly reviews and refines its remuneration policy to provide employees with competitive remuneration. The Company strictly complies with national regulations and has established compensation management and incentive systems, including the Remuneration Management Policy of Haidilao Group, Measures for the Management of Piece Wages, Incentive Program for Cadres and Key Employees at All Levels, Incentive Measures for Entrepreneurial Personnel, and Multi-restaurant Management Incentive Measures. These form a comprehensive remuneration and incentive framework covering all employees throughout the entire career lifecycle.

Haidilao formulates differentiated remuneration programs based on employees' roles and levels. All employees are eligible for performance-based variable remuneration, achieving an effective integration of fair incentives and performance-driven management.



For frontline employees, remuneration for restaurant staff and delivery personnel is directly linked to actual workload, adhering to the Piecework Wage principle of "more pay for more work", thereby encouraging greater productivity and engagement. When restaurants achieve profitability targets, outstanding employees are rewarded through profit-sharing mechanisms, enabling employees to share in the Company's development outcomes.



For restaurant managers, a hybrid structure of "base salary + profit share + performance bonus" is employed, with profit shares linked closely to restaurant performance.



For headquarters functional employees, the compensation adopts a model combining base salary, variable performance pay, and an annual target bonus. The variable performance pay is directly linked to monthly or quarterly performance results, while the annual target bonus is directly linked to the achievement of the Company's business objectives.

To further motivate employees, the Company adopted the Share Incentive Scheme in 2025. Under this Share Incentive Scheme, we plan to grant the first batch of share incentives to core employees, including members of the general manager's executive committee, outstanding regional managers, and outstanding heads of functional departments. Through the Share Incentive Scheme, Haidilao aligns the personal interests of executives with the Company's long-term development, encouraging them to participate in strategic decision-making and operational management as stakeholders, driving the Company's sustainable development.





Benefits and Remuneration

Employee Benefits

Haidilao has established a multi-tiered benefits system covering employees across different roles, levels, and tenure, focusing on both physical and mental well-being as well as family support. The Company has formulated internal policies such as the Restaurant Manager A-Level System and Haidilao Honor Management Measures. We provide supplementary commercial insurance covering major illnesses and accidental injuries. We strictly implement statutory leave policies, including marriage leave, bereavement leave, maternity leave, parental leave, and paid annual leave.

The Company provides frontline restaurant employees with free accommodation, meals, and uniforms, as well as regular benefits such as birthday allowances, in-restaurant dining discounts, seniority-based pay, and recognition bonuses. For management-level employees, the Company provides various forms of family allowances for parents and children. For employees with a bachelor's degree or above, we provide a special subsidy, i.e. "Talented Student Program". For employees who have worked for more than three years in the Company, Haidilao provides annual education subsidies for their children and has established a dedicated education fund covering tuition from kindergarten through university. In addition, employees who have worked for more than three years in the Company and with an average monthly income below a certain threshold may apply for the "Dream Fulfillment Scholarship" for their children admitted to college. In 2025, the Company awarded the "Dream Fulfillment Scholarship" to 625 employees' children, with a total amount of approximately RMB5.5 million.

The Company regularly organizes health check-ups for employees' family members and provides holiday care and support. Leveraging the once-a-year meal system for honorary employees, the Company organizes Spring Festival welfare activities such as delivering New Year's gifts to the families of employees staying on duty, and holds a "Family Open Day" to invite the families of honorary employees to experience free hot pot. To support employees in building harmonious parent-child relationships and balancing work and family life, the Company provides parent-child companionship allowances, invites professional counselors to deliver online parenting lectures, and organizes offline family activities. By the end of 2025, these initiatives had benefited 4,240 employee families and 4,320 children.

In 2025



The Company awarded the "Dream Fulfillment Scholarship" to

625 employees' children



with a total amount of approximately

RMB **5.5** million



Parent-child companionship initiatives had benefited

4,240 employee families



and

4,320 children

We fully respect cultural diversity and acknowledge individual differences among employees. We established ethnic festival holidays such as Eid al-Fitr and Eid al-Adha. For female and pregnant employees, the Company provides full maternity leave pay and arranges job adjustments to avoid high-intensity work. In addition, dedicated care items are provided, and female management employees receive additional childcare and parenting subsidies to safeguard their workplace rights and physical and mental well-being.

The Company has established the Haidilao Measures for the Management of Charitable Assistance Fund, creating a support mechanism for employees in need and their immediate family members. Regional managers and department heads conduct quarterly assessments of employees facing difficulties within their regions and assist them in applying for special assistance funds, with verified applications processed promptly. After approval, the labor union conducts ongoing follow-up care to support employees and their families through difficulties and crises. In 2025, a total of 57 employees applied for assistance funds or humanitarian aid, with total disbursements exceeding RMB1.4 million.

Employee Communication

Centered on the core value of "changing destiny through hard work", Haidilao has established a multi-channel, multi-level, and closed-loop employee communication system and democratic management mechanism, ensuring employees' rights to expression, participation, and supervision, and continuously enhancing their sense of belonging and satisfaction. We have established a three-level normalized communication mechanism across headquarters, regional offices, and stores. At the Company level, regular "Unity Meetings" are held; at the regional offices, monthly meetings between regional managers and restaurant managers are organized; and at individual restaurants, weekly customer information exchange meetings and informal gatherings, as well as monthly employee communication meetings, are conducted. In addition, union representatives attend senior management meetings, participate in discussions on matters related to employee rights, and are responsible for collecting and handling collective employee proposals covering key topics such as remuneration and benefits, career development, and working environments.

To efficiently respond to employee concerns, the Company has established diversified online and offline feedback channels. Online, the Feishu Labor Union Help Desk provides 24-hour manual support to ensure rapid response to issues; the "HiCircle" platform allows restaurant managers to report operational issues to senior management either with their real name or anonymously; and the employee service center provides support beyond work-related matters, including psychological counseling and daily life assistance. Offline, suggestion boxes are installed in back-of-house areas and employee dormitory activity zones, managed by restaurant managers. Employee feedback is collected monthly to ensure timely attention to employees' voices. A network of union officers covers restaurants nationwide, enabling employees to contact their regional union representatives immediately when encountering issues in work or daily life. If issues are not effectively resolved, employees may directly escalate complaints to regional union officers or higher-level supervisory departments, which will assign dedicated personnel to follow up until proper resolution is achieved.

The Company conducts monthly employee satisfaction surveys among restaurant employees, focusing on dimensions such as employee meals, dormitory conditions, facilities and equipment, family-oriented workplace practices, and employee benefits. Participation rates among restaurant employees consistently remained above 80%. For issues identified through the surveys, each restaurant formulates and implements rectification plans and provides feedback, forming a closed-loop management process of identification, improvement, and follow-up.

By the end of 2025, Haidilao's labor union had achieved nationwide coverage, with membership including frontline service staff, management personnel, and employees in functional departments. The labor union has established a Women Employees Committee to provide targeted services such as workplace rights protection and maternity support, safeguarding female employees' rights and fostering an equal and respectful workplace environment.

By the end of 2025



Haidilao's labor union had achieved **nationwide coverage**





Employee Care

Haidilao provides employees with health care measures including regular medical check-ups and reimbursement of medical expenses. Moreover, we have launched an online psychological class, namely "EAP (Employee Assistance Plan) Mental Power (心動力)", to help employees relieve stress and support mental health. In 2025, the Company and regional labor unions organized a total of 23 activities, including Lantern Festival riddle guessing, online fitness challenges, group calisthenics competitions, spring outing photography, Mother's Day themed events, Women's Day flower arrangement activities, Dragon Boat Festival and Mid-Autumn Festival cultural experiences, as well as basketball and billiards friendly matches, fostering a positive and harmonious workplace atmosphere.

The Company continuously organizes summer and winter camps and other parent-child themed activities across regions nationwide. These activities cover traditional culture, national defense technology, military training, nature exploration, and recreational sports, helping employees strengthen emotional connections with their children while broadening children's horizons and supporting their holistic development. In 2025, parent-child activities reached more than 400 employees and their children, maintaining a high satisfaction rate.

In 2025



Parent-child activities reached more than **400** employees and their children



"Warm Springs, Caring Hearts, Cultural Exploration" Summer Camp in the Northwest Region



"Fearless Youth, Vibrant Growth" Summer Camp



"Exploring Ancient Military Spirit and Cultural Craftsmanship" Summer Camp in the Henan Region



"Military Discipline Forges Resolve, Enduring Traditions Nourish the Spirit" Summer Camp in the Guangzhou Region

Occupational Health and Safety

Haidilao upholds the work safety policy of "safety first, prevention focused, and comprehensive management". We continuously improve our occupational health and safety management system, conduct risk identification and control, and actively promote safety culture and workforce safety awareness. Through robust management practices, we comprehensively enhance restaurant-level safety operations and management standards.

Occupational Health and Safety Management System

The Company strictly complies with laws and regulations such as the Law of the People's Republic of China on Work Safety and the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases. We have established internal policies including the Work Safety Responsibility System, Work Safety Target Management System, Equipment and Facility Safety Management System, Occupational Health Management System, and Regulations on Management of Labor Protection Equipment. These policies comprehensively cover key aspects such as target management, standardized job operations, risk classification and control, emergency response, daily labor protection, and equipment and facility management. Through a combination of policy constraints and implementation supervision, the Company continuously enhances its occupational health and safety management capabilities, effectively safeguarding employees' occupational health and personal safety.

Based on practical restaurant operation needs, Haidilao has established a comprehensive safety production management structure, including a Safety Production Leadership Group, clearly defining safety responsibilities across all restaurant positions to ensure efficient implementation, standardized operation, and continuous improvement of safety management practices. To fully implement work safety requirements, the Company has established a work safety responsibility system covering all levels of leadership, all departments and organizational units, management personnel, and all positions and employees, ensuring that safety responsibilities are effectively cascaded at every level.

- ⊕ Restaurant manager is the primary person responsible for work safety in the restaurant and signs a safety commitment with the Company;
- ⊕ Restaurant safety officer signs a work safety responsibility letter with the restaurant manager, and is responsible for tasks such as restaurant safety training, identification and rectification of potential hazards, and correction of non-compliant behaviors, so as to ensure the implementation of safety measures;
- ⊕ The heads of various departments, such as the front of house, back of house and duty, sign safety target responsibility letters with the restaurant manager to fulfill the safety responsibilities of their respective departments;
- ⊕ All employees sign work safety responsibility letters with the heads of their respective departments to implement the safety responsibilities of their positions.

To continuously enhance the effectiveness of restaurant-level safety management, the Company tracks year-on-year changes in key safety indicators, including the number of employee injury incidents per 1,000 employees per quarter and the average number of fire/smoke incidents per restaurant. Occupational health and safety indicators are incorporated into the performance evaluation system for management-level quality and safety, strengthening safety accountability among managers and providing strong support for the long-term, stable, and orderly operation of restaurants.

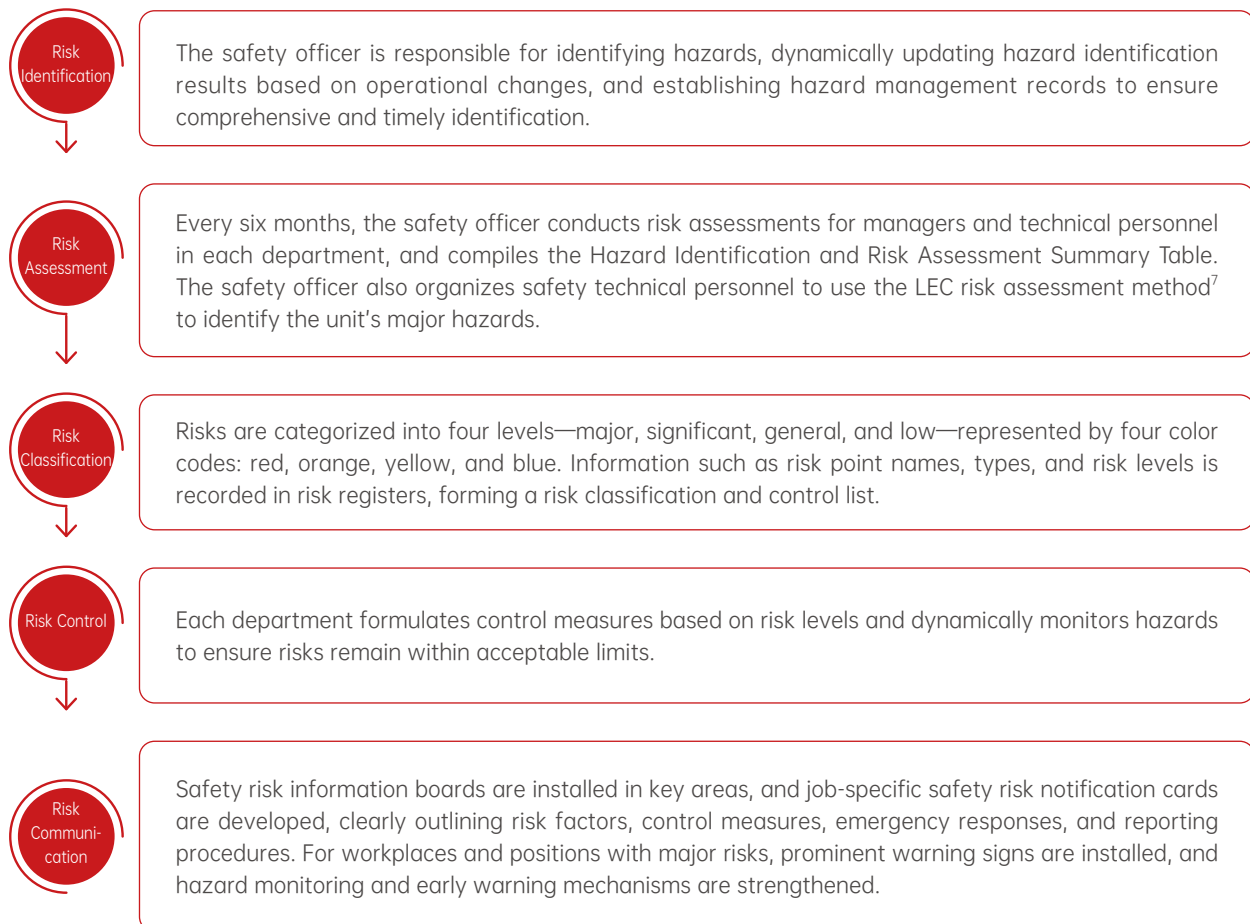


Occupational Health and Safety Risk Management

Haidilao has established internal systems including the Safety Prediction and Early Warning System, Management Regulations on Work Safety Inspections and Identification and Rectification of Potential Hazards, Hazard Identification and Risk Assessment Management System, and Work Safety Inspection System. Covering the entire restaurant operation process and the safe operation and standardized management of equipment and facilities, the Company has built an occupational health and safety risk management system based on "identification–assessment–control–warning", continuously improving safety management and risk prevention capabilities.

During the year, the Company evaluated and analyzed work safety risk management, and based on emergency incidents, safety accidents, and inspection results related to fire protection and facility safety, compiled the 2025 Quality and Safety Risk Assessment Report. At the same time, the Company leverages AI technology to enhance risk identification efficiency. Through intelligent monitoring systems, violations such as open flame risks, blocked fire extinguishers, obstructed distribution boxes, unsafe ladder operations, and improperly closed fire doors are identified, with real-time alerts issued to strengthen proactive risk prevention.

Occupational Health and Safety Risk Management Process



⁷ LEC risk assessment method: Risk can be quantitatively assessed using the formula $D = L \times E \times C$, where: D – Risk value; L – Likelihood of occurrence; E – Frequency of exposure to risk; C – Consequence severity of an incident.

Safety Hazard Identification and Control

To effectively safeguard the safety of customers and employees during operations and prevent various safety incidents, Haidilao continuously conducts safety hazard identification and management. By combining routine safety inspections with targeted improvement measures, we eliminate potential risks throughout operations. In daily operations, Haidilao carries out regular safety hazard inspections at restaurants. Inspection types include comprehensive safety inspections, specialized safety inspections, seasonal safety inspections, holiday safety inspections, and routine safety checks, ensuring that hazards are identified and addressed promptly.

The Company places great emphasis on the identification and management of fire safety hazards and adopts multiple measures to strengthen fire safety control. In 2025, while conducting quality and safety inspections and guidance at Haidilao restaurants, the Company simultaneously carried out on-site fire safety inspections, further reinforcing the safety operation framework.

<p>Policy Safeguards</p>	<p>The Company has established the Fire Safety Management Manual, implemented a fire safety responsibility system, and requires responsible personnel to sign fire safety commitment letters.</p>
<p>Routine Inspections</p>	<p>A three-tier fire safety inspection system is implemented. Each position conducts inspections before, during, and after shifts to ensure compliance in the use of fire and electricity.</p>
<p>Hazardous Chemicals Management</p>	<p>For flammable and explosive chemicals used in operations, the Company strictly enforces limited usage and standardized storage requirements to ensure effective control of hazards.</p>
<p>Facility Safeguards</p>	<p>The design, installation, and maintenance of automatic sprinkler systems and fire alarm systems strictly comply with national standards. Emergency evacuation signs and lighting are maintained in good condition; gas and electrical equipment and fire protection facilities operate normally; and emergency exits and evacuation routes remain unobstructed. Equipment is regularly maintained, and no-smoking and no-open-flame signs are prominently displayed in warehouses to further strengthen safety management.</p>
<p>Emergency Preparedness</p>	<p>All restaurants and employee dormitories are equipped with firefighting equipment such as fire extinguishers and gas masks to ensure safety protection in emergencies.</p>

To further reduce operational safety risks and ensure employee safety, the Company has implemented multiple improvement measures in key areas such as the kitchen:

Cut Injury Prevention

Detachable protective covers have been installed at the front end of vegetable cutting machines to prevent accidental hand entry into blade areas, reducing the risk of cuts.



Slip and Fall Prevention

Anti-slip agents are applied to increase floor friction, and anti-slip strips are widely installed on slopes nationwide to reduce the risk of slips and falls.

Burn Injury Prevention

Protective trays have been added to steamers to prevent trays from falling and damaging water float valves, thereby avoiding scald injuries from hot water. Oil-water separator support panels have also been installed to stabilize pot placement and prevent hot oil spills.

Gas Leak Prevention

Gas detectors in employee dormitories have been upgraded to direct-connection mode to prevent failure caused by loose socket connections, strengthening gas safety protection.

Fire Prevention

Electric wok control switches have been optimized to limit high-power settings, preventing fire risks caused by improper use. Induction cookers in snack preparation areas are equipped with human presence sensors to prevent accidents when left unattended.

Fire Escape Improvement

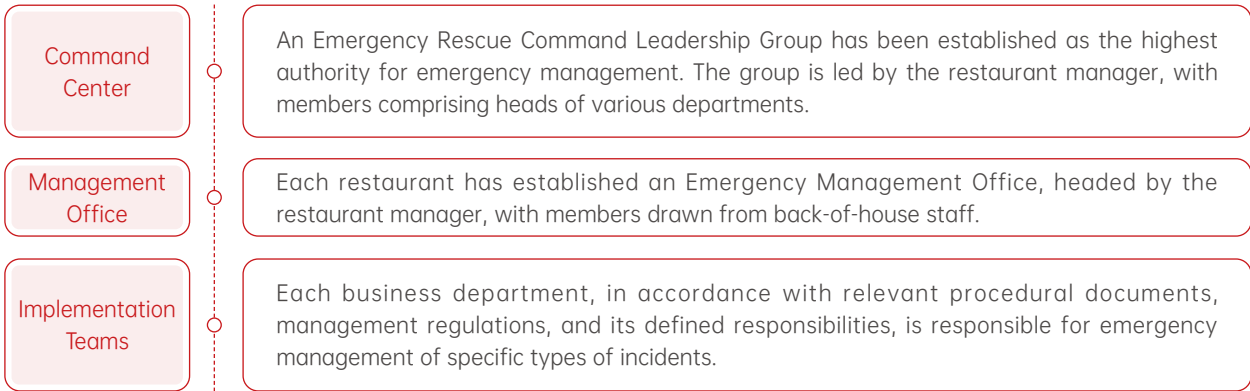
Door coordinators have been installed to ensure fire doors close effectively and extend the service life of door-closing devices.

Emergency Management

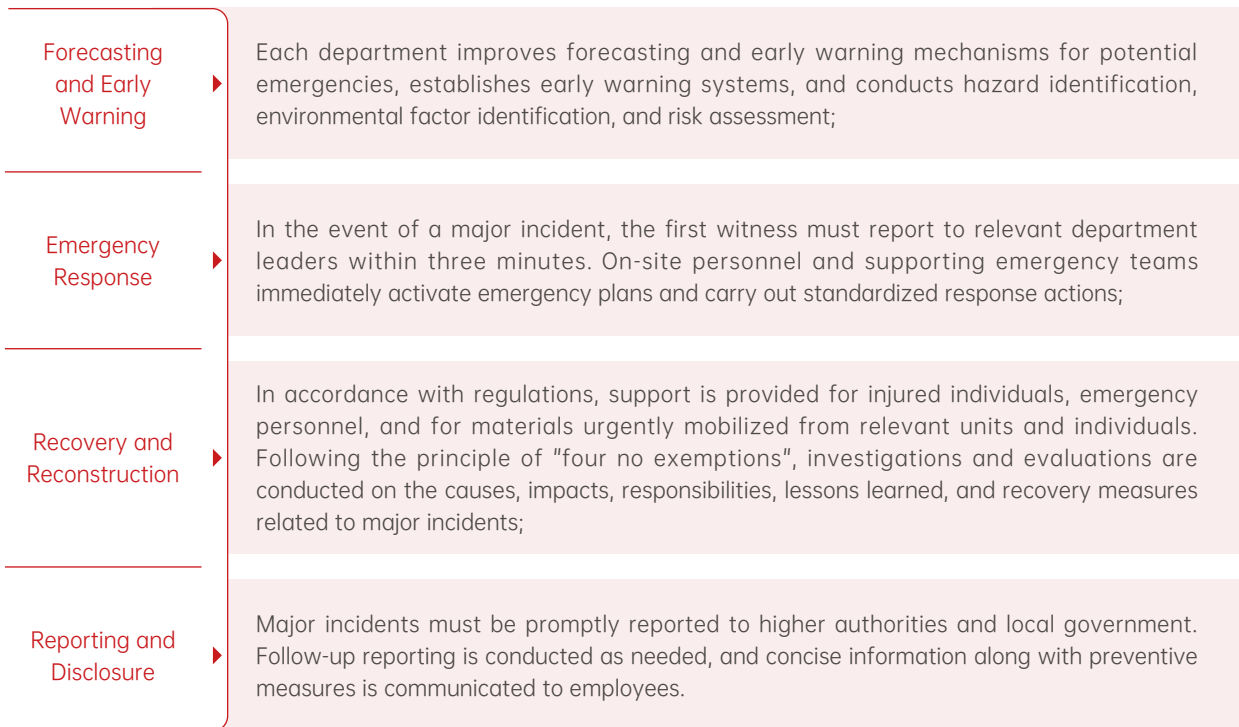
Haidilao has established the Emergency Rescue Management System, Daily Emergency Manual, System for Reporting and Investigating Production Safety Accidents, and Contingency Plan for Production Safety Accidents, clearly defining responsibilities and execution requirements across the entire emergency management process. The Company continuously improves its emergency management system by advancing key initiatives such as updating emergency plans, conducting emergency drills, developing emergency response teams, and strengthening emergency preparedness, thereby comprehensively enhancing its capability to respond to various emergencies.

The Company has established a three-tier emergency management organizational structure with clearly defined responsibilities and efficient coordination, providing strong organizational support for emergency response. Building on this organizational framework, the Company has developed a standardized emergency response operation mechanism covering the full process from prevention and early warning to post-incident handling, ensuring that emergency management is conducted in an orderly and efficient manner.

Emergency Management Structure



Emergency Response Operating Mechanism



To test the practicality and operability of emergency plans and strengthen employees' emergency response capabilities, the Company actively promoted the normalization and standardization of emergency drills in 2025. A total of ten emergency drills were conducted during the year, covering high-frequency operational scenarios such as fire, electric shock, mechanical injury, burns, and gas leakage. By using drills to enhance training and using training to drive improvements, we optimized emergency response processes, enhanced coordination among emergency response teams, and ensured rapid and efficient handling of incidents when they occurred. During the year, the Company conducted a total of 52 KYT⁸ risk prediction training activities, achieving a 95% implementation rate across restaurants and significantly improving overall employee safety awareness.

⁸ KYT, i.e., Kiken Yochi Training, is a safety training method in which employees identify and record potential safety hazards in their own work areas, with safety officers providing guidance on corrective actions to reinforce hazard awareness and risk consciousness.



Occupational Health and Safety Assurance

The Company consistently places employee occupational health and safety as a top priority and adopts multiple measures to strengthen protection. To safeguard employees' occupational health and safety, we provide labor protection equipment tailored to different job requirements, including goggles, rubber gloves, and waterproof aprons for restaurant employees, helmets, knee pads, and thermal equipment for delivery employees, and cold-proof down jackets for employees working in low-temperature scenarios. Moreover, the Company purchased accident insurance for every employee (including part-time workers) in addition to pension insurance, health insurance, unemployment insurance, disability insurance, maternity insurance and housing fund, offering an additional health guarantee.

Safety Culture Development

Haidilao is committed to cultivating a company-wide safety culture by establishing a comprehensive training system and continuously improving employees' safety skills. The Company has formulated the Safety Training & Education Management System, clearly defining training standards and requirements to ensure that employees are proficient in essential safety knowledge and develop strong safety awareness. On this basis, the Company organizes safety-themed campaigns such as Safety Month and Work Safety Month, delivering targeted and tiered safety training through both online and offline channels to achieve full coverage and precise empowerment:

New employees

Safety officers conduct three-level safety training (company-level, departmental-level, and team-level) to help new employees quickly master job-specific safety knowledge and operational standards.

Restaurant safety officers

Certification training programs are conducted for reserve safety officers, encouraging them to obtain professional certifications and continuously enhance their expertise.

Special operators

Pre-job training is provided on safety techniques and operational skills.

Visitors (e.g., business visitors)

Individuals entering our premises are provided with verbal or written safety briefings and necessary protective equipment by the responsible department prior to entry.

Related parties

Dispatched workers receive training on job-specific safety procedures and operational skills.

In 2025, the Company organized three Safety Month campaigns and one Work Safety Month campaign across restaurants. Benchmark restaurants for production safety were established in regions including Chongqing, Shanghai, Hubei, Beijing, and Changchun to demonstrate best practices and drive overall improvement in safety management. In addition, the Company conducted 56 safety training sessions on a regular basis (including 42 online and 14 offline), with cumulative participation reaching 0.13 million person-times. Safety case studies covering burns, cuts, collisions, fire incidents, traffic safety, and impact injuries were disseminated 76 times.

In 2025

The Company conducted **56** safety training sessions

Cumulative participation reaching **0.13** million person-times



Safety Officer Offline Training Conducted by Haidilao



Offline Production Safety Training and Exchange Conducted by Haidilao



Offline Production Safety Training and Exchange Conducted by Haidilao



Occupational Health and Safety Training for Employees Conducted by Haidilao

Empowering Employee Development

The Company has established a comprehensive and systematic training system, providing employees with multi-dimensional training covering professional skills, management capabilities, and overall competencies. In addition, the Company has built fair and transparent promotion pathways to support employees in achieving long-term and stable career development, continuously stimulating team vitality and organizational effectiveness.



Talent Training

Haidilao always believes that the growth of employees is the driving force for the sustainable development of the enterprise, to provide institutional support for the standardized implementation of talent development initiatives. The Company has established a comprehensive training system, combining online and offline approaches to provide multi-level and diversified training opportunities for employees across different restaurant positions. Covering areas such as corporate culture, systems and policies, business skills, knowledge development, and simulation-based training, the system comprehensively enhances employees' professional capabilities and overall competencies. In 2025, the total training hours for employees reached 3,379,021.60 hours.

Based on the needs of employees at different stages and positions, the Company develops customized learning programs. A structured training system is designed for full-time and part-time employees, balancing management capability development with professional skill enhancement. Among these, management training programs, such as the training course for backup restaurant managers and the training course for management trainees, focus on strengthening leadership and management capabilities, while skills training programs emphasize operational proficiency and service quality improvement, forming a dual-track talent development system integrating management and technical skills. The specific training programs are as follows:

On-the-Job Training

Training course for backup restaurant managers	Eyas Class - Training course for aspiring restaurant managers
Training course for front-of-house managers	Eagle Class - Training course for excellent restaurant managers
Training course for persons-in-charge	Trainer training course
Training course for management trainees	Training course for back-of-house managers
Training course for new employees of functional departments	Training course for dedicated account manager
Training course for in-service restaurant managers	

Skill Training

Front desk intensive training course		
Dancing noodles course		
Special training course on online operation		
Face changing course		
Magician training course		
Quality Inspector Training	Warehouse Keeper Training	Clerical Staff Training

In 2025, the Company provided a total of 87 training courses throughout the year, including online and offline business skills training, corporate culture promotion and management experience empowerment training, with 7,057 participants. Among them, the headquarters organized 11 sessions of training course for backup restaurant managers and 6 sessions of training course for management trainees (with over 260 participants), and issued 1,065 updates on systems and employee psychological construction on our online learning platform (with over 0.4 million participants cumulatively), providing strong support for employees' career development.

To further strengthen the talent pipeline, the Company continues to cultivate high-quality and high-potential management talent through initiatives such as the training program for interns for university-enterprise cooperation and the training program for restaurant and regional management trainees. In line with employee growth and job development needs, we continuously enhance support for employee learning and development. Employees are encouraged to obtain professional certifications, such as backup restaurant manager certification and intermediate safety officer certification, helping them expand career pathways and improve professional qualifications. In addition, we have launched a game-based learning platform, "Hi Game (Hi 遊戲)", to enhance the learning experience of restaurant employees and improve training effectiveness.

Fair Promotion

Haidilao has created a systematic and transparent career development system for employees and formulated the Measures for Selecting Cadres at All Levels of Haidilao, clearly defining promotion pathways and career progression channels. The Company has established a step-by-step career advancement "mountain-climbing" pathway from new employees to regional managers, complemented by a rich set of internal and external training courses, to holistically empower employee growth. In addition, the Company has launched the "Pomegranate Plan", actively encouraging employee entrepreneurship. Through comprehensive support in areas such as supply chain assurance, product support, and restaurant operation guidance, we provide end-to-end support for entrepreneurs, facilitating the incubation of secondary brands and further expanding career development opportunities, thereby creating a more diversified platform for talent growth.

04

Green Development



Haidilao consistently practices the concept of green development and actively fulfills its environmental responsibilities. Throughout its operations, the Company focuses on green packaging, implements climate change countermeasures, strengthens full-process emissions management, and continuously improves the efficiency of energy and resource utilization. Through practical actions, we reduce the negative environmental impacts of our operations and contribute to building a sustainable industry ecosystem.

Alignment with SDGs:





Addressing Climate Change

In addressing the profound global challenge of climate change, Haidilao recognizes that climate issues are critical to the shared future of humanity and closely linked to the Company's long-term sustainable development. We actively integrate climate considerations into the core of our strategy and operations, striving to seize opportunities amid uncertainties and build a more resilient business model.

Climate-related Governance

Haidilao places high importance on climate change and has established and continuously improved a three-tier governance structure encompassing the decision-making level, the execution level, and the practice level. Climate-related governance is deeply embedded into the Company's overall sustainable development management framework to ensure adequate oversight of climate-related issues.

Climate-related Governance Responsibilities and Mechanisms of Haidilao

Governance Structure	Governance Body	Responsibilities and Working Mechanisms
Decision-making level	Board of Directors	<ul style="list-style-type: none"> As the highest decision-making body, determine major climate-related issues, approve targets, and regularly review progress; Review annual sustainability and climate-related reports as well as other significant climate-related matters.
Execution level	Management and the ESG working group	<ul style="list-style-type: none"> The Company's management establishes and leads working groups to implement and advance climate-related initiatives; Promote climate strategies, identify and address risks, supervise implementation across operating units, and report to the Board; Oversee sustainability and climate-related information disclosure.
Practice level	Operational units	<ul style="list-style-type: none"> Implement climate actions, execute tasks assigned by management and the ESG working group, and provide climate-related data and information; Develop climate risk response plans at the unit level to support the Company's overall strategic planning; Implement climate-related targets and metrics and report progress on a regular basis.



To systematically advance climate governance, Haidilao has established a regular meeting mechanism aligned with the three-tier governance structure. The decision-making level (the Board) convenes at least one dedicated meeting annually to review climate strategies and major decisions. The execution level (management and the ESG working group) holds meetings at least quarterly to review work plans, budgets, and reports, and submits updates to the Board. Operational units, as the practice level, hold regular internal meetings to discuss progress and risk countermeasures and report upward accordingly.

The Company has established a dedicated ESG working group under management to coordinate the management and oversight of climate-related risks and opportunities. The ESG working group systematically organizes and oversees the identification and assessment of climate risks and opportunities, leads the formulation of response strategies and management measures, and regularly reports progress on risk management to the Board.

Haidilao also places emphasis on the systematic enhancement of sustainable development management capabilities. By engaging external authoritative experts, the Company conducts specialized climate change training for the Board, management, the ESG working group, and key operational units. This deepens understanding of internationally recognized governance frameworks and disclosure requirements, enhances the ability of core teams at all levels to identify climate-related risks and opportunities, and comprehensively strengthens the Company's strategic decision-making and risk management capabilities in relation to climate issues.

Climate Change Strategy

Haidilao places high importance on the systemic challenges posed by climate change to the operating environment, business operations, and supply chain stability, and continuously monitors related risks and countermeasures. To build a more resilient business model, the Company has elevated climate considerations to the strategic level. We proactively address physical and transition risks and capture low-carbon development opportunities by promoting green transformation of the supply chain, improving operational energy efficiency, and strengthening the management and reserves of key ingredients. Based on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), we conducted a systematic identification, prioritization, and management of physical and transition risks in 2025 to support the Company's long-term stable operations under changing climate conditions.

Climate scenario analysis

The Company conducts scenario analysis using climate models provided by authoritative international institutions. Combined with assessments of asset distribution and concentration across operating locations, we systematically identify key physical risks affecting core asset locations, primarily including extreme cold, extreme heat, extreme rainfall, and water scarcity. Based on this, we further analyze business segments that are vulnerable to these climate risks and conduct preliminary assessments of the potential financial impacts.

Climate Scenario Selection

Climate Scenario Type	Scenario Selected	Scenario Description	Scenario Assumptions
Physical scenarios	SSP1-2.6	The SSP (Shared Socioeconomic Pathways) scenarios are a series of hypothetical scenarios proposed by the Intergovernmental Panel on Climate Change (IPCC) to assess future greenhouse gas (GHG) emission pathways and climate change trajectories. Among these, SSP represents sustainable development pathways. The value 2.6 indicates that radiative forcing stabilizes at 2.6 W/m ² by 2100, while 4.5 indicates stabilization at approximately 4.5 W/m ² by 2100.	Low-emission scenario: The world follows a sustainable development pathway, implementing strong coordinated climate actions to achieve rapid emissions reduction and low-carbon transition, limiting global temperature rise to within 1.5°C.
	SSP2-4.5		Medium-emission scenario: Global socioeconomic trends generally follow historical patterns, with certain climate mitigation policies implemented, resulting in an average global temperature increase of approximately 2.4°C by the end of the 21st century.
Transition scenarios	STEPS	The Net Zero Emissions (NZE) scenario and the Stated Policies Scenario (STEPS) are scenarios developed by the International Energy Agency (IEA), describing future energy mix and emissions pathways.	STEPS: Countries implement only currently announced climate and energy policies, without introducing additional commitments.
	NZE		NZE scenario: The world adopts the most stringent measures to achieve net zero energy-related CO ₂ emissions by 2050, limiting global temperature rise to within 1.5°C.

Haidilao has established short, medium, and long-term timeframes for climate assessment, integrating the national "Dual Carbon" goals with the company's strategic development plan. The short-term time horizon is defined as 2026–2030, serving as a key anchor period for setting near-term action targets and implementation pathways. The medium-term time horizon is defined as 2031–2035, and the long-term time horizon as 2036–2050. These serve as the framework for long-term planning, aiming to guide the development of more ambitious and forward-looking strategic pathways.





Climate risk analysis and assessment

Based on global climate models, the Company simulated changes in the frequency and intensity of extreme weather events, such as extreme precipitation, extreme heat weather, extreme cold weather, and water scarcity, across short-, medium-, and long-term horizons under different climate scenarios in regions where key assets are located. By correlating simulated frequency and intensity values and setting thresholds, we established a quantitative assessment matrix for various physical risks. Based on threshold classifications within this matrix, we systematically identified the potential high-, medium-, and low-level impacts of physical risks on operations across different time horizons.

Impact of Physical Risks on Haidilao

Physical Risks	SSP1-2.6			SSP2-4.5		
	Short term	Medium term	Long term	Short term	Medium term	Long term
Extreme precipitation	Low	Medium	Low	Low	High	Medium
Extreme heat weather	Medium	Low	Low	Low	Low	Low
Extreme cold weather	Low	Low	Low	Low	Low	Low
Water scarcity	Low	Low	Low	Low	Low	Low

Based on the potential severity and likelihood of occurrence of transition risks, we systematically assessed our exposure to transition risks across business operations. On that basis, we further evaluated our resilience and adaptability to these risks by considering existing management strategies and countermeasures. Finally, the impacts of various transition risks and potential opportunities were assessed across short-, medium-, and long-term time horizons.

Impact of Transition Risks and Opportunities on Haidilao

Risks/Opportunities Category	Risks/Opportunities	Short term	Medium term	Long term
Transition risks	Policy and legal risks - regulatory compliance	Low	Low	Medium
	Market risks - changes in market demand and consumer preferences	Medium	Medium	High
Transition opportunities	Opportunities related to products and services	Medium	Medium	High
	Opportunities related to resource efficiency improvement opportunities	Medium	Medium	Medium

Haidilao systematically identified climate-related risks and opportunities relevant to the Company by analyzing regulatory requirements, industry benchmarks, and value chain data. We adopted a combination of quantitative and qualitative multi-scenario analysis methods, covering both physical and transition risks and opportunities, across short-, medium-, and long-term horizons, and spanning multiple business segments from supply chain to restaurant operations and downstream delivery. Based on the above assessment, the Company is actively formulating and implementing corresponding management strategies and countermeasures.

Climate-related Physical Risk Assessment and Response Strategies				
Risk Type	Risk	Potential Impacts	Impact Timeframe	Countermeasures
Physical risks	Extreme cold weather	<ul style="list-style-type: none"> Extreme cold weather may cause frost damage and water supply constraints at farms and aquaculture facilities, resulting in reduced yields of and quality fluctuations in ingredients. Meat processing plants may experience freezing of equipment and pipelines, leading to production suspension or interruption. This may increase emergency procurement and quality screening costs, driving up procurement expenses, and may affect restaurant supply stability and revenue due to shortages. Extreme cold weather may lead to icy roads, prolonging warehouse and distribution turnover times. Low temperatures may increase equipment failure rates and energy consumption in vehicles and storage facilities, while temperature control abnormalities may increase food spoilage and waste. This may lead to increased logistics and warehousing costs, higher inventory losses, and disruptions to restaurant supply and sales. 	Medium term	<ul style="list-style-type: none"> Implement multi-origin sourcing strategies for categories such as fruits and fresh products, and identify climate-resilient alternative varieties to diversify planting and supply risks; lock in prices and procurement volumes in advance for bulk ingredients such as oils and spices to ensure supply stability and cost control; strengthen cold protection measures in planting and breeding stages and coordinate with suppliers to increase inventory in advance based on early warnings; closely monitor climate and market changes in major production areas and establish rapid response mechanisms. Establish extreme cold early warning systems and synchronize information across all operational stages to coordinate inventory and transportation plans in real time; equip delivery vehicles with insulation materials and strengthen temperature control, coordinating transport capacity to prevent product freezing damage; moderately increase safety stock in central and regional warehouses based on early warnings and guide restaurants to prepare inventory in advance; dynamically adjust warehouse allocation or delivery routes based on weather conditions to ensure timely and safe delivery of materials.
	Extreme heat weather	<ul style="list-style-type: none"> Extreme heat increases cooling demand in cold chain storage and transportation, raising equipment energy consumption. Unstable temperature control or transportation delays may lead to food spoilage, waste, and increased losses. This may result in higher logistics and warehousing costs, increased inventory losses, and supply fluctuations. Extreme heat also increases cooling demand for air conditioning and kitchen heat dissipation in restaurants, leading to higher energy consumption. Local power restrictions, equipment overload, or reduced cooling efficiency may affect service efficiency and food preservation. This may lead to increased energy costs and equipment maintenance expenses for restaurants. 	Short term, medium term, long term	<ul style="list-style-type: none"> When ambient temperatures exceed thresholds, transfer products to refrigerated storage; strengthen full cold chain temperature monitoring to ensure stable temperature control during transportation; optimize delivery plans in advance with suppliers and logistics providers, with flexible adjustments based on early warnings. Develop emergency plans, including preparation of mobile cooling equipment and heat-relief supplies; strengthen energy management to reduce operational consumption; regularly inspect and maintain cooling and temperature control equipment to ensure proper functioning and compliance with storage standards.



Climate-related Physical Risk Assessment and Response Strategies

Risk Type	Risk	Potential Impacts	Impact Timeframe	Countermeasures
Physical risks	Extreme precipitation	<ul style="list-style-type: none"> • Extreme precipitation may disrupt transportation routes and create damp storage environments, increasing the risk of food spoilage and losses. This may result in higher logistics costs, inventory losses, reduced supply stability, and potential revenue decline. • Extreme precipitation may cause road flooding and traffic disruptions, affecting delivery personnel and vehicle operations and leading to delivery delays. This may increase delivery costs, food losses, and customer complaint handling costs. 	Medium term, long term	<ul style="list-style-type: none"> • Establish abnormal weather early warning mechanisms; communicate with restaurants in advance for high-risk transportation routes and guide inventory preparation; dynamically activate alternative warehouse distribution strategies based on weather impact. • Synchronize abnormal weather warnings with logistics providers and restaurants; flexibly adjust warehouse allocation or delivery plans based on actual conditions.
	Water scarcity	<ul style="list-style-type: none"> • Water scarcity may result in insufficient irrigation at planting bases and aquaculture facilities, leading to reduced yields and lower quality of ingredients. This may significantly increase water withdrawal and conservation costs during ingredient production, drive up procurement prices, and affect revenue due to supply shortages. 	Medium term, long term	<ul style="list-style-type: none"> • Systematically monitor weather conditions and crop growth in ingredient production regions; develop climate-resilient sourcing regions and stress-resistant varieties; support suppliers in multi-origin sourcing and enhance supply stability through measures such as well drilling and irrigation; secure key ingredients through price and volume locking, strategic stockpiling, or increased safety inventory; and proactively develop and maintain alternative product portfolios and contingency plans for vulnerable categories.

Climate-related Transition Risks and Opportunities and Response Strategies

Risk/Opportunity Type	Risk/Opportunity	Potential Impacts	Impact Timeframe	Countermeasures
Transition risks	Policy and legal risks - regulatory compliance	<ul style="list-style-type: none"> • Increasingly stringent requirements on carbon emissions management, energy conservation, and environmental compliance require the Company to continuously invest in data systems and energy efficiency upgrades. Failure to meet regulatory inspections or carbon reduction targets may result in rectification penalties and operational restrictions, as well as negative feedback from customers and platforms, leading to increased compliance management costs and capital expenditures. 	Long term	<ul style="list-style-type: none"> • Continue to disclose GHG emissions data and systematically identify climate risks; promote the use of energy-efficient lighting and high-efficiency air conditioning systems in restaurants; gradually incorporate environmental considerations into procurement; and advance the development of a green supply chain to enhance overall carbon management capabilities.

Climate-related Transition Risks and Opportunities and Response Strategies

Risk/Opportunity Type	Risk/Opportunity	Potential Impacts	Impact Timeframe	Countermeasures
Transition risks	Market risks - changes in market demand and consumer preferences	<ul style="list-style-type: none"> Growing consumer awareness of environmental protection and sustainability requires increased investment in areas such as eco-friendly packaging and ingredient traceability. This may increase operating costs, and failure to meet market and consumer expectations may adversely affect brand reputation. 	Medium term, long term	<ul style="list-style-type: none"> Strengthen upstream strategies for green and organic products by collaborating with suppliers and implementing contract farming models to ensure product quality and traceability at the source; optimize and streamline supply chain structures for key categories to improve efficiency; promote the use of recyclable packaging materials in regional operations; and systematically plan and develop new green and healthy product lines based on market trends to guide consumer preferences.
	Opportunities related to products and services	<ul style="list-style-type: none"> The Company meets the growing consumer demand for healthy and environmentally friendly dining by offering a wider range of green dishes and low-carbon ingredient options, and enhances differentiated competitiveness by optimizing menu structures and iterating product offerings around green products. This is expected to attract new customer segments and increase repeat purchases, thereby boosting revenue from both in-restaurant and delivery channels. 	Short term, medium term, long term	<ul style="list-style-type: none"> Systematically develop green, organic, and live/fresh product offerings to enrich the high-quality product portfolio; expand sourcing regions beyond traditional production areas and strengthen supplier collaboration to build a stable and responsive supply chain; and enhance product traceability capabilities to establish a closed-loop quality assurance system from source to end consumer.
Transition opportunities	Opportunities related to resource efficiency improvement	<ul style="list-style-type: none"> The Company reduces energy consumption in restaurants and central kitchens by optimizing energy management systems and adopting energy-saving equipment and technologies, reduces water usage in restaurant operations and delivery processes by implementing water recycling and water-saving technologies, and reduces food loss and waste by optimizing procurement and inventory management. This helps reduce operating costs such as electricity, gas, and water expenses. 	Short term, medium term	<ul style="list-style-type: none"> Promote mature energy-saving projects such as central air-conditioning waste heat recovery and intelligent exhaust systems, expanding coverage across restaurants; coordinate through the technology department to implement integrated energy-saving solutions at the restaurant level, and gradually extend these solutions to secondary brands, thereby systematically reducing energy consumption.



Financial impact assessment

Based on quantitative assessments conducted using the Company's operational model and financial data, the impacts of climate-related risks on overall financial performance and cash flow are currently limited. Without additional mitigation measures, certain physical risks (such as extreme heat weather and extreme precipitation) may lead to temporary increases in procurement costs and energy expenses due to short-term supply chain inefficiencies and localized restaurant operation disruptions; however, the overall impact on the Company's profitability remains manageable. In terms of transition risks, as policies continue to advance, rising carbon costs and environmental compliance investments are expected to gradually increase operating expenses. At the same time, evolving consumer preferences may require the Company to increase investment in areas such as product development. We will continue to monitor these risks and incorporate them into strategic planning and operational management to enhance climate resilience and long-term sustainability.

Financial Impacts of Climate-related Risks on Haidilao ⁹			
Risk/Opportunity Type	Risks/Opportunities	Financial Impacts in the Current Period	Level of Financial Impact
Physical risks	Extreme cold weather	Increased procurement costs Increased equipment maintenance costs Increased energy costs Increased logistics and warehousing costs	Minor impact
	Extreme heat weather	Increased procurement costs Increased energy costs Increased equipment maintenance costs Increased labor costs Rising logistics and warehousing costs	Moderate impact
	Extreme precipitation	Increased equipment maintenance costs Increased warehousing costs Decreased operating revenue	Minor impact
	Water scarcity	Increased operating water costs Increased costs for procurement and installation of water-saving equipment Increased supplier management costs	Minor impact
Transition risks	Policy and legal risks - regulatory compliance	Increased administrative costs Increased capital expenditures	Minor impact
	Market risks - changes in market demand and consumer preferences	Increased procurement costs Increased marketing costs Increased administrative costs	Moderate impact
Transition opportunities	Opportunities related to products and services	Increased operating revenue Increased R&D costs	Moderate impact
	Opportunities related to resource efficiency improvement	Decreased operating costs Decrease procurement costs	Moderate impact

⁹ During the year, the Company conducted an assessment of the financial impacts of climate-related risks and opportunities. Quantitative analysis was performed on impacts that could be separately identified; however, financial impacts that could not be separately identified met the criteria for financial impact exemptions. Furthermore, due to the significant uncertainties regarding the expected financial impacts of climate risks, we have opted not to disclose such information.

Climate Risk Management

Haidilao has systematically incorporated the combat against climate change into its overall development strategy and risk management framework, continuously standardizing climate-related risk management practices. By integrating risk assessment with operational management, we are progressively establishing a structured and normalized climate risk management system to achieve systematic management of climate-related risks and opportunities.



- Continuously monitor the evolution of climate-related policies, regulations, and industry trends, systematically identify physical risks (such as extreme weather) and transition risks (such as policy and market changes) that may impact business operations, and dynamically update the list of risks and opportunities.



- Regularly conduct qualitative and quantitative assessments of identified climate risks, analyze their likelihood, potential financial impact, and primary time horizon of influence, measure risk exposure using key financial indicators such as operating costs and fixed assets, and establish management priorities.



- Based on assessment results, formulate clear climate targets and specific action plans (such as emissions reduction, energy efficiency improvement, and supply chain resilience enhancement), and integrate these measures into daily operations across business units, with clear responsibilities assigned and contingency plans established to mitigate financial impacts and capture transition opportunities.



- Establish key performance indicators to track emissions reduction progress, risk exposure levels, and the effectiveness of implemented measures. Management regularly reviews the achievement of targets and the effectiveness of measures, and dynamically optimizes management strategies in response to internal and external environmental changes to ensure alignment with the Company's strategy and regulatory requirements.

Metrics and Targets

Haidilao actively implements China's "carbon peak and carbon neutrality" strategy, systematically planning its low-carbon transition pathway, continuously reducing carbon emission intensity, striving to achieve carbon peak around 2030, and promoting the achievement of carbon neutrality before 2060. We have established clear GHG emissions reduction targets: By the end of 2026, Haidilao's carbon emission intensity per unit of operating revenue reduces by 12% compared with 2021.

GHG emissions reduction targets



Carbon emission intensity per unit of operating revenue reduces by

12%



To advance these targets, we strengthen energy management, conduct internal awareness campaigns, and apply digital tools and technological innovation to continuously explore and implement carbon reduction measures in restaurant operations and logistics distribution, striving to systematically reduce GHG emissions.

We have examined thoroughly GHG emissions of our restaurants, delivery operations, and office premises. Our emissions mainly originate from the fuel combustion of fixed equipment, the fuel combustion of transportation vehicles, and purchased electricity. During the reporting period, Haidilao's GHG emissions intensity of own operations (Scope 1 and 2) was 22.34 tCO₂e per RMB1 million, representing a cumulative reduction of 15% compared to the base year (2021).

During the reporting period



Haidilao's GHG emissions intensity of own operations (Scope 1 and 2) was

22.34 tCO₂e per RMB1 million



Representing a cumulative reduction of

15% compared to the base year (2021)

Total GHG Emissions¹⁰

Metric	Unit	Data in 2025
GHG emissions (Scope 1, 2 and 3)	tCO ₂ e	2,146,954.45
GHG emissions intensity (Scope 1, 2 and 3)	tCO ₂ e/RMB1 million	49.67
GHG emissions from own operations (Scope 1 and 2)	tCO ₂ e	965,755.08
GHG emissions intensity of own operations (Scope 1 and 2)	tCO ₂ e/RMB1 million	22.34
— Direct (Scope 1) GHG emission	tCO ₂ e	127,234.60
— Direct (Scope 1) GHG emission intensity	tCO ₂ e/RMB1 million	2.94
— Indirect (Scope 2) GHG emission ¹¹	tCO ₂ e	838,520.48

¹⁰ The calculation of GHG emission refers to the *Corporate Accounting and Reporting Standard (2004) under Greenhouse Gas Protocol* issued by World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) and the *Sixth Assessment Report* issued by the Intergovernmental Panel on Climate Change (IPCC).

¹¹ The grid emission factors used in the calculation of Scope 2 refer to the *Announcement of the Release of the 2023 CO₂ Emission Factors for Electricity* released by the Ministry of Ecology and Environment, *2024 Electricity Carbon Emission Factor* issued by Energy Administration, Ministry of Economic Affairs of Taiwan, *CLP's 2025 Sustainability Report* issued by CLP Holdings Limited, *HK Electric Investments Sustainability Report 2024* issued by HK Electric Investments Limited, and *CEM Sustainability Report 2024* published by Companhia de Electricidade de Macau - CEM, S.A.

Metric	Unit	Data in 2025
— Indirect (Scope 2) GHG emission intensity	tCO ₂ e/RMB1 million	19.40
Other indirect (Scope 3) GHG emission ¹²	tCO ₂ e	1,181,199.37
— Category 1: Purchased goods and services ¹³	tCO ₂ e	930,650.31
— Category 2: Capital goods ¹⁴	tCO ₂ e	37,924.34
— Category 3: Fuel- and energy-related activities ¹⁵	tCO ₂ e	99,484.86
— Category 4: Upstream transportation and distribution ¹⁶	tCO ₂ e	47,614.65
— Category 5: Waste generated in operations ¹⁷	tCO ₂ e	19,910.84
— Category 6: Business travel ¹⁸	tCO ₂ e	9,851.49
— Category 7: Employee commuting ¹⁹	tCO ₂ e	1,152.75
— Category 12: End-of-life treatment of sold products ²⁰	tCO ₂ e	10,498.10
— Category 14 Franchises ²¹	tCO ₂ e	24,112.03

¹² Scope 3 emissions are calculated with reference to the *Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)*.

¹³ Category 1 covers all purchased goods and services during the reporting year, with emission factors sourced from UK Conversion Factors (kgCO₂ per £ spent by SIC code, 2022).

¹⁴ Category 2 includes all upstream GHG emissions associated with purchased capital goods, with emission factors sourced from UK Conversion Factors (kgCO₂ per £ spent by SIC code, 2022).

¹⁵ Category 3 covers GHG emissions from fuel- and energy-related activities, with emission factors sourced from UK Conversion Factors 2024: Full Set (for advanced users) and the Ministry of Ecology and Environment of the People's Republic of China.

¹⁶ Category 4 includes GHG emissions from upstream transportation and distribution associated with purchased food ingredients and materials, with emission factors sourced from UK Conversion Factors (kgCO₂ per £ spent by SIC code, 2022).

¹⁷ Category 5 covers GHG emissions from waste generated in operations and treated by third parties, with emission factors sourced from the EPA Emission Factors for Greenhouse Gas Inventories and China Products Carbon Footprint Factors Database.

¹⁸ Category 6 includes GHG emissions from employee business travel, with emission factors sourced from EPA Supply Chain Greenhouse Gas Emission Factors.

¹⁹ Category 7 includes GHG emissions from employee commuting (excluding dormitory-based accommodation), with emission factors sourced from the China Academy of Urban Planning and Design: 2021 Annual Commuting Monitoring Report of Major Cities in China.

²⁰ Category 12 covers GHG emissions generated from the end-of-life treatment of sold products (primarily packaging materials), with emission factors sourced from EPA Emission Factors for Greenhouse Gas Inventories.

²¹ Category 14 includes GHG emissions generated from franchise store operations and related facilities, with emission factors sourced from the Ministry of Ecology and Environment of the People's Republic of China and the IPCC.



Pursuing Green Operation

Haidilao consistently adheres to the principles of green and low-carbon operations. Through multiple initiatives, we promote energy conservation and emissions reduction, optimize the energy mix, and advance the use of green ingredients and environmentally friendly packaging. While ensuring a high-quality dining experience, we strive to minimize the environmental impact of our operations. In addition, we are committed to building a "zero-deforestation" supply chain by continuously enhancing upstream traceability and proactively identifying and assessing potential environmental impacts across the supply chain. For more details on sustainable supply chain practices, please refer to the section "Co-building a Responsible Supply Chain".

During the reporting period, the Company strictly complied with all applicable environmental laws and regulations and did not incur any material environmental fines. During the year, the established environmental targets were as follows:

Goal

By the end of 2030, Haidilao's average waste generated per restaurant reduces by 10% compared with 2025.

By the end of 2030, Haidilao's average comprehensive energy consumption per restaurant reduces by 5% compared with 2025.

By the end of 2030, Haidilao's average water consumption per restaurant reduces by 5% compared with 2025.

Food Loss and Waste Management

Food Waste Mitigation

Based on its position in the catering industry, Haidilao strictly complies with laws and regulations such as the Anti-Food Waste Law of the People's Republic of China, and has formulated and implemented the Management System of Eliminating Food Waste, covering the entire process of restaurant operations, supply chain management, and delivery services, so as to continuously improve resource utilization efficiency, optimize food loss management across the entire value chain, and fulfill our environmental protection responsibilities.



Restaurant

At the restaurant level, through the close cooperation between the lobby and the kitchen, the Company has implemented a number of measures to significantly reduce food waste.

In front-of-house operations, Haidilao has introduced the "semi-dish economy" and the product design of the four-grid hotpot soup bases, encouraging customers to adopt more sustainable dining habits. Approximately 80% of customers actively choose semi-dishes, and around half opt for the four-grid hotpot soup base. By combining "hot pot soup base + clear water", customers can order according to their needs, effectively reducing soup base waste. To strengthen awareness of conservation, messages such as "Half Portion, Full Heart" and "Order Smart, Waste Not" are continuously played in a loop on the in-restaurant electronic screens, ordering iPads and mini programs, advocating customers to order moderately. In addition, we set up "Clear Plate Advocator" in the restaurants every day, who wears eye-catching identification signs to advocate customers to reduce waste. At the time of ordering, service staff will recommend dishes to customers based on the number of diners. After meals, food packing services will be provided to further reduce the waste of leftover food.

In the back of house, the Company has optimized the dish processing procedures. We eliminated the flower decorations for 70% of the dishes. For some dishes, edible ingredients are used as the base linings instead. For example, lettuce leaves unsuitable for standalone presentation are used as base garnishes for meatball dishes, fully tapping the value of the ingredients and reducing waste at the source. In addition, we implemented the "Seiri, Seiton, Seiketsu, Seiso and Shitsuke" 5S management in warehouses. We implemented "visualized management" in the warehouses and stalls of all restaurants. Through measures such as scientific inventory planning and reasonable control of stock levels and procurement volumes, inventory levels have been reduced by more than 40%, turnover rates have improved, and losses caused by expiration or improper storage have been significantly reduced. Meanwhile, we implemented "estimated ingredient preparation" in the kitchen on a pilot basis, to make reasonable ingredient preparation based on the expected daily customer flow. We processed dishes according to different peak periods, to ensure no over-preparation during peak hours and minimize waste during off-peak periods.

Delivery

In the delivery service, building on the existing semi-dishes and four-grid hotpot soup base offerings, Haidilao has launched delivery packages tailored to scenarios such as single-person dining, two-person dining, and multi-person dining, guiding customers to order according to actual dining needs. At the same time, consumption reminders like "Cherish food and refuse waste" and "Order an appropriate amount of food for an environmentally friendly and healthy meal" have been set upon the Haidilao App, mini programs, and third-party ordering platforms, continuously reminding customers to adopt sustainable dining habits.

Supply chain

At the supply chain end, Haidilao leverages the advantages of our own supply chain, implements centralized processing of certain ingredients in central kitchens, followed by unified distribution to restaurants. This effectively reduces ingredient loss during primary processing at restaurants and improves labor efficiency. In addition, the delivery of goods from sub-warehouses has been adjusted from large-packaging shipments to small-packaging shipments, which saves transportation capacity, improves the inventory turnover rate of the restaurants, and reduces the waste caused by product backlogs and expiration. Furthermore, we actively cooperate with suppliers to adjust the packaging specifications of products that come in large packages and are difficult to store after being opened. By changing the large-sized packaging of ingredients into small-sized packaging, it reduces the waste caused by the inability to use up the ingredients in one go after opening the package at the restaurants.

This year, we launched a promotional project for discounted vegetable products, fully utilizing vegetable trimmings from supplier processing plants. These materials were repurposed for staff meals and other products to reduce food waste at the supply end. By the end of December 2025, the project had been implemented across 27 warehouses nationwide and adopted by 660 restaurants, effectively improving material utilization and reducing resource waste.



Waste management

Haidilao strictly complied with the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes and other laws and regulations, and established sound waste management systems, including the Management System of Routine Waste Disposal, the Environmental Protection Responsibility System, the Guidance for Waste Classification in Restaurants and other internal management systems. We strengthen source control and process management to achieve standardized classification and management of waste across all operational stages.

The main sources of waste generated by Haidilao are waste grease, recyclable waste, non-recyclable kitchen waste, and hazardous waste. For different categories of waste, Haidilao has established corresponding treatment processes to ensure that all types of waste are disposed of in an efficient and environmentally friendly manner, minimizing environmental impact. This year, total recyclable waste generated amounted to 18,341.48 tonnes, and total catering waste grease generated was 31,321.71 tonnes. The average waste recycled per restaurant was 14.07 tonnes, and the average waste oil per restaurant was 24.02 tonnes, with the waste grease disposal rate reaching 100%.

During the year



Total recyclable waste generated amounted to

18,341.48 tonnes



Total catering waste grease generated was

31,321.71 tonnes



The average waste recycled per restaurant was

14.07 tonnes



The average waste oil per restaurant was

24.02 tonnes



The waste grease disposal rate reaching

100%

Waste grease

We have formulated the Kitchen Waste Grease Disposal Process, clearly defining standardized requirements for the entire process from collection and storage to disposal of waste grease, ensuring compliant and controlled management. During the renovation process, we require all restaurants to install compliant oil-water separation facilities such as grease traps and under-sink oil-water separators in accordance with relevant laws, regulations, and property management requirements, ensuring standardized collection of waste oil at the source. For the collected waste grease, the Company entrusts it to a waste oil recycling service provider, which is recognized by the government, has the qualification for waste grease collection and transportation, and has passed the on-site factory audit, for whole-process compliant disposal. To strengthen process control, we have signed formal cooperation contracts with waste grease recycling service providers. During waste grease transfer, restaurants are required to supervise on-site operations, take on-site photos, submit them to the food safety officers of the restaurants for record-keeping, and fill out waste grease transfer forms to retain proof. The restaurants conduct tracking, supervision and assessment of the waste grease recycling service provider on a semi-annual basis to ensure compliant disposal throughout the entire process. We have also incorporated the proper disposal of waste grease into the key indicator system of the restaurants' performance assessment, established a regular sampling inspection mechanism to randomly check the restaurants' waste grease disposal methods and their final destinations every month, comprehensively strengthening environmental accountability.

Kitchen waste

We actively promote the technical innovation project for kitchen waste. By renovating and optimizing the existing cleaning equipment in restaurants, the cleaning degree of tableware and equipment themselves can be improved. At the same time, the clean water and heat energy in the cleaning process are recycled and reused, saving water resources and reducing electricity consumption. This year, we advanced the kitchen waste disposer project, and independently developed dedicated processing equipment. Through optimized structural design, the system improves waste grease recovery rates and reduces kitchen waste at the source. By the end of 2025, the equipment has been deployed in approximately 40 restaurants for ongoing operation.

Hazardous waste

For hazardous wastes such as discarded electronics, discarded dry batteries, and discarded light bulbs, we implement a standardized post-disposal sealed-container storage system. These materials are then transferred to qualified recyclers for harmless treatment. Throughout the recycling and disposal process, we strictly fulfill our supervisory responsibilities, overseeing compliant operations by recycling service providers to ensure safe and controlled disposal of hazardous waste.

Use of Resources and Emissions Management

Energy management

Haidilao strictly adheres to relevant laws and regulations such as the Energy Conservation Law of the People's Republic of China, and has established the Control Standards for the Use of Air Conditioners in Strong and Weak Electrical Rooms, Control Standards for the Use of Lighting Lamps in Restaurants, Control Standards for the Cooling of Air Conditioners, and Control Standards for the Use of Induced Draft Fans, ensuring scientific, reasonable, and efficient energy use and strengthening the foundation of energy management.

Haidilao integrates energy-saving and emission-reduction strategies into the entire energy management process and actively applies advanced technologies to reduce energy consumption from operations.



Central Air Conditioning Heat Recovery Project

Haidilao has continuously promoted the central air conditioning waste heat recovery project. By independently developing a heat recovery system, waste heat from the system is used to preheat water entering boilers. This reduces energy consumption of electric or gas boilers, lowers heat discharge from outdoor units, decreases condenser energy consumption, and achieves dual savings in electricity and gas usage, while also extending the service life of air conditioning equipment. By the end of 2025, the central air conditioning heat recovery system has been deployed in more than 480 restaurants, representing a year-on-year increase exceeded 106%.

Intelligent Ground Exhaust Project

Haidilao continues to promote the intelligent ground exhaust project, addressing the issues of high energy consumption of traditional ground exhaust systems and the difficulty of timely turning off the ground exhaust when there is no one walking around. Through technological innovation, this initiative achieves resource savings and energy efficiency improvement. During the year, we established a comprehensive operation and maintenance management system for intelligent ground exhaust. The system monitors the usage of induction cookers at each table in real time and enables independent intelligent control of ground exhaust systems at individual tables. Through automated control and variable frequency adjustment to balance airflow, the system effectively reduces electricity consumption, lowers noise levels, and alleviates negative pressure in restaurant environments. By the end of 2025, the system has been deployed in more than 980 restaurants.

New Smokeless Hot Pot Stove System

Haidilao has independently developed a new smokeless hot pot stove system, optimizing cookware, induction cookers, and exhaust systems as an integrated solution. The system incorporates a centrally positioned ground exhaust design, which reduces the need for both exhaust and fresh air fans. As a result, air conditioning energy consumption is estimated to decrease by approximately 14%, achieving a significant reduction in cooking fume emissions and a substantial decrease in energy consumption. By the end of 2025, the system had been deployed in 97 restaurants.

Building on continuous technological innovation, we have further implemented energy-saving measures in daily operations, deepening lean energy management at the restaurant level. In 2025, we selected some restaurants to pilot phased lean energy management initiatives. Based on the operational characteristics of different restaurants, we implemented differentiated energy-saving solutions. For certain restaurants, equipment energy efficiency analyses were conducted, high-energy-consuming equipment was replaced, and lighting systems were upgraded with intelligent controls, effectively reducing energy consumption per unit area and continuously improving energy efficiency. Meanwhile, we optimized restaurant operation processes, conducted employee energy-saving training, promoted the implementation of technical energy-saving measures, and established a sustainable restaurant energy management mechanism.

Water resource management

Haidilao regards the rational use of water resources as a key aspect of sustainable development, striving for promoting refined and efficient water resource management through scientific approaches and technological innovation. We strictly comply with laws and regulations such as the Water Pollution Prevention and Control Law of the People's Republic of China, and have established a series of standards like the Control Standards for the Use of Dishwashers, Standards for the Operation Process of Vegetable Washing in the Rough Processing Room, Control Standards for the Cleaning Operation of Dishwashers and Pot Washers, and Control Standards for the Cleaning Operation of Floors to ensure the standardized and traceable use of water resources throughout the processes.

Haidilao primarily sources its water supply from municipal pipelines. To enhance water resource conservation, we have proactively implemented a series of water-saving initiatives that have substantially reduced our water consumption:



Installation upgrades

- The Company has fully introduced water-saving sanitary fittings and high-efficiency water equipment, achieving 100% water-saving upgrades for water facilities in restaurants, and reducing water use at the source.



Process optimization

- The Company innovated a "three-tank cycling" cleaning process through graded water use and recycling to improve water efficiency in rough processing. Meanwhile, low-temperature detergents and smart cleaning equipment have also been introduced to significantly reduce backwashing rates on the premise of strictly maintaining food quality and safety standards.



Awareness cultivation

- The Company organizes water conservation awareness initiatives for employees on a non-scheduled basis, promoting the habit of conserving water "drop by drop" and eliminating leaks or continuous running water.

In 2025, we carried out dedicated water-saving pilot projects in selected restaurants. At the restaurant level, targeted measures such as optimizing faucet flow rates and conducting employee water conservation training were implemented. Pilot restaurants achieved a year-on-year reduction in water consumption of over 10% on average, delivering significant water-saving results.

Sewage generated by the Company is mainly from kitchens. To ensure compliance, wastewater is centrally treated to meet relevant legal and environmental standards before discharge. At the same time, we actively explore new paths of resource utilization of sewage. For example, in operations of restaurants, we reuse treated sewage for scenarios with low water quality requirements, such as toilet flushing and greening irrigation in restaurants, thus achieving recycling of sewage.

Waste gas emissions management

Cooking fumes are the primary source of the Company's waste gas emissions. The Company has established internal policies such as the Cooking Fume Pipelines Cleaning System and adopts operationally appropriate management measures. With 2018 as the baseline year, the Company has set a target to further reduce fume emissions per restaurant by the end of 2026, thereby strengthening waste gas emissions control.



Equipment maintenance and cleaning

Dedicated personnel is arranged to regularly clean cooking fume pipelines, and conduct maintenance, upkeep and inspection of fume purifiers to ensure proper operation thereof and avoid air pollution.



Ventilation system optimization

To further reduce cooking fume emissions, the Company has been gradually optimizing kitchen ventilation systems through measures such as the rational layout of ventilation ducts and increase of exhaust volumes, effectively lowering cooking fume concentrations in kitchens.



Employee training

Through case explanations and practical demonstrations, the Company regularly trains employees on cooking fume emission-related knowledge, reinforcing their awareness of standardized practices in daily operations.



Developing a Circular Economy

Adhering to the principles of resource conservation and circular economy development, Haidilao actively fulfilled its environmental protection responsibilities. The Company has formulated internal policies such as the Haidilao Plastic Limitation Management Specification and the Paper Saving Management Requirements, strictly regulating the selection of packaging materials. Priority is also given to biodegradable and recyclable eco-friendly packaging materials. We encourage suppliers to reduce unnecessary use of packaging materials and adopt eco-friendly alternatives, thereby reducing excess packaging at the source and improving packaging recyclability. At the same time, the Company undertakes not to proactively offer disposable products, and firmly rejects to use non-degradable disposable plastic products, actively responding to environmental initiatives and fulfilling green development commitments with concrete actions.

In 2025, we established sustainable packaging targets to promote the implementation of sustainable packaging practices across all restaurants:

Sustainable Packaging Targets	Progress in 2025
By 2028, at least 10% of packaging materials will consist of recycled content	In progress
By 2030, recyclable, reusable, or compostable packaging materials will account for 20% of total packaging materials	In progress
By 2025, all customer-facing plastic packaging will be recyclable	Completed

In providing takeaway and delivery services, Haidilao integrates environmental principles into service details. The Company adopts biodegradable and sustainable packaging materials such as bagasse containers, polylactic acid (PLA) straws, and paper straws, ensuring food freshness and safety while minimizing environmental impact. Meanwhile, the Company actively promotes packaging recycling awareness among consumers, encouraging them to adopt eco-friendly behaviors and participate in packaging reuse, thereby fostering collective environmental responsibility. During the year, biodegradable packaging materials account for a significant portion of the company's total packaging procurement spending exceeded 20%, and recyclable packaging materials now constitute a major part of the company's total packaging procurement spending exceeded 40%, including materials such as PLA, PP, PE, sugarcane pulp, raw pulp, and wood fiber, demonstrating significant environmental performance improvements. Adhering to the principles of resource conservation and circular economy development, Haidilao actively practiced environmental protection.

During the year



The proportion of biodegradable packaging procured exceeds

20%



The recyclable packaging materials procured exceeds

40%

05

Empowering the Community



Upholding the philosophy of "spreading warmth with love", Haidilao actively engages in community development and charitable actions, giving back to society with the results of its business development. The Company actively engages in community co-development, supports emerging employment groups, participates in disaster relief, promotes rural revitalization, assists agricultural development, and contributes to environmental protection, practicing the responsibilities of a corporate citizen through tangible efforts.

Alignment with SDGs:





Empowering Community Development

Haidilao considers empowering community development as a vital part of fulfilling corporate social responsibility and giving back to society. The Company actively carries out various community volunteer service activities to share the development achievements with community residents and promote the sustainable development of the community.

Community Services

Haidilao actively engages in community affairs, guided by Party-building initiatives, demonstrating corporate warmth and responsibility. In 2025, under the guidance of the Group's Party Committee, regional Party organizations mobilized restaurants to form volunteer service teams, participating in activities such as elderly care, support for persons with disabilities, child care, educational assistance, and public welfare services. Total volunteer service hours exceeded 8,594 hours during the year.

In 2025



Total volunteer service hours exceeded

8,594 hours

Case

"Warm Station" Care and Support Project for New Employment Groups

The "Warm Station" Care and Support Project for New Employment Groups, launched in December 2024, provides services such as free hot water, charging facilities, emergency medical supplies, and exclusive discounts through Haidilao restaurant waiting areas. By the end of 2025, the program covered more than 100 restaurants in cities including Beijing and Chengdu. It not only addressed the practical needs of outdoor workers but also conveyed urban care and social warmth.

On January 20, 2025, Haidilao Hangzhou responded to community initiatives by piloting "Winter Warm Stations" in restaurants such as the West Lake Division, offering care to ride-hailing drivers, delivery riders, and other emerging employment groups, and inviting representatives to enjoy a warm New Year's Eve dinner, vividly demonstrating the Company's values that "we are kind to everyone and engage with the community".



Haidilao launches the "Warm Station" Care and Support Project for New Employment Groups



Case

Tree Planting Charity Initiatives

Haidilao actively participates in environmental public welfare initiatives, working with communities to build greener living environments. During the 2025 Arbor Day period, select restaurants collaborated with local kindergartens and communities to jointly organize a public welfare tree planting initiative. During the event, employees, residents, and children worked together to plant the saplings and attached exclusive nameplates, creating a warm and engaging atmosphere. It not only improved the environment of underutilized community spaces but also enhanced environmental awareness and community cohesion. Going forward, restaurants will implement a "one-to-one" sapling maintenance responsibility system, aiming for a survival rate exceeding 90% to ensure long-term effectiveness of greening efforts.



Haidilao Launches Tree Planting Charity Initiatives

Public Welfare and Charity

Adhering to the philosophy that "development originates from society, and achievements are returned to society", Haidilao actively fulfilled its social responsibilities. In 2025, through diversified approaches such as donating supplies, offering volunteer services, and supporting educational development, we precisely addressed the needs of beneficiary groups and regions, demonstrating corporate responsibility and commitment.



During the year, Haidilao received multiple honors in public welfare and charity:

- ▶ "Advanced Primary-Level Party Organization in Emerging Sectors of Sichuan Province (2024)"
- ▶ Haidilao's Leishan Fish Sauce Sour Hot Pot Project won the "Gold Award of Effie Positive Change Awards"
- ▶ Haidilao's initiative "Demonstrating Responsibility and Achievements in Empowering Urban-Rural Integrated Development" was selected as a typical case in the *CMG Rural Revitalization Observation Report (2023-2024)*

Haidilao demonstrates its commitment to public welfare across multiple fields, encourages employees to engage in charity, and contributes to social assistance and rural revitalization. In 2025, Haidilao made charity donation of RMB8.624 million, and conducted 3,460 volunteer services and charitable activities.

In 2025



Haidilao made charity donation of
RMB **8.624** million



Conducted
3,460 volunteer services and charitable activities



Case

Supporting Disaster Relief: Haidilao Provided Assistance in Xizang, Gansu, and Hong Kong

In 2025, Haidilao actively fulfilled its social responsibilities by responding rapidly to major disaster events and providing timely assistance. On January 10, in response to the 6.8-magnitude earthquake in Shigatse, Xizang, Haidilao, together with Yihai International, donated RMB1.5 million in cash and materials through the China Foundation for Rural Development to support emergency relief, transitional resettlement, and post-disaster reconstruction. On August 7, following continuous heavy rainfall that triggered flash floods in Yuzhong County, Lanzhou, Gansu, the Lanzhou Mobile Party Member Workstation (Haidilao Guofang Department Store Division) responded swiftly. Under the organization of the Lanzhou City Wuwei Chamber of Commerce, it collaborated with multiple social organizations and enterprises to deliver disaster relief supplies valued at approximately RMB150,000 to affected areas. On November 26, a fire broke out in multiple residential buildings in Wang Fuk Court, Tai Po District, New Territories, Hong Kong. Haidilao promptly activated its emergency disaster relief mechanism, urgently dispatching over 1,200 boxes of instant food supplies to designated relief points. In addition, Haidilao and Yihai International donated RMB4 million to support local medical assistance, essential supply provision, transitional resettlement, and other relief efforts, standing in solidarity with affected communities.



Haidilao supports Post-disaster Relief in Gansu



Case

Bringing Warmth to Rural Communities: Haidilao Supported the Upgrading of Ideological and Political Education and Party-Mass Services

In the area of livelihood assistance, we actively organized Party member volunteer teams to participate in community services, including elderly care, support for persons with disabilities, child care, educational assistance, and public welfare services. On November 25, the Party Committee of the Group organized the "Jianzhou New Voice: Ideological and Political Education Enriches the Heart" Great Ideological and Political Education Course, providing RMB100,000 in funding and supporting it with distinctive performances, thereby enriching the content of ideological and political education through innovative forms. In addition, in 2025, the Company donated RMB850,000 to upgrade and renovate the Party-Mass Service Center in Shengtian Village, Jianyang City, to strengthen the functions of Party member education, public deliberation, skills training, and cultural and recreational activities. Furthermore, we actively supported the training program for reserve Party secretaries, providing practical training platforms for 14 village-level Party secretary candidates in Chengdu. We also collaborated on care initiatives for emerging employment groups, demonstrating corporate responsibility and commitment.



"Jianzhou New Voice: Ideological and Political Education Enriches the Heart" Great Ideological and Political Education Course

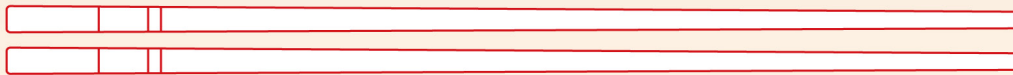
Case

Industrial Support: Haidilao Leveraged Supply Chain Leadership to Build a Full Agricultural Product Value Chain

In terms of rural revitalization, We fully leveraged our advantages as a chain leader in the industrial chain, implemented an "order-based agriculture" model, and participated in the "2+2" pairing assistance initiative led by the Sichuan Federation of Industry and Commerce, under which two executive member enterprises and two industry associations jointly support one underdeveloped county. In 2025, we collaborated with procurement and food safety departments to inspect the crayfish industry base in Qianjiang, Hubei Province. We have established a traceability system and streamlined the entire chain from farmlands to urban dining tables. The total procurement value of agricultural products from underdeveloped regions exceeded RMB330 million. Meanwhile, the Company accompanied the leaders of the Sichuan Federation of Industry and Commerce on two survey visits to Pingwu County. We facilitated the procurement of agricultural specialties from Pingwu County and Hongya County through our Sichuan regional operations, focusing on distinctive resources and developing competitive industries to promote diversified growth of the rural economy.

06

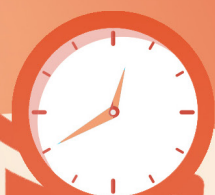
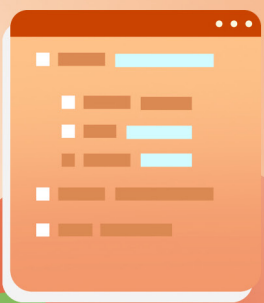
Operating with Integrity



Strictly adhering to business ethics, Haidilao continuously optimizes the corporate governance system, integrates compliance management throughout its operations, and strengthens risk management and intellectual property protection while promoting standardized operations based on transparency and accountability. The Company continues to reinforce the institutional foundation, further improving the compliance and risk management system, and strives to build trust with investors, partners, and society, laying a solid foundation for sustainable and high-quality development.

Alignment with SDGs:





Corporate Governance

Haidilao considers corporate governance as a high-materiality issue. We strictly comply with laws and regulations such as the Company Law of the People's Republic of China and the Securities Law of the People's Republic of China, fulfilling our corporate responsibilities. The Company has established the Audit Committee, the Remuneration Committee, the Nomination Committee, and the Corporate Governance Committee to assist the Board in enhancing the governance level.

Haidilao places great importance on the development of the Board and has publicly made a statement on the Board Diversity Policy. In selecting candidates for the Board, the Company strictly follows the Board Diversity Policy, taking into account multiple factors such as gender, age, cultural background, education experience, professional skills, and length of service, striving to achieve Board diversity and improve governance standards. To date, the Company had a total of 13 directors, including four female directors, accounting for approximately 30.8% of the Board.

Compliance and Risk Control

Haidilao upholds the principle of operating with integrity and has developed a sound compliance and risk management system. The Company has formulated compliance and risk management policies such as the Inspection Alert System and the Risk Management System, focusing on major risk control and establishing a comprehensive and multi-dimensional risk prevention and control framework. The Company has constructed a risk management structure based on the "Three Lines of Defense" under the leadership of the Board, continuously improving our risk management model.

Three Lines of Defense in Risk Management



In 2025, we continued to optimize the risk assessment system and improve the risk early warning mechanism. Through the analysis of risks faced in business operations and their corresponding mitigation measures, we identified strategic risk, financial risk, market risk, operational risk, and legal risk as the five major risks faced by the Company. Meanwhile, the Company continues to monitor key risk areas such as food safety, brand reputation, and supplier management. For major risks, we have established a dynamic monitoring and early warning mechanism, scientifically set risk early-warning thresholds, and established a tiered risk control system within the range of risk appetite and risk tolerance, continuously enhancing risk management and control capabilities.



Internal control management system

Haidilao has established an internal control management system under the direct supervision of the Board, supervising the management in maintaining, implementing, and monitoring internal control systems. The Company has a full-time internal audit agency at its headquarters, which uniformly organizes, manages, and reports the audit work of the Company to the Audit Committee. The Audit Committee, as a body under the Board, is primarily responsible for communication, supervision, and coordination of internal and external audit work. Members of the Audit Committee possess financial expertise, offering professional support for the Company's internal control and internal audit. Through the "dual supervision" mechanism, the Company has continuously enhanced its internal control system, ensuring compliance and transparency in operations.

Intellectual Property Rights Protection

Haidilao sticks to the legal bottom line, strictly abides by the Trademark Law of the People's Republic of China, the Patent Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China and other relevant laws and regulations, and maintains fair and competitive market environments. In 2025, the Company continued to review and optimize the intellectual property management system, updating internal policies such as the Brand and Trademark Management Regulations of Haidilao Group and the Patent Management Measures, further improving the intellectual property protection framework and management mechanisms.

In daily operations, we attach high importance to the protection and management of intellectual property rights, and strictly comply with relevant laws and regulations, ensuring the security of our intellectual property rights while respecting and protecting others' rights. We implement rigorous proposal and risk assessment procedures during patent and copyright application processes to effectively identify and mitigate potential infringement risks, ensuring both efficiency and quality. We have established a rapid response mechanism for infringement. In cases of online or offline infringement or trademark imitation, we take actions such as issuing warning letters, legal notices, and filing trademark opposition or invalidation proceedings to protect our rights. Additionally, for certain cases, complaints and reports are filed with local market supervision and administration authorities, and litigation actions are initiated based on the severity of the infringement.

We have further improved the incentive mechanism to encourage employees to apply for patents. The Company has optimized the patent incentive mechanism within internal rules and regulations such as the Patent Management Measures and strengthened communication of these incentives during the patent application process, effectively stimulating employees' innovation vitality. At the same time, we actively conduct intellectual property training for employees. Through departmental meetings, email communications, mandatory reading materials via internal systems, and project-based legal guidance covering areas such as fonts, software, and trademarks, we enhance employees' awareness of intellectual property protection.

In 2025, Haidilao obtained four new patent authorizations. By the end of the year, we had a total of 1,320 intellectual property rights, including 1,054 registered trademarks (992 in the Chinese mainland and 62 in Hong Kong, Macau and Taiwan regions of China), 153 patent authorization, 36 software copyrights and 77 copyright works.

In 2025



Haidilao obtained
4 new patent authorizations

By the end of the year



Total intellectual property
1,320 items

Business Ethics

Consistently upholding high standards of business ethics, Haidilao has established a comprehensive business ethics system and anti-corruption mechanism, and formulated and issued the Anti-Bribery and Anti-Corruption Policy, clearly defining compliance-oriented principles. We conduct special business ethics audits across all operations at least once every three years and provide annual business ethics training for all employees and suppliers. By strengthening integrity culture, we work together with all Haidilao stakeholders to build a fair and transparent business environment. For more details on supplier business ethics management, please refer to the section "Co-building a Responsible Supply Chain".

Business Ethics Management

Haidilao upholds the principles of business ethics and anti-corruption. The Board serves as the highest body governing business ethics management, actively fostering a business environment featuring integrity, transparency, and compliance. The Company strictly abides by laws and regulations such as the Anti-unfair Competition Law of the People's Republic of China and the Anti-Corruption Law of the People's Republic of China. Haidilao has established internal systems, including the Anti-Bribery and Anti-Corruption Policy, the Prohibition Management Measures of Haidilao, the Anti-Money Laundering Management Policy of Haidilao International Holding Ltd., the Integrity Practice Commitment, Haidilao Internal Complaint Management Measures, the Resignation Audit System of Haidilao, Routine Audit System Prior to the Regularization and Appointment of Key Positions of Haidilao, Inspection Alert System, and the Incentive Policies of Haidilao for Suppliers and Other External Partners. We explicitly require all employees, suppliers, and business partners to jointly comply with high-standard codes of conduct to ensure that the Company always adheres to the principles of fairness, justice and integrity in the operation process. In 2025, Haidilao recorded three cases of commercial corruption. These cases involved external individuals counterfeiting stored-value cards for illegal profits, as well as internal employees embezzling operating revenue and making unauthorized purchases of personal supplies. All cases were promptly referred to judicial authorities for handling.



Complaint and whistleblowing acceptance process

Haidilao encourages its employees and the public to enhance their sensitivity to anti-corruption and actively report any acts in violation of business ethics. The Company has established multiple whistleblowing channels, including an inspection department help desk within office systems, a reporting hotline, and a reporting email address. These complaint and whistleblowing channels are displayed in public areas within all departments and restaurants to ensure accessibility and awareness among employees and the public. For verified whistleblowing, the Company will, in accordance with the latest policies, provide whistleblowers with financial rewards.

The Company's whistleblowing acceptance process is as follows:



Upon receiving a whistleblowing report from employees, the inspection department assigns the relevant team to conduct verification. The inspection team leader designates a primary and supporting investigator based on the complaint content. After analyzing data and formulating an investigation plan, the team proceeds with verification and communication. Upon completion, if violations are identified, a formal inspection report is issued. If the complaint is found to be unsubstantiated, the results are formally communicated to the whistleblower.

After the inspection report is prepared, it undergoes hierarchical review by the inspection team leader, inspection director, and responsible leader. Upon completion of the review, the Human Resources Department or the general manager of the relevant subsidiaries and branches issues a disciplinary decision. Disciplinary measures include a notice of criticism via OA, deduction of bonuses, probation, demotion, dismissal, or termination with permanent ineligibility for rehire.



Following case closure, the responsible inspection personnel report the results to the whistleblower in accordance with inspection department requirements. The Human Resources Department records the outcome in the employee's personnel file. Documentation is archived, and strict information barriers are implemented among inspection teams, ensuring each team only has access to its own cases. Any unauthorized disclosure will be subject to accountability measures.

Prevention of corruption risks

In accordance with the Company's requirements, the inspection department has established regular audit plans for key positions within functional departments and conducts routine audits. In addition, before officially appointing employees to key positions, a regularization audit is carried out on these employees. Prior to the resignation or transfer of any employees at or above the manager level, a departure audit is conducted on such employees, thereby enhancing the defense against corruption risks on all fronts.

Furthermore, the inspection department has built up a collaborative inspection mechanism with the internal audit department and other business departments. When abnormal data is identified during analysis, the internal audit department may transfer the case to the inspection department to determine whether corruption or fraud has occurred. Similarly, business departments may request investigation by the inspection department upon identifying anomalies. If issues are confirmed, the inspection department may apply to the Human Resources Department to partially waive the management responsibility penalties of relevant supervisors, promoting accountability and remediation actions.

To enhance inspection efficiency, the inspection department has developed a data dashboard with early warning functions, enabling real-time monitoring and anomaly detection. This provides precise data support for inspection teams, improves division of responsibilities, and significantly enhances efficiency and responsiveness in risk handling.

Protection of Whistleblowers

Haidilao strictly protects the confidentiality of whistleblowers' identities and report contents, ensuring secure and confidential reporting channels. Whistleblowers may submit reports anonymously via audio, text, or other formats. The department which receives and accepts the reports must strictly keep confidential the relevant information. In the event of any leakage of the whistleblower's information or the report content, the act of the person who leaked the information will be deemed as a violation of Article 6 "Leaking Company Secrets" of the Prohibition Management Measures. Depending on the severity, the Company may take measures against the person who leaked the information, such as a notice of criticism, serious warning, probation, demotion, removal from office, or dismissal.

Furthermore, the Company fully protects the whistleblowers who report issues in a truthful way, including applying for protective transfer to safeguard their legitimate rights and work safety. The Company strictly prohibits any actions that obstruct reporting, including threats, intimidation, or retaliation. Any such behavior, once verified, will result in disciplinary actions depending on severity, including issuing a notice of criticism, demotion, removal from office, or dismissal, to uphold the integrity of the reporting system.

For the property losses incurred as a result of the whistleblowing act, the Company will provide appropriate compensation. In principle, the amount of compensation shall be borne by the responsible entity that caused the losses. To further encourage employees to actively engage in integrity and compliance supervision, the Company has established a dedicated reward mechanism to commend and reward whistleblowers who provide important clues and assist the Company in identifying and handling major issues.





Integrity Culture Building

Haidilao actively builds an integrity culture system, regularly conducting business ethics and anti-corruption training and communication for directors and all employees, fostering a clean and compliant operational environment. The Company organizes annual anti-fraud and anti-corruption training and assessments for all employees. The Learning and Development Center issues mandatory learning certifications and tracks completion to ensure full understanding and strict compliance with the Company's policies.

When major cases or judicial cases are verified, the leader in charge of inspection and the head of the inspection department take the lead in organizing targeted warning education for all management personnel at or above the restaurant manager level. Through analysis of typical corruption cases, these sessions strengthen legal awareness and professional ethics among the management. In addition, anti-corruption cases and compliance systems are communicated to all management personnel, including directors, supervisors, department heads, and restaurant managers. Anti-corruption training is also incorporated into offline meetings to continuously reinforce integrity awareness.

The Company requires all key position for new employees to sign an Integrity Practice Commitment upon onboarding, clarifying their responsibilities and obligations regarding integrity in employment. Before the probation period of the new employees ends, the Company continuously provides training and learning sessions on corporate culture and related system to enhance their anti-corruption and legal awareness. During the training and assessment for backup restaurant managers, the Learning and Development Center conducts specialized anti-corruption training to strengthen their integrity awareness and professional conduct, laying a foundation for their standardized duty performance.

Furthermore, we prepare the promotional posters of inspection cases on a monthly basis. These posters are then sent to all employees and restaurants nationwide via the Feishu Help Desk for inspection and email, and restaurant managers are required to organize employees to study them. The inspection department also disseminates typical corruption cases monthly via the Feishu Help Desk, covering directors, management, and all employees. At the same time, the Company provides specialized training on legal manual for restaurant managers through the Learning and Development Center and conducts ongoing legal and compliance training via the Feishu Help Desk.

In 2025, a total of 1,264,287 participations in anti-corruption training were recorded, representing a year-on-year increase of 99.67%. Haidilao's business ethics training had fully covered all employees (including part-time employees) and some contractors, with full participation from the Company's directors, supervisors, department heads, and general managers of subsidiaries and branches.

In 2025



The total participations in anti-corruption training were

1,264,287

Representing a year-on-year increase of

99.67%

Appendix

Appendix I KPI Tables

Environmental Performance²²

Aspect	Indicator	FY 2025	FY 2024	Unit
Greenhouse gas (GHG) emissions	Direct (Scope 1) GHG emissions	127,234.60	118,426.46	tCO ₂ e
	Intensity of direct (Scope 1) GHG emissions	2.94	2.77	tCO ₂ e/ RMB1 million
	Indirect (Scope 2) GHG emissions	838,520.48	827,980.77	tCO ₂ e
	Intensity of indirect (Scope 2) GHG emissions	19.40	19.37	tCO ₂ e/ RMB1 million
	Other indirect (Scope 3) GHG emissions ²³	1,181,199.37	/	tCO ₂ e
	Intensity of other indirect (Scope 3) GHG emissions	27.33	/	tCO ₂ e/ RMB1 million
	GHG emissions from own operations (Scope 1 and Scope 2)	965,755.08	946,407.23	tCO ₂ e
	GHG emissions intensity of own operations (Scope 1 and Scope 2)	22.34	22.14	tCO ₂ e/ RMB1 million
	GHG emissions (Scope 1, 2 and 3)	2,146,954.45	/	tCO ₂ e
	GHG emissions intensity (Scope 1, Scope 2 and Scope 3)	49.67	/	tCO ₂ e/ RMB1 million
Energy Consumption	Gasoline consumption	0	/	Liter
	Diesel consumption	0	/	Liter
	Natural gas consumption	58,199,560.46	54,170,545.00	m ³
	Natural gas consumption per unit of operating revenue	1,346.42	1,267.01	m ³ /RMB1 million
	Total electricity consumption	1,582,077,056.50	1,543,779,525.15	kWh
	Electricity consumption per unit of operating revenue	36,600.67	36,107.84	kWh/RMB1 million

²² The above environmental data covers restaurants, delivery and offices of entities under Haidilao International Holding Ltd.

²³ Scope 3 greenhouse gas emissions include Category 1 (Purchased goods and services), Category 2 (Capital goods), Category 3 (Fuel- and energy-related activities not included in Scope 1 or 2), Category 4 (Upstream transportation and distribution), Category 5 (Waste generated in operations), Category 6 (Business travel), Category 7 (Employee commuting), Category 12 (End-of-life treatment of sold products), and Category 14 (Franchises).



Aspect	Indicator		FY 2025	FY 2024	Unit
Energy Consumption	Average electricity consumption per restaurant		1,213,249.28	1,139,320.68	kWh/number of restaurants
	Total comprehensive energy consumption		2,211,901,429.26	2,130,002,672.82	kWh
	Comprehensive energy consumption per unit of operating revenue		51,171.38	49,819.16	kWh/RMB1 million
	Average comprehensive energy consumption per restaurant		1,696,243.43	1,571,957.69	kWh/number of restaurants
Water Resource consumption	Total water consumption		23,913,363.96	22,595,529.94	m ³
	Water consumption per unit of operating revenue		553.23	528.49	m ³ /RMB1 million
	Average water consumption per restaurant		18,338.47	16,675.67	m ³ /number of restaurants
Non-hazardous waste generated	Total non-hazardous waste generated	Waste cooking oil generated	31,321.71	51,427.72	Tonne
		Recyclable waste generated	18,341.48	19,312.95	Tonne
		Unrecyclable kitchen waste generated	166,865.48	175,703.57	Tonne
	Total non-hazardous waste generated		216,528.67	246,444.23	Tonne
	Non-hazardous waste generated per unit of operating revenue		5.01	5.76	Tonne/RMB1 million
	Average waste generated per restaurant		166.05	181.88	Tonne/number of restaurants
	Average waste recycled per restaurant		14.07	14.25	Tonne
	Average waste oil per restaurant		24.02	37.95	Tonne
	Cooking oil treatment rate		100	100	%
Hazardous Waste Generated	Total hazardous waste generated		0	0	Tonne
Packaging materials usage	Packaging materials usage	Meal boxes	8,203.45	2,502.44	Tonne
		Drinking straws	284.61	265.13	Tonne
		Drinking cups	821.92	707.71	Tonne
		Packaging bags	9,503.16	4,884.88	Tonne
		Disposable tableware	2,451.19	758.98	Tonne
		Cartons	2.43	0.41	Tonne
		Ziplock bags	383.67	950.53	Tonne
	Total package material usage		21,650.43	10,070.08	Tonne
Packaging material usage per unit of operating revenue		0.50	0.24	Tonne/RMB1 million	
Other environmental indicators	Environmental investment (including expenditure on energy-saving equipment, water-saving projects, fume purification systems, etc.)		Over 10	/	RMB1 million

Social Performance

Aspect	Indicator		FY 2025	FY 2024	Unit
Employment	Total number of employees		125,620	137,178	Person
	Number of employees by gender	Male	53,918	63,885	Person
		Female	71,702	73,293	Person

Aspect	Indicator	FY 2025	FY 2024	Unit	
Employee	Number of employees by employment type	Full-time	64,624	80,337	Person
		Part-time	60,996	56,841	Person
	Number of employees by employee category	Restaurant employees	120,559	133,194	Person
		Restaurant managers	1,086	1,276	Person
		Headquarters functional staff	3,975	2,708	Person
	Number of employees by age group	Aged 30 and below	67,476	77,963	Person
		Aged 31 to 44	39,628	40,840	Person
		Aged 45 and above	18,516	18,375	Person
	Number of employees by geographical region	Chinese mainland	123,018	134,582	Person
		Hong Kong, Macau and Taiwan regions of China	2,546	2,571	Person
		Overseas regions	56	25	Person
	Employee turnover rate ²⁴		65	67	%
	Turnover rate by gender	Male	66	68	%
		Female	64	66	%
	Turnover rate by age group	Aged 30 and below	74	75	%
		Aged 31 to 44	39	45	%
		Aged 45 and above	34	38	%
	Turnover rate by geographical region	Chinese mainland	65	67	%
Hong Kong, Macau and Taiwan regions of China		42	45	%	
Overseas regions		13	11	%	
Labor standards	Number of incidents of child labor and forced labor	0	0	Case	
Employee health and safety	Work-related fatalities ²⁵	1	1	Person	
	Percentage of work-related fatalities ²⁶	0.0008	0.0007	%	
	Lost days due to work injury	47	44	Day	
Providing training and development	Expenditure on employee training and development	5.43	/	RMB1 million	
	Percentage of employees trained	100	/	%	
	Total training hours for all employees	3,379,021.60	/	Hour	

²⁴ Employee turnover rate = Total number of employees who left during the year ÷ (Total number of employees who left during the year + total number of employees at year-end) × 100%.

²⁵ A traffic accident that occurred during an employee's commute was determined, based on the official traffic accident report, to involve equal responsibility (50%) on the part of the employee. The incident was recognized as a work-related fatality on November 6, 2025. One work-related fatality was recorded in FY 2023, and relevant details are set out in the 2023 annual report.

²⁶ The work-related fatality rate for FY 2023 stood at 0.0007%.



Aspect	Indicator		FY 2025	FY 2024	Unit
Providing training and development	Percentage of employees trained by gender	Male	43	47	%
		Female	57	53	%
	Percentage of employees trained by employee category	Restaurant employees	96	97	%
		Restaurant managers	1	1	%
		Headquarters functional staff	3	2	%
	Average training hours by gender	Male	854.96	319.03	Hour
		Female	1,003.66	271.97	Hour
	Average training hours by employee category	Restaurant employees	1,404	/	Hour
		Restaurant managers	350.62	44.62	Hour
Headquarters functional staff		104	11.67	Hour	
Supply chain management	Total number of suppliers (excluding overseas)		2,128	2,070	Unit
	Number of suppliers by geographical region	Chinese mainland	1,762	1,746	Unit
		Hong Kong, Macau and Taiwan regions of China	366	324	Unit
	Number of suppliers exiting cooperation due to environmental and social risks during the reporting period		44	16	Unit
Number of regional warehouse laboratories with testing capabilities nationwide		38	34	Unit	
Product responsibility	Percentage of products sold or shipped subject to recalls for safety and health reasons		0	/	%
	Number of product/service-related complaints received		55,397	102,312	Case
	Complaint resolution rate		100	100	%
	Customer service positive feedback rate		99.58	99.51	%
	Customer satisfaction rate		92.22	93.07	%
	Newly granted patents during the year		4	19	Case
Total intellectual property rights at year-end		1,320	778	Case	
Anti-corruption	Number of concluded legal cases regarding corrupt practices brought against the Company or its employees during the reporting period		3	0	Case
	Total number of participants in anti-corruption training		1,264,287	633,191	Person-time
	Number of management personnel participating in anti-corruption training		72,000	22,364	Person-time
Number of employees participating in anti-corruption training		1,192,287	610,827	Person-time	
Community investment	Charitable donation amount		8.62	5.52	RMB1 million
	Number of volunteer and public welfare activities		3,460	1,885	Event

Economic and Governance Performance

Aspect	Indicator	FY 2025	FY 2024	Unit
Operation	Operating revenue	43,225.36	42,754.69	RMB1 million
	Total number of existing self-operated restaurants in the Greater China region	1,304	1,355	Unit
	Number of franchised restaurants in the Greater China region	79	13	Unit
	Total number of Haidilao restaurants in the Greater China region (including franchised)	1,383	1,368	Unit
	Number of Haidilao restaurants in the Chinese mainland (including franchised)	1,360	1,345	Unit
	Number of Haidilao restaurants in Hong Kong, Macau, and Taiwan regions of China	23	23	Unit
	Total number of customers served by self-operated Haidilao restaurants in the Greater China region during the year	384	415	million person-time
Corporate governance	Number of directors	13	12	Person
	Number of female directors	4	2	Person



Appendix II Index of Environmental, Social and Governance Reporting Code of the Hong Kong Stock Exchange

Main scope	Description	Relevant chapters
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Pursuing Green Operation
A1.1	The types of emissions and respective emissions data.	Appendix I KPI Tables
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I KPI Tables
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I KPI Tables
A1.5	Description of emission target(s) set and steps taken to achieve them.	Pursuing Green Operation
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.	Pursuing Green Operation
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Pursuing Green Operation
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix I KPI Tables
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix I KPI Tables
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Pursuing Green Operation
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Pursuing Green Operation
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Appendix I KPI Tables

Main scope	Description	Relevant chapters
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Pursuing Green Operation
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Pursuing Green Operation
B. Social		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Adhering to Compliant Employment Protecting Employee Rights
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Appendix I KPI Tables
B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix I KPI Tables
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix I KPI Tables
B2.2	Lost days due to work injury.	Appendix I KPI Tables
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Empowering Employee Development
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix I KPI Tables
B3.2	The average training hours completed per employee by gender and employee category.	Appendix I KPI Tables



Main scope	Description	Relevant chapters
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Adhering to Compliant Employment
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Adhering to Compliant Employment
B4.2	Description of steps taken to eliminate such practices when discovered.	Adhering to Compliant Employment
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Co-building a Responsible Supply Chain
B5.1	Number of suppliers by geographical region.	Co-building a Responsible Supply Chain
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Co-building a Responsible Supply Chain
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Co-building a Responsible Supply Chain
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Co-building a Responsible Supply Chain
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Focusing on Food Safety Driving R&D and Innovation Safeguarding Consumer Rights
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Focusing on Food Safety
B6.2	Number of products and service related complaints received and how they are dealt with.	Crafting Thoughtful Service
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Rights Protection
B6.4	Description of quality assurance process and recall procedures.	Focusing on Food Safety
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Safeguarding Consumer Rights

Main scope	Description	Relevant chapters
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Business 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.	Business Ethics
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Ethics
B7.3	Description of anti-corruption training provided to directors and staff.	Business Ethics
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Empowering Community Development
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Empowering Community Development
B8.2	Resources contributed (e.g. money or time) to the focus area.	Empowering Community Development



Climate-Related Disclosures	Relevant chapters
Governance	
Skills and competencies of the governance body at Board level	Climate-related Governance
Methods and frequency of information acquisition of the governance body at Board level	Climate-related Governance
Oversight activities of the governance body at Board level	Climate-related Governance
Roles and responsibilities of management	Climate-related Governance
Strategy	
Climate-related risks and opportunities	Climate Change Strategy
Business model and supply chain	Climate Change Strategy
Strategy and decision-making	Climate Change Strategy
Financial position, financial performance and cash flows	Climate Change Strategy
Climate resilience	Climate Change Strategy
Risk Management	
Identification, assessment, prioritization and monitoring of climate-related risks	Climate Risk Management
Identification, assessment, prioritization and monitoring of climate-related opportunities	Climate Risk Management
Integration of climate-related risks and opportunities into the overall risk management process	Climate Risk Management
Metrics and Targets	
Greenhouse gas emissions	Metrics and Targets
Climate-related transition risks, climate-related physical risks, climate-related opportunities, and capital deployment	Climate Change Strategy
Internal carbon prices	Not applicable
Remuneration	Not applicable
Industry-based metrics	Not applicable
Climate-related targets	Metrics and Targets

