

2025

ANNUAL REPORT

Environmental,
Social and
Governance
(ESG) Report

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集团

BUTONG
GROUP
6090.HK

Incorporated in the Cayman Islands with limited liability

Stock Code: 6090

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1 About This Report

(1) Report Overview

This Report is the 2025 Environmental, Social and Governance Report (the “ESG Report” or the “Report”) published by Butong Group (the “Group,” “Company,” “we,” or “us”). It aims to present the strategies, management approaches, and practices of the Group and its subsidiaries included in the scope of the annual report (collectively, “Butong Group”) in relation to environmental, social, and governance matters.

(2) Reporting Period

This is an annual report covering the period from January 1, 2025 to December 31, 2025. To enhance comparability and forward-looking disclosure, certain content extends beyond the Reporting Period.

(3) Reporting Scope

This Report is prepared with “Butong Group” as the reporting entity. Unless otherwise specified, the organizational scope of this Report covers Butong Group and its subsidiaries (for details, please refer to the Butong Group 2025 Annual Report).

(4) Basis of Preparation

This Report has been prepared in compliance with the requirements of Appendix C2 “Environmental, Social and Governance Reporting Code” of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (《香港联合交易所有限公司证券上市规则》附录C2《环境、社会及管治报告守则》). It also references the United Nations Sustainable Development Goals (SDGs), the GRI Standards issued by the Global Sustainability Standards Board (GSSB), and the industry standards issued by the Sustainability Accounting Standards Board (SASB). Content related to climate change response refers to the International Financial Reporting Sustainability Disclosure Standard No. 2 (IFRS S2) – Climate-related Disclosures (《国际财务报告可持续披露准则第2号 (IFRS S2) 一气候相关披露》), the Guidance on Climate Disclosures (《气候信息披露指引》) of The Stock Exchange of Hong Kong Limited, and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

(5) Reporting Principles

This Report adheres to the principles of “materiality,” “balance,” “quantification,” and “consistency.”

Materiality: We have identified and assessed key ESG issues that are material to both internal and external stakeholders. For details of the materiality assessment process and results, please refer to “Material Issues and Stakeholder Engagement.”

Balance: This Report presents our performance in areas such as environment, employees, supply chain, products and services, and the community in an unbiased manner.

Quantification: We have performed statistical analysis on quantitative key indicators across environmental, social, and governance categories, which are summarized and disclosed in this Report. For calculation methods, reference standards, and parameters of the quantitative ESG data in this Report, please refer to each chapter.

Consistency: This Report is the first ESG report we have released. The preparation methods for subsequent reports will remain consistent with this Report. Should there be any changes in preparation methods in the future, supplementary explanations will be provided in the report.

(6) Data Sources and Reliability Assurance

All information and data cited in this Report are derived from official documents, statistical reports, financial reports, and other relevant documents of the Group, as well as internal data and public information from various functional departments and business units that have been counted, summarized, and reviewed by the Group. Furthermore, to ensure the completeness and continuity of the illustrations, we have reviewed and extended certain contents under specific topics. Unless otherwise specified, all monetary figures involved in this Report are denominated in Renminbi (RMB). In case of any discrepancies between the financial data and the annual report, the annual report shall prevail. This Report has been reviewed by the Board of Directors and was approved for publication on April 27, 2026.

(7) Definition of Terms

For ease of reference, “Butong Group” may be referred to in this Report as the “Group,” “Company,” “we,” or “us.” The full name of certain subsidiary mentioned in this Report is as follows:

BeBeBus Factory: BeBeBus Safety Technology (Ningbo) Co., Ltd.

(8) Access to the Report

This Report is published in electronic form. You may download the electronic version from our website (www.butong.com) to access more information about the Group. Should you have any questions or suggestions regarding this Report, please email us at ir@butong.com or call 400-133-8081.

2 Board Statement

The Board of Directors (the “Board”) of Butong Group has always regarded ESG matters as key factors affecting the sustainable development of the Group and has accorded them high importance. The Board strictly complies with the guidelines and regulatory requirements of The Stock Exchange of Hong Kong Limited in relation to ESG reporting, and continuously promotes the optimization of ESG management mechanisms and the enhancement of governance systems, with a view to establishing an ESG governance framework that is aligned with the Group’s development strategy.

As the highest decision-making body responsible for ESG matters, the Board assumes ultimate responsibility for ESG management of the Group. The Board coordinates the advancement of the Group’s overall development plans and ESG objectives, and regularly reviews external industry trends, regulatory developments, and the status of internal management to ensure the effective implementation of ESG governance mechanisms and resource allocation.

During the Reporting Period, the Board actively participated in systematic and comprehensive stakeholder engagement initiatives organized by the Group, through which material ESG issues and their priorities were fully identified and assessed. This process resulted in the formulation of a materiality assessment matrix with guiding significance. For details, please refer to the section headed “ESG Governance” in this Report. The matrix provides a fundamental basis and directional guidance for the Group’s subsequent ESG strategic planning, resource allocation, and information disclosure.

This Report comprehensively and systematically discloses the progress and phased achievements of Butong Group in ESG-related work in 2025, and the contents of this Report have been formally reviewed and approved by the Board. Looking ahead, Butong Group will continue to uphold responsible and sustainable development principles, enhance its ESG governance practices, and respond to the expectations and concerns of stakeholders.

3 About Butong Group

(1) Company Overview

Butong Group (stock code: 6090) is an emerging global family technology lifestyle company serving premium households. The Company was successfully listed on the Main Board of the Hong Kong Stock Exchange on September 23, 2025.

In 2019, the Group launched its first brand "Bebabus", targeting high-net-worth "family CFO" consumers. Upholding the mission of "Empower innovation through AI to create differences," the Group is committed to original design, premium quality, aesthetic excellence, and advanced technology, delivering products with distinctive user value and refined, enjoyable experiences for global elite families.

Butong Group's product portfolio primarily covers four core scenarios: outing, sleeping, feeding, and hygiene and care. As of December 31, 2025, the Group had established cooperation with nine major e-commerce platforms across China. In addition to its official website, the Group operated a total of 18 self-operated online stores and 1 platform-operated online store. During the same period, the Group had 551 SKUs in total, including 331 SKUs of baby care products, reinforcing its solid position and strong performance in the family lifestyle sector.



(2) Corporate Culture

Our Mission

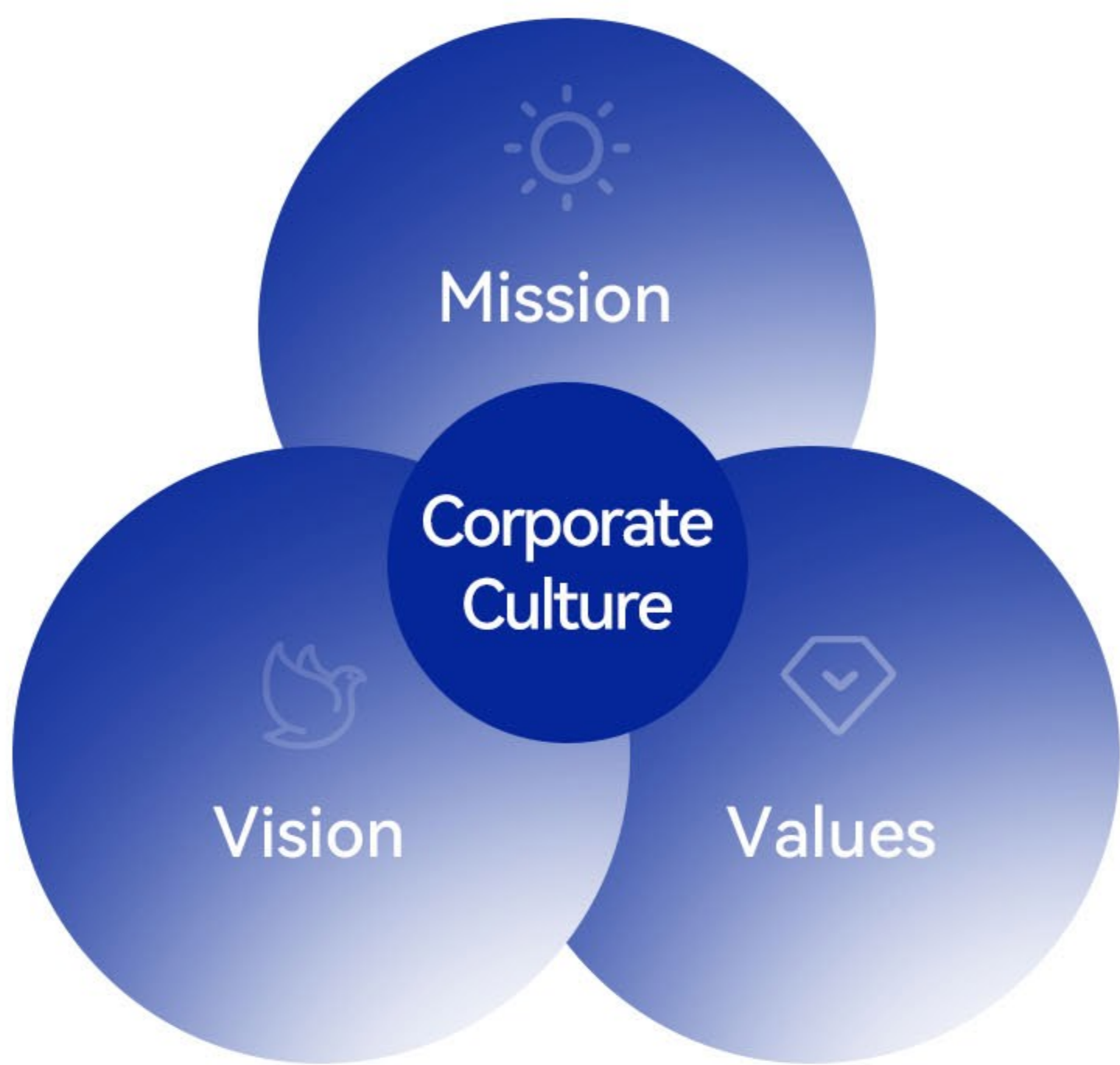
Empower innovation through AI to create differences

Our Vision

To become a global leader in AI-powered family lifestyle solutions

Our Values

User value comes first



In 2025, our development focused on seven core strategies: expanding global operations, continuously innovating and upgrading products, enhancing brand image, optimizing sales channels, strengthening digital operations, expanding in-house production capacity, and exploring strategic investments and acquisitions. Specifically, we will expand into major international markets, including Europe, North America, Japan, and South Korea, reaching overseas consumers through global e-commerce platforms such as Amazon. We also plan to establish offices in North America and joint ventures in Japan and South Korea to achieve localized distribution. At the same time, we continue to increase investment in research and development, expand technological capabilities, and strengthen its intellectual property portfolio. Flagship products are regularly upgraded to maintain market leadership, while the product portfolio is expanded to address a broader range of “family CFO” scenarios.

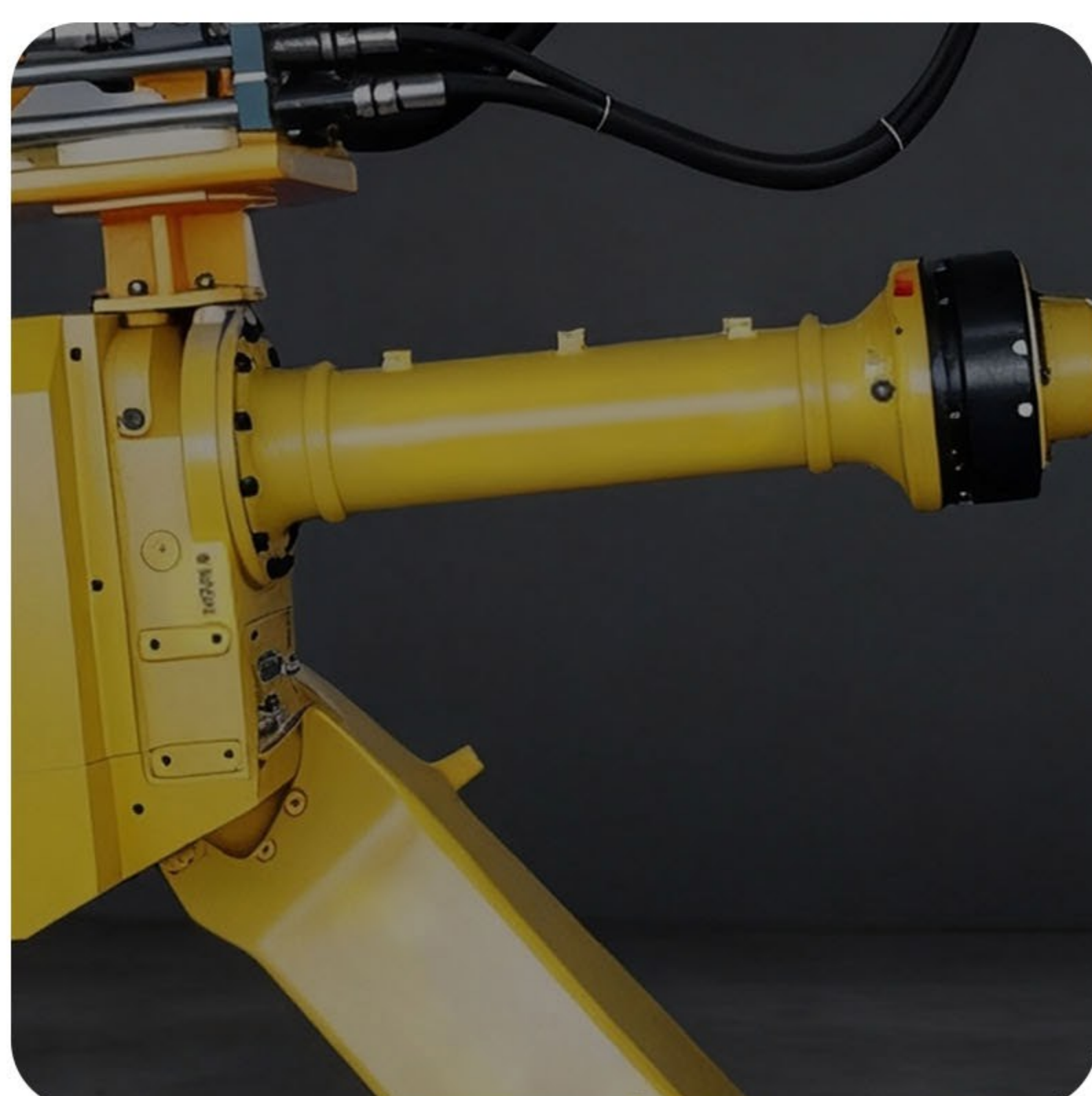




In terms of brand enhancement, the Company plans to establish partnerships with brands, intellectual property (IP) owners, and influencers to launch co-branded products, expand market reach and influence, refine marketing content, and tailor content for different sales channels and user segments. We also aim to strengthen its membership program and organize more offline events. In addition, we are committed to optimizing both online and offline sales channels in China by creating more engaging product-related content and expanding brand stores in premium shopping malls and high-traffic commercial areas.



In digital operations, we plan to invest in advanced hardware and recruit experienced technical professionals to integrate product development, sales, and operational processes. We will also upgrade our membership service system, leverage digital tools to build detailed user profiles, gain insights into consumption trends, and provide more precise services.



To meet growing market demand, we are further expanding our production capacity. A new manufacturing facility has been constructed in Ningbo, with new equipment introduced to upgrade production processes, ensuring high-quality manufacturing and improved efficiency. The new facility is expected to commence operations in the second half of 2026.

Finally, we will continue to explore investments in and acquisitions of brands with growth potential and synergies, thereby enhancing the competitiveness of our existing product portfolio. Through the implementation of these strategies, we will further consolidate our market leadership and drive sustainable growth.



In 2026, we will continue to adopt the mission of “Empower innovation through AI to create differences,” with a stronger focus on the application of AI technologies in family scenarios and the ambition to become a leader in artificial intelligence.

We plan to advance AI-driven upgrades across four core product categories: strollers, child safety seats, cribs, and high chairs. The target user group will expand from children aged 0–3 to those aged 3–12 and their families.



We will implement comprehensive digitalized and intelligent manufacturing at our new facility in Fenghua, Ningbo, and launch a range of AI-enabled products, including smart toothbrushes, smart hair dryers, and smart luggage. Through our globalization strategy, we will achieve full localization across supply chain, research and development, and markets, promoting the steady global expansion of consumer technology brands from China.

2025 Achievements

Honors and Awards in 2025

Participating unit in the formulation of Specification for Quality Traceability System of Maternal and Baby Products



Capsule Child Safety Seat 2025

Tmall Golden Baby Award Most Popular Travel Product of the Year



2025

TopKlout's New Brand of the Year in Social Influence



2025

Quality Brand Loved by Consumers Worldwide



2025

New Consumption Brand of the Year



2025

Best Brand Upgrade of the Year and New Brand Proposition:



"One Step Less, More Ease" 2025

Outstanding Enterprise Performance Award of the Year



2025

Global Expansion Brand of the Year and Value Leap Brand of the Year



2025

Council member of the Experience Management Professional Committee of the Shenzhen Experience Industry Association



2025

Shortlisted for the 2025 Recommended List of Upgraded and Innovative Products in China's Toy and Juvenile Products Industry



White Crib 2025

Shanghai Benchmark Enterprise for Fashion Leadership



2025

Most Popular Newly Listed Company Among Investors



2025

Annual IPO with Excellent Investment Value



2025

New Force Consumer Brand Value



2025

Best Industry Breakthrough Brand



2025

Outstanding Emerging Enterprise of the Year



2025

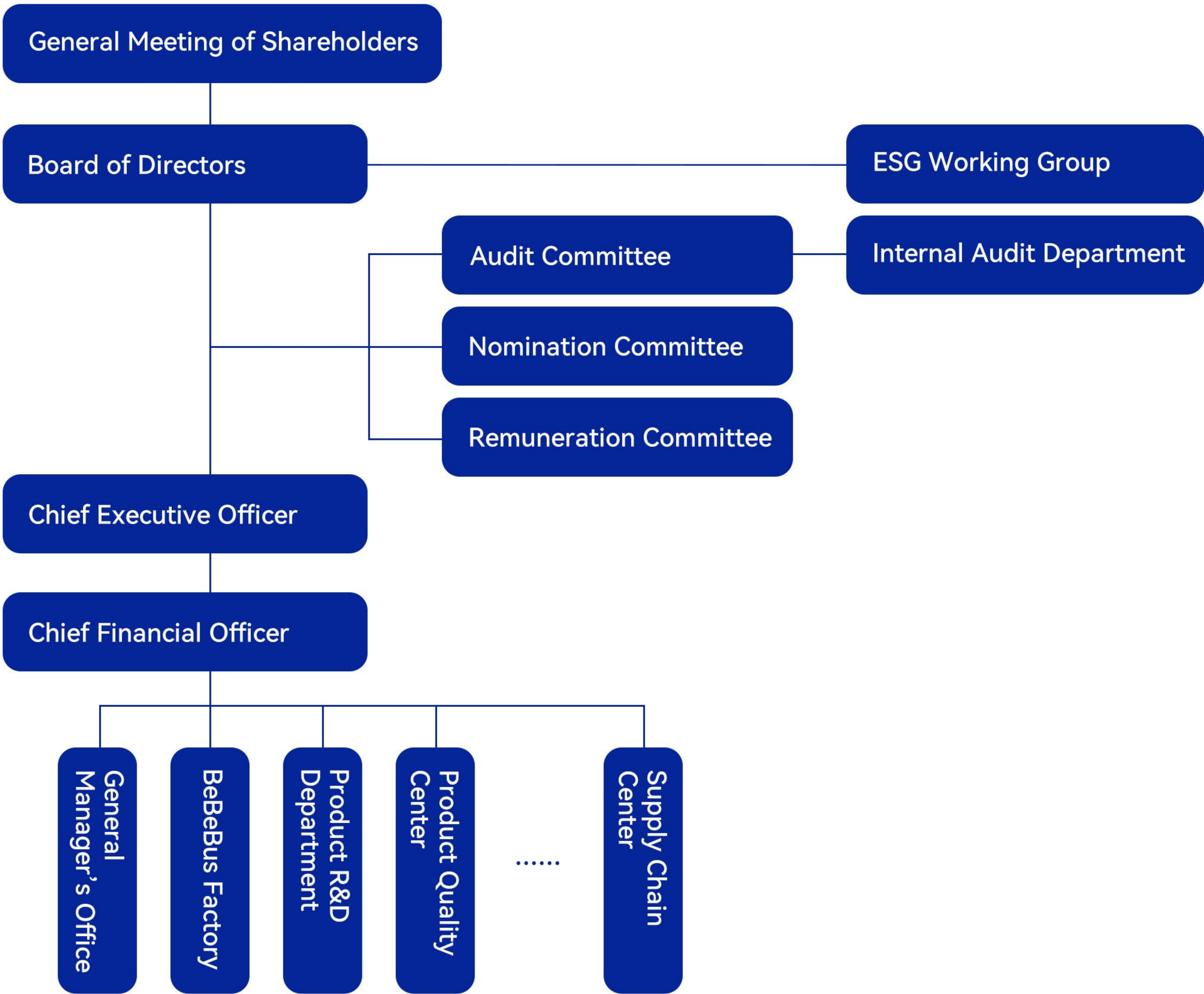
March	Recognized as New Brand of the Year in Social Influence Through sustained cultivation and content influence on platforms such as Xiaohongshu and Douyin, the brand received recognition from authoritative industry bodies, with its social media presence continuing to lead the sector.
April	The air cushion hip seat has been launched, featuring an industry first carrying technology that uses a Y shape design to relieve pressure. This technological innovation broke through the homogeneous competition in the industry, filled a market gap, and reinforced BeBeBus's brand label as a provider of "hard-core technology" products.
May	Recognized as New Consumption Brand of the Year The brand's deep investment in content marketing and key opinion leader ecosystems received industry recognition, extending brand influence from the product level to the content ecosystem. Recognized as a Quality Brand Loved by Consumers Worldwide The brand obtained quality certification at the international consumer level, providing important endorsement for its overseas expansion and globalization strategy. BeBeBus Korea, an associated company, was officially established in South Korea This accelerated the Group's globalization strategy with the formal establishment of a localized operating entity.
August	Seven products obtained carbon footprint certificates Actively responding to global ESG development trends, the Group took concrete action to put its commitment to sustainable development into practice, enhancing its compliance competitiveness in international markets.
September	BeBeBus made its debut at the Kind + Jugend trade fair in Cologne, Germany The Group took the stage at the world's most influential international trade fair for the juvenile products industry, showcasing the brand's product strengths and international vision to the global market. Butong Group was listed on the Main Board of the Hong Kong Stock Exchange This marked a major milestone in the Group's development. The Group officially entered the international capital markets and commenced a new phase of global capital operations leveraging the Hong Kong-listed platform.
October	Entered the premium maternal and infant market in South Korea Partnering with leading Korean juvenile products company SONOKONG, the Group accelerated brand penetration and commercial development in the South Korean market.
November	Entered the premium maternal and infant market in Japan This move further improved the Group's global footprint and enhanced the brand's international influence.
December	Dual endorsement from capital markets and industry The Group received multiple capital market awards including "Outstanding Emerging Enterprise of the Year" and "New Force Consumer Brand," with the brand's growth potential receiving widespread recognition.

01 Governance

1.1 Corporate Governance

In accordance with Appendix C2 “Environmental, Social and Governance Reporting Code” of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Company Law of the People’s Republic of China (《中华人民共和国公司法》), the Securities Law of the People’s Republic of China (《中华人民共和国证券法》), and the Articles of Association, the Group continuously optimizes its corporate governance structure. The Company’s highest authority is the general meeting of shareholders, which oversees the operation of the Board. As the core decision-making and supervisory body, the Board has established the Audit Committee, Nomination Committee, and Remuneration Committee, and oversees the ESG Working Group and the Internal Audit Department. The Internal Audit Department, under the professional guidance of the Audit Committee, performs independent internal audit functions. At the operational level, the Board delegates full responsibility for the Group's day-to-day management to the Chief Executive Officer (the "CEO"). All governing, decision-making, supervisory, and management bodies have clearly defined responsibilities and operate in a standardized manner to ensure the effective protection of the legitimate interests of the Group and its shareholders.

Corporate Governance Structure



Key Performance Indicators of Corporate Governance (During the Reporting Period)



1.1.1 Board of Directors

The Group has established a corporate governance structure centered on the Board to ensure professionalism and systematic decision-making. The Board has established the Audit Committee, Remuneration Committee, and Nomination Committee to collectively oversee and provide guidance on the Group’s strategy implementation and business operations. Details of the composition of the Board, the biographical details of directors, and the specific terms of reference of the Board and its committees are available on the Group’s investor relations website and the exchange’s website.

We fully take into account directors’ industry experience, educational background, and expertise to ensure that the Board meets requirements for independence and diversity. As of the end of the Reporting Period, the Board comprised six directors, including three independent non-executive directors and two female directors. Board members possess diverse professional backgrounds, including consumer brand positioning, sales and marketing, law, finance, and business administration, providing comprehensive professional support for the Group’s strategic planning and decision-making.

Responsibilities of Board Committees

Audit Committee	Nomination Committee	Remuneration Committee
Assists the Board in overseeing the financial reporting process, the effectiveness of internal control and risk management systems, supervises audit processes, and performs other duties delegated by the Board.	Reviews the structure and composition of the Board, assists in maintaining the Board skills matrix, assesses the independence of independent non-executive directors, and makes recommendations to the Board on director appointments.	Makes recommendations on the remuneration policies and structure for directors and senior management, determines specific remuneration packages, and reviews and approves performance-based remuneration plans.

1.1.2 Investor Relations Management and Information Disclosure

To regulate investor relations management and enhance investors’ understanding of and confidence in the Group, the Company has formulated the Information Disclosure Management Policy in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Securities and Futures Ordinance (《证券及期货条例》), the Companies Ordinance (《公司条例》), and the Articles of Association. This ensures standardized and rigorous information disclosure procedures. The policy strictly adheres to the principles of truthful, accurate, complete, and timely disclosure, ensuring that relevant information is made available to all investors. It enables the Group to disclose material information to the public, shareholders, and regulators in a timely, accurate, and complete manner within the framework of applicable laws and regulations, thereby safeguarding the interests of shareholders, particularly minority shareholders. In addition, to strengthen market capitalization management and protect the legitimate interests of the Group, investors, and other stakeholders, while aligning with regulatory requirements and focusing on value enhancement and shareholder returns, we have established the Market Capitalization Management Policy in accordance with relevant laws and regulations and the Articles of Association. We adopt a structure led by the Board, coordinated by the Company Secretary, and supported by all employees, with streamlined decision-making processes and clearly defined responsibilities. Through well-established information disclosure and market capitalization management mechanisms, the Group has enhanced transparency in communication and strengthened market understanding and confidence in its operations and financial performance. This ensures stakeholders’ right to information and fair treatment, and supports the Group’s long-term development.

Principles of Market Capitalization Management

Focus on intrinsic value enhancement

The Group adheres to a user-centric approach, formulates appropriate strategic plans, leverages resource advantages, builds a global operating system, and continuously enhances ESG performance to improve intrinsic value.

Promote alignment with investment value

The Group enhances transparency in information disclosure, provides stable expectations to the capital markets, strengthens global investor relations management, builds a high-quality investor base, and enhances international market recognition.

Adhere to compliance principles

The Group strictly complies with applicable laws, regulations, and exchange rules, and prohibits insider trading, market manipulation, and any other illegal activities that may disrupt market order.

Investor Communication Channels

- Online conference calls
- Meetings with specific investors and analysts
- Handling investor inquiries by telephone
- Targeted roadshows
- Investor reception meetings

Investor Relations Awards

Annual IPO with Excellent Investment Value



2025

New Force Consumer Brand



2025

Best Industry Breakthrough Brand



2025

Outstanding Emerging Enterprise of the Year



2025

Most Popular Newly Listed Company Among Investors



2025

Key Performance Indicators of Information Disclosure (During the Reporting Period)

Total number of announcements and non-announcement documents published online

20

1.2 Compliance and Risk Management

The Group regards compliance management as a key foundation for sound development and has established a comprehensive internal control system and risk management framework to ensure that all business operations comply with applicable external regulatory requirements. The Group is also able to identify and respond to potential risks in a timely manner, thereby laying a solid foundation for sustainable development and supporting steady progress in a complex operating environment.

1.2.1 Internal Control

We strictly comply with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and has formulated internal policies, including the Administrative Measures for Internal Control System Management, the Administrative Measures for Accountability and Improvement of Internal Control, the Administrative Measures for Internal Audit Supervision, and the Administrative Measures for Employee Rationalization Proposals. We have established a sound internal control system to standardize business operations, strengthen accountability at all levels, and ensure that each process complies with applicable laws and regulations. Through regular internal audits, we submitted and completed five audit projects to the Audit Committee during the year, covering key business areas such as sales, expenses, inventory, assets, and operations, and encompassing core subsidiaries of the Group. During the Reporting Period, no material deficiencies or non-compliance incidents were identified. All issues identified were communicated with the audited entities and rectified accordingly. These audit activities effectively supported the optimization of business processes and risk control, ensuring transparency and compliance in the Group’s operations.

1.2.2 Risk Management

We integrate risk prevention and control into all business processes. By establishing a “three lines of defense” framework, the Group has formed a dynamic closed-loop risk management system covering ex-ante risk identification, in-process control, and ex-post evaluation, creating a comprehensive and multi-layered risk prevention network to support the steady implementation of its strategy and sustainable business development.

(1) “Three Lines of Defense” for Risk Management



(2) ESG Risk Database and Risk Assessment

To effectively manage ESG-related risks, the Group has established an ESG Risk Database and developed risk assessment criteria. Through comprehensive identification of internal and external risks across environmental, social, and governance dimensions, the Group has adopted a hierarchical risk structure comprising “Level I–Level II–Level III” risks. For each risk, quantitative indicators, qualitative descriptions, responsible departments, internal control measures, and future improvement directions have been defined. In addition, ESG risks are assessed based on two dimensions: likelihood of occurrence and potential impact.

Key Performance Indicators of Risk Assessment (During the Reporting Period)

Risk Type	Number of Risks Assessed	Number of High (H) Residual Risks	Number of Medium (M) Residual Risks	Number of Low (L) Residual Risks
Governance Risk	13	1	5	7
Environmental Risk	16	3	5	8
Social Risk	17	0	2	15
Total	46	4	12	30

1.2.3 Compliance Management

In 2025, the Group conducted compliance management training for its management team. The training emphasized key policies, including the Anti-Corruption Programme – A Guide for Listed Companies and the Administrative Measures for Whistleblowing and Investigation Management, with the aim of enhancing risk management awareness among management.

The training covered compliance requirements related to anti-corruption and anti-bribery management, declaration of interests, and whistleblowing mechanisms. It also provided in-depth analysis from the perspectives of national policies and industry standards, and introduced the Group’s internal compliance framework and overall objectives. The importance of integrity and self-discipline was emphasized to foster a management team characterized by integrity and effective execution. Through the training, management gained a deeper understanding of compliance management and committed to integrating compliance principles into daily decision-making and operations, ensuring that the Group’s business develops in a compliant and sustainable manner.

Key Performance Indicators of Risk Management (During the Reporting Period)

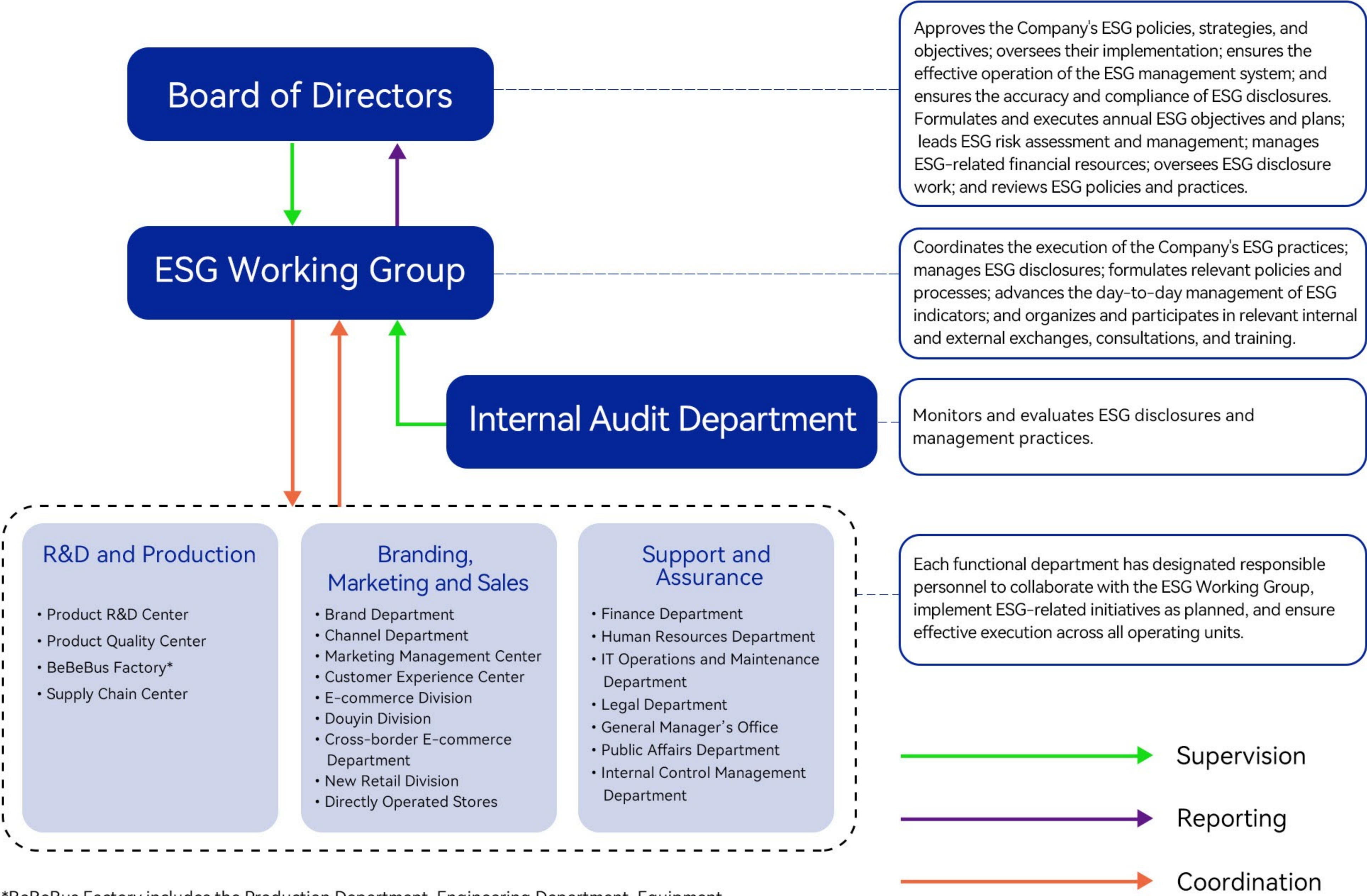


1.3 ESG Governance

We attach great importance to environmental, social, and governance (ESG) matters, covering areas including supply chain management, employee care, corporate governance, energy consumption control, and waste management. We have established specific performance targets based on historical performance levels and actively seek, where feasible, to support distributors, suppliers, and other business partners in enhancing their ESG standards. To ensure the effective implementation of ESG initiatives, we have established a clear and efficient ESG governance framework aimed at promoting effective management mechanisms, cross-functional collaboration, and robust oversight of sustainable business practices. Within the ESG governance structure, the roles and responsibilities of all positions are clearly defined, ensuring the establishment and effective operation of a sound oversight mechanism.

1.3.1 ESG Governance Structure

The ESG Working Group is responsible for implementing ESG-related initiatives within the Group. The Working Group comprises key functional departments involved in ESG management, with each department designating an ESG coordinator responsible for executing ESG tasks in accordance with the Group’s ESG strategy and disclosure requirements. Under the leadership of the head of the ESG Working Group, these coordinators implement ESG initiatives and report annually to the Board on the progress of ESG practices. In addition, we have strengthened ESG-related training for employees. During the Reporting Period, training was conducted on topics including chemical usage management, the ISO 14001 environmental management system, and the ISO 45001 occupational health and safety management system, enhancing employees’ ESG awareness and supporting the effective achievement of ESG objectives.



*BeBeBus Factory includes the Production Department, Engineering Department, Equipment Department, Quality Department, Logistics Department, Planning Department, and After-sales Department.

Key Performance Indicators of ESG Training (During the Reporting Period)

Number of ESG training sessions

3

1.3.2 Stakeholder Engagement

We have established policies including the Conflict of Interest Management Policy, the Information Disclosure Management Policy, the Administrative Measures for Employee Rationalization Proposals, and the Anti-Money Laundering and Counter-Terrorist Financing Management Policy. Through questionnaires, interviews, and seminars, we engage with key stakeholders—including employees, customers, investors, suppliers, communities, and regulators—to understand their concerns and expectations regarding ESG-related issues.

Stakeholders	Key Concerns	Communication Channels / Feedback Mechanisms
Government	• Compliance and risk management (compliance with laws and regulations and enterprise risk management) • Hazardous materials management (management, use, and disposal of hazardous materials) • Waste management (emissions, treatment, recycling, and reuse of waste gas, wastewater, and solid waste) • Greenhouse gas emissions (commitment to and actions on carbon reduction)	• Routine inspections and on-site assessments • Written explanations and reports • Meetings and discussions
Customers	• Product quality and safety (ensuring the safety and quality of products) • Customer service quality (service standards and customer satisfaction) • Customer privacy protection (measures to protect customer data privacy) • Information security and data protection (cybersecurity and data protection measures) • Consumer education (raising consumer awareness of product safety and sustainable consumption) • Responsible marketing (truthful and compliant marketing information)	• Daily business communication and feedback • Qualification reviews and on-site assessments • Industry exhibitions and trade fairs • Customer satisfaction surveys • Membership systems • Official WeChat account

Stakeholders	Key Concerns	Communication Channels / Feedback Mechanisms
Distributors	• Product quality and safety (ensuring the safety and quality of products) • Anti-corruption and business ethics (anti-corruption and anti-bribery policies and integrity in business conduct)	• Daily business communication and feedback • Written reports and emails • On-site assessments
Suppliers	• Product quality and safety (ensuring the safety and quality of products) • Anti-corruption and business ethics (anti-corruption and anti-bribery policies and integrity in business conduct) • Responsible procurement (supplier sustainability and ethical conduct, procurement of environmentally friendly raw materials)	• Daily business communication and feedback • Annual supplier evaluations • On-site assessments
Communities	• Community investment and support (community development, rural revitalization, and care for vulnerable groups) • Operational impact and safety (environmental and safety impacts of operations on local communities) • Information transparency and communication (timely response to community concerns and public disclosure of operational information)	• Community welfare activities • Complaint hotlines and emails • Official website and social media platforms
Shareholders	• Scientific research and innovation (driving technological and product innovation) • Board governance (Board diversity and independence) • Stakeholder engagement (communication and feedback mechanisms with investors, suppliers, customers, and others) • Internal audit and supervision (internal control and audit mechanisms)	• Announcements and press releases • General meetings of shareholders • Disclosure reports

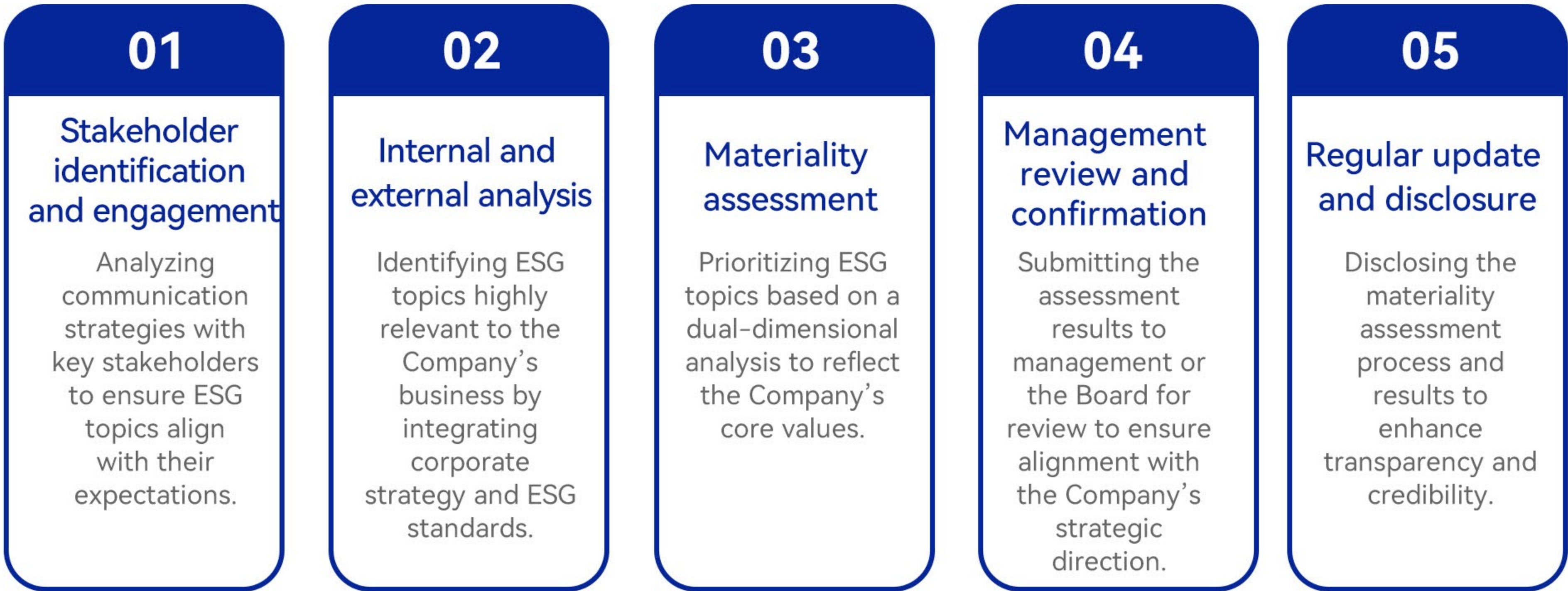
Stakeholders	Key Concerns	Communication Channels / Feedback Mechanisms
Employees	• Hazardous materials management (management, use, and disposal of hazardous materials) • Employee health and safety (providing employees with a healthy and safe working environment) • Employee rights (respecting employees' reasonable exercise of their rights and providing a diverse, equitable, and inclusive environment) • Employee training and development (providing employees with appropriate training and career development opportunities)	• Team-building activities and employee welfare events • Internal training and feedback • Employee interviews • Internal emails

1.3.3 Materiality Assessment Process

The Group closely monitors ESG rating indicators in the capital markets, while taking into account national policies, industry trends, and the Group’s development strategy to assess sustainability challenges. Based on this, the Group has established a structured mechanism for identifying material ESG topics. Through analysis and engagement with internal and external stakeholders, the Group identifies its annual material topics and develops a materiality matrix.

These topics cover environmental protection, social responsibility, and corporate governance, ensuring that the Group’s decisions and activities effectively respond to stakeholders’ expectations and needs. The establishment of the materiality matrix enables the Group to prioritize key areas of focus, improve resource allocation efficiency, and ensure the effective implementation of ESG initiatives, thereby supporting the achievement of its sustainability objectives.

Process for Identifying Material ESG Topics
alignment with the Company’s strategic direction.



- 1. Stakeholder Identification and Engagement: The Group engages with key stakeholders—including employees, customers, investors, suppliers, communities, and regulators—through questionnaires, interviews, and seminars to understand their ESG-related concerns and expectations.
- 2. Internal and External Analysis: The Group identifies ESG topics highly relevant to its business by considering corporate strategy, industry trends, regulatory requirements, and international ESG standards, including Appendix C2 “Environmental, Social and Governance Reporting Code” of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as well as GRI, SASB, and TCFD frameworks.
- 3. Materiality Assessment: Based on a dual-dimensional analysis of stakeholder importance and financial materiality, ESG topics are prioritized to ensure that key topics reflect the Group’s core values and sustainability impacts.
- 4. Management Review and Confirmation: The assessment results are submitted to the Board for review to ensure alignment with the Group’s strategic direction and to obtain management endorsement.
- 5. Regular Updates and Disclosure: The Group regularly updates its material ESG topics based on changes in the external environment, business adjustments, and stakeholder feedback, and discloses the assessment process and results in its reports to enhance transparency and credibility.

1.3.4 Materiality Matrix

ESG Materiality Survey

第一部分：受访者背景资料

请您先选择您的角色类别（请选择一项）：

- ☐ 股东（投资者）
- ☐ 员工
- ☐ 客户
- ☐ 政府/监管机构
- ☐ 供应商
- ☐ 合作伙伴
- ☐ 金融组织
- ☐ 社区公众
- ☐ 媒体
- ☐ 第三方评估机构
- ☐ 其他，请注明：_____

第二部分：您认为各议题对博造数据的重要程度

您根据每议题的重要性打分，评分标准如下：

- > 1分 - 不重要
- > 2分 - 略微重要
- > 3分 - 重要
- > 4分 - 非常重要
- > 5分 - 极为重要

环境议题

1. 温室气体排放（公司减少碳排放的承诺及实际行动）

☐ 1分 ☐ 2分 ☐ 3分 ☐ 4分 ☐ 5分

2. 产品碳足迹（产品在整个生命周期中的碳排放情况）

☐ 1分 ☐ 2分 ☐ 3分 ☐ 4分 ☐ 5分

环境、社会及治理（ESG）调查问卷

“ESG”是衡量企业是否具备足够社会责任感的重要社会、治理的财务绩效的企业评价标准。您可以通过企业在促进经济可持续发展、履行社会责任等方面的表现，提升 ESG 工作，需进一步了解以您作为利益相关者受到企业运营影响的机构、团体或个人）的角度来评估其运营发展比较重要，希望您能够积极配合填写本次调查。问卷内容不涉及任何个人信息等敏感信息；答案不分对错；调查结束后我们将于内部评估，并以此作为未来 ESG 管理的重要参考依据。用时约十分钟，我们将用心感谢您的声音。

博造数据的重要程度

支持 ESG 事业的大力支持！您的真实反馈是我们持续改

The ESG Working Group conducted comprehensive stakeholder identification and engagement. Stakeholders—including customers, employees, and suppliers—were invited to participate in surveys and interviews to score the importance of various ESG topics. At the same time, the ESG Working Group refined the assessment results through industry benchmarking and business analysis. The final materiality assessment results were then submitted to management for review and approval to ensure alignment with the Group’s strategic development direction.

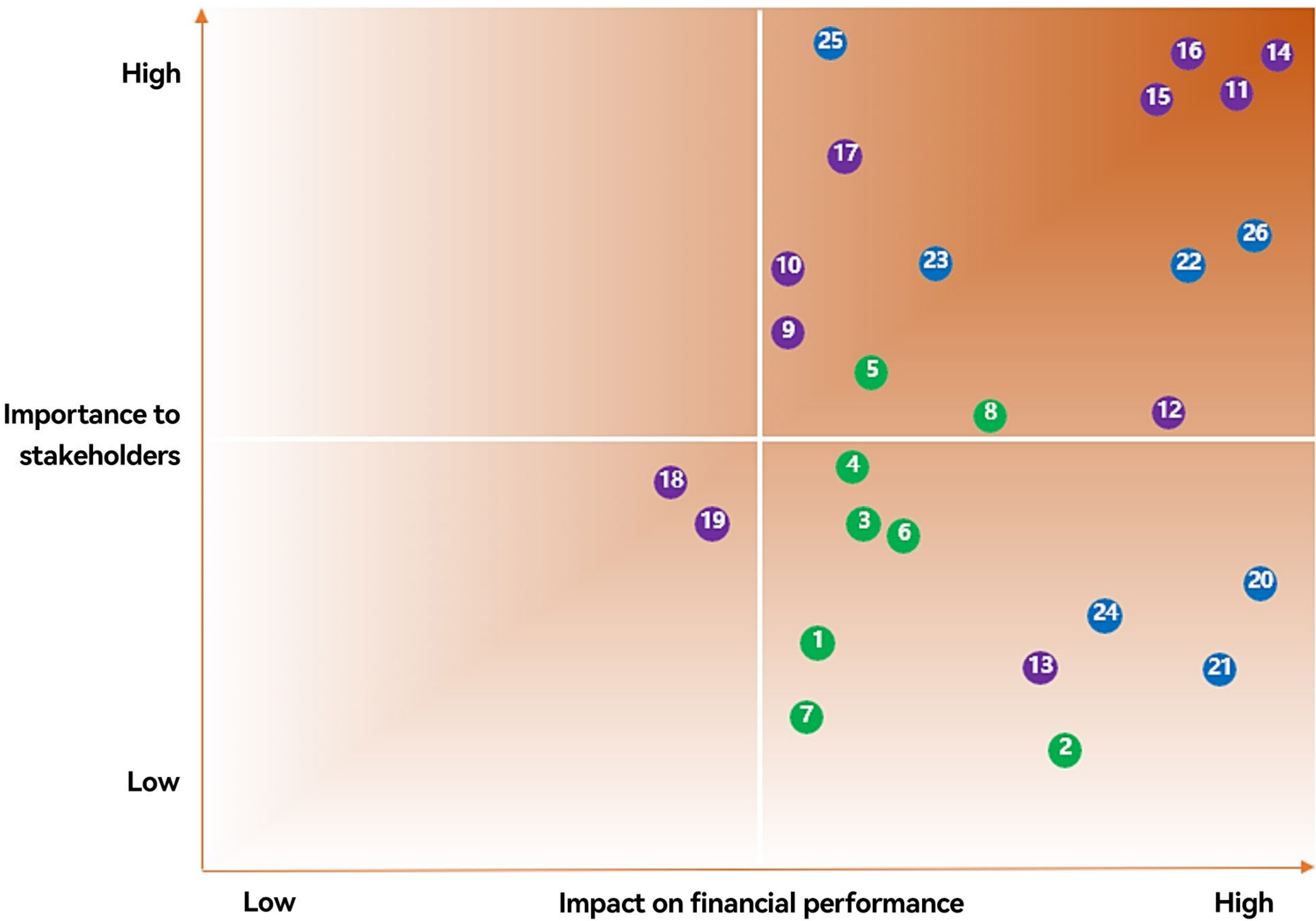
In 2025, the Group identified a total of **26** material ESG Topics, including **8** environmental Topics, **7** governance Topics, and **11** social Topics.

ESG Materiality Matrix

We identified and consolidated material ESG topics and, with reference to industry peers and internal priorities, developed a materiality matrix based on two dimensions: importance to stakeholders and impact on financial performance.

Environmental Topics	Social Topics	Governance Topics
1 Greenhouse gas emissions 2 Product carbon footprint 3 Energy management 4 Water resource utilization 5 Waste management 6 Packaging materials 7 Hazardous materials management 8 Climate change response	9 Employee rights 10 Employee training and development 11 Employee health and safety 12 Research and innovation 13 Consumer education 14 Product quality and safety 15 Customer service quality 16 Customer privacy protection 17 Responsible marketing 18 Responsible procurement 19 Community development	20 Board governance 21 Anti-corruption and business ethics 22 Compliance and risk management 23 Information flow and communication 24 Internal audit and supervision 25 Stakeholder engagement 26 Information security and data protection

* Topics presented in bold in the matrix are identified as key material Topics, as they are of high importance in both dimensions: importance to stakeholders and impact on financial performance.



1.4 Anti-corruption and Integrity

We are firmly committed to promoting anti-corruption and integrity, striving to foster a fair and transparent business environment. All business activities are conducted in accordance with the principles of transparency and integrity. Through strict compliance with applicable laws, regulations, and internal policies, we ensure fair competition among the Group, our partners, and suppliers. We oppose all forms of improper competition, strengthen internal discipline, and take a zero-tolerance approach to corruption, providing a fair and transparent platform for business cooperation.

1.4.1 Integrity Management System

We strictly comply with applicable anti-corruption and anti-bribery laws and regulations and have established the Anti-Money Laundering and Counter-Terrorist Financing Management Policy to regulate employee conduct and ensure integrity in operations. To further strengthen governance, we have implemented the Administrative Measures for Whistleblowing and Investigation Management, which explicitly prohibit employees from soliciting or accepting any benefits from companies or individuals that have or may have business relationships with the Group. Such prohibited benefits include commissions, rebates, loans, reimbursement of personal expenses, precious metals, luxury goods, or any other form of improper benefit transfer.

To strengthen integrity management with business partners, we require all partners to sign a Confidentiality Agreement, a Framework Cooperation Agreement, and a Commissioned Processing Contract. These agreements clearly stipulate obligations relating to confidentiality, conflict of interest, and anti-bribery compliance. They also define confidential information, conflicts of interest, and forms of commercial bribery, as well as reporting mechanisms. We have established a dedicated email channel to receive complaints from business partners and ensure strict confidentiality of all information providers and submitted materials. In the event of any misconduct by partners, including conflicts of interest, we reserve the right to terminate cooperation immediately and seek compensation, and may pursue legal liabilities where appropriate. Misconduct may also result in the partner being placed on a blacklist and permanently disqualified from future cooperation with the Group. The Group continues to promote integrity principles among its partners and advocates standardized management practices, aiming to build a fair, compliant, and integrity-driven business ecosystem based on mutual benefit.

1.4.2 Whistleblowing Mechanism

We take a zero-tolerance approach toward any misconduct that violates integrity principles and have established dedicated whistleblowing channels for internal and external stakeholders to report suspected fraud or misconduct. Reports may be submitted anonymously or with real-name identification through the following channels:

1. Email: jubao@bebebus.cn
2. Appointment-based reporting: contact the Internal Audit Department
3. Other appropriate channels as deemed suitable by the reporting party



We have established rigorous procedures for receiving and investigating reports, and reports may be submitted on either a named or anonymous basis. Whistleblowers' identities are strictly protected, and reports are required to be specific and supported by relevant evidence. We will take disciplinary action against malicious accusations or fabricated allegations. The Internal Audit Department is responsible for receiving and conducting preliminary investigations of reports, with findings reported directly to the Chairman. Investigation teams conduct inquiries in a confidential and impartial manner, and all relevant materials are properly retained. Any acts of concealing reports, obstructing investigations, or retaliating against whistleblowers will result in accountability being pursued against the individuals and responsible management.

1.4.3 Integrity Culture

All employees (including directors) are required to sign an Integrity Agreement upon onboarding, committing to comply with the Group's integrity and self-discipline requirements in all work and business activities. The agreement prohibits any form of improper benefit transfer, misappropriation of company assets, abuse of authority, false expense claims, and conflicts of interest. In addition, all employees receive onboarding training, during which the Human Resources Department communicates the Group's code of conduct and disciplinary policies.



In 2025, we conducted compliance training for management, focusing on integrity-related requirements and the potential consequences of violations. The training emphasized key policies, including the Anti-Corruption Programme - A Guide for Listed Companies and the Administrative Measures for Whistleblowing and Investigation Management, and incorporated case studies to enhance understanding of integrity requirements. Through these initiatives, employees' awareness of integrity and self-discipline has been further strengthened, and they have committed to integrating integrity principles into their daily work to uphold the Group's clean image and good reputation.

Key Performance Indicators of Anti-corruption (During the Reporting Period)

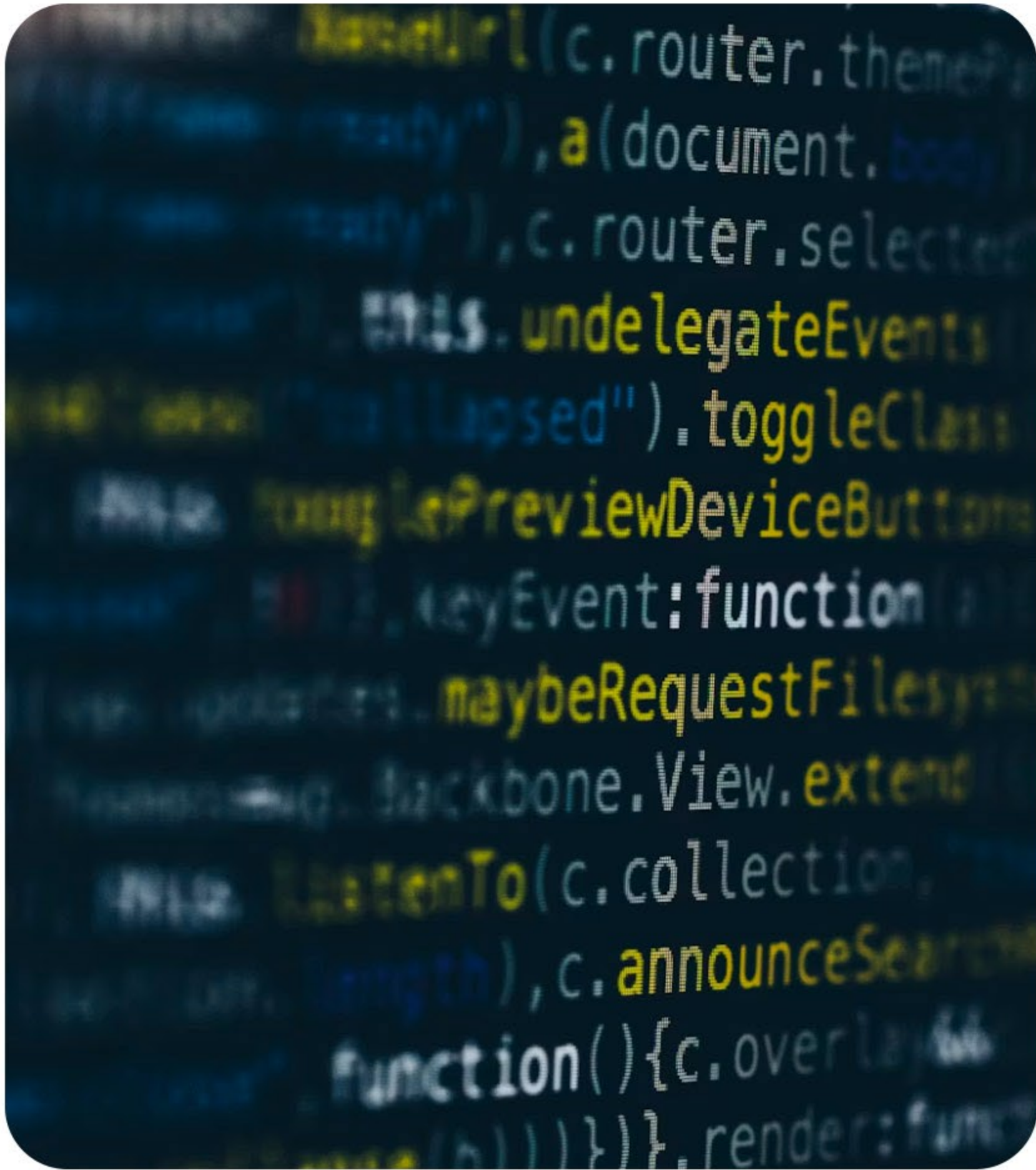


1.5 Data Privacy and Security

To safeguard information security, we have established policies including the Information Security Control Management Policy, Employee Computer Usage Management Policy, IT System Account and Access Rights Management Policy, IT System Change Management Policy, and Cybersecurity Training Management Policy. These policies form a comprehensive data security management system covering the entire data lifecycle, enabling a closed-loop approach encompassing risk prevention, process monitoring, and post-incident traceability. During the year, the BeBeBus App system completed a Level II Multi-Level Protection Scheme (MLPS 2.0) assessment, with results deemed compliant, demonstrating the effectiveness of the Group’s information security management practices.

1.5.1 Consumer Data Management

We collect consumer information only when necessary through mobile applications and private-domain platforms, in strict compliance with applicable data security laws and regulations. Advanced information security technologies, together with stringent access control and monitoring mechanisms, are implemented to ensure data integrity and security.



Data Protection Measures:

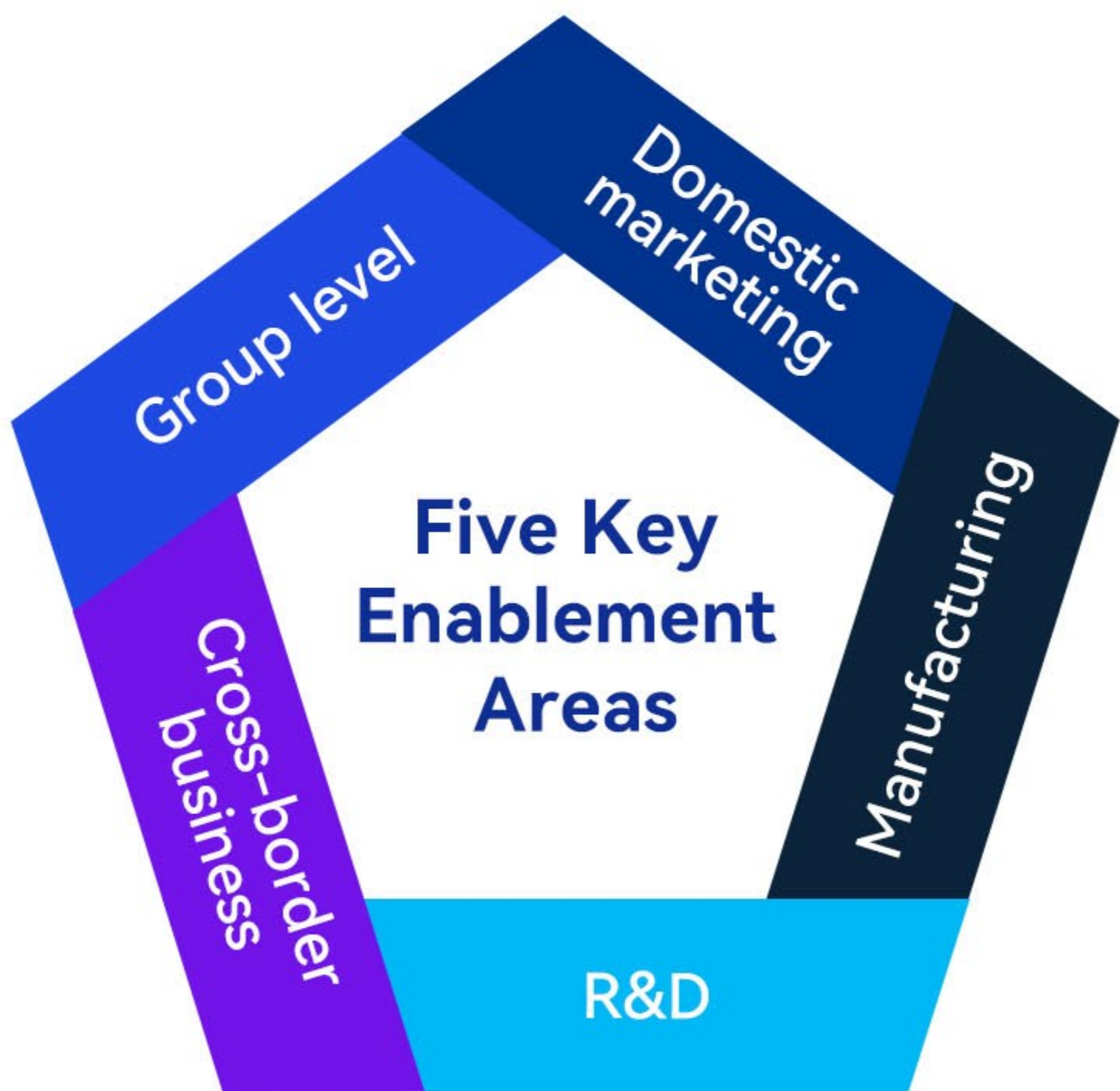
- o Strict compliance with data security and personal information protection laws and regulations
- o Adoption of data encryption and disaster recovery mechanisms
- o Implementation of robust access control and monitoring systems
- o Regular audits and training
- o Cloud servers equipped with advanced firewalls and disaster recovery systems



Third-party Management:

- o Data protection agreements are signed with third-party service providers (e.g., order management systems, logistics service providers, and third-party payment channels).
- o Customer information system providers are required to implement encryption, data masking, and secondary verification for personal and sensitive data.

1.5.2 Future Plans for Information Security



The Group will continuously adjust its information technology strategies in line with its business development strategy to address evolving information security challenges. Unbold the Group advanced its digitalization strategy across five key areas—Group-level operations, domestic marketing, manufacturing, R&D, and cross-border business—under the core theme of “empowering business through IT.” Through end-to-end digital upgrades, the Group enhanced coordination and operational efficiency across all business segments.

- Group level: Established an efficient data framework, completed the development of the corporate website and mid-office management system, achieved integration of business and finance systems, and strengthened information security defenses to improve overall operational efficiency.
- Domestic marketing: Focused on key account (KA) distributor management, implementation of traceability and anti-counterfeiting systems, and management of samples and branding expenses. Leveraged competitive data integration, AI-driven analytics, and automated performance calculations to support business growth.
- Manufacturing: Achieved refined management of equipment, laboratories, molds, and engineering change processes.
- R&D: Launched a proprietary app for smart safety seats and improved user experience and project management processes.
- Cross-border business: Advanced the development of overseas e-commerce integration platforms and independent websites to support global expansion.



2026

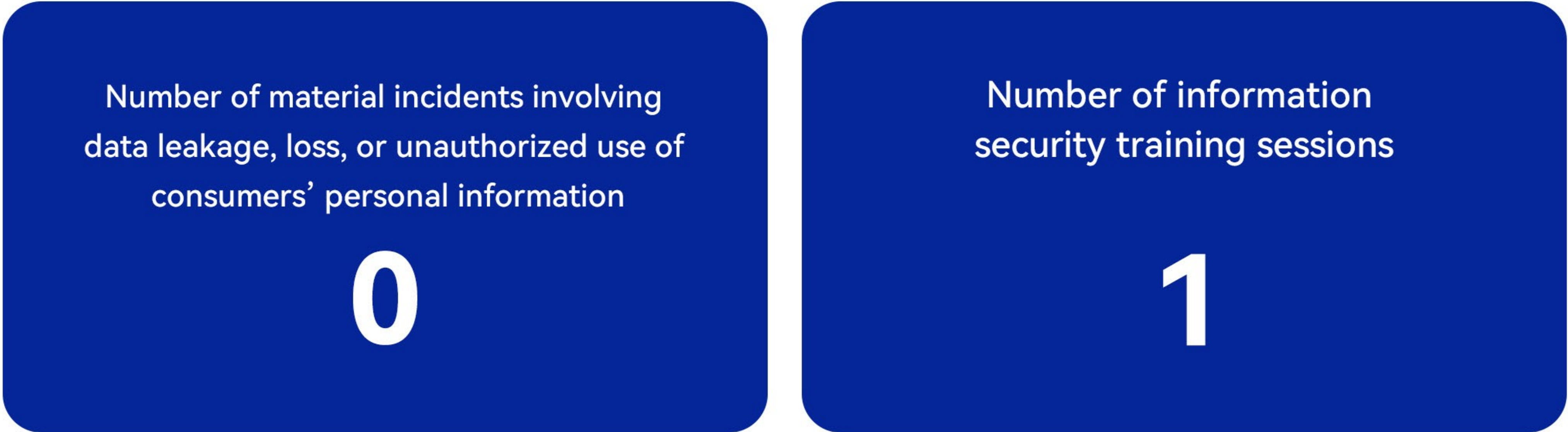
The Group will continue to take “empowering business through IT” as its core driver and further deepen its digitalization strategy across five key areas: Group-level operations, domestic marketing, manufacturing, R&D, and cross-border business. Through comprehensive digital upgrades across all dimensions, the Group will provide strong technological support for efficient collaboration and sustainable growth across its business segments.

- **Group level:** Continue optimizing the data framework and mid-office systems, promote integration of business and finance for new business lines, and enhance information security to further improve operational efficiency.
- **Domestic marketing:** Strengthen KA distributor management, advance traceability and anti-counterfeiting systems for new and large-scale products, and further optimize mid-office systems to enhance growth and efficiency.
- **Manufacturing:** Launch systems for automated warehousing, logistics, and workshop management, and fully integrate information systems across the new factory to enable end-to-end refined production management.
- **R&D:** Iterate proprietary applications, introduce e-commerce functionalities and expanded features for smart products, continuously enhance user experience, and improve end-to-end project management processes to drive product and service innovation.
- **Cross-border business:** Expand integrations with additional overseas e-commerce platforms, develop new independent overseas websites, and further integrate business and finance systems to support global operations.

Information Security Training

In 2025, we organized an information security training session for all employees. The training covered interpretation of information security policies, analysis of typical cases, and practical security recommendations. It also provided detailed explanations of relevant laws, regulations, and industry standards, clarifying the Company’s compliance requirements. By sharing real-world information security incidents, the training enhanced employees’ awareness of potential risks and provided practical measures to prevent data breaches and cyberattacks in daily operations. The training aimed to strengthen the overall information security management framework, enhance employees’ awareness, and collectively build a robust information security defense in the digital era.

Key Performance Indicators of Information Security (During the Reporting Period)



02 Product Quality and Innovation

2.1 Product Innovation



Based on our brand philosophy, we always take core user (“Family CFO”) insights as the starting point for original designs. We combine a minimalist, vibrant, creative, and uniquely recognizable modern aesthetic with experimental breakthroughs in materials, technological innovation, and structural craftsmanship. We create practical, thoughtful, and high-design maternal and infant products for children, centered on the “Four Essential Spine Protection Items” for newborns, covering four major scenarios: outing, sleeping, feeding, and hygiene and care. This approach enables us to stand out in the market and continuously drive forward our product development.

2.1.1 R&D Management

We have established a standardized R&D management system, supported by comprehensive policies and workflows aligned with business development needs. Through continuous investment in R&D and innovation, we deliver competitive, user-focused products and services, laying a solid foundation for long-term growth.



Product Development Team

Under the leadership of the founder, the Group has established an R&D department comprising multiple specialized teams dedicated to user research, industrial design, structural design, visual design, and molding engineering. As of December 31, 2025, the R&D department consisted of 100 employees, many of whom are senior industry professionals with extensive experience in product development. As of December 31, 2025, the Group had developed more than 50 new products.

Full Lifecycle of Product Development



- **User Research:** We analyze the entire lifecycle of parenting products—from delivery to daily use—focusing on user selection criteria, key memory points, core technologies, and applicable national, industry, and corporate standards to ensure high product standards.
- **Project Initiation:** Led by the founder and senior management, a cross-functional project committee reviews product requirement documents and conducts feasibility assessments. Upon approval, projects are initiated, with target market segments selected using the “5W” model.
- **Product Design and Evaluation:** Multidisciplinary teams oversee design and production, covering industrial design, structural design, AI-enabled electronics, mold validation, and pilot production verification to ensure high-quality products. Candidate products are evaluated using multiple criteria, and prototype models are developed for testing.
- **Product Testing and Iteration:** The Group leverages internal facilities to rapidly produce and test samples, conducting usability testing, mold evaluation, and gray-scale testing, collecting feedback, and making iterative improvements.
- **Commercialization:** Products that successfully pass testing proceed to small-scale production and initial market launch. Consumer feedback is continuously monitored to refine product functions before scaling up to mass production and sales.
- **Strategic Cooperation with Experts:** Since March 2023, the Group has partnered with Dymatic Chemicals to establish a joint laboratory focused on the development of cotton-based sleep products, enhancing product quality and streamlining production processes.

“5W”
Product
Framework

1

Why do customers choose our product among many alternatives?

2

What lasting impression do users retain after using our product?

3

What is the primary technology or feature of our product?

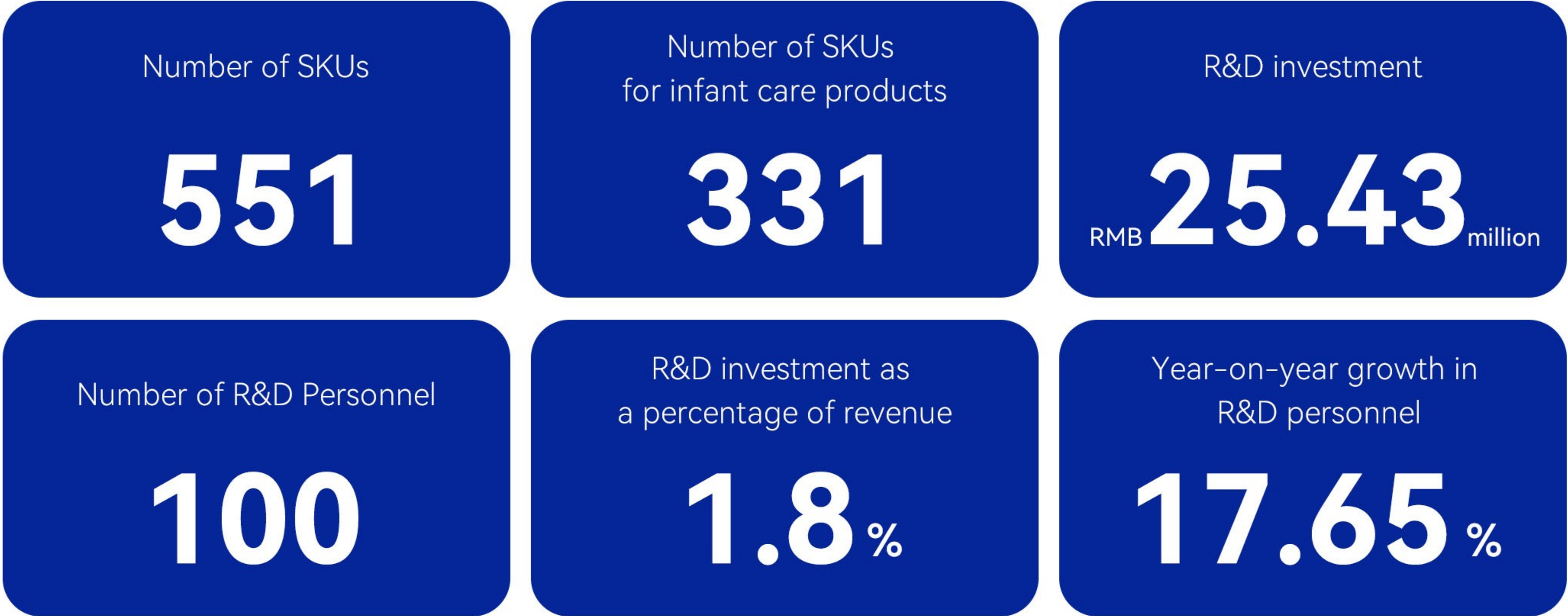
4

How can our product be promoted in one sentence?

5

What is the product’s defining nickname?

Key Performance Indicators of Product Innovation (During the Reporting Period)



2.1.2 Intellectual Property Management



The Group places great importance on the management of intellectual property (IP), including trademarks, patents, copyrights, and domain names. The Group holds three types of patents, namely invention patents, utility model patents, and design patents. To safeguard the Group’s trade secrets and legitimate rights and interests, and to ensure that proprietary business and technical information—such as technology development, technological innovation, intellectual property, and marketing resources—are protected from loss or infringement,

the Group has established the Intellectual Property Management Policy and the Confidentiality Management Policy in accordance with applicable laws and regulations and its operational needs. These policies ensure the effective management, maintenance, and protection of intellectual property in both domestic and overseas markets. Currently, the Patent Department is responsible for overseeing the Group’s intellectual property management, standardizing related processes and requirements, and providing relevant legal support. It is also responsible for the acquisition, maintenance, and protection of rights relating to trademarks, patents, and copyrights, as well as the acquisition and protection of domain name rights. The IT Operations and Maintenance Department is responsible for certain aspects of domain name maintenance and operation, including renewals, website development, and server configuration.

IP Infringement Management

The Group takes proactive measures to prevent and address intellectual property infringement and product counterfeiting. The Group maintains a high level of vigilance in monitoring counterfeit activities and works closely with distributors and other partners to identify suspicious products. Upon identification of counterfeit products, the Group will seek support from senior management and allocate resources to protect its rights and interests.



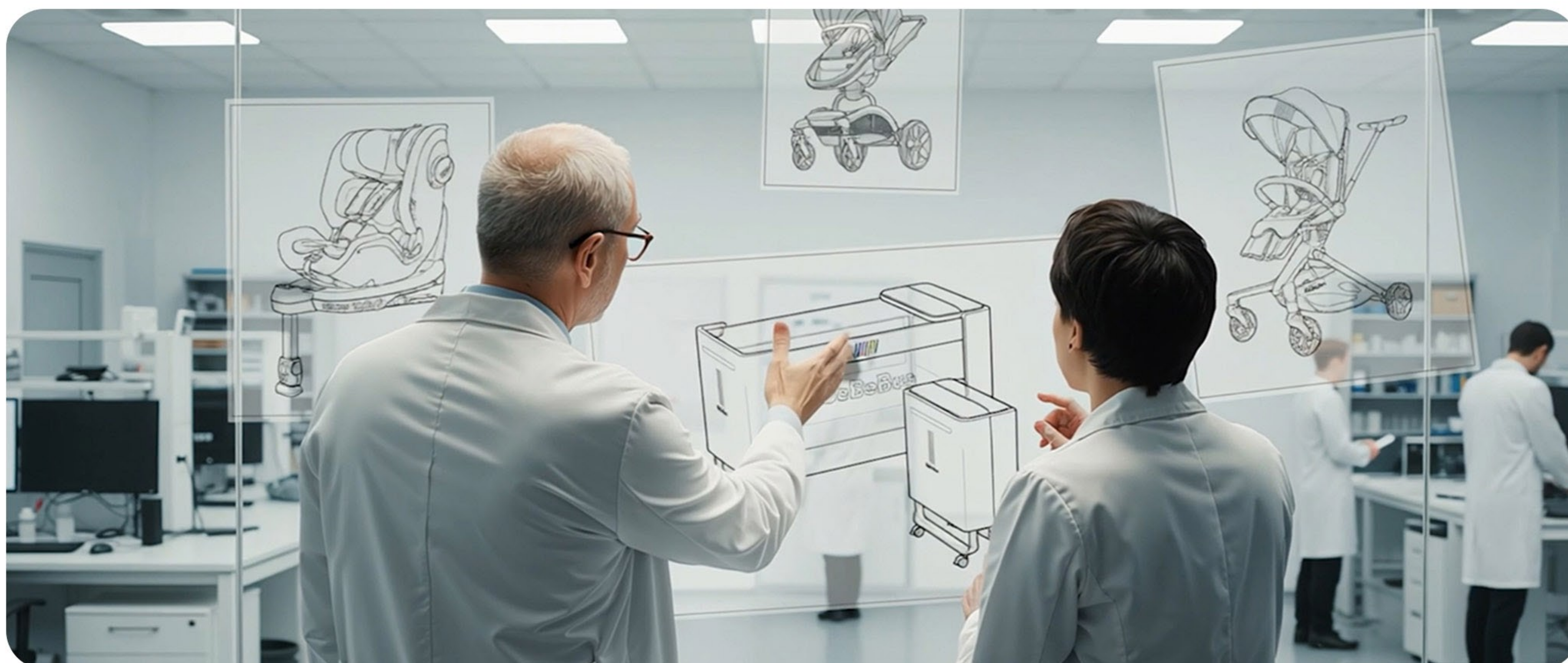
Key Performance Indicators of Product Innovation (During the Reporting Period)

Cumulative Intellectual Property Portfolio	Patents	Copyrights	Trademarks
Domestic	223	55	676
International	19	0	123

Newly Added Intellectual Property	Patents	Copyrights	Trademarks
Domestic/International	47	19	76

2.2 Product Quality and Service Management

2.2.1 Product Quality Management



We recognize that product quality is critical to long-term success. To this end, the Group conducts comprehensive testing and verification throughout the entire product lifecycle—from design and development to procurement, production, storage, and delivery—to ensure compliance with national standards and alignment with consumer expectations. Through stringent supplier selection, raw material inspection, production monitoring, finished product testing, and after-sales services, the Group has established a comprehensive quality management system to ensure consistent product quality.

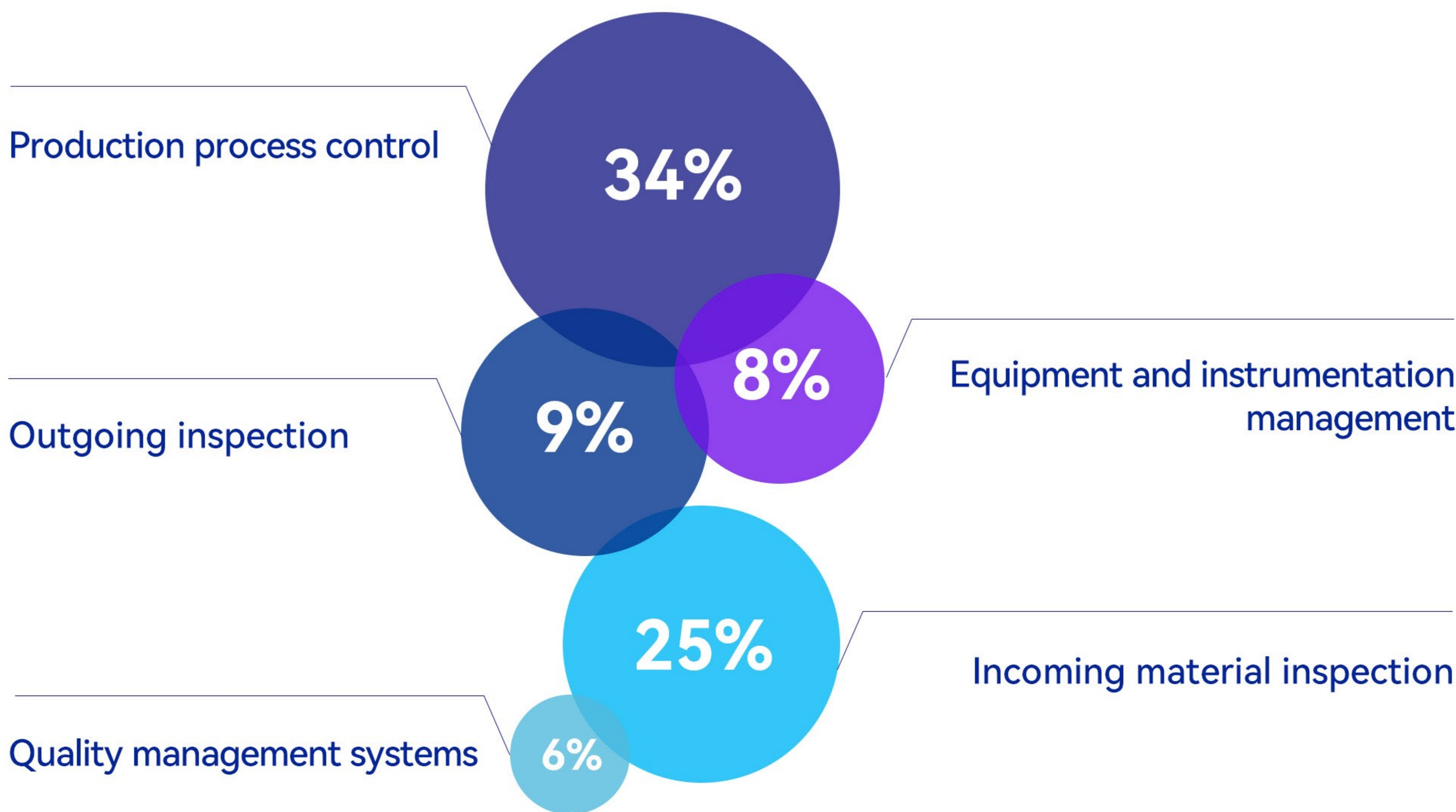
The Group has established dedicated quality control teams based at its manufacturing facility in Ningbo and its office in Shanghai. These teams are responsible for overseeing the Group’s overall quality strategy and minimizing deviations from established procedures. They also stay up to date with the latest standards and regulatory requirements to ensure ongoing compliance.

We have formulated comprehensive quality assurance policies and procedures, including the Product Inspection Control Procedures and the Non-conforming Product Control Procedures. Covering the full process—from supplier quality control to post-sale customer feedback collection, analysis, and product improvement—the Group strictly manages product quality. Annual KPIs are established for the quality department, broken down into monthly and quarterly targets, with departmental performance assessed on a monthly and quarterly basis to ensure that all standards are rigorously met.

Rigorous Supplier Selection and Evaluation

The Group has established strict supplier management policies, including the Supplier Management Policy for Products and Packaging Materials, the Supplier Management Policy for Warehousing and Logistics, and the Supplier Management Policy for Brand Promotion. These policies cover various categories of suppliers, including product and packaging, warehousing and logistics, and brand promotion. Through clearly defined responsible departments and approval procedures, all suppliers are admitted into the system only after passing qualification assessments. In addition, the Group conducts annual reviews of key suppliers and implements an elimination mechanism to ensure supplier quality and service standards, reduce the risk of business disruption, and maintain stable operations.

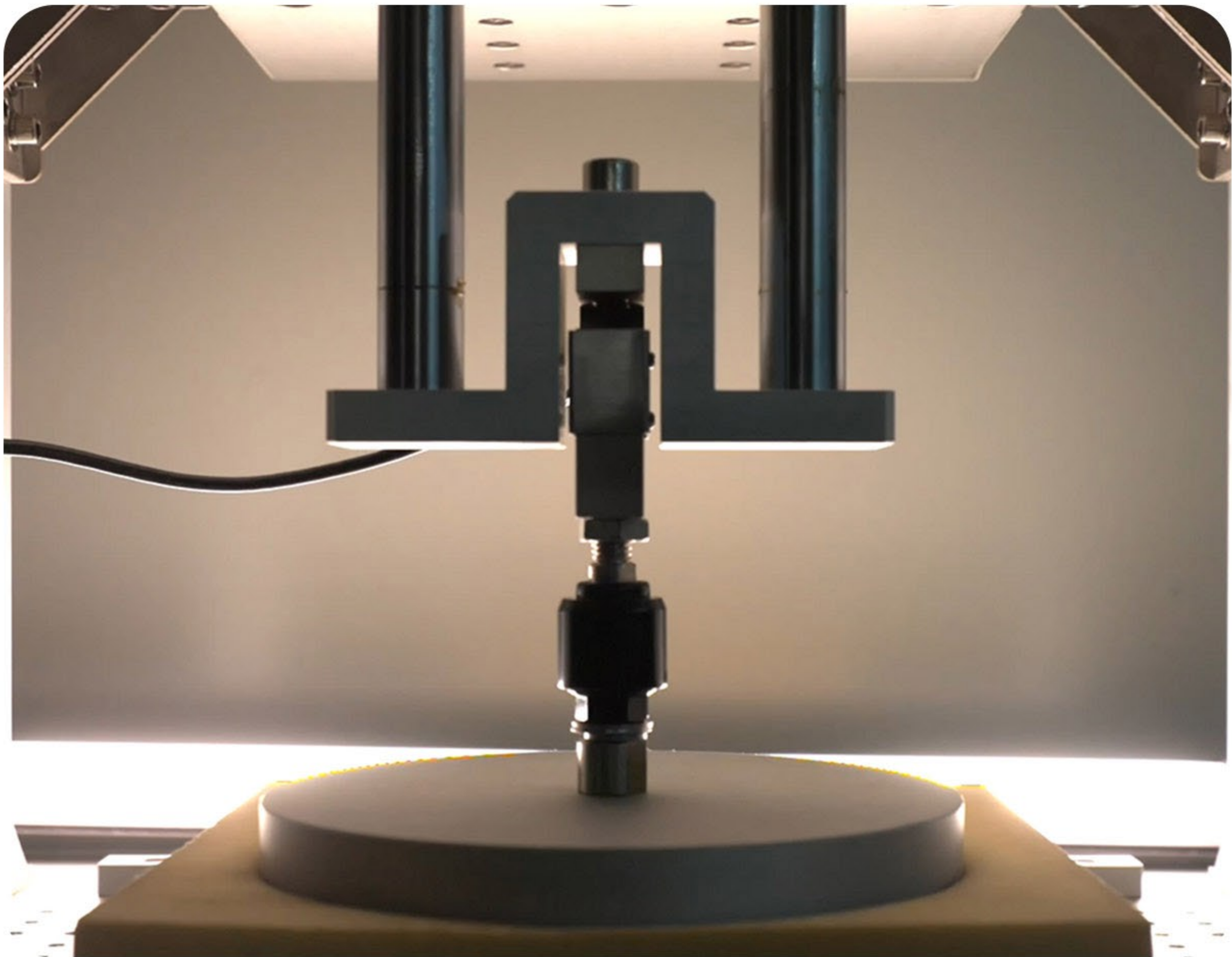
Supplier evaluation criteria and key weightings include:



Quality Control During Production

To maintain high quality standards during production, the Group has implemented detailed quality control procedures aimed at minimizing the risk of defective products entering the market. The Group’s Ningbo manufacturing facility has obtained IATF 16949 and ISO 9001 certifications, reflecting its commitment to the highest quality standards.

For products manufactured at the Ningbo facility, the Group conducts sampling inspections on all raw materials, work-in-progress, and semi-finished goods, and performs comprehensive inspections across each production line. For outsourced products, the Group works closely with third-party manufacturers, providing clear specifications and quality requirements. These manufacturers are subject to rigorous annual performance evaluations covering product quality, production efficiency, and delivery timelines.

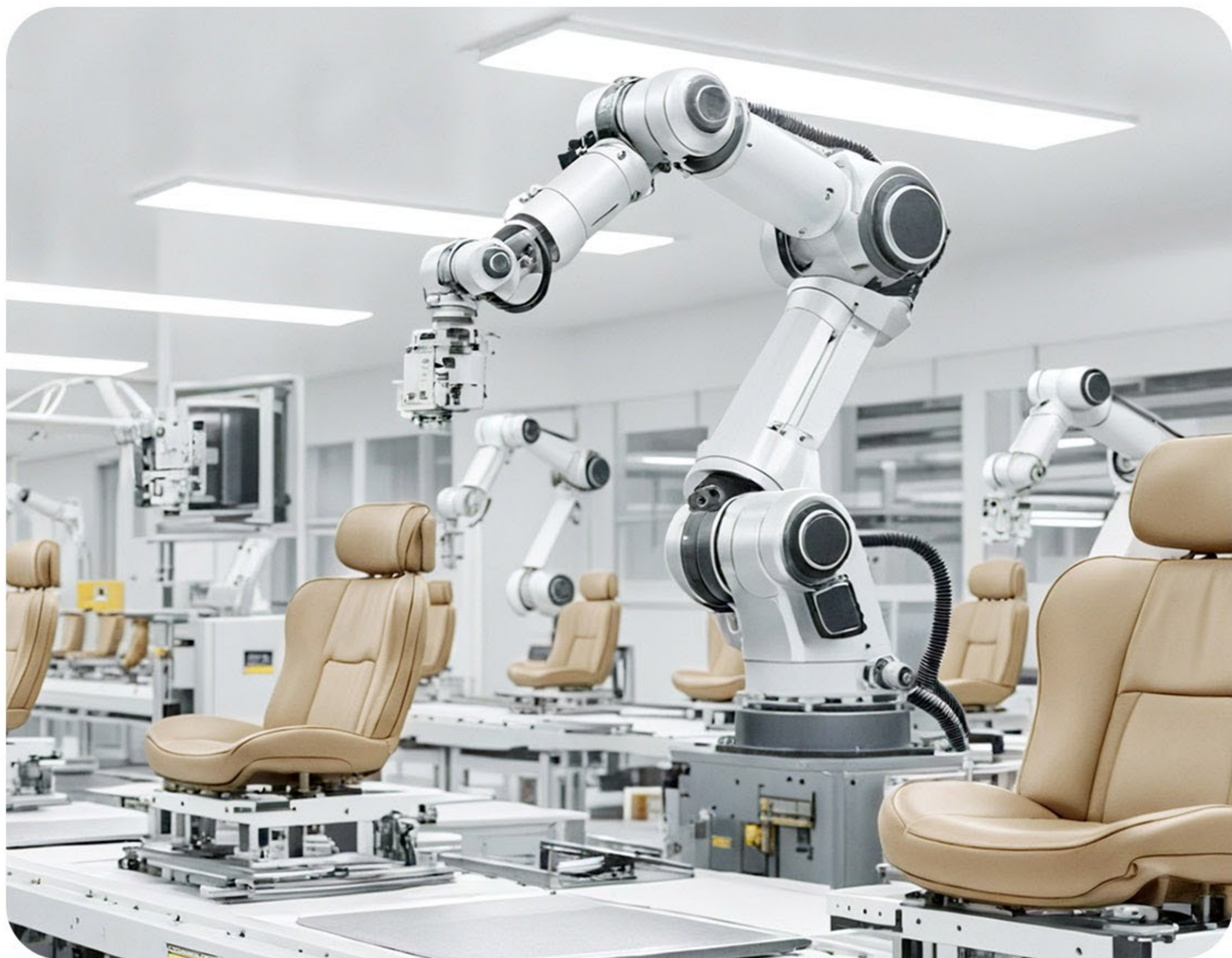


Finished Goods Inspection

Before products are released for sale, both the Group and independent third-party inspection agencies conduct sampling inspections. Defective products are subject to rework or destruction to prevent them from entering the market.

Product Recall

The Group has established product recall procedures for products already sold, in order to safeguard consumers’ legitimate rights and interests to the greatest extent possible. Within one hour of receiving product recall information, the quality engineer submits an Emergency Recall Request and freezes the relevant inventory; the recall process is formally initiated after review by the quality manager and approval by the general manager. Subsequently, the sales manager notifies customers to stop sales via email and phone within four hours and proceeds with the product recall. Manufacturers that fail to meet the Group’s standards, or that repeatedly exhibit quality issues without necessary improvement, will be removed from the approved supplier list.



Production Interruption

To effectively manage the risk of production disruptions, the Group has formulated the Production Interruption Management Policy. This policy establishes systematic emergency response measures to ensure rapid and effective responses to unexpected events—such as quality issues, equipment failures, power outages, supply chain disruptions, labor shortages, and IT security incidents—thereby minimizing potential losses.

Key Performance Indicators of Product Quality and Service Management



*The number of complaints represents the highest-level complaints, including posts on external platforms and complaints filed with regulatory authorities.

Suppliers	East China	South China	Central China	North China	Total
Number of Suppliers	133	30	3	1	167

2.2.2 Customer Service Management

The Group has established a “user-centric” service strategy. The brand’s target customers are quality-focused families who value premium products and personalized services. Our top priority is to deliver high-quality service and support across every customer touchpoint. Our commitment to customers is reflected in the support provided by in-house parenting experts, as well as our after-sales, delivery, and quality assurance services.



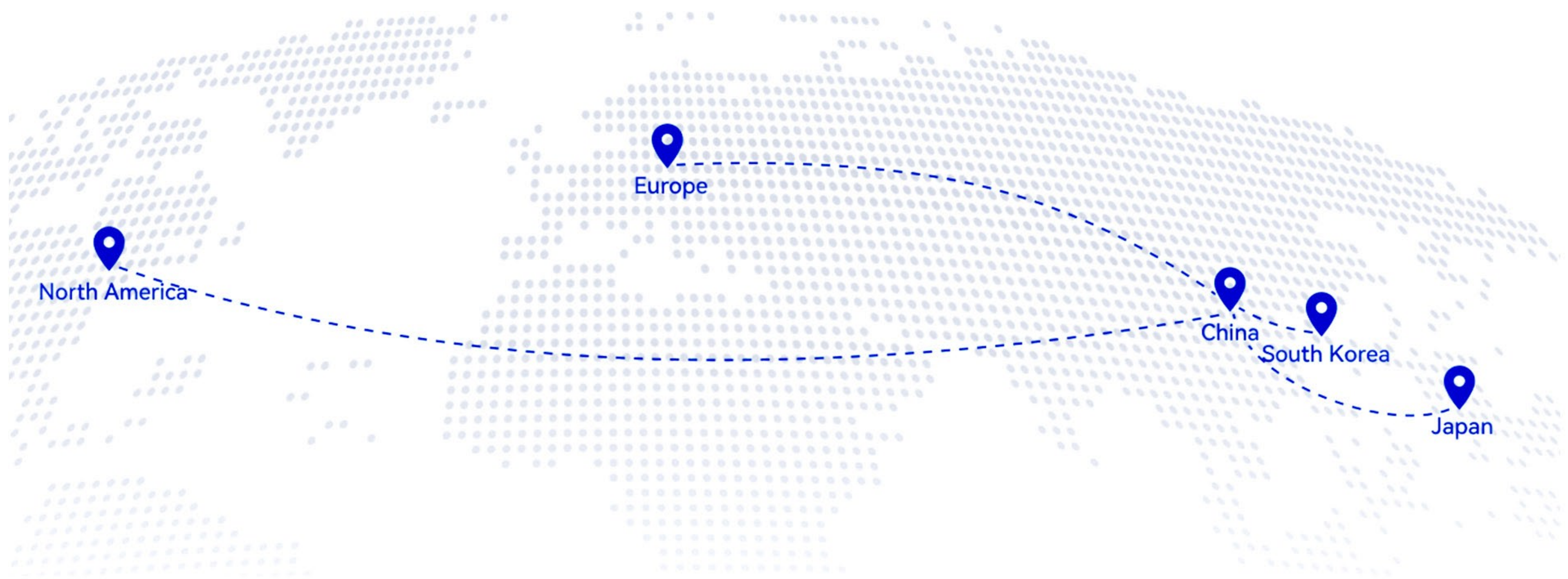
To refine our customer service management system, we have implemented a VIP service process for customers purchasing large items and standard operating procedures (SOPs) for chat service, and established dedicated quality inspection teams, a consultant grading system, and regular training programs. Each week, quality management personnel and team leaders conduct spot checks and scoring of consultant-customer communication records to ensure that satisfactory service and support are delivered to customers.

Customer Service
Parenting Consultant Services

To enhance customer experience and build brand loyalty, we have implemented a tiered membership program. Members earn points with each purchase and enjoy increasing benefits as they progress through membership levels. We also provide complimentary parenting consultation services to meet evolving childcare needs and support parents in addressing challenges they encounter in raising children. A dedicated team of more than 40 parenting experts has been established to provide professional guidance. Through the membership program, we strengthen engagement with consumers and gain deeper insights into their preferences and needs, supporting marketing optimization, product development, and sales growth.

Delivery Services

Reliable and timely delivery is a key component of the overall shopping experience. The Group partners with third-party logistics providers to deliver products purchased online. Through these partnerships, the Group has expanded its geographic coverage and is generally able to deliver products within seven days after an online order is placed.



After-sales Processing After-sales Services

We manage after-sales services for all products sold directly or through distributors, offering returns, exchanges, and repair services in compliance with applicable regulations. On major e-commerce platforms in the Chinese mainland (including official flagship stores on Tmall, JD.com, and Douyin), unused products can generally be returned within 15 days from the date of purchase (subject to intact packaging requirements for certain products). If packaging is damaged, customers may return products upon payment of a packaging fee. Defective products may generally be returned, replaced, or repaired within 30 days from the date of purchase. These services are available through authorized service centers or by mailing products to designated repair facilities. Mail-in repairs are typically completed within seven business days, with customer service teams providing updates throughout the process.





Warranty Policy

We provide limited warranties covering parts and labor. For child safety seats, the warranty period is up to seven years from the date of purchase. For other products, such as strollers, cribs, and high chairs, the warranty period ranges from one to two years. In international markets, including North America, Europe, Japan, and South Korea, the Group complies with local legal requirements mandating that manufacturers provide warranties within statutory periods. Most products sold in these markets carry a minimum warranty period of 12 months.

Quality Assurance by Third-Party Manufacturers

The Group’s agreements with third-party manufacturers include quality assurance provisions. Under these agreements, manufacturers are required to repair, replace, or accept returns of defective products to prevent non-compliant products from entering the market. In addition, manufacturers are required to compensate the Group for losses arising from material quality issues as defined in the agreements. In the event of quality issues, the Group reserves the right to “require immediate rectification or suspend cooperation” until the issue is resolved.

Key Performance Indicators of Service Management (During the Reporting Period)



*The number of complaints represents the highest-level complaints, including posts on external platforms and complaints filed with regulatory authorities.

03 People-Centered Approach for a Better Future Social

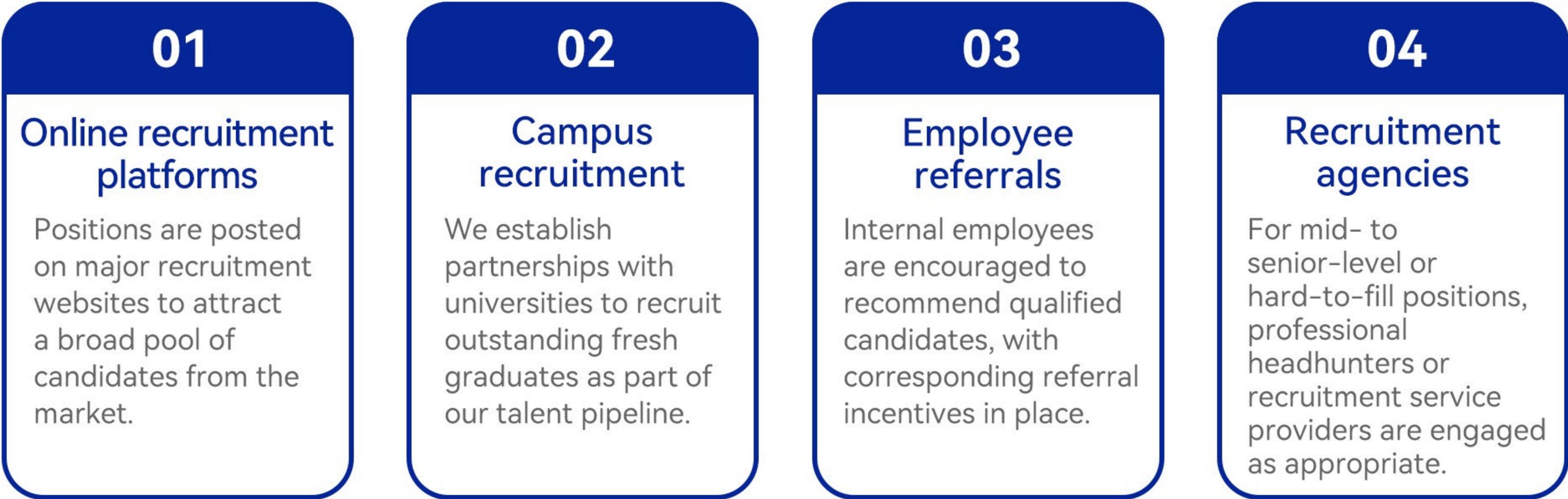
At Butong Group, we firmly believe that sustainable corporate development depends on the dedication of employees, the trust of customers, and the support of society. Accordingly, the Group upholds a “people-oriented” philosophy and has progressively established a social responsibility framework covering employee development and well-being, customer service and responsibility, as well as community engagement and public welfare initiatives. The Group is committed to fostering a diverse, equitable, and inclusive workplace environment, and to supporting families with thoughtfully designed products and attentive services. At the same time, it actively gives back to society, promoting warmth and goodwill. Guided by the brand proposition “One Less Step, More Ease,” the Group continuously enhances product innovation and design integration to simplify complex parenting processes and bring greater convenience to family life.

3.1 Cultivating Talent and Enabling Growth

Butong Group adheres to a “people-oriented” philosophy and is committed to providing employees with a fair, healthy, and opportunity-rich platform for growth. The Group complies with applicable laws and regulations in its operating jurisdictions, including the Labor Law of the People’s Republic of China (《中华人民共和国劳动法》), the Labor Contract Law of the People’s Republic of China (《中华人民共和国劳动合同法》), the Social Insurance Law of the People’s Republic of China (《中华人民共和国社会保险法》), and the Provisions on the Prohibition of Child Labor (《禁止童工使用规定》), to safeguard employees’ fundamental rights and interests. Through diversified employment models, a well-established compensation and performance management system, and comprehensive employee care initiatives, the Group seeks to unlock employees’ potential and foster a strong sense of belonging, achieving mutual growth for both employees and the Group.

3.1.1 Employee Recruitment and Protection of Basic Rights

The Group adheres to the principle of fair employment and opposes all forms of discrimination and forced labor. Through the Recruitment Management Policy, it has established clear guidelines for recruitment channels, forming a diversified talent acquisition system that combines internal recruitment and external hiring, as well as online and offline approaches, to ensure a scientific and transparent talent selection process. Internal vacancies are announced by the Human Resources Department based on job descriptions and communicated to all employees through internal channels such as bulletin boards. Eligible employees may apply with the approval of their department head and the General Manager’s Office. Successful candidates may transfer to new positions upon passing interviews and trial assignments. The Group adopts diversified external recruitment channels, including:



During the recruitment process, the Group selects candidates based solely on merit and provides equal employment opportunities to all candidates. Candidates are screened based on job requirements, followed by interviews assessing work attitude, motivation, and overall competencies. Qualified candidates undergo further evaluation by the hiring department head, focusing on professional skills, learning ability, and teamwork. Management and key positions require final interviews by the General Manager’s Office. Prior to onboarding, the Human Resources Department conducts background check and credential verification to ensure authenticity and prevent misrepresentation.

The Group adopts a zero-tolerance approach to child labor. We strictly comply with the Provisions on the Prohibition of Child Labor and relevant conventions of the International Labour Organization, and have implemented a rigorous age verification mechanism in the recruitment process. The basic eligibility criteria for employment explicitly require that “candidates must be at least 18 years of age.” The Human Resources Department verifies identity documents during both the resume screening and onboarding documentation review stages to ensure compliance with statutory working age requirements. Any suspected case of child labor, once discovered, will result in immediate termination of employment or rescission of the labor relationship and will be handled properly in accordance with applicable laws and regulations. In addition, the Group provides regular training to recruitment personnel to enhance their ability to identify and prevent child labor risks, ensuring compliance throughout the recruitment process.

Meanwhile, the Group maintains a zero-tolerance stance toward all forms of forced labor. We explicitly require that all work be performed on a voluntary basis, and strictly prohibit the use of prison labor, debt bondage, indentured labor, or any form of involuntary labor. Throughout the recruitment and employment process, the Group ensures that employees retain their original personal identification documents and enjoy the right to freely terminate their employment. Should any suspected forced labor be identified, the Group will immediately initiate an internal investigation, suspend the relevant personnel, and terminate the employment contract.

The Group regards employees as a cornerstone of its development and is committed to safeguarding their lawful rights and interests. For all employees with formal labor contracts, the Group provides social insurance in accordance with applicable laws, including pension insurance, medical insurance, unemployment insurance, work-related injury insurance, and maternity insurance, as well as housing provident fund contributions, ensuring comprehensive social security coverage. For re-employed retirees, interns, and part-time employees, the Group enters into appropriate agreements based on employment arrangements and provides commercial insurance (such as employer liability insurance and personal accident insurance) to effectively mitigate employment risks and demonstrate care for employees.

Meanwhile, the Group strictly implements statutory working hour systems, safeguards employees’ rights to rest and leave, and ensures reasonable work arrangements through established attendance and overtime management systems. To promote work-life balance, the Group has established a comprehensive leave system in addition to statutory holidays and paid annual leave, covering various personal needs such as marriage, childbirth, childcare, and health-related matters. Employees may apply through the HR system for various types of leave, including marriage leave, maternity leave, paternity leave, breastfeeding leave, parental leave, sick leave, personal leave, and bereavement leave, upon submission of relevant supporting documents (such as marriage certificates, birth certificates, and medical certificates). The Group strictly complies with national and local regulations to ensure that leave entitlements are no less than statutory requirements, enabling employees to manage important life events without concern. During sick leave, employees are entitled to statutory sick pay in accordance with applicable laws.

Additionally, we have established employee care and feedback channels. Employees may provide feedback or seek assistance regarding work, personal matters, or employee welfare programs through the designated “employee welfare and care mailbox”. The Human Resources Department conducts investigations and facilitates timely resolution. In cases where issues cannot be resolved at the departmental level, they are escalated to senior management to ensure fair and effective handling, thereby fostering harmonious and equitable labor relations.

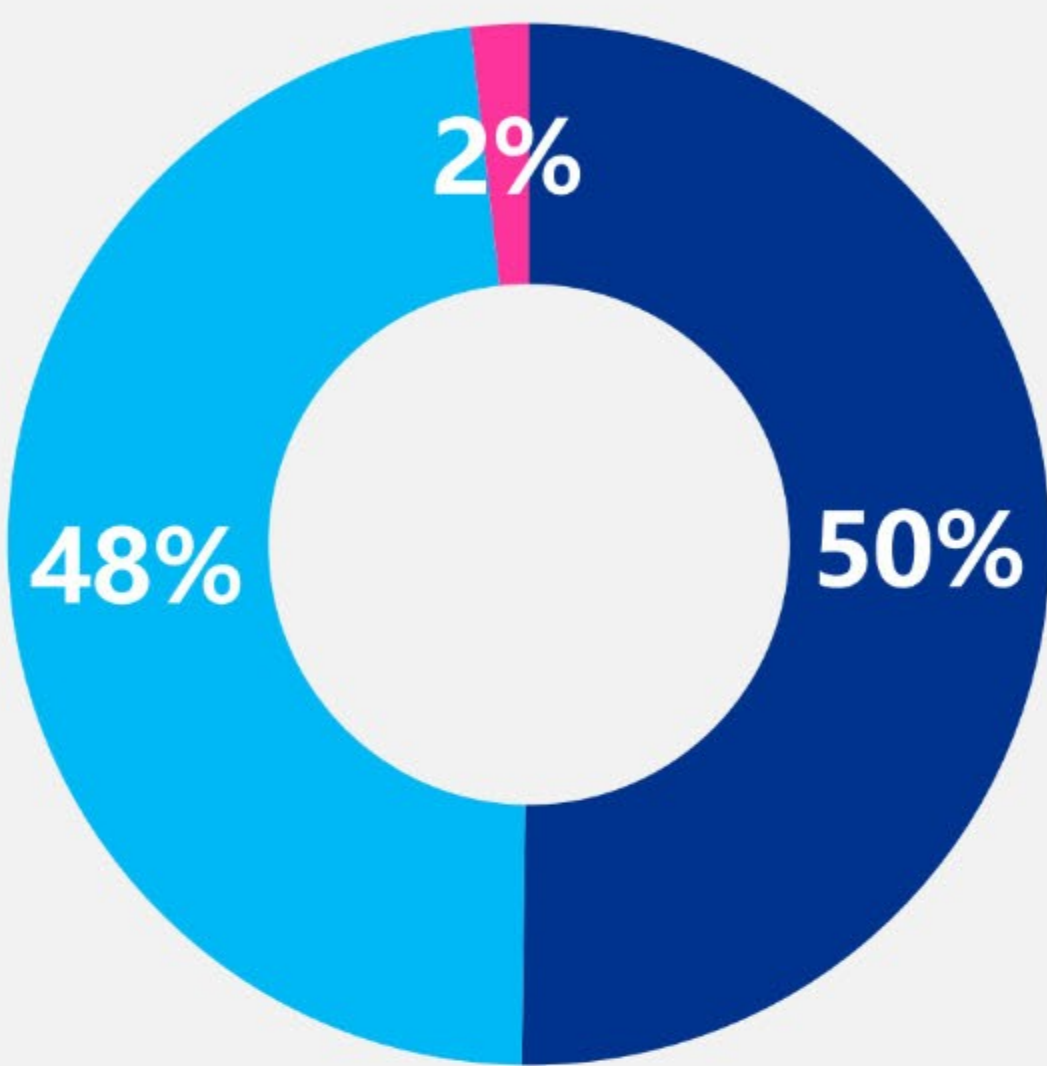
Key Performance Indicators of Employee Employment
(During the Reporting Period)



*Employee turnover rate = total number of departures during the reporting period ÷ total number of employees at the end of the reporting period × 100%

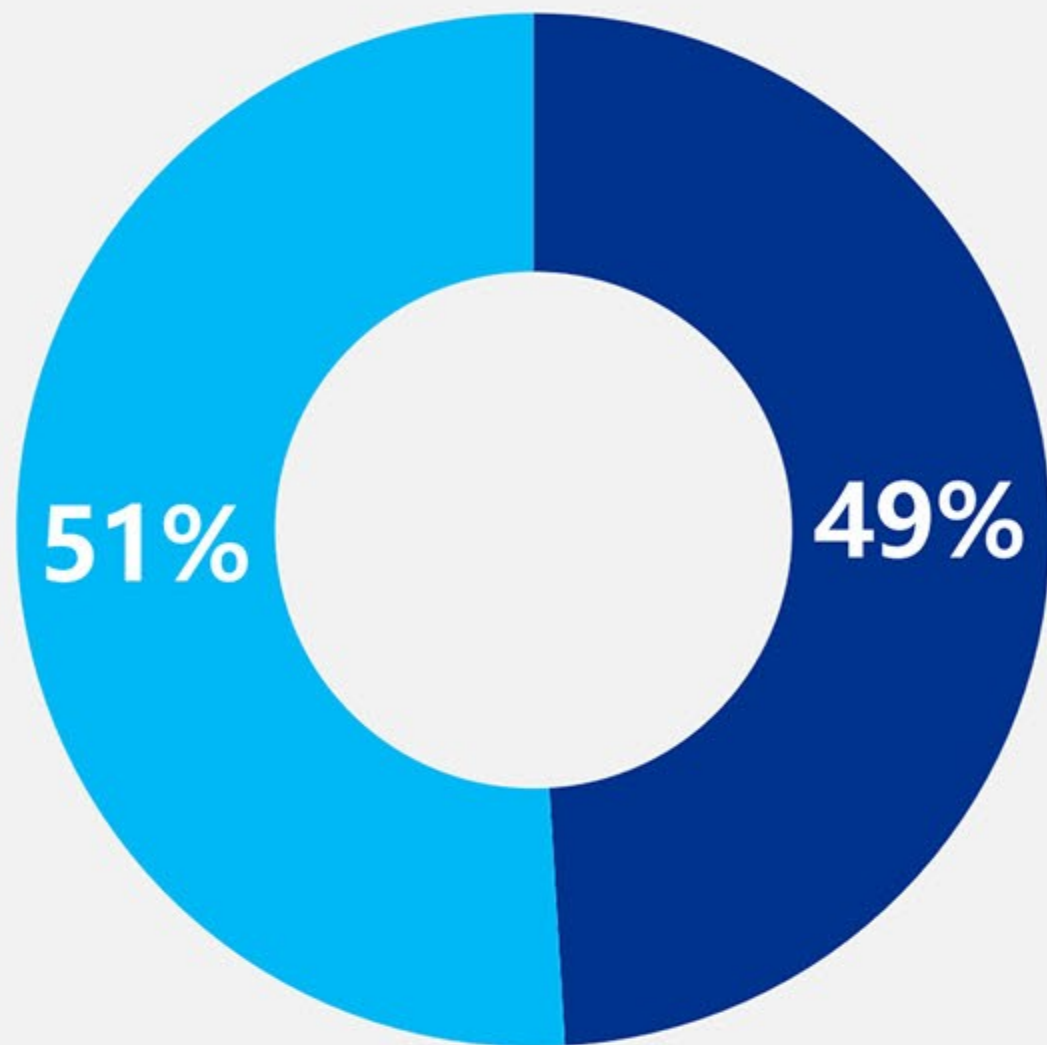
Total Workforce - By Age Group

Below 30 30-50 Above 50



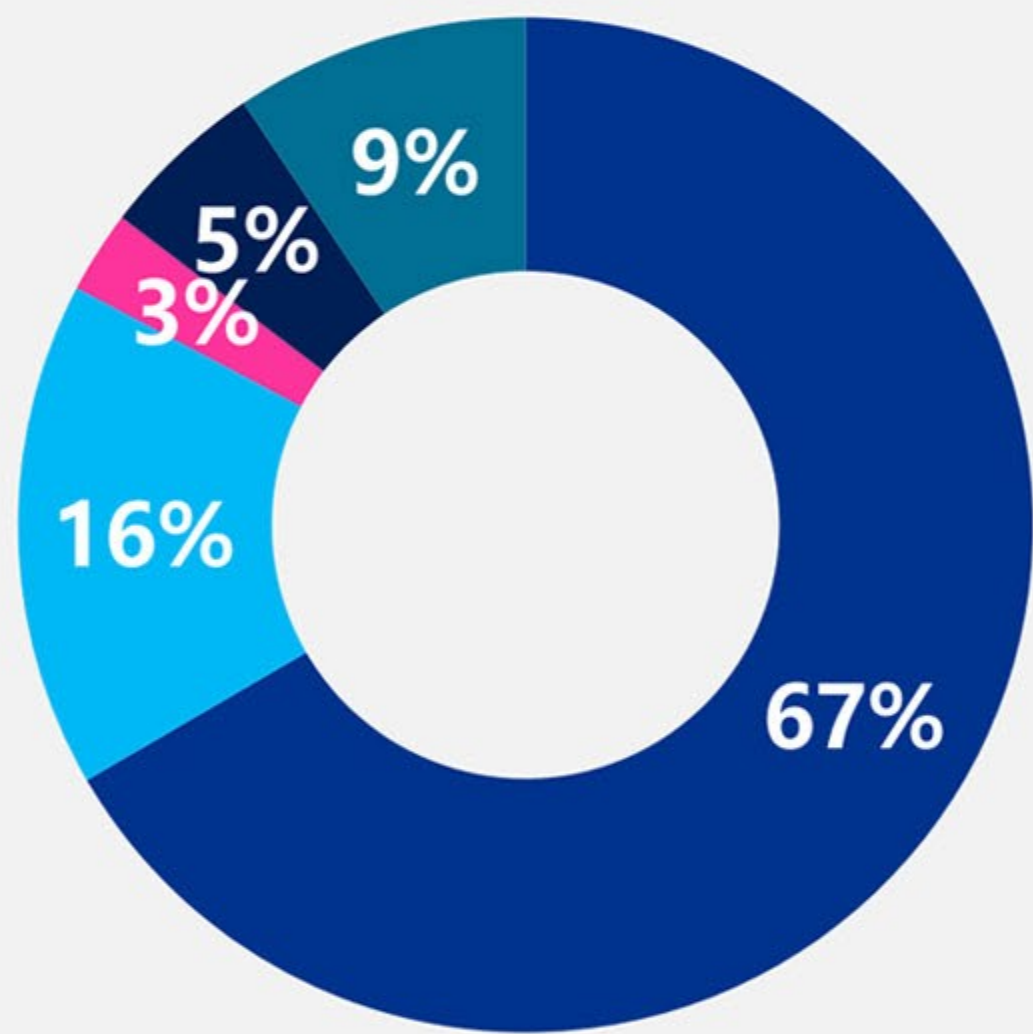
Total Workforce - By Gender

Male Female



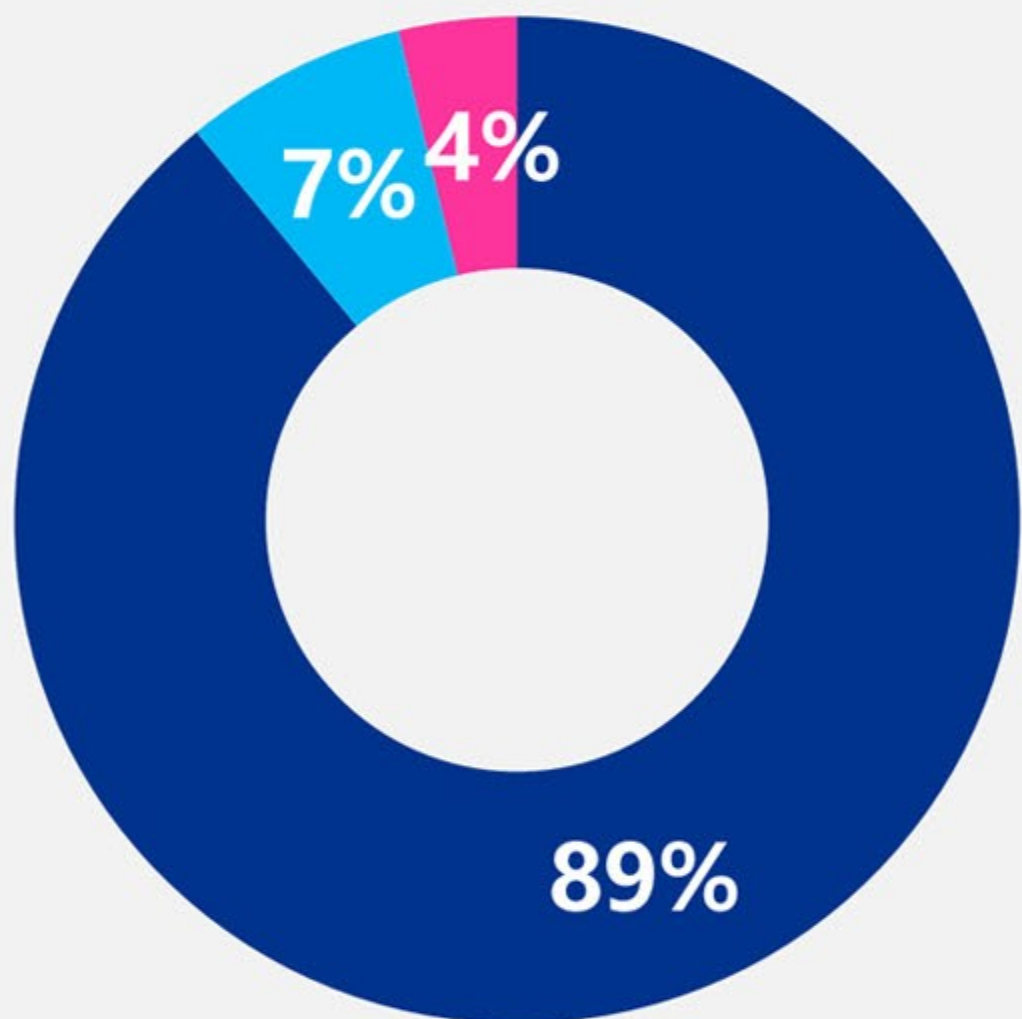
Total Workforce - By Function

Sales Technical Finance
Administrative Others



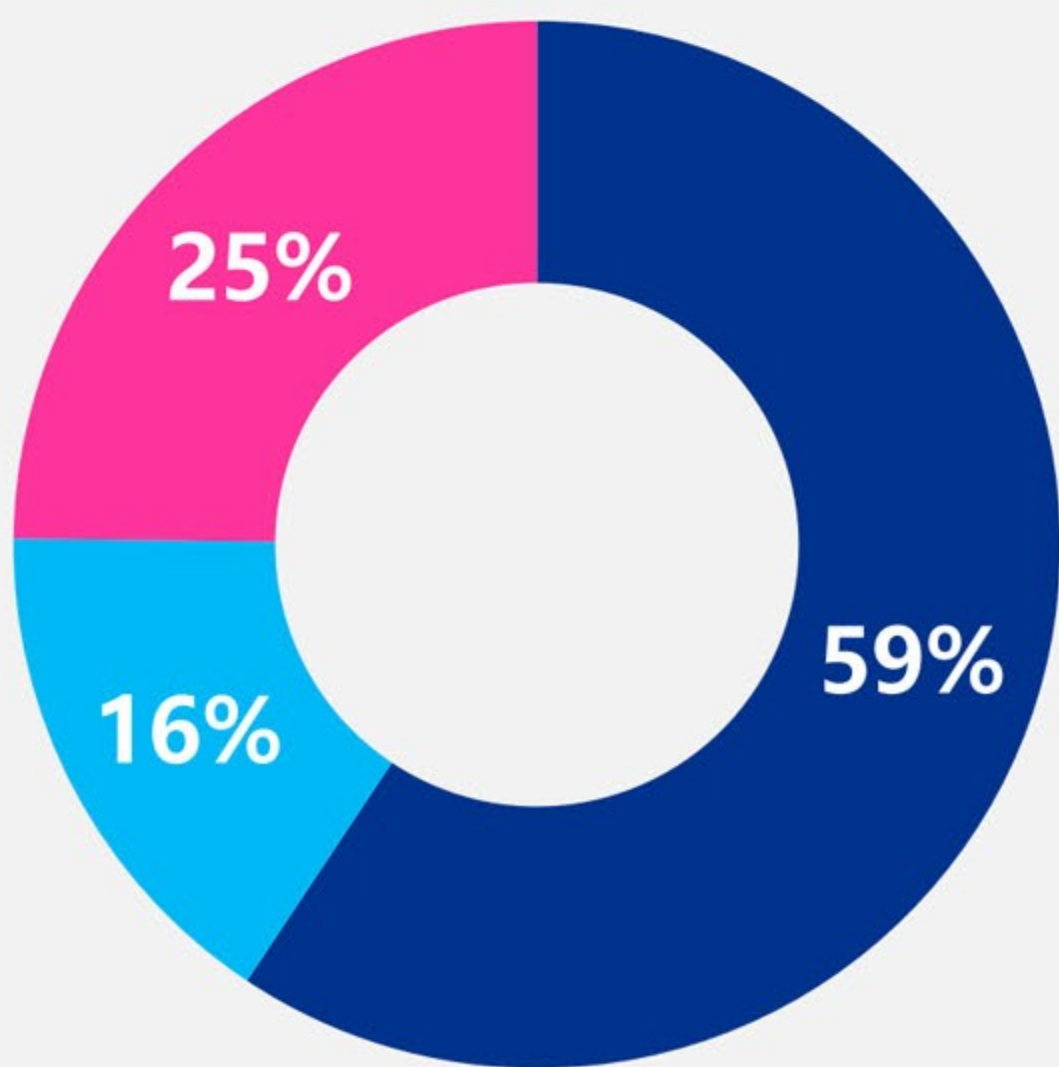
Total Workforce - By Employee Level

Non-management employees Senior management
Middle management



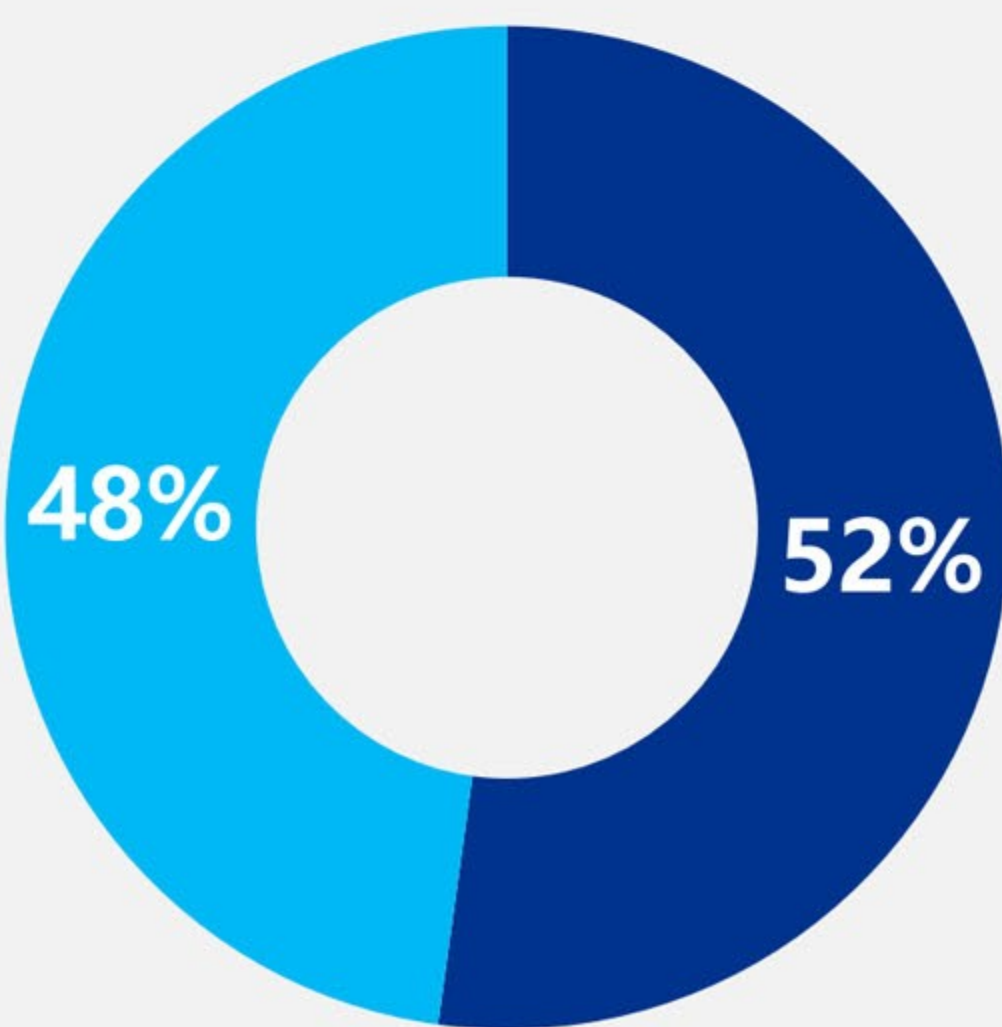
Total Workforce - By Geographical Region

Ningbo Shanghai Kunshan



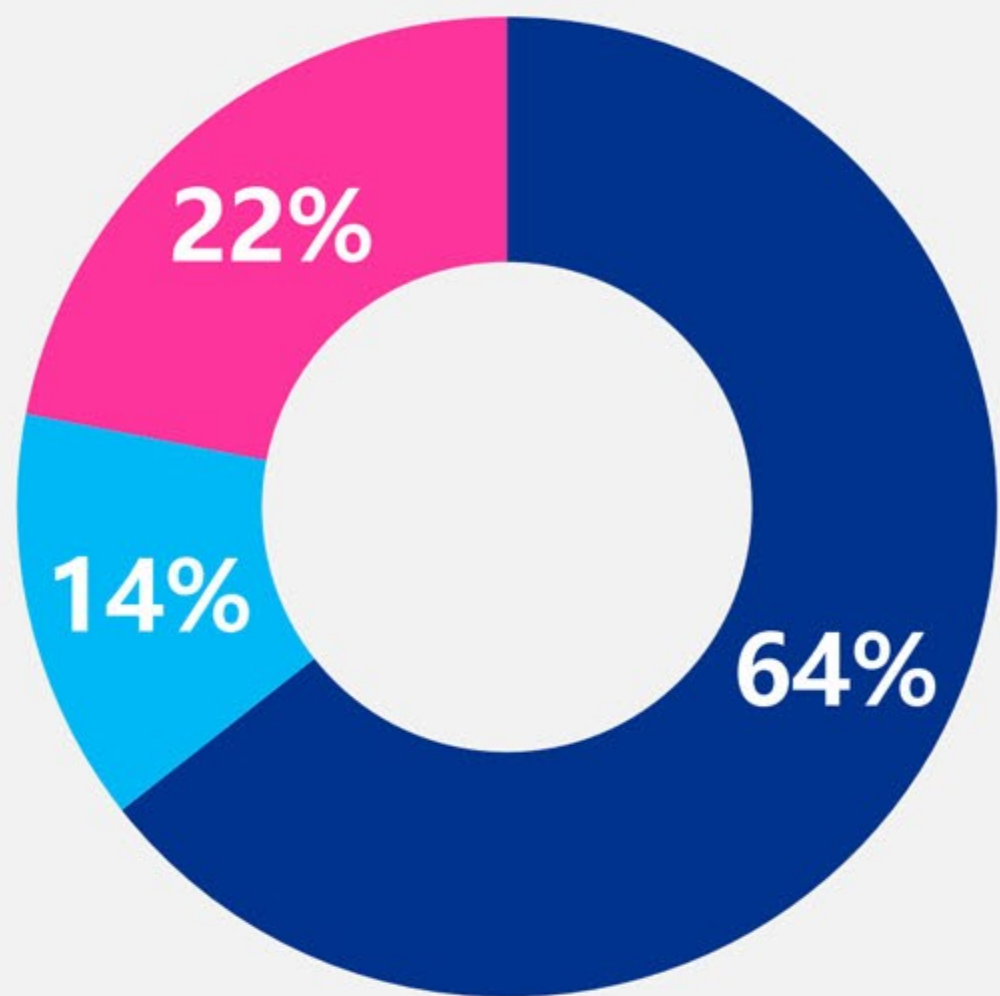
Employee turnover - By Gender

Male Female



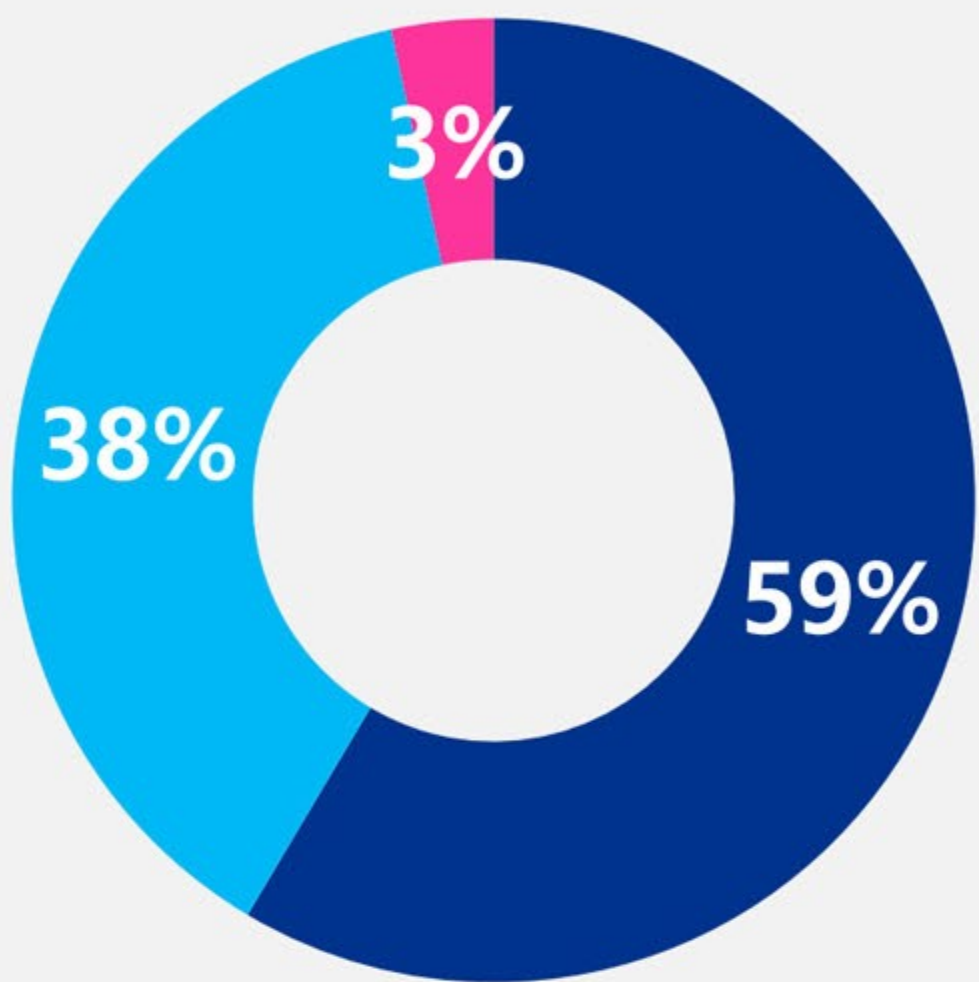
Employee turnover
- By Geographical Region

■ Ningbo ■ Shanghai ■ Kunshan



Employee turnover - By Age Group

■ Below 30 ■ 30-50 ■ Above 50

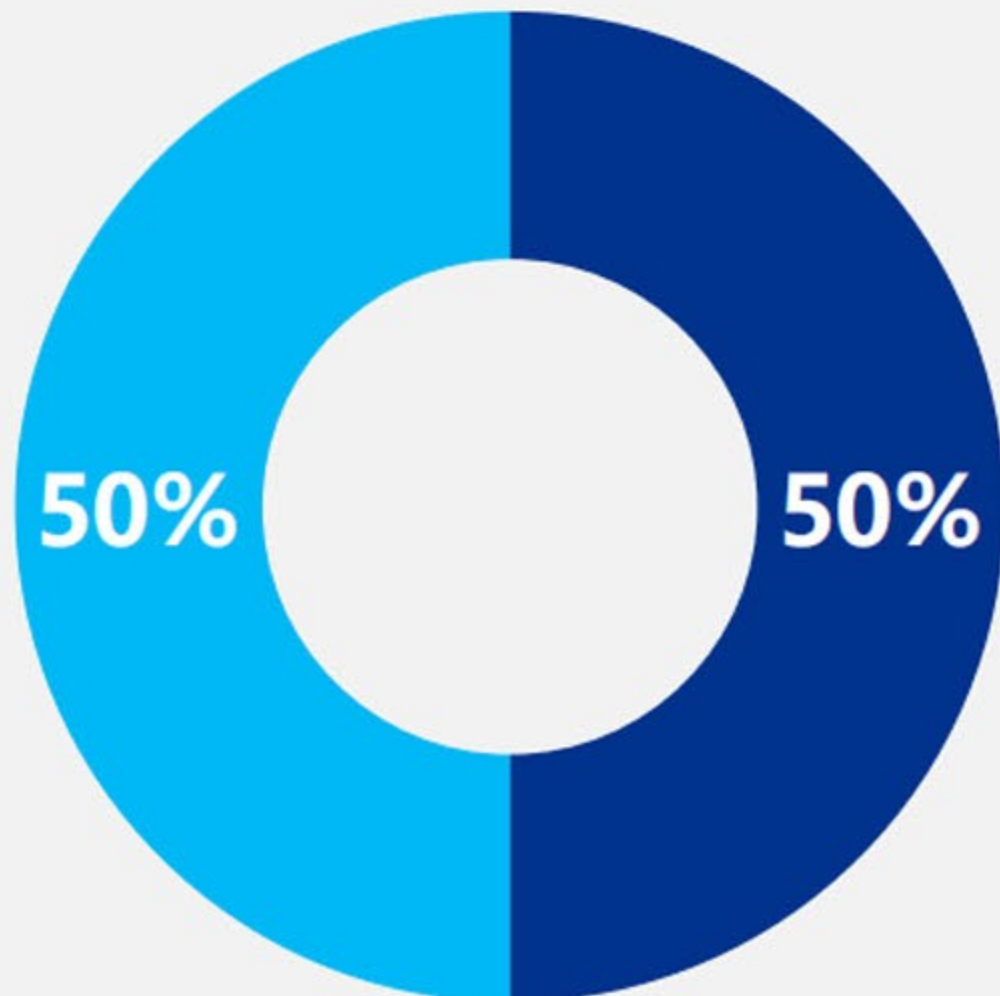


3.1.2 Talent Development and Career Advancement

We have established a comprehensive training system covering all employees and spanning the entire employee lifecycle through the implementation of the Training Management Policy. Through systematic learning and practical training, we continuously enhance employees’ professional capabilities and overall competencies. Based on job requirements and employee development needs, training programs are categorized into five major types: new hire training, skills enhancement training, management capability training, professional training, and general competency training. A variety of training formats are adopted, including classroom instruction, interactive salons/workshops, case study discussions and sharing sessions, live-streamed sessions, video-based microlearning, self-directed learning, project-based practice, on-the-job training, and external training. These approaches combine online and offline methods, as well as theory and practice, to ensure effective delivery and application of training content. The Human Resources Department centrally formulates the annual training plan and maintains training records to track employees’ learning progress and assessment results, which serve as an important reference for career development. At the same time, we encourage employees to participate in external professional training and certification programs and provide corresponding support in accordance with internal policies, thereby helping employees continuously strengthen their professional competitiveness.

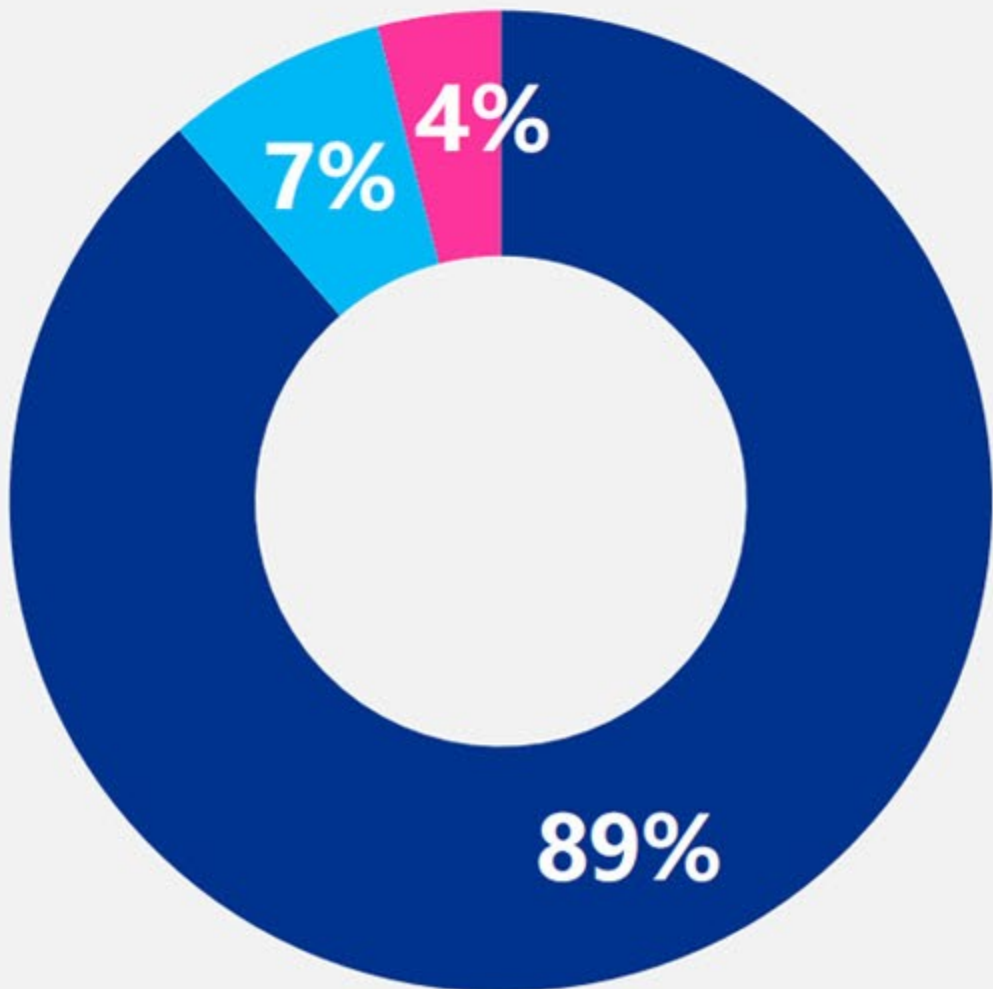
Number of Employees Trained
- By Gender

■ Male ■ Female



Number of Employees Trained
- By Employee Level

■ Non-management employees ■ Senior management ■ Middle management



Key Performance Indicators of Employee Training (During the Reporting Period)



We have implemented a strategy-oriented performance management system and formulated the Performance Bonus Management Policy, under which organizational goals are cascaded down to individual employees to ensure alignment between employees’ work objectives and the Group’s overall development strategy. Performance evaluations combine both quantitative and qualitative assessments, conducted across multiple dimensions based on key performance indicators (KPIs). Performance evaluations are conducted on a monthly, quarterly and annual basis, with procedures comprising employee self-assessment, supervisor evaluation, departmental approval and Human Resources review, to ensure objectivity and fairness. Performance results are directly linked to performance bonuses, with different bonus coefficients applied based on evaluation scores (ranging from a maximum of 1.2 to a minimum of 0). Employees achieving an average annual performance score of 90 or above are eligible to participate in the annual “Outstanding Employee” selection and receive recognition-based incentives. Employees who have objections to their evaluation results may submit an appeal to the Human Resources Department within the prescribed timeframe. If the issue remains unresolved, it may be escalated to the Chief Executive Officer for final determination, thereby safeguarding employees’ legitimate rights and interests.

Following the completion of annual performance evaluations, department heads determine a list of candidates for promotion based on employees’ annual performance and overall capabilities. Candidates for promotion are required to participate in a performance review presentation organized by the Human Resources Department, during which they present their work achievements, competencies, and development potential. Candidates who pass the review panel assessment will have a personnel change request initiated through the HR system, which becomes effective upon completion of the approval process. This structured promotion mechanism not only provides employees with a clear career development path but also ensures fairness and transparency in talent selection, effectively enhancing organizational vitality.

3.1.3 Employee Well-being and Care

We consistently place employees’ physical and mental well-being, as well as their overall sense of happiness, at the core of our corporate development. We strictly comply with relevant laws and regulations, including the Work Safety Law of the People’s Republic of China (《中华人民共和国安全生产法》), the Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases (《中华人民共和国职业病防治法》), and the Fire Protection Law of the People’s Republic of China (《中华人民共和国消防法》). We have established and continuously improved our occupational health and safety management system, enhanced the working environment, and prevented occupational injuries. At the same time, we provide diversified benefits and care to ensure that every employee feels a strong sense of belonging and warmth.

Occupational Health and Safety Management System	
 Occupational Health Education and Training	The Human Resources Department formulates an annual occupational health training plan and organizes new employees to undergo a three-tier safety training program at the factory, workshop, and team levels. New employees are also required to sign a Work Safety Responsibility Statement and are informed of the occupational hazards associated with their positions and the relevant preventive measures. Employees in active service receive regular training through sessions, bulletin boards and other channels to stay informed of operating procedures and protective measures for new equipment and processes. Employees undergoing job transfers or temporary external personnel must complete targeted training before commencing work. All training activities are documented, including the time, location, content, instructors, and participant signatures, and are centrally maintained by the Human Resources Department.
 Occupational Hazard Notification and Warning	We incorporate occupational hazard notification as a mandatory component of employment contracts. Employees are required to sign an Occupational Hazard Notification Statement, which clearly outlines potential hazards, protective measures and related entitlements. In workplaces where occupational hazards are present, bulletin boards are installed to disclose prevention measures, operating procedures and emergency response plans. For positions involving significant risks, prominent warning signs and Chinese-language notices are displayed to specify hazard types, consequences and emergency measures. Signage includes prohibition signs, warning signs, mandatory signs, informational signs and hazard markings, covering risks such as dust, noise, high temperatures, chemicals and radiation. These are regularly inspected and replaced to ensure clarity and completeness.
 Occupational Health Monitoring	We strictly implement occupational health examinations throughout the entire employment lifecycle, including pre-employment, in-service and exit stages. Employees assigned to roles involving occupational hazards must complete health examinations prior to onboarding and may not commence work until results are obtained. During employment, regular health examinations are conducted in accordance with the Occupational Health Examination Items and Cycles for employees exposed to hazards such as dust, noise and welding fumes. Employees found to have health impairments are reassigned appropriately. Exit health examinations are mandatory prior to termination of employment. For employees who do not cooperate, the Group fulfills its notification obligations via telephone, email or written correspondence and retains records.
 Occupational Hazard Monitoring	We regularly engage qualified professional institutions to conduct occupational hazard monitoring in the production environment. Comprehensive assessments are carried out at least once every three years, covering key indicators such as dust, noise and chemical substances. For new, modified or expanded projects, occupational hazard assessments are conducted prior to commencement to identify and control risks at source. Any non-compliant areas identified are promptly rectified with closed-loop tracking to ensure continuous compliance. Results and rectification measures are incorporated into the Quarterly Compliance Report to Management for internal oversight.

Occupational Health and Safety Management System	
 Protective Facilities and Personal Protective Equipment (PPE) Management	Protective facilities include ventilation systems, dust removal equipment, exhaust gas treatment facilities, and cooling systems. These facilities are managed on a daily basis by the respective user departments, with regular inspection and maintenance carried out by the Equipment Department to ensure proper operation. Protective equipment is categorized into general PPE (e.g. workwear, gloves, waterproof boots) and specialized PPE (e.g. respirators, protective goggles, dust masks, earplugs, safety harnesses, and insulated footwear). The Administration Department centrally procures and distributes such equipment in accordance with the PPE Allocation Schedule. Procurement channels must be properly qualified, and all equipment must comply with the requirements of the Code of Practice for Selection of Personal Protective Equipments. Employees receive training on proper use, are required to wear PPE correctly, and must clean and maintain equipment after use. Damaged or expired items are replaced promptly. Any intentional damage to shared PPE is subject to disciplinary measures.
 Emergency Response and Incident Handling	In accordance with the Emergency Management Procedures, we conduct at least one occupational hazard emergency drill annually, with a participation rate of no less than 90%. Drills cover scenarios such as poisoning, leakage and fire to enhance employees' emergency response capabilities. Workshops are equipped with emergency ventilation systems and first-aid supplies. In case of abnormalities, incidents are immediately reported to the Human Resources Department and emergency plans are activated. Where necessary, processes are adjusted or materials sealed to minimize impact. Following any incident, the Administration Department leads investigations, formulates corrective actions and ensures implementation.

On December 30, 2025, Butong Group conducted a fire emergency drill at the premises and emergency assembly points of BeBeBus Safety Technology (Ningbo) Co., Ltd., simulating emergency response procedures under unexpected scenarios. Employees responded promptly and cooperated effectively, completing key procedures such as ventilation and evacuation in an orderly and standardized manner. Post-drill sessions included training on emergency equipment operation, cardiopulmonary resuscitation (CPR) and artificial respiration. The drill further validated the practicality of emergency plans and enhanced employees' preparedness for emergencies.



Key Performance Indicators for Employee Occupational Health
(During the Reporting Period)

Indicator	2025	2024	2023
Number of work-related fatalities	0	0	0
Number of work-related injuries	5	7	1
Lost days due to work injury	152	40	3

The Group is committed to providing employees with caring and meaningful welfare benefits. In accordance with the Employee Compensation Management Policy, we have established a comprehensive welfare system covering six dimensions—statutory benefits, festive care, employee care, work support, health protection, and corporate culture—integrating care into employees’ daily work and lives.

- **Statutory Benefits:** We make contributions to social insurance schemes (including pension, medical, unemployment, work-related injury, and maternity insurance) and the housing provident fund for all eligible full-time employees. The employee portion is withheld and paid by the Company on their behalf, ensuring employees enjoy full social security benefits.
- **Festive Care:** On International Women's Day, we organize activities and prepare gifts for female employees, demonstrating respect and care. On International Children's Day, we arrange celebration activities for employees to convey warmth and appreciation. On the first working day after the Chinese New Year holiday, we distribute “return-to-work” red envelopes to employees who report to duty on time, symbolizing a strong start to the year and shared success ahead.



- **Employee Care:** Employees who marry upon reaching the statutory marriage age are entitled to a marriage allowance, which is paid together with their salary in the month of marriage leave application. Employees who have children receive maternity and childcare care packages; where both spouses are employed by the Group or in cases of multiple births, multiple packages may be granted. We also provide birthday gifts or organize group celebrations for employees celebrating birthdays each month to foster a warm team atmosphere. In cases of hospitalization due to illness or accidents, we provide consolation payments or gifts, and arrange visits by direct supervisors or the Human Resources Department to extend care and support.



- **Work Support:** We pay close attention to employees' practical needs in their daily work and provide convenient logistical support. Employees working overtime are provided with complimentary meals. Break areas are equipped with snacks and beverages such as coffee, creating a relaxed and pleasant working environment. Employees working late may take taxis home at the Company's expense, ensuring safe and convenient travel.



- **Health Protection:** We place a strong emphasis on employee health and have established a health protection system covering the entire employment lifecycle. Pre-employment medical examinations are arranged for all new hires. Annual health check-ups are organized between September and October each year to help employees monitor their health status. First-aid kits are available in office areas for emergency use, and recreational facilities are provided in rest areas to encourage work-life balance and well-being.

- **Corporate Culture:** We foster a positive, collaborative corporate culture. Each year, team-building budgets are allocated to departments for organizing activities to strengthen cohesion. In the month of employees' work anniversaries, customized commemorative gifts are presented to recognize their contributions and companionship with the Group.



3.2 Supporting Communities and Spreading Warmth

The growth of an enterprise is inseparable from the support of society. Guided by our original aspiration to “create differentiation for children,” we integrate social responsibility into our development. While focusing on children’s safety and healthy development, we actively participate in community building and give back to society through diversified public welfare initiatives, allowing warmth and hope to take root more broadly.

3.2.1 Children’s Safety and Product Responsibility

Butong Group is deeply engaged in family and parent-child lifestyle scenarios and consistently regards children’s safety as the cornerstone of product design and manufacturing. The Group strictly complies with relevant laws and regulations, including the Product Quality Law of the People’s Republic of China (《中华人民共和国产品质量法》) and the Law of the People’s Republic of China on the Protection of Minors (《中华人民共和国未成年人保护法》), and has established a comprehensive quality and safety management system covering the entire product lifecycle to continuously enhance product safety and reliability.

At the product level, Butong Group adheres to original design and high-standard research and development. Taking child car safety seats as an example, our products adopt proprietary rugby-shaped dynamic side-impact protection technology to expand side protection coverage, incorporate patented Cobra memory foam materials for enhanced shock absorption, and feature a 360° intelligent rotating design to improve usability and safety performance, providing comprehensive protection for children during travel. Meanwhile, core products such as strollers and cribs strictly comply with domestic and international safety standards and have received international recognitions such as the Red Dot Design Award and the Contemporary Good Design Award.



The Group operates the only innovation-driven factory in the industry certified under the IATF 16949 system and has established a joint laboratory with Dymatic Chemicals to support product line expansion and customized R&D, strengthening raw material quality control at the source. Adhering to a “user-first” principle, Butong Group integrates user research into the early stages of product development, refining product features and safe usage scenarios based on user feedback. Through product manuals, official social media platforms, and customer service channels, we continuously promote scientific and standardized product usage knowledge to enhance family safety awareness.



3.2.2 Public Welfare and Community Engagement

The Group actively fulfills its corporate citizenship responsibilities, focusing on areas such as the physical and mental well-being of women and children and educational equity. We collaborate with professional charitable organizations to deliver meaningful social impact.

2022 ○



BeBeBus, in collaboration with the Desert Post Office, launched the “Where There Is a Voice, There Is an Echo” campaign, focusing on the mental health of mothers experiencing postpartum depression. The campaign adopted an interactive postcard format, inviting the public to listen to the authentic voices of mothers experiencing postpartum depression and to respond with warmth and support. It helped foster greater public awareness of postpartum depression and encouraged affected individuals to express themselves openly. This innovative public welfare initiative built an emotional bridge between the public and mothers experiencing postpartum depression, making “being heard” the starting point of healing.

2024 ○



BeBeBus, in collaboration with the Rainbow Library Program Special Fund, donated and established a public welfare library at the First Middle School of East Ujimqin Banner in Inner Mongolia. Constructed using sustainable and environmentally friendly materials, the library has received a total donation of 3,965 books and multimedia teaching equipment, supporting the digitalization of local education and creating a “rainbow bridge” to knowledge and future opportunities for children in remote regions. This public welfare initiative not only effectively improved local students’ reading and learning conditions, but also integrated green and environmentally friendly concepts into campus development, allowing the seeds of sustainable development to take root in the hearts of children.

2026 ○

BeBeBus plans to collaborate with partners including the Xiaohongshu Early Awareness Conference, xinli001, celebrity mothers, psychological experts, and women’s and children’s foundations to launch the annual “BeBeBus Postpartum Depression Care Initiative.” The program will provide comprehensive support through free psychological assessments, maternal mental health courses, postpartum recovery programs, offline pop-up events, and therapeutic care packages. Through these initiatives, BeBeBus aims to call on all sectors of society to pay greater attention to postpartum depression, to listen to the often-overlooked voices of mothers, and to recognize the real challenges they face during pregnancy and the postnatal period, thereby mobilizing broader social support and building a caring support network for those affected.

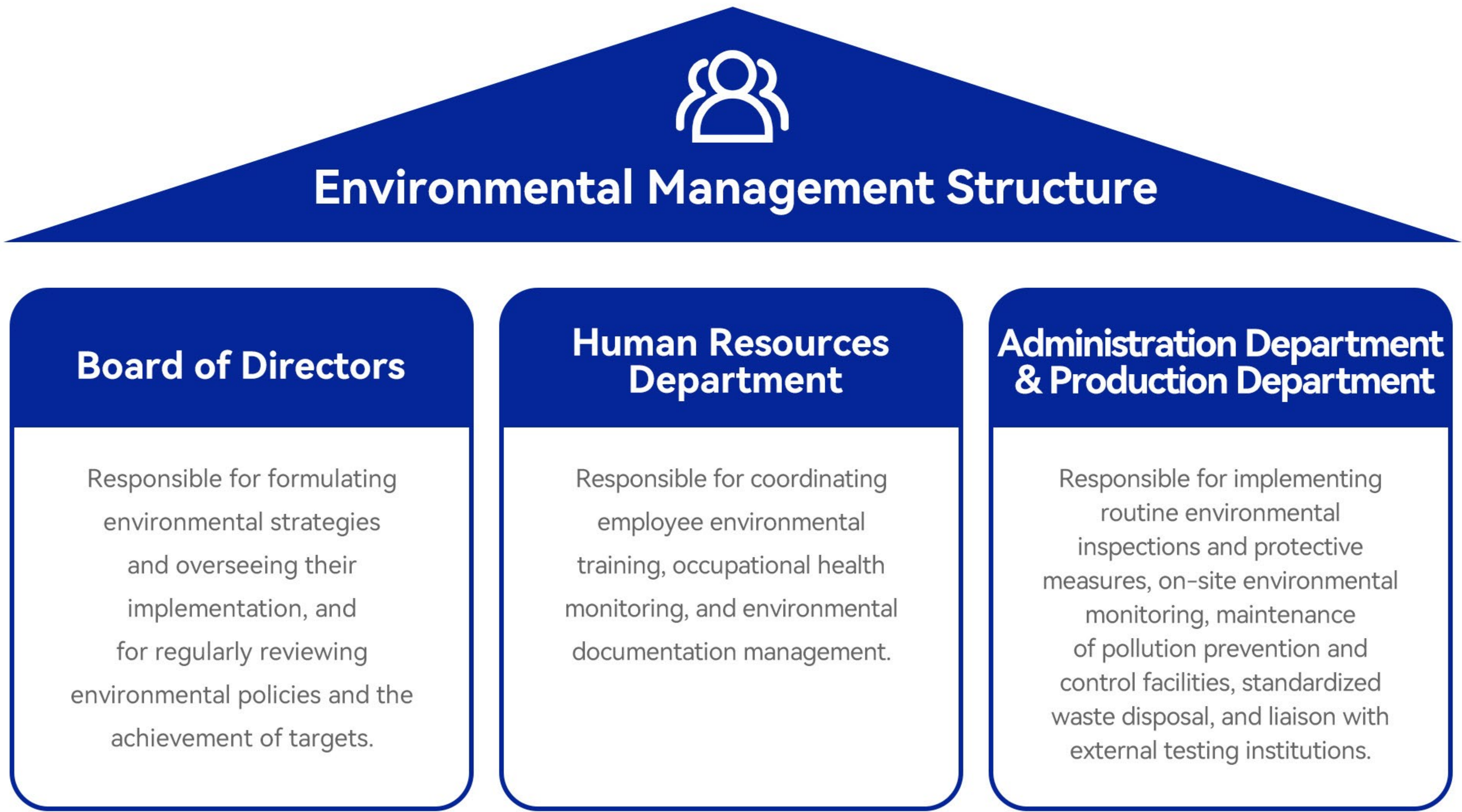
04 Green Operations for a Sustainable Future

The Group recognizes that a healthy ecological environment is fundamental to children’s well-being and development. We actively respond to the national “dual carbon” strategy by integrating green development principles across the entire value chain, including product design, manufacturing operations and supply chain management. We are committed to minimizing the environmental impact of our operations and working with upstream and downstream partners to build a sustainable industrial ecosystem, safeguarding a greener future for the next generation.

4.1 Environmental Management and Climate Action

4.1.1 Environmental Management System

The Group has established a well-structured environmental management framework, with clear allocation of environmental responsibilities across functional departments.



Our Ningbo manufacturing facility has obtained certification under the EATNS Carbon Management System, and has been awarded the Carbon Management System Certification (Certificate No.: 2300341000001), covering both carbon emissions management and carbon neutrality management systems. Leveraging this framework, we continue to standardize and professionalize our carbon management practices to support green, low-carbon and high-quality development. Going forward, we will further enhance our carbon management system and integrate decarbonization initiatives into all aspects of our operations, advancing a green, low-carbon and sustainable operating model.

To further quantify and reduce the environmental impact of our products, we have proactively conducted carbon footprint assessments for our core products. In accordance with the ISO 14067:2018 international standard, we carried out full lifecycle carbon footprint assessments from raw material sourcing to product delivery. Seven flagship products—including the Dabai crib (大白婴儿床), Astronomer Pro Smart child safety seat (天文家Pro智能版儿童安全座椅), Astronomer Pro child safety seat (天文家Pro儿童安全座椅), Capsule Smart child safety seat (太空舱智能版儿童安全座椅), Petal learning dining chair (花瓣学坐餐椅), Capsule child safety seat (太空舱儿童安全座椅), and Explorer Pro child safety seat (探月家Pro儿童安全座椅)—have obtained product carbon footprint certification. Based on the assessment results, we have identified the raw material procurement stage as the primary contributor to product carbon emissions. Accordingly, we have initiated a green procurement collaboration program with key suppliers, prioritizing the use of low-carbon materials and exploring design-stage solutions such as lightweighting and recyclability. By establishing a closed-loop carbon management system across design, procurement and production, we are extending low-carbon principles beyond our own operations to the upstream value chain, delivering environmentally friendly, high-quality maternal and child products to consumers.



4.1.2 Greenhouse Gas Emissions Management

We are committed to our long-term vision of achieving “zero carbon emissions” in our operations, and have systematically advanced the accounting and disclosure of Scope 1 and Scope 2 greenhouse gas (“GHG”) emissions. We have established a carbon emissions monitoring and data management mechanism to regularly track various emission sources, identify emission reduction opportunities, and continuously reduce emission intensity through measures such as optimizing the energy mix, with the aim of improving energy efficiency and minimizing unnecessary consumption. The carbon emission intensity (including Scope 1 and Scope 2) will be reduced by 2.8% compared to 2025. We have defined 2023 to 2029 as the carbon reduction phase, and 2029 to 2059 as the carbon neutrality phase. These initiatives align with China’s “2060” carbon neutrality target, with the aim of achieving full carbon neutrality by 2059.

At the same time, we aim to reduce energy consumption, with specific targets as follows:

- Water consumption intensity to decrease from 0.34 m³/RMB10,000 Production Output in 2023 to 0.33 m³/RMB10,000 Production Output by 2026;
- Electricity consumption intensity to decrease from 50.45 kWh/RMB10,000 Production Output in 2023 to 49.04 kWh/RMB10,000 Production Output by 2026. In addition, we plan to reduce waste generation and packaging material intensity per unit Production Output by 5% annually.

Scope 1 (Direct Emissions) Management: Scope 1 emissions primarily arise from sources owned or controlled by the Group, including vehicle fuel consumption and diesel forklift operations. We have implemented the following measures:

- Reducing vehicle usage through departmental supervision;
- Gradually replacing diesel forklifts with electric forklifts to reduce combustion-related emissions.

Scope 2 (Indirect Emissions) Management: Scope 2 emissions mainly arise from purchased electricity and heat. We have implemented the following measures:

- Improving operational efficiency to reduce unnecessary overtime, and ensuring that lighting and equipment are fully switched off during non-working hours;
- Installing independently controlled lighting systems in different areas, and using motion sensors or sound-activated lighting in common areas;
- Maintaining indoor air conditioning temperatures at no lower than 24°C;
- Upgrading equipment, optimising processes, and increasing the use of renewable energy through solar photovoltaic systems.



Energy-saving signage



Installation of photovoltaic systems

Key Performance Indicators for Energy Consumption

- **Scope 1:** 38.6 tons of CO₂ equivalent in 2024; 32.5 tons of CO₂ equivalent in 2025
- **Scope 2:** 482.7 tons of CO₂ equivalent in 2024; 562.8 tons of CO₂ equivalent in 2025
- **Scope 3:** In 2026, we will continue to enhance our supplier management system and gradually expand coverage to additional suppliers to support future Scope 3 emissions disclosure. By 2027, we aim to leverage digital tools to strengthen the management of supplier ESG and carbon reduction risks.
- **Total GHG emissions and emission intensity*:** Total emissions were 521.3 tons of CO₂ equivalent in 2024, with an emission intensity of 0.05 tons of CO₂ equivalent per RMB10,000 Production Output; total emissions were 595.3 tons of CO₂ equivalent in 2025, with an emission intensity of 0.07 tons of CO₂ equivalent per RMB10,000 Production Output.

*Affected by the persistent high temperature weather in 2025, the operating hours of refrigeration equipment increased significantly, driving up the electricity consumption intensity and the total Scope 2 emissions. In addition, the new product "the Dabai crib" (大白床), which was officially put into production by the Company in January 2025, features complex and sophisticated production processes, resulting in higher emissions per unit of output value.

Data Measurement Methods and Tools:

1. Greenhouse gas emission data is presented in carbon dioxide equivalent, calculated in accordance with "the IPCC Guidelines for National Greenhouse Gas Inventories (2006)" (《2006年IPCC国家温室气体清单指南》) issued by the Intergovernmental Panel on Climate Change (IPCC). The electricity emission factor is sourced from the Ministry of Ecology and Environment's 2025 publication, "Notice on the Release of 2024 Electricity Carbon Dioxide Emission Factors (《关于发布2024年电力二氧化碳排放因子的公告》)".

2. The total greenhouse gas emissions are calculated based on direct and indirect energy consumption, using the conversion factors stipulated in the "General Principles for Calculation of Comprehensive Energy Consumption" (《综合能耗计算通则》) (GB/T 2589-2020) of the People's Republic of China.

3. Scope 1: Covers direct greenhouse gas emissions generated from the Company's operational activities, mainly including gasoline and diesel consumption. Scope 2: Covers indirect energy-related greenhouse gas emissions generated from purchased electricity and steam consumed internally by the Company.

4.1.3 Climate Change Response

In response to increasingly severe global climate challenges, we have incorporated climate-related issues into our sustainability and risk management framework, and conduct the identification, assessment, response and monitoring of climate-related risks in accordance with the requirements of the Environmental, Social and Governance Reporting Guide of The Stock Exchange of Hong Kong Limited. The Board of Directors assumes ultimate oversight responsibility for climate-related matters and regularly reviews the assessment results of climate-related risks and opportunities, as well as related targets and implementation progress. Management is responsible for organizing and implementing specific measures, integrating climate considerations into daily operational decision-making and internal reporting.

We recognize that climate change not only affects the fulfillment of environmental responsibilities, but may also impact business continuity, supply chain stability, asset security and financial performance. Based on our operational realities, and with reference to publicly available climate information, historical meteorological data, policy trends and business scenarios, we have systematically identified and assessed climate-related physical risks and transition risks across key operational processes, major regions, critical assets and the value chain. At the same time, we assess the potential impacts of various risks on our strategic planning, business operations and financial position across different time horizons, including the short term (2–3 years), medium term (3–5 years) and long term (over 5–10 years).

To reflect the level of impact, we classify assessment results into three categories: low, medium and high. Low impact indicates that the potential impact of the relevant risk on business operations and financial performance is relatively limited, and existing management measures are generally sufficient to address the risk. Medium impact indicates that the relevant risk may exert certain pressure on specific operational processes, cost control or delivery stability, requiring ongoing optimization of management and enhanced risk response. High impact indicates that, if the risk materializes or intensifies, it may have a significant adverse effect on business continuity, asset security, regulatory compliance, market competitiveness or financial performance, and therefore requires focused attention and more targeted mitigation measures.

In terms of indicators and targets, we are progressively improving our climate-related performance management system, continuously tracking key indicators such as greenhouse gas emissions and energy efficiency, and advancing the formulation and optimization of relevant targets in line with our business development plans. Looking ahead, we will continue to enhance the sophistication and transparency of our climate risk assessment and disclosures, taking into account our data foundation, management needs and external regulatory requirements, in order to strengthen our climate resilience.

Physical Risks

Physical risks refer to risks arising from acute extreme weather events or long-term climate trends caused by climate change, which may impact the Group’s assets, operational settings, supply chain and personnel safety. Taking into account our operational footprint and business characteristics, we have identified and assessed both acute and chronic physical risks, including tropical cyclones, flooding, extreme precipitation, prolonged heatwaves and sea level rise. We have also formulated corresponding preventive and response measures under different climate-related scenarios. Details of the identified risks and mitigation measures are set out below:

Risk Category	Risk Type	Description and Additional Information	Time Horizon	Impact Level	Potential Impact	Mitigation Measures
Acute Physical Risks	Tropical Cyclones	Weather systems formed over tropical or subtropical waters, characterized by a distinct low-pressure center and strong rotational features, typically bringing strong winds, heavy rainfall, and storm surges.	Short to medium term	Low	• May cause partial damage to production, warehousing, and office facilities, affecting normal operations and on-site safety management; • May result in additional costs for facility repairs, equipment maintenance, and disposal of damaged inventory; • May disrupt logistics or lead to temporary work stoppages, affecting order fulfillment schedules and customer satisfaction.	• Establish meteorological monitoring and tiered response mechanisms, with advance arrangements for work suspension, transport suspension, and relocation; • Reinforce and inspect roofs, doors and windows, drainage systems, and outdoor equipment to reduce direct impact from wind and rain; • Improve emergency material reserves, personnel evacuation plans, and post-disaster recovery arrangements to minimize business disruption.
	Hail	Solid precipitation formed during severe convective weather, which may cause direct impact damage to roofs, curtain walls, vehicles, photovoltaic facilities, and other outdoor equipment.	Short to medium term	Low	• May damage building exteriors, transportation equipment, and outdoor facilities, affecting site usability and operational safety; • May increase costs related to repair, replacement, and insurance claims; • May cause damage to outdoor-stored materials, resulting in partial inventory losses and affecting shipment arrangements.	• Take protective measures such as covering, shielding, or moving vehicles, equipment, and outdoor-stored materials into storage to minimize direct losses; • Conduct timely post-event inspections, damage assessments, and repairs to restore operations as soon as possible.

Risk Category	Risk Type	Description and Additional Information	Time Horizon	Impact Level	Potential Impact	Mitigation Measures
Chronic Physical Risks	River Flooding	Caused by sustained heavy rainfall, increased upstream inflows, or changes in basin drainage conditions, potentially resulting in overflow, backflow, and damage to facilities in riverside areas.	Short to medium term	Low	• May adversely affect site safety, warehousing conditions, and operational continuity in riverside or low-lying areas; • May increase capital and operating expenditures for infrastructure repairs, flood control reinforcement, and post-disaster cleanup; • May lead to work stoppages, transport disruptions, or delivery delays, affecting customer satisfaction.	• Establish water level monitoring and early warning response mechanisms, with advance implementation of protective measures in key areas; • Optimize drainage systems, flood control facilities, and storage arrangements for low-level materials to reduce water ingress risks; • Improve contingency plans for work suspension, relocation, recovery, and external coordination to enhance flood response capabilities.
	Sea Level Rise	A long-term climate change trend driven by global warming, which may exacerbate risks such as coastal inundation, erosion, saltwater intrusion, and asset exposure.	Long term	Low	• May increase long-term operational and maintenance pressures on coastal facilities, warehousing nodes, and related assets; • May result in significant capital expenditures for protective reinforcement, equipment relocation, or site selection adjustments; • May adversely affect asset useful life, valuation, and long-term planning.	• Continuously assess the exposure of coastal assets and incorporate sea level changes into long-term planning and site selection; • Implement flood control, drainage improvements, structural reinforcement, and relocation of critical equipment as appropriate; • Enhance insurance coverage, emergency preparedness, and medium-to long-term adaptation plans to reduce long-term asset and operational risks.

Risk Category	Risk Type	Description and Additional Information	Time Horizon	Impact Level	Potential Impact	Mitigation Measures
	Prolonged High Temperatures	Frequent or sustained periods of high temperatures over an extended duration, which may affect employee health, equipment efficiency, and energy consumption levels.	Long term	Medium	• May reduce operational efficiency in outdoor or high-temperature environments and increase pressure on employee health and safety management; • May increase costs related to cooling, heat prevention, and equipment heat dissipation, resulting in higher operating expenses; • May increase the risk of equipment overheating and localized shutdowns, affecting production and delivery schedules.	• Optimize work schedules to avoid peak heat periods and strengthen on-site heat prevention and cooling measures; • Enhance ventilation, cooling systems, and equipment inspection and maintenance to reduce heat-related impacts on personnel and equipment; • Improve employee health monitoring, emergency medical supplies, and incident response mechanisms to ensure operational safety.
	Heavy Precipitation	Rainfall events significantly exceeding normal levels within a short period, which may lead to waterlogging, pooling, leakage, and overloading of drainage systems.	Medium term	Low	• May cause site flooding, moisture damage to stored goods, and impacts on localized electrical facilities, disrupting daily operations; • May increase costs related to emergency drainage repairs, equipment maintenance, and disposal of damaged materials; • May reduce logistics efficiency, affecting shipment scheduling and delivery timelines.	• Regularly inspect and maintain drainage systems, water collection facilities, and seepage control at key points to enhance capacity; • During warning periods, promptly relocate low-lying materials, secure key entry points, and deploy pumping equipment; • Strengthen inspection, power shutdown, emergency repair, and recovery procedures during heavy rainfall to minimize loss escalation.

Transition Risks

Transition risks refer to operational and financial risks arising in the transition to a low-carbon economy, driven by factors such as regulatory and policy changes, technological advancements, shifting market preferences, and reputational considerations. Taking into account industry characteristics, regulatory trends, and market developments, the Group has identified and assessed transition risks across legal and policy, technology, market, and reputation dimensions, and has formulated corresponding management optimization and mitigation measures to support a stable business transition. Details of the identified risks and mitigation measures are set out below:

Risk Category	Risk Type	Description and Additional Information	Time Horizon	Impact Level	Potential Impact	Mitigation Measures
Legal and Policy Transition Risks	Enhanced Emissions Reporting Requirements	Refers to scenarios where regulators impose higher requirements on the authenticity, completeness, and accuracy of carbon emissions reporting by reporting entities.	Medium term	Low	• May increase complexity in disclosure standards, data management, and internal review requirements; • May increase operating costs related to data collection, verification, and external assurance; • May lead to regulatory, reputational, and financing risks if disclosures are insufficient or inaccurate.	• Improve emissions data collection, verification, and audit trail mechanisms to enhance data quality; • Clarify roles and responsibilities and strengthen cross-departmental coordination to ensure consistency and traceability of information; • Closely monitor regulatory developments and update disclosure management and internal review processes as appropriate.
	Exposure to Litigation	Refers to the risk that entities failing to adequately fulfill their climate-related responsibilities may face litigation from environmental organizations or government authorities.	Medium term	High	• May divert management attention and affect external partnerships and brand trust; • May increase costs related to legal advisory, litigation response, and remediation efforts; • May trigger reputational pressure, adversely affecting financing, customer relationships, and market valuation.	• Strengthen compliance management, information disclosure, and internal review mechanisms to reduce the likelihood of disputes; • Promptly remediate identified weaknesses and establish accountability and follow-up mechanisms; • Establish coordinated response mechanisms between legal and public relations functions to enhance timeliness and transparency in incident handling.

Risk Category	Risk Type	Description and Additional Information	Time Horizon	Impact Level	Potential Impact	Mitigation Measures
Technology Transition Risks	Unsuccessful Investment in New Technologies	Refers to scenarios where breakthroughs in photovoltaic material technologies within a short period significantly improve conversion efficiency and reduce costs compared with the Company's existing installed photovoltaic systems.	Medium term	Medium	• May affect project execution, resource allocation, and the pace of business transformation due to suboptimal technology pathway selection; • May delay or limit returns on R&D investment, pilot costs, and specialized equipment expenditures, affecting profitability; • May weaken market competitiveness and investor confidence if implementation outcomes do not meet expectations.	• Conduct thorough feasibility studies and phased validation prior to technology investments to control upfront capital commitments; • Establish pilot testing, post-evaluation, and exit mechanisms to promptly adjust projects that do not meet expectations; • Monitor external technological developments and collaboration opportunities to improve technology selection and implementation success rates.
	High Costs of Transitioning to Low-Emission Technologies	Refers to scenarios where upgrading existing and in-progress assets for energy efficiency and low-carbon transition results in significantly increased costs.	Medium term	High	• May place pressure on existing operations, capacity planning, and resource allocation during technology upgrades; • May increase capital expenditures and operating costs due to equipment upgrades and employee training; • May reduce operational efficiency during the initial transition phase, affecting cost control, profit margins, and cash flow.	• Develop phased implementation plans, coordinate investment pacing, and assess operational capacity; • Prioritize projects with clear energy-saving benefits and return profiles to improve investment efficiency; • Strengthen budget management, project evaluation, and employee training to reduce transition risks.

Risk Category	Risk Type	Description and Additional Information	Time Horizon	Impact Level	Potential Impact	Mitigation Measures
Market Transition Risks	Shifts in Consumer Preferences	Refers to scenarios where customers place greater emphasis on green consumption, resulting in dissatisfaction with the environmental performance of currently leased facilities such as factories or warehouses.	Medium term	High	• May accelerate product iteration cycles and affect existing sales strategies due to changes in consumer preferences; • May increase costs related to product adjustments, marketing activities, and inventory realignment; • May lead to declining sales, inventory write-downs, or reduced brand appeal if consumer preferences are not addressed in a timely manner.	• Continuously conduct consumer insights analysis and channel feedback reviews to promptly optimize product and brand strategies; • Integrate green, safety, and low-carbon concepts into R&D and marketing to enhance product-market fit; • Strengthen sales forecasting and inventory management to mitigate inventory backlog risks arising from demand shifts.
	Rising Raw Material Costs	Refers to scenarios where prices of construction materials and labor used in asset development increase significantly due to low-carbon and environmental requirements.	Medium term	High	• May increase procurement costs, affecting production and delivery processes and placing pressure on cost control; • May compress gross margins and affect profitability if cost pass-through is not timely; • May increase management and R&D investment due to supplier changes, alternative material testing, and quality validation.	• Optimize procurement strategies and quotation comparison mechanisms to strengthen cost management of key raw materials; • Promote supplier diversification and long-term partnerships to enhance procurement resilience; • Explore alternative material solutions through product design and process improvements to mitigate cost pressures.

Risk Category	Risk Type	Description and Additional Information	Time Horizon	Impact Level	Potential Impact	Mitigation Measures
Reputational Transition Risks	Industry stigmatization	Refers to scenarios where manufacturing and warehousing/logistics operations are stigmatized due to inadequate climate change response and significant uncontrolled greenhouse gas emissions.	Medium term	High	• May weaken trust among customers and investors due to negative industry perceptions; • May increase management and marketing costs associated with reputation repair, stakeholder communication, and brand maintenance; • May affect financing conditions, business collaboration opportunities, and talent attraction as a result of declining external evaluations.	• Strengthen communication of ESG management and climate actions, with timely and transparent disclosure of progress and improvement measures; • Proactively respond to market concerns and enhance engagement with investors, customers, and business partners; • Continuously advance emissions reduction, compliance, and risk management initiatives.
	Increased Stakeholder Concerns or Negative Feedback	Refers to scenarios where investors, customers, and regulators express significant concerns regarding the Company's climate risk management and a rise in related complaints is observed.	Medium term	High	• May increase the workload for communication and coordination, affecting the stability of internal and external relationships; • May require additional management resources and costs for complaint handling, special investigations, and corrective actions; • May further affect market trust, employee morale, and capital market performance if not properly addressed.	• Establish regular communication and feedback-handling mechanisms to promptly identify and respond to key issues; • Conduct root cause analysis, track corrective actions, and provide feedback on key issues; • Continuously enhance disclosure quality and management transparency to strengthen stakeholder trust.

As the global transition to a low-carbon economy accelerates, climate change presents not only risks but also opportunities in areas such as resource utilization, energy structure optimization, and product upgrading. Based on policy direction and market trends, the Group has, alongside identifying climate-related risks, systematically assessed related opportunities to better capture operational improvement potential and business growth prospects arising from the green transition.

Resource Efficiency Opportunities

Optimize resource allocation and improve resource efficiency through the following measures:

- Continuously optimize production processes and management arrangements to reduce the unit consumption of raw materials, energy, and other resources;
- Promote lightweighting, material reduction, and recycling in packaging to enhance packaging efficiency;
- Gradually introduce energy-efficient designs, such as energy-saving lighting and natural ventilation, in new or upgraded facilities to reduce energy consumption and improve operational efficiency.

Green Energy Opportunities

Continuously enhance energy management and optimize the energy mix through the following measures:

- Continuously assess the application potential of renewable energy projects, such as solar photovoltaics, across suitable scenarios including production sites and warehousing facilities;
- Gradually optimize the energy mix based on actual energy usage and operational needs to increase the proportion of renewable or low-carbon energy;
- Incorporate energy-saving and energy substitution solutions into facility construction, equipment upgrades, and technological transformation to improve overall energy efficiency.

Product and Market Opportunities

Capture emerging demand driven by green consumption trends through the following measures:

- Further evaluate the economic benefits of developing low-carbon and green products and explore product upgrade pathways aligned with premium market trends;
- Continuously assess the feasibility of applying environmentally friendly, renewable, and alternative materials to enhance product safety and environmental performance;
- Strengthen product competitiveness in response to stakeholder expectations on sustainability and address consumers' dual demand for quality and responsibility.

4.2 Green Operations and Resource Recycling

The Group integrates green principles into all aspects of daily operations, including water resource management, waste handling, and office practices, to comprehensively implement energy conservation and emissions reduction and promote efficient resource recycling.

4.2.1 Water Resource Management

The Group places water conservation and protection at the core of its environmental management system. It is committed to continuously reducing water consumption and improving water use efficiency through lifecycle-based precision management, ensuring “compliant wastewater discharge with zero non-compliance risk”. Targeting two key water consumption sources—“employee domestic water use” and “mould cooling water in the foaming workshop”—the Group has implemented specific technological upgrades and recycling improvements. In parallel, water-saving practices are embedded into corporate culture through signage awareness campaigns and routine training, fostering employees’ water conservation awareness and safeguarding the sustainable development of water resources.

During the reporting period, the Group did not experience any material topics in sourcing water that is fit for purpose. All water consumed across our operations is sourced from municipal water supply systems, which are sufficient and stable in supply, with water quality compliant with applicable national and local standards to fully meet our daily operational and production needs.



Key Performance Indicators of Water Resource Management (During the Reporting Period)



4.2.2 Waste Management

Waste is classified into hazardous waste and non-hazardous waste. The Group has formulated the Waste Management Policy to regulate the classification, collection, storage, transportation, disposal and sale of waste generated from production and operational activities, thereby promoting waste reduction and resource recycling. The Human Resources Department regularly appoints qualified recycling enterprises to sell recyclable waste, with all transactions recorded in the Scrap Sale Register, enabling circular resource utilization.

The specific waste classification and management approaches are set out below:

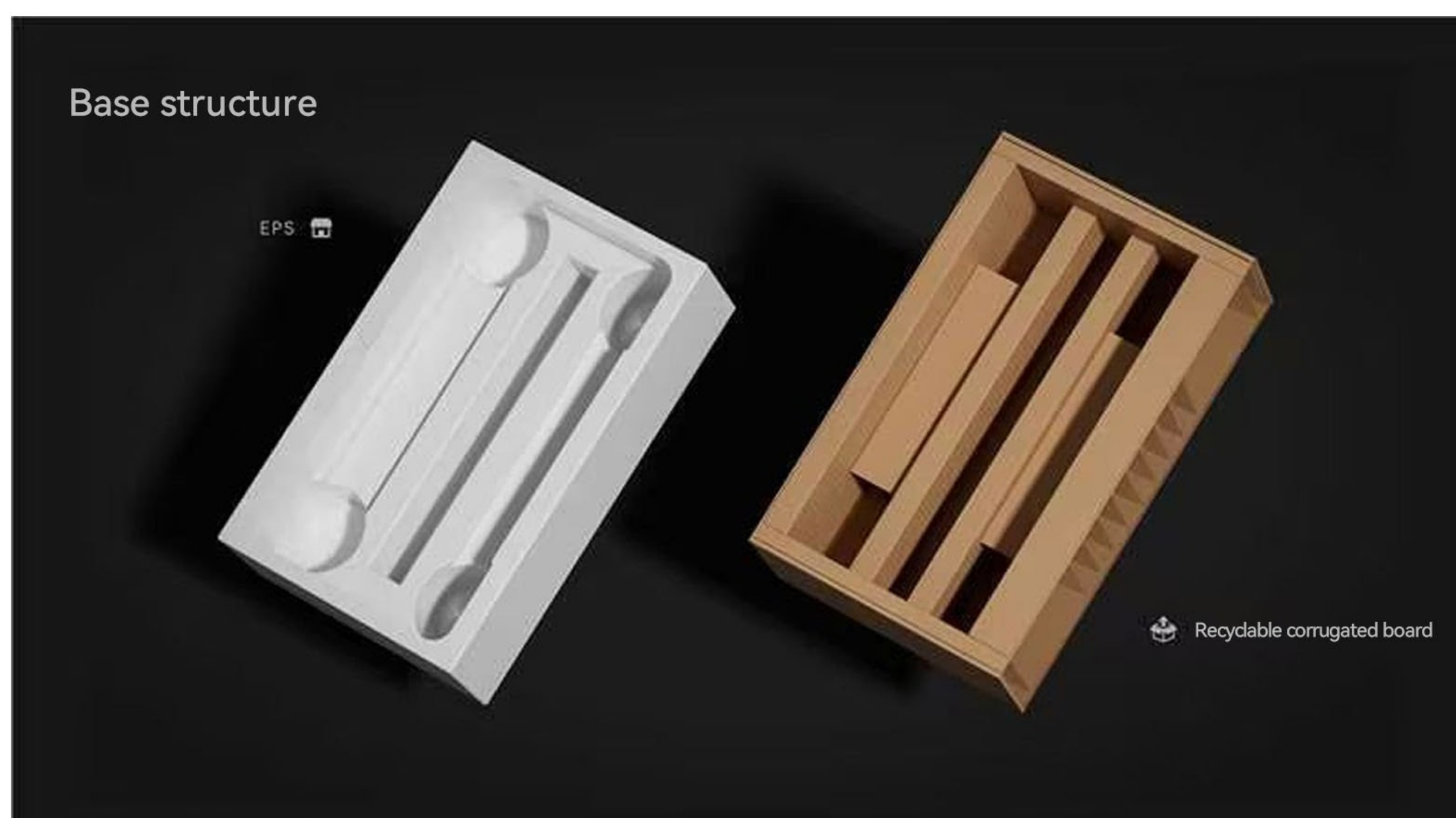
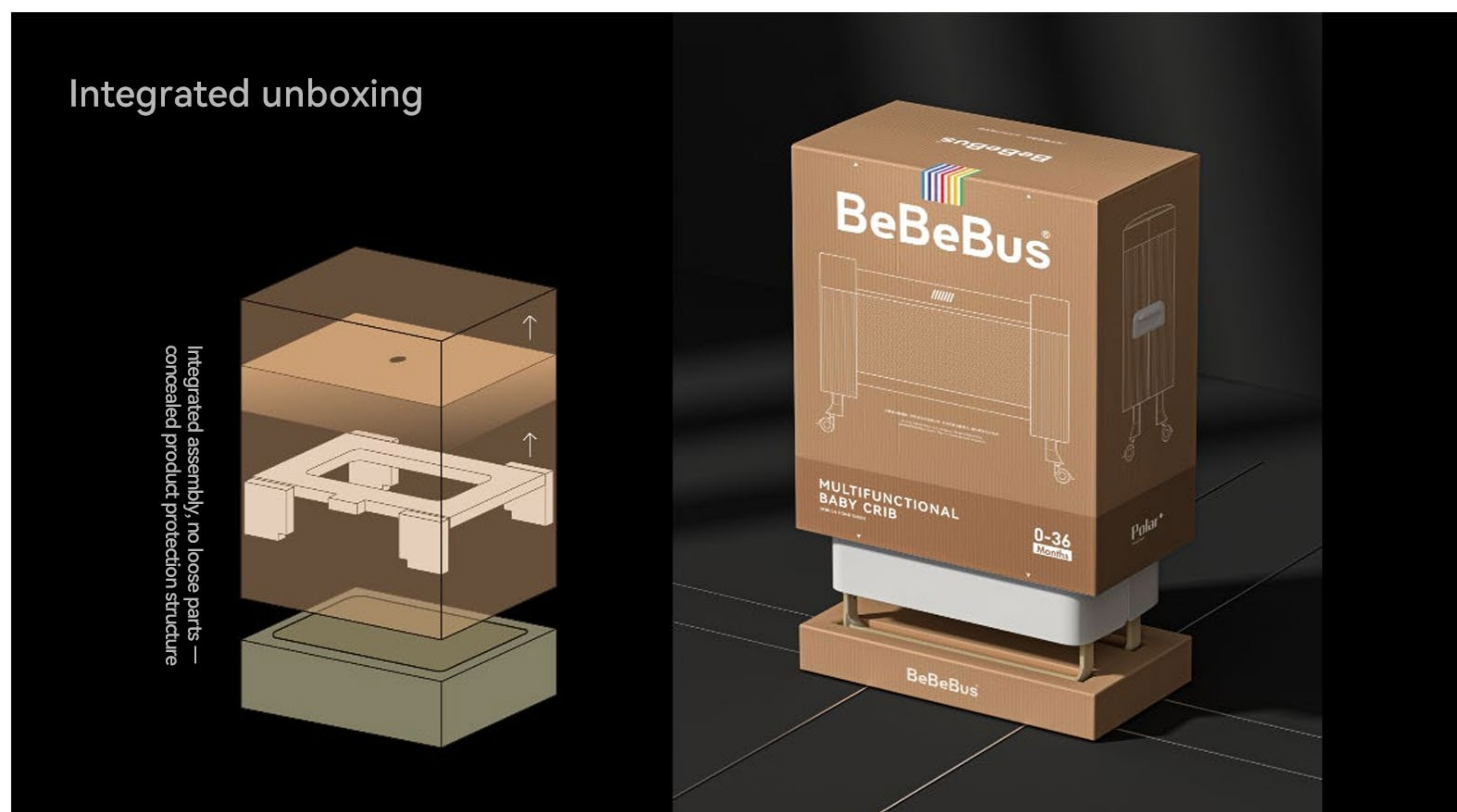
- **Hazardous Waste:** Hazardous waste refers to waste with toxic, corrosive, explosive, flammable or oxidizing properties that may cause harm to human health, facilities or the environment. It includes empty containers after chemical use, chemical residues/expired chemicals, and chemical-contaminated wiping materials.

The Group has established the Chemical Management Policy to ensure full-process control of hazardous chemicals and hazardous waste. Across procurement, warehousing, storage, issuance, usage and disposal (including waste liquid and empty container handling), strict requirements are implemented. Chemical warehouses are equipped with MSDS, safety labels, personal protective equipment, fire-fighting facilities and warning signage. User departments collect PPE as required. Dispensing must use designated containers. PPE must be worn during handling. Eye-wash stations are installed in operating areas and inspected monthly. Hazardous waste generated daily is collected in designated containers and transferred weekly to the hazardous waste storage facility, which is managed by the Human Resources Department or authorized personnel. When hazardous waste storage approaches 3 tons or storage duration approaches one year, the Human Resources Department appoints qualified third-party service providers for transportation and disposal.

- **Non-hazardous Waste:**Non-hazardous waste refers to all waste other than hazardous waste, including general industrial waste, domestic waste and construction waste.
General industrial waste is classified by the Production Department, which is responsible for sorting, collection and temporary storage in production areas, and transportation to designated centralized storage sites. The generating departments manage on-site handling to prevent dispersion and loss, and maintain housekeeping practices including sorting, cleaning and organization within production areas. Domestic waste and construction waste are classified into “recyclable” and “non-recyclable” categories. Recyclable waste is sorted and stored separately, and recycled by external suppliers appointed by the Human Resources Department. Centralized storage areas are equipped with rainproof, seepage-proof, leak-proof and anti-scattering measures. Non-recyclable waste is placed in public collection points for disposal by municipal authorities.

In product packaging and green logistics, we integrate environmental protection principles into packaging design, material selection, and end-to-end recycling and reuse processes, with a view to reducing the environmental impact of packaging waste and promoting efficient resource circularity.

The Group adopts a source-oriented approach at the product R&D stage by actively selecting biodegradable and recyclable eco-friendly packaging materials. Corrugated paper, cardboard and kraft paper are used as the primary packaging substrates, while polypropylene (PP) is preferred for inner cushioning materials, replacing conventional high-pollution and non-recyclable materials such as PVC, thereby effectively reducing the lifecycle environmental footprint of packaging. At the same time, the Group promotes lightweight design and clean production processes, reducing material usage through optimized packaging structures. Taking infant crib packaging as an example, the R&D team has innovatively adopted a recyclable paper-based structural base to replace traditional EPS foam cushioning. While ensuring product protection performance, this significantly reduces the use of plastic foam, thereby reducing packaging waste at source and fulfilling environmental protection responsibilities.



At the same time, the Group has formulated and strictly implemented the SOP for Warehouse Packaging Waste Recycling, establishing a closed-loop recycling management system covering both outbound shipment and return logistics processes. During outbound packaging, materials such as cartons, dividers and courier bags are immediately collected and preliminarily sorted by packing staff before being placed into designated recycling containers. During return unpacking, packaging materials are carefully disassembled to ensure minimal damage, and intact and uncontaminated materials are separated and stored by category. A dedicated recycling area is established within the warehouse, where designated personnel conduct daily consolidation and secondary sorting in multiple batches. Clean and intact cartons, courier bags and other materials are stored separately and prioritized for internal circulation, inter-factory transfer or outbound repackaging, enabling repeated reuse cycles. Damaged paper-based and plastic packaging materials that cannot be reused are centrally handed over to qualified recycling companies for disposal, and are strictly prohibited from being disposed of improperly, including landfill or incineration. Warehouse supervisors organize monthly SOP training and inspections, and incorporate recycling performance into staff appraisal systems, with incentives provided for compliant practices, ensuring effective implementation of the recycling process. Through this closed-loop management system, the Group not only reduces packaging waste and resource consumption at source, but also effectively lowers operating costs and promotes refined green management in warehousing and logistics operations.



Key Performance Indicators of Waste and Packaging Materials Management

Type	2025 Total (tons)	tons per RMB 10,000 production value
Hazardous waste	2.07	0.00023
Non-hazardous waste	14.11	0.0016
Packaging materials	1343.63	0.15

4.3 Supply Chain Environmental Management and Green Procurement

The Group extends its environmental management requirements to upstream and downstream supply chain partners, working closely with suppliers and collaborators to build a green and sustainable industrial ecosystem and expand the boundaries of its environmental influence. We are committed to establishing long-term partnerships with high-quality suppliers and implementing stringent quality and environmental control standards to effectively mitigate ESG risks within the supply chain.

To reduce ESG risks in the supply chain, we implement the following control measures:

- During supplier selection and qualification, priority is given to partners certified under ISO management systems, ensuring their environmental management, quality control, and occupational health standards meet the Group's sustainability requirements;
- We actively promote green procurement practices and systematically review and verify suppliers' environmental certifications (e.g. ISO 14001 certification) during the evaluation process to ensure compliance with sustainability standards across the upstream and downstream supply chain.



4 Appendix I: List of Applicable Laws and Regulations

topic	Applicable Laws and Regulations
Environmental	Environmental Protection Law of the People’s Republic of China
	Environmental Impact Assessment Law of the People’s Republic of China
	Law of the People’s Republic of China on the Prevention and Control of Water Pollution
	Measures for the Administration of Pollutant Discharge Permits
	Law of the People’s Republic of China on the Prevention and Control of Noise Pollution
	Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste
	Regulations on the Administration of Pollutant Discharge Permits
	Measures for the Administration of Transfer of Hazardous Waste
	Measures for the Administration of Hazardous Waste Business Permits
	National Catalog of Hazardous Wastes (2025 Edition)
	Measures for the Supervision and Administration of River Outfalls
	Energy Conservation Law of the People’s Republic of China
	Renewable Energy Law of the People’s Republic of China
	Clean Production Promotion Law of the People’s Republic of China
	Interim Regulations on the Administration of Carbon Emission Trading
	Measures for the Administration of Energy Conservation of Key Energy-Consuming Entities
	Energy Law of the People’s Republic of China
	Electric Power Law of the People’s Republic of China
	Regulations on the Protection of Electric Power Facilities
	Measures for the Administration of Power Conservation
	Water Law of the People’s Republic of China
	Implementation Plan for Promoting Clean Production During the 14th Five-Year Plan Period
	Guidelines for Accounting and Reporting of Corporate Greenhouse Gas Emissions
Social	Labor Law of the People’s Republic of China
	Labor Contract Law of the People’s Republic of China
	Law of the People’s Republic of China on the Protection of Minors
	Interim Provisions on Labor Dispatch
	Law of the People’s Republic of China on Labor Dispute Mediation and Arbitration
	Regulations on the Implementation of the Labor Contract Law of the People’s Republic of China
	Regulations on Paid Annual Leave for Employees
	Measures for the Implementation of Paid Annual Leave for Enterprise Employees

topic	Applicable Laws and Regulations
	Provisions of the State Council on Employees' Working Hours
	Special Provisions on Labor Protection for Female Employees
	Provisions on Minimum Wages
	Interim Provisions on the Payment of Wages
	Trade Union Law of the People's Republic of China
	Social Insurance Law of the People's Republic of China
	Interim Regulations on the Collection and Payment of Social Insurance Premiums
	Regulations on the Administration of Housing Provident Fund
	Regulations on Work-related Injury Insurance
	Provisions on Medical Treatment Period for Employees Due to Illness or Non-work-related Injury
	Regulations on Unemployment Insurance
	Measures for Maternity Insurance
	Measures for the Administration of Investment of Basic Pension Insurance Funds
	Measures for the Administrative Supervision of Social Insurance Funds
	Law of the People's Republic of China on the Prevention and Control of Occupational Diseases
	Work Safety Law of the People's Republic of China
	Measures for the Administration of Work Safety Training
	Measures for the Supervision and Administration of Occupational Health Surveillance by Employers
	Provisions on the Administration of Occupational Health in Workplaces
	Regulations on Emergency Response to Production Safety Accidents
	Civil Code of the People's Republic of China
	Provisions on the Prohibition of Child Labor
	Criminal Law of the People's Republic of China
	Measures for One-off Compensation for Casualties of Personnel of Illegal Employers
	Regulations on the Administration of Work Safety of Construction Projects
	Measures for the Administration of Occupational Health Examinations
Product Quality and Innovation	Trademark Law of the People's Republic of China
	Regulations on the Implementation of the Trademark Law of the People's Republic of China
	Provisions on the Recognition and Protection of Well-known Trademarks
	Copyright Law of the People's Republic of China
	Regulations on the Implementation of the Copyright Law of the People's Republic of China
	Patent Law of the People's Republic of China

topic	Applicable Laws and Regulations
	Rules for the Implementation of the Patent Law of the People’s Republic of China
	Regulations on the Protection of Computer Software
	Product Quality Law of the People’s Republic of China
	Interim Measures for the Administration of Random Inspection for Product Quality Supervision
	Regulations on the Implementation of the Law of the People’s Republic of China on the Protection of Consumer Rights and Interests
	Law of the People’s Republic of China on Import and Export Commodity Inspection
	Measures for the Administration of the Recall of Defective Consumer Products
	Cybersecurity Law of the People’s Republic of China
	E-commerce Law of the People’s Republic of China
	Personal Information Protection Law of the People’s Republic of China
	Regulations on the Administration of Network Data Security
	Provisions on the Protection of Children’s Personal Information Online
	Provisions on the Scope of Necessary Personal Information for Common Types of Mobile Internet Applications
	Advertising Law of the People’s Republic of China
Corporate Governance	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
	Company Law of the People’s Republic of China
	Basic Standards for Enterprise Internal Control
	Anti-Unfair Competition Law of the People’s Republic of China
	Anti-Money Laundering Law of the People’s Republic of China
	Interim Provisions of the State Administration for Industry and Commerce on the Prohibition of Commercial Bribery
	Prevention of Bribery Ordinance (Hong Kong)

5 Appendix II: Key Performance Indicators (KPIs)

topic	KPI Code	Indicator	Unit	2025
Environmental	A1.1	Nitrogen Oxides (NOx) Emissions	grams	7,791.21
	A1.1	Sulfur Oxides (SOx) Emissions	grams	218.19
	A1.1	Particulate Matter (PM) Emissions	grams	573.65
	A1.3	Total hazardous waste	tons	2.07
	A1.3	Hazardous waste intensity	tons perRMB10000 Production Output	0.00023
	A1.4	Total non-hazardous waste	tons	14.11
	A1.4	Non-hazardous waste intensity	tons perRMB10000 Production Output	0.0016
	A2.1	Total gasoline usage	megawatt-hours	125.66
	A2.1	Total diesel usage	megawatt-hours	4.30

topic	KPI Code	Indicator	Unit	2025
	A2.1	Total electricity usage	megawatt-hours	974,256.46
	A2.1	Total direct (Scope 1) GHG emissions	tCO ₂ e	32.5
	A2.1	Total indirect (Scope 2) GHG emissions	tCO ₂ e	562.8
	A2.1	Total GHG emissions	tCO ₂ e	595.3
	A2.1	GHG emissions intensity	tCO ₂ e per RMB10000 Production Output	0.07
	A2.2	Water consumption	m ³	3072.97
	A2.2	Water consumption intensity	m ³ perRMB10000 Production Output	0.34
	A2.5	Packaging materials consumption	tons	1343.63
	A2.5	Packaging materials intensity	m ³ perRMB10000 Production Output	0.15
Social	B1.1	Total workforce	persons	669
	B1.1	New hires	persons	173
	B1.1	Employees by employment type		
		Full-time	persons	667
		Part-time	persons	2
	B1.1	Employees by gender		
		Male	persons	328
		Female	persons	341
	B1.1	Employees by age group		
		Below 30	persons	336
		30-50	persons	321
		Above 50	persons	12
	B1.1	Employees by category		
		General staff	persons	593
		Middle management	persons	49
		Senior management	persons	27
	B1.1	Employees by geographical region		
		Ningbo	persons	397
		Shanghai	persons	106
		Kunshan	persons	166
	B1.2	Total employee turnover	persons	205
	B1.2	Employee turnover by gender		

topic	KPI Code	Indicator	Unit	2025
		Male	persons	107
			%	52.20
		Female	persons	98
			%	47.80
	B1.2	Employee turnover by age group		
		Below 30	persons	120
			%	58.54
		30-50	persons	78
			%	38.05
		Above 50	persons	7
			%	3.41
	B1.2	Employee turnover by geographical region		
		Ningbo	persons	132
			%	64.39
		Shanghai	persons	28
			%	13.66
		Kunshan	persons	45
			%	21.95
	B2.1	Number of work-related fatalities (2025)	persons	0
		Number of work-related fatalities (2024)	persons	0
		Number of work-related fatalities (2023)	persons	0
	B2.1	Number of work-related injuries (2025)	persons	5
		Number of work-related injuries (2024)	persons	7
		Number of work-related injuries (2023)	persons	1
	B2.1	Work-related injury and fatality rate (2025)	%	0.75
		Work-related injury and fatality rate (2024)	%	1.32

topic	KPI Code	Indicator	Unit	2025
		Work-related injury and fatality rate (2023)	%	0.25
	B2.2	Lost days due to work injury	days	152
	B3.1	Total number of employees trained	persons	570
	B3.1	Total training hours	hours	5629
	B3.1	Training coverage rate	%	85.20
	B3.1	Employees trained by gender		
		Male	persons	285
			%	50.00
		Female	persons	285
			%	50.00
	B3.1	Employees trained by category		
		General staff	persons	518
			%	90.88
		Middle management	persons	36
			%	6.31
		Senior management	persons	16
			%	2.81
	B3.2	Average training hours per employee by gender		
		Male	hours	9.88
		Female	hours	9.88
	B3.2	Average training hours per employee by category		
		General staff	hours	9.88
		Middle management	hours	9.86
		Senior management	hours	9.81
	B5.1	Number of suppliers by geographical region		
		East China	number	133
		South China	number	30
		Central China	number	3
		North China	number	1
		Total	number	167

topic	KPI Code	Indicator	Unit	2025
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	%	0
	B6.2	Number of complaints received regarding products and services	number	249
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period	number	0

6 Appendix III: Content Index of the Environmental, Social and Governance Reporting Code of The Stock Exchange of Hong Kong Limited

Subject Areas, Aspects, General Disclosures and KPIs		Corresponding Section
A.Environmental		
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 hazardous gas and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	4.1.2 Greenhouse Gas Emissions Management 4.2.2 Waste Management
KPI A1.1	The types of emissions and respective emissions data.	4.1.2 Greenhouse Gas Emissions Management
KPI A1.2	Repealed January 1, 2025	/
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.2.2 Waste Management

Subject Areas, Aspects, General Disclosures and KPIs		Corresponding Section
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.2.2 Waste Management
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	4.1.2 Greenhouse Gas Emissions Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	4.2.2 Waste Management
A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	4.2.2 Waste Management
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per	4.1.2 Greenhouse Gas Emissions Management
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	4.2.1 Water Resource Management
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	4.1.2 Greenhouse Gas Emissions Management
KPI 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	4.1.2 Greenhouse Gas Emissions Management
KPI A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	4.2.2 Waste Management
A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	4.1.1 Environmental Management System 4.1.3 Climate Change Response
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	4.1.1 Environmental Management System 4.1.3 Climate Change Response
A4: Climate Change		
General Disclosure	Repealed January 1, 2025	/
KPI A4.1	Repealed January 1, 2025	/
B. Social		

Subject Areas, Aspects, General Disclosures and KPIs		Corresponding Section
Employment and Labor Practices		
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.	3.1.1 Employee Recruitment and Protection of Basic Rights 3.1.3 Employee Well-being and Care
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	3.1.1 Employee Recruitment and Protection of Basic
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	3.1.1 Employee Recruitment and Protection of Basic Rights
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	3.1.3 Employee Well-being
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	3.1.3 Employee Well-being
KPI B2.2	Lost days due to work injury.	3.1.3 Employee Well-being
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	3.1.3 Employee Well-being
B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	3.1.2 Talent Development and Career Advancement
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	3.1.2 Talent Development and Career Advancement
KPI B3.2	The average training hours completed per employee by gender and employee category.	3.1.2 Talent Development and Career Advancement
B4: Labor Standards		

Subject Areas, Aspects, General Disclosures and KPIs		Corresponding Section
General Disclosure	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 labor.	3.1.1 Employee Recruitment and Protection of Basic Rights
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	3.1.1 Employee Recruitment and Protection of Basic
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	3.1.1 Employee Recruitment and Protection of Basic
B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	2.2.1 Product Quality Management
KPI B5.1	Number of suppliers by geographical region.	2.2.1 Product Quality Management
KPI 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.	2.2.1 Product Quality Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	2.2.1 Product Quality Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	2.2.1 Product Quality Management
B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	2.2.1 Product Quality Management 3.2.1 Children's Safety and Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	2.2.1 Product Quality Management
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	2.2.2 Customer Service Management
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	2.1.1 R&D Management 2.1.2 Intellectual Property Management

Subject Areas	Aspects, General Disclosures and KPIs	Corresponding Section
KPI B6.4	Description of quality assurance process and recall procedures.	2.2.1 Product Quality Management
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	1.5.1 Consumer Data Management 1.5.2 Future Plans for Information Security
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.	1.4.1 Integrity System
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	1.4.3 Integrity Management System
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	1.4.2 Whistleblowing Mechanism
KPI B7.3	Description of anti-corruption training provided to directors and staff.	1.4.3 Integrity Culture
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.	3.2.2 Public Welfare and Community Engagement
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	3.2.2 Public Welfare and Community Engagement
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	3.2.2 Public Welfare and Community Engagement



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