

2025



ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

Giant Biogene Holding Co., Ltd
Stock Code: (02367.HK)



ABOUT THIS REPORT

Giant Biogene Holding Co., Ltd (the "Company") is pleased to present its 2025 Environmental, Social and Governance ("ESG") Report ("ESG Report"), aiming to provide a fair presentation to all stakeholders regarding the ESG governance structure, management systems, practical measures and performance of the Company, its subsidiaries and consolidated associated entities ("Giant Biogene", the "Group", "we")

SCOPE AND BOUNDARIES OF THE REPORT

This report covers the Group's ESG work from 1 January 2025 to 31 December 2025 (the "Reporting Period"), with some information backdated to prior years. The policies and data provided in this report cover the Company's head office and subsidiaries. The scope of the report is consistent with the 2025 annual report.

SOURCES OF INFORMATION AND ASSURANCE OF RELIABILITY

The data and cases disclosed in this report are mainly derived from the Company's statistical reports and related documents. The Board of Directors of the Company undertakes that this report does not contain any false statements or misleading representations, and is responsible for the truthfulness, accuracy and completeness of its contents. Unless otherwise noted, all figures in this report are denominated in RMB.

BASIS OF PREPARATION

This report has been prepared in compliance with Appendix C2 the Environmental, Social and Governance Reporting Guide of the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") ("ESG Reporting Guide").

This report follows the reporting principles of materiality, quantitative and consistency, and has been prepared in accordance with the steps of identifying and ranking significant stakeholders and important ESG-related issues, determining the boundaries of the ESG report, collecting relevant materials and data, preparing the report based on such data and reviewing the data in the report.

| Materiality |

This report reports on ESG issues that have significant impact on investors and other stakeholders as determined by the Board of Directors of the Company. Please refer to sections "Communication with stakeholders" and "ESG materiality issues" for the identification process of ESG materiality issues of Giant Biogene in 2025 and its results.

| Quantitative |

This report discloses the relevant quantitative data, standards and methods used in statistics and calculations in the field of ESG, and provides textual explanations for quantitative data. Please refer to the corresponding sections of each chapter for quantitative ESG data of Giant Biogene in 2025.

| Consistency |

Unless otherwise stated, the Company will apply a consistent statistical method of disclosure for each reporting period.

REPORT LANGUAGE AND FORM

This report is available in both Chinese and English, and is available in electronic form for reference. For more information on the background, business development and sustainable development concept of Giant Biogene, please visit Giant Biogene's official investor relations website.

CONFIRMATION AND APPROVAL

This report was passed by the Board of Directors on 19 March 2026 upon confirmation by the management.

RESPONSE TO THIS REPORT

We value opinions of stakeholders. Do not hesitate to contact us via the following. Your feedback will help us further improve ESG report disclosure and enhance our ESG performance.

✉ E-mail: ir@xajuzi.com

CONTENTS

ABOUT THIS REPORT	02
CHAIRMAN'S STATEMENT	06
ABOUT US	07

01 RESPONSIBLE GOVERNANCE

CORPORATE GOVERNANCE	11
Board of directors statement	11
Governance structure of Giant Biogene	11
ESG GOVERNANCE	12
ESG governance structure	12
Communication with stakeholders	13
ESG materiality issues	15
OPERATIONAL COMPLIANCE	17
Risk management	17
Business ethics management	18

02 INNOVATIVE R&D

QUALITY MANAGEMENT	23
Quality management system	23
Quality management actions	27
Quality culture construction	32
PRODUCT R&D	33
R&D system establishment	33
Innovative results	38
Intellectual property protection	40
SUPPLY CHAIN MANAGEMENT	43

Supplier management	43
Supplier cooperation	45
Sustainable supply chains	46

03 SERVICE FIRST

CUSTOMER SERVICES	49
RESPONSIBLE MARKETING	53
PRIVACY PROTECTION	55

04 GREEN OPERATION

ENVIRONMENTAL MANAGEMENT	59
EMISSIONS MANAGEMENT	61
Wastewater management	61
Waste gas management	62
Waste management	63
RESOURCE MANAGEMENT	65
Energy management	65
Use of resources	67
RESPONDING TO CLIMATE CHANGE	70

05 TALENT PROTECTION

EMPLOYMENT	85
RIGHTS AND BENEFITS	88
Remuneration and benefits	88
Employee benefits	90
SAFE AND HEALTHY	94
Production safety management	94
Support for the health of employees	95
TRAINING AND DEVELOPMENT	96
Employee training	96
Employee development	98

06 GIVE BACK TO COMMUNITY

SOCIAL WELFARE	101
INDUSTRY DEVELOPMENT	103
Appendix	105
Index of Appendix C2 of Listing Rules of HKEX	105

CHAIRMAN'S STATEMENT



GIANT
BIOGENE

YAN Jianya

Giant Biogene Holding Co., Ltd
Chairman of the Board, Executive Director
and Chief Executive Officer

2025 marks a pivotal transition between the conclusion of the 14th Five-Year Plan and the commencement of the 15th. In this era, sustainability has become a core imperative for enterprises. We believe that "Tech for Good" entails not only safeguarding the beauty and health of our consumers but also leading the industry, delivering warmth to society, and preserving goodwill for the planet. Guided by this conviction, we have deeply integrated ESG principles into the fabric of our corporate development.

Steady progress requires a solid foundation.

Standardized, transparent, and compliant governance serves as the "ballast stone" for sustainable development. We have upgraded our ESG governance system, refining a three-tier structure and establishing a materiality matrix through stakeholder engagement. Treating compliance as our bottom line, we have enhanced our "Three Lines of Defense" to foster an ethical ecosystem. By deeply rooting our governance, we secure the "safety line" and "lifeline" of our development amidst the tides of the times.

As a biotech enterprise, R&D is our cornerstone.

We integrate sustainability throughout the product lifecycle, leading industry innovation through systematic R&D. Backed by a robust portfolio—including 2 Class III and over 30 Class II medical device registrations, 140+ cosmetics filing certificates, and 140+ ongoing projects—we deliver superior products and services to our users. We have deepened full-chain quality management to ensure all issues are traceable, controllable, and resolvable. Through targeted safety training, we are shifting our quality mindset from "passive compliance" to "active excellence". We collaborate with upstream and downstream partners to build an efficient, win-win supply chain ecosystem, extending the scope of green development from our own operations to the entire industry.

Long-term consumer trust is the foundation of true sustainability.

Guided by the core philosophy of "consumer needs as the orientation and user value as the foundation", we regard the

consumer experience as the lifeline of our brand. We have overhauled our customer service system to respond to consumer requests with greater warmth and efficiency, while establishing a full-chain privacy protection framework to resolutely safeguard data security. Furthermore, we have built a "trinity" responsible marketing system characterized by strict controls, digital empowerment, and full-staff compliance. Through science popularization activities, we bridge the gap between science and the public, fostering a transparent and trustworthy consumption ecosystem.

The true worth of a company is defined not just by its financial performance, but by its contribution to society.

On the path of sustainable development, we are committed to co-existing and prospering with the industry, society, the environment, and our employees. We lead or participate in formulating numerous national, industry, and group standards and engage in academic exchanges to inject fresh impetus into high-quality industry development. We actively engage in social care and health education, continuously contributing to public welfare. We advance energy conservation, innovate green packaging, and optimize low-carbon logistics. Having obtained Environmental Management System certification and the "National Green Factory" title, we demonstrate our commitment to the planet. Upholding a "people-oriented" philosophy, we have built a benefit system covering "physical, mental, family, and professional" well-being, ensuring every employee gains growth, a sense of belonging, and happiness.

Every step we took in the past year would not have been possible without your trust and support. We extend our sincere gratitude to all shareholders, partners, and consumers.

As we embark on a new journey with a focus on green development, we recognize that ESG is not merely a mandatory response to the times, but an essential path to building sustainable competitiveness. We will remain committed to long-termism, grounding ourselves in governance, centering on responsibility, and coloring our operations with green. Hand in hand with all our partners, we will co-create a beautiful future where humanity and nature live in harmony.



巨子医美

ABOUT GIANT BIOGENE

Founded in 2000 and located in Xi'an High-tech Zone, Giant Biogene (02367.HK) is a high-tech enterprise focusing on "Technology-based Beauty", and a leader in bioactive ingredient-based professional skin treatment product industry in China. On 4 November 2022, the Company was successfully listed on the main board of the Hong Kong Stock Exchange, and has become "the first listed company in the field of recombinant collagen" in China. During the Reporting Period, Euromonitor International, a market research institution, certified the Company as the "Global Leader in Recombinant Collagen". The Company utilizes proprietary synthetic biology technology to design, develop and produce recombinant collagen, rare ginsenosides and other bioactive ingredients. The Company focuses on the three major industries of functional skincare products, medical devices, functional foods and foods for special medical purposes, takes "biotechnology to empower beauty and health" as its mission, adheres to the relentless pursuit of innovative technologies and product R&D for natural beauty and health, and strives to bring technology from the laboratory to life, so as to become a leading enterprise in the field of beauty and health in China.

The Company utilizes proprietary synthetic biology technology platform to research and develop, and manufacture multiple types of recombinant collagen and rare ginsenosides in-house. As of December 2025, it has 209 patents and patent applications. The Company was granted the first patent for its recombi-

nant collagen technology in the industry in China, and won the Second Prize of National Technology Invention Award and China Patent Gold Award in 2013 and 2016, respectively. Giant Biogene has also become the first company in China to achieve mass production of recombinant collagen and apply it in the medical device industry. The Company has been awarded the "Top 100 Private Enterprises in Xi'an (西安市民营企业100强)" for many times, was approved as a "Post-doctoral Research Center (博士后工作站)" in 2015, "Academician and Expert Workstation in Xi'an (西安市院士专家工作站)" in 2018, "High-tech Enterprises (高新技术企业)" in 2020, "Post-doctoral Innovation Base (博士后创新基地)" in 2021, recognized as "Technological Innovation Demonstration Enterprise in Xi'an (西安市技术创新示范企业)" in 2021, "Quality Benchmarking Enterprise in Xi'an (西安市质量标杆企业)" in 2021, etc., and was admitted to the Science and Technology Innovation and Transformation Base of National Clinical Research Center for Dermatologic and Immunologic Diseases (国家皮肤与免疫疾病临床医学研究中心科创与转化基地) in 2021.

Deeply rooted in the collagen market, the Company is a leader in bioactive ingredient-based professional skin treatment product industry in China. As of December 2025, the Company had a portfolio of over 140 SKUs across six major brands covering functional skincare, medical dressings and functional foods, namely KOMFYMED, Collgene, Keyu, Leeyen, SKIGIN, and Shengan. The Company has won a number of honors such as

"National Key New Product (国家重点新产品)", "Well-known Product in Shaanxi Province (陕西省名牌产品)", "Famous Trademark in Shaanxi Province (陕西省著名商标)", "Well-known Product in Xi'an (西安市名牌产品)", "Famous Trademark in Xi'an (西安市著名商标)", and has been recognized as the "Most Competitive Brand", the "Most Favorite Brand among Consumers (消费者最喜爱品牌)", the "Industry Pioneer Brand", etc.. In the field of medical devices, the Company has obtained a number of Class II medical device registration certificates, which demonstrate the significant clinical efficacy in promoting wound healing, relieving skin inflammation, assisting in the treatment of eczema, inhibiting the formation of scars and relieving allergic rhinitis.

In terms of marketing, the Company implements dual-pronged "medical institution + mass consumer" sales strategy. We had sold and distributed products to approximately 1,700 public hospitals, approximately 3,000 private hospitals and clinics, as well as approximately 130,000 pharmacy chain stores across China. Our mass market distribution covers individual consumers, cosmetic store chains and supermarket chains such as Watsons, Afiona, The COLORIST, Ole, Hualian Group and Hema Fresh with approximately 6,000 stores in China.

As of the end of the Reporting Period, KOMFYMED had opened approximately 32 stores in shopping malls in key cities such as

Xi'an, Chongqing, Chengdu and Sanya. These stores include different types such as flagship stores and standard stores, and the brand continued to refine the operation of offline scenarios. Meanwhile, the Company carries out product marketing, promotion and brand building through e-commerce and social media platforms such as Tmall, JD.com and Douyin, realizing the strategic plan of multi-media and multi-level coverage of target consumer groups.

01 RESPONSIBLE GOVERNANCE AS FOUNDATION

Governance serves as the cornerstone of corporate development. We adhere to our sustainable development strategy and are committed to building a scientific and efficient ESG governance system. By strengthening communication with stakeholders, identifying material issues, and improving risk management and business ethics practices, we ensure compliant and steady operations, thereby earning the trust and support of all parties. This chapter focuses on "Responsible Governance: Building a Solid Foundation for Development" and details our key management initiatives across three areas: Corporate Governance, ESG Governance, and Compliance Management.

CORPORATE GOVERNANCE

Giant Biogene has established sustainable development as a core strategy, designating the Board of Directors as the highest decision-making body for ESG governance with full authority to oversee ESG matters. The Board strictly benchmarks against the ESG Reporting Guide in Appendix C2 of the HKEX Main Board Listing Rules to formulate the Company's ESG management policies and strategies, deeply integrating the latest regulatory requirements into daily ESG management processes.

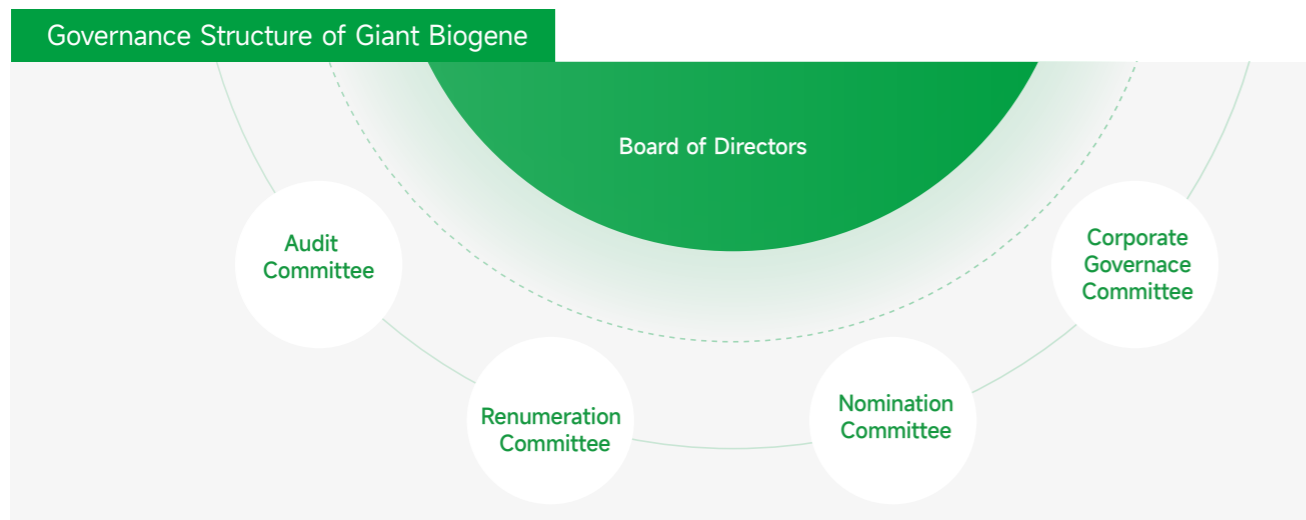
We proactively build bridges for communication with stakeholders, engaging them deeply in the identification, materiality analysis, and prioritization of ESG issues to guide our ESG management practices and disclosure. During the Reporting Period, combining industry development trends with stakeholder feedback, the Board systematically assessed and defined the Company's risks and opportunities in environmental, climate, and social domains.

To ensure the effective implementation of ESG initiatives, the Board has established a Corporate Governance Committee to regularly report on ESG progress. The Company has set work targets covering core ESG performance indicators, including waste emissions, greenhouse gas emissions, energy usage, and quality safety. The Board regularly reviews the achievement of these targets, incorporates them into the Key Performance Indicator (KPI) system, and proposes targeted improvement recommendations for any unmet targets to drive the continuous optimization of ESG work.

Governance structure of Giant Biogene

Giant Biogene has established a standardized corporate governance system to enhance transparency, fairness, and stability in operations and decision-making, safeguarding the rights of shareholders and stakeholders.

The Board oversees core functions including management, operations, and strategic planning, making decisions on significant matters while delegating daily operations to management under its supervision. Four specialized committees—the Audit, Remuneration, Nomination, and Corporate Governance Committees—have been established to advance governance initiatives.



ESG GOVERNANCE

Esg governance structure

Giant Biogene practices the philosophy of "Technology Empowering Life." Leveraging our core technologies, we integrate sustainable development into daily operations to become a leader in the beauty and health sector, creating value for stakeholders.

We have established a Group-wide ESG governance system to ensure effective implementation. The Board serves as the decision-making body, overseeing sustainability strategy and goals. The Corporate Governance Committee acts as the management layer, arranging ESG work and reporting to the Board. ESG functional departments form the execution team for daily tasks. This top-down, three-tier structure provides a solid foundation for ESG performance and long-term development.

ESG Three-tier Governance System of Giant Biogene

Strategic Decision-Making Level >>



Board of Directors

- Focus on macro-level oversight, monitor industry ESG trends, and assess Group ESG risks and opportunities.
- Regularly review the Company's ESG strategic direction and progress towards targets.
- Lead and approve the formulation of ESG plans and authorize the annual ESG report.

Management level >>



Corporate Governance Committee

- Establish routine stakeholder engagement channels, improve engagement mechanisms, and maintain engagement records.
- Conduct annual ESG materiality assessments and report results to the Board.
- Develop and update ESG policies and management systems, and regularly report ESG management strategies, policies, and performance to the Board.

Executive level >>



ESG-Related Functional Departments

- Collect ESG-related data and information.
- Participate in and implement ESG work plans across business operations.

Communication with stakeholders

Giant Biogene attaches great importance to the concerns of stakeholders. We extensively collect opinions through routine communication channels and make timely adjustments to respond with practical actions, thereby earning recognition, trust, and support.

We have established efficient engagement mechanisms to address issues and suggestions of concern to stakeholders, incorporating relevant feedback into the Group's ESG governance and decision-making systems.



ESTABLISH AN EFFECTIVE COMMUNICATION MECHANISM



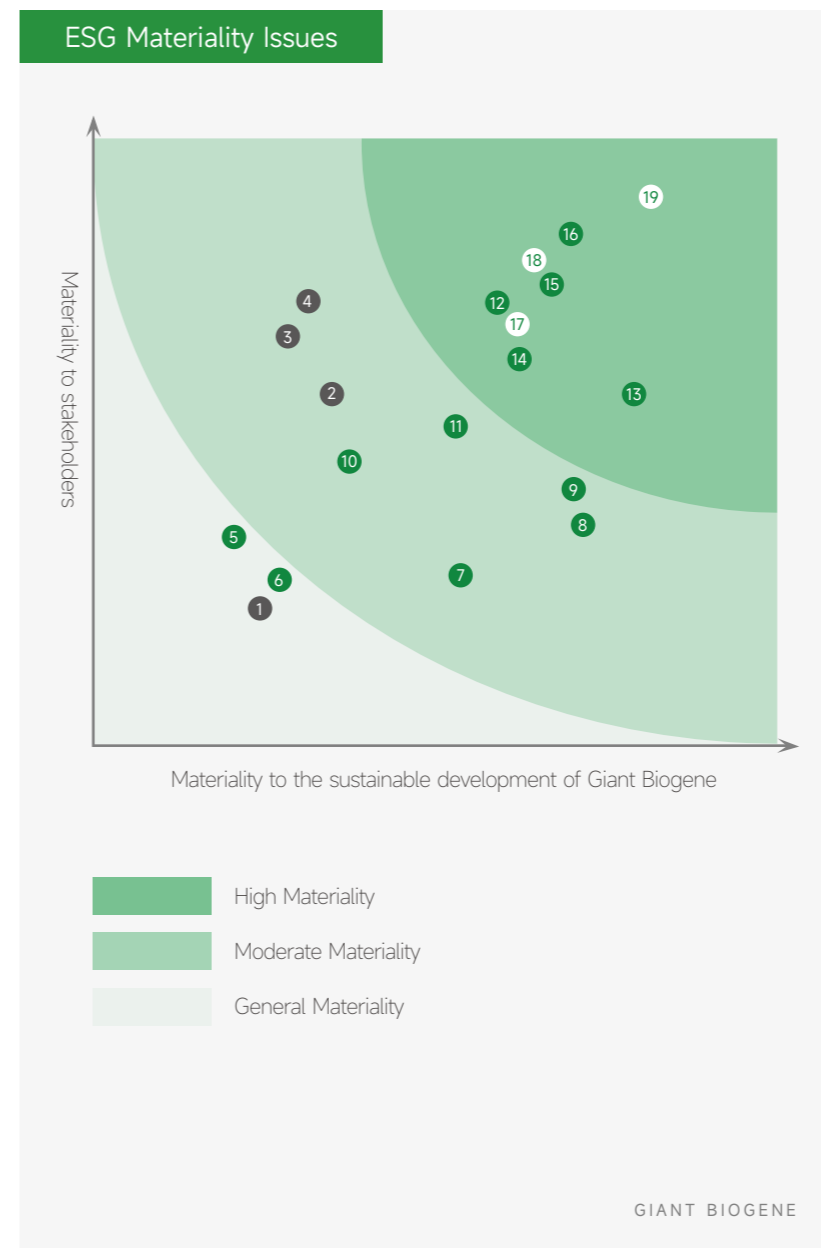
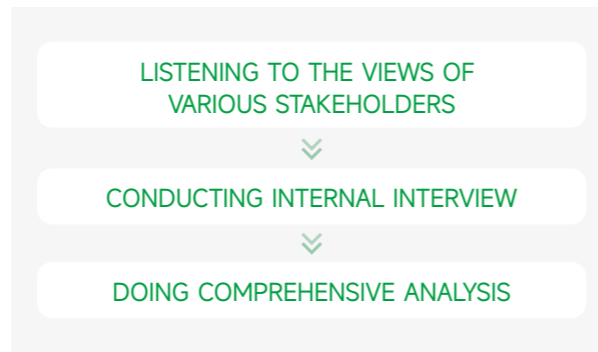
Stakeholders Identified	Issues concerned	Communication and response methods
Government/Regulatory Bodies	<ul style="list-style-type: none"> Compliance operation Business ethics Emissions management Energy use and resource management Hazardous chemicals management Risk management 	<ul style="list-style-type: none"> Policy directives Work reports Information submission On-site inspection Telephone communication
Shareholders and Investors	<ul style="list-style-type: none"> Compliance operation Risk management Business ethics Climate change 	<ul style="list-style-type: none"> General meetings of shareholders Results briefing sessions Investor conferences Research roadshows Disclosure of information Telephone and email communication
Customers	<ul style="list-style-type: none"> Product quality and security Data security and privacy protection Customer services Compliance operation Responsible marketing 	<ul style="list-style-type: none"> Customer visits National customer service hotline Customer satisfaction survey
Employees of the Group	<ul style="list-style-type: none"> Inclusion, equality and diversity Employee welfare and security Occupational health and safety Employee training and development 	<ul style="list-style-type: none"> Site visits Employee activities Employee satisfaction survey
Suppliers and Partners	<ul style="list-style-type: none"> Supply chain management Product quality and safety Intellectual property management Business ethics 	<ul style="list-style-type: none"> Tender meetings Research visits Exchange and cooperation Industry forums
Environment	<ul style="list-style-type: none"> Climate change Hazardous chemicals management Experimental ethics and morality Emissions management 	<ul style="list-style-type: none"> Implementing environmental policy Environmental information disclosure
Members of the Community	<ul style="list-style-type: none"> Community benefit Emissions management Energy use and resource management 	<ul style="list-style-type: none"> Community investment Voluntary services Community events



ESG materiality issues

During the Reporting Period, Giant Biogene systematically conducted a materiality assessment.

Through in-depth engagement with stakeholders, internal interviews, and referencing the HKEX guidelines and industry benchmarks, we performed a comprehensive analysis. In 2025, the Company identified 19 material issues, comprising 8 of high importance, 8 of medium importance, and 3 of general importance.



- **Environmental issues**
 1. Hazardous chemicals management
 2. Climate change
 3. Energy use and resource management
 4. Emissions management
- **Social issues**
 5. Community benefit
 6. Experimental ethics and morality
 7. Supply chain management
 8. Intellectual property management
 9. Inclusion, equality and diversity
 10. Data security and privacy protection
 11. Occupational health and safety
 12. Employee welfare and security
 13. Responsible marketing
 14. Employee training and development
 15. Customer services
 16. Product quality and security
- **Governance issues**
 17. Business ethics
 18. Risk management
 19. Compliance operation

OPERATIONAL COMPLIANCE

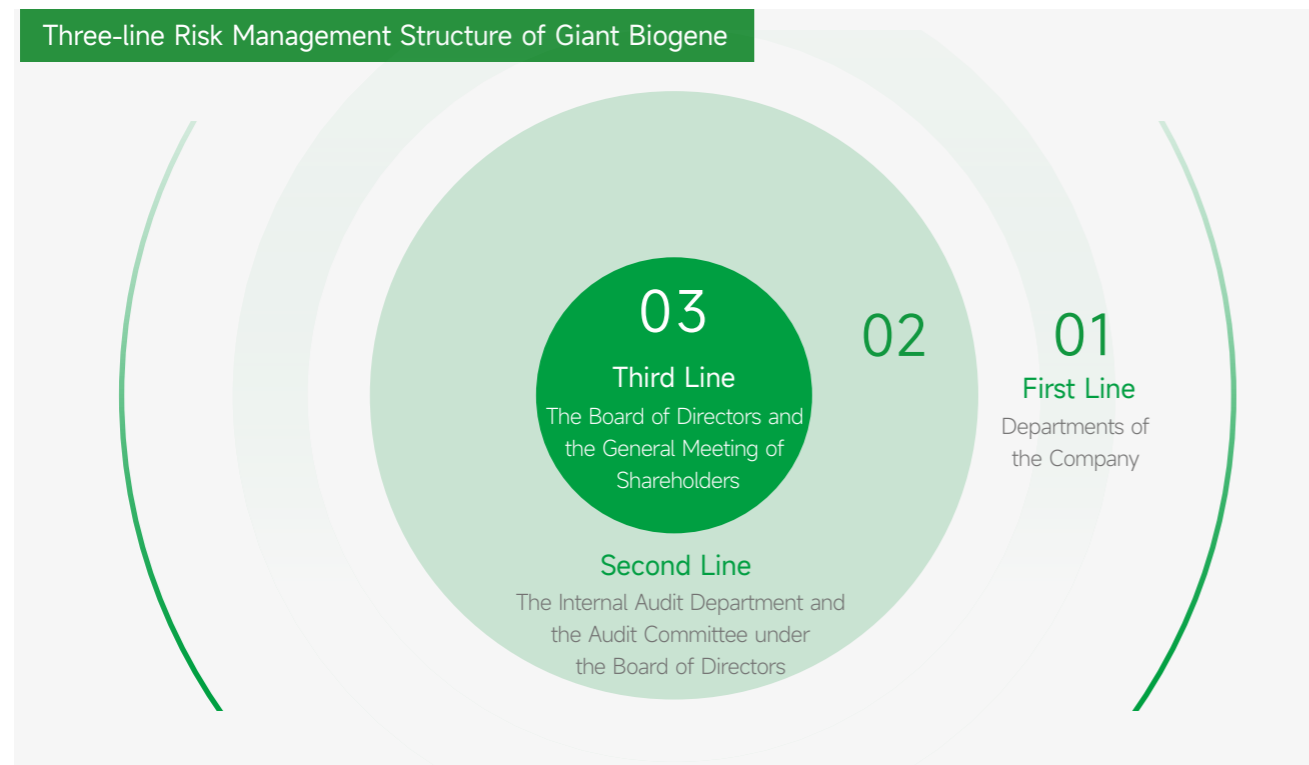
Risk management

Giant Biogene places great importance on enhancing corporate resilience. Through effective risk management mechanisms, we aim to protect company assets and core interests while avoiding potential losses.

We are committed to optimizing risk control to improve operational efficiency and market competitiveness, thereby providing a solid guarantee for sustainable development. Currently, the Company has established a comprehensive risk management system and implemented a series of internal regulations, including the "Corporate Risk Management System," "Seal Management," "Fund Management System," "Internal Control System," and "Compliance Management System." Furthermore, we strictly adhere to HKEX rules and continuously refine our internal control systems based on assessment reports issued by third-party professional teams.

Regarding implementation, Giant Biogene has established a rigorous "Three Lines of Defense" mechanism. Business departments serve as the first line of defense, assuming direct responsibility for risk management. The Internal Audit Department and the Audit Committee under the Board constitute the second line, responsible for supervision and review. The Board of Directors and the General Meeting of Shareholders act as the third line, holding ultimate decision-making authority over risk management.

During the Reporting Period, the Company strictly conducted risk management in accordance with relevant policies, focusing on risk identification, assessment, and mitigation in key areas such as operational decision-making, legal compliance, and asset security. Functional departments employed various methods, including daily operational analysis, regular safety checklists, and consequence analysis for key projects, to comprehensively evaluate risk factors. Meanwhile, the head of internal audit led the team in conducting in-depth audits to proactively identify and address issues within internal controls, regularly reporting progress to the Audit Committee.



Business ethics management

Giant Biogene adheres to high standards of business ethics and integrity, maintaining a "zero-tolerance" stance towards corruption to foster a clean operating environment.

We strengthen control through both system construction and implementation, strictly prohibiting any form of bribery and corruption. We strictly comply with laws and regulations including the "Company Law of the PRC" "Criminal Law of the PRC" "Anti-Unfair Competition Law of the PRC" "Anti-Money Laundering Law of the PRC" and "Interim Provisions on Prohibiting Commercial Bribery." Internally, we have formulated guidelines such as the "Anti-Fraud and Whistleblowing System" to continuously consolidate our anti-corruption and anti-fraud mechanisms. During the Reporting Period, the Group had no cases of corruption or bribery.

To ensure the effective advancement of anti-fraud work, the Company has established a top-down management structure.

The Board of Directors and the Audit Committee are responsible for top-level design, refining mechanisms, and supervising anti-fraud efforts to build a culture of integrity. Management and the Internal Whistleblowing Management Leading Group are responsible for establishing internal control mechanisms and handling fraud implementation and reporting. Business centers, the HR & Admin Department, and the Finance Department are responsible for daily self-inspection and implementation.

Regarding employee fraud, the Company implements tiered penalties based on severity, ranging from verbal and written warnings and recovery of unjust enrichment to termination of employment, administrative penalties, or referral to judicial authorities.

Anti-fraud Management Structure of Giant Biogene

01 Board of Directors

- Responsible for supervising management to establish a company-wide anti-fraud culture environment and a sound internal control system including fraud prevention, reporting and investigation and handling.
- Delegating authority to the Audit Committee of the Board to direct the Company's anti-fraud efforts.

02 Audit Committee

- The Audit Committee of the Board of Directors is the body primarily responsible for the Company's anti-fraud work and is responsible for the ongoing oversight of anti-fraud efforts.

03 Management Level

- Responsible for establishing sound internal control mechanisms including fraud prevention.
- Responsible for implementing controls to reduce the chances of fraud, taking appropriate and effective remedial actions against fraud and conducting self-assessment.

04 Internal Whistleblowing Management Leadership Team

- Responsible for the development, revision and implementation of the internal reporting system.
- Receiving internal operational defects or irregularities reported by employees and organizing the investigation and analysis of such acts and determining their nature.
- Discussing and studying remedial and corrective measures for operational defects or irregularities and reporting them to the Company.
- In accordance with the relevant rules and regulations of the Company, issuing opinions on the handling of persons responsible for operational defects or irregularities and reporting them to the Company.

05 The Head of Each Center

- The head of each center is the primary person responsible and the focal point for anti-fraud work within their respective center.
- Responsible for cooperating with and assisting the anti-fraud investigation team in its work.
- Responsible for self-examination and self-correction of corrupt practices in their center.

06 Legal Department

- Reviewing cases and evidential materials referred by fraud investigation teams.
- Referring fraud cases that are eligible for filing to the judicial authorities.
- Initiating legal proceedings against those involved in the case.

07 Financial Center

- Referring fraud leads identified in their financial management activities to the internal whistleblowing management leadership team in a timely manner.
- Freeze all payments to those liable for fraud until the case is closed.
- Assisting in the recovery of financial compensation in fraud cases.

08 HR & Administration Department

- Taking disciplinary action against all the fraudsters involved in fraud cases.
- Dealing with the labor relations, remuneration and salaries for labor of fraudsters.

Giant Biogene has established diverse reporting channels, including an official mailbox, telephone line, and email (complaint@xajuzi.com). The Internal Whistleblowing Management Leading Group oversees the entire process, covering acceptance, investigation, handling, and archiving.

Our policies clearly define the procedures and timelines for handling business ethics complaints, with a strong emphasis on protecting whistleblowers during investigations. During the Reporting Period, the Group received no such complaints.

During the Reporting Period
Relevant whistleblowing reports and complaints received of Giant Biogene

0 case

Report Processing Process of Giant Biogene

STEP 1

A whistleblowing report is first reviewed by the director of the internal whistleblowing management leadership office team.

STEP 2

Office meetings are held to discuss and analyze the whistleblowing report and determine the nature of the situation.

STEP 3

The relevant department is mandated to investigate and find out the situation within a limited period of time.

STEP 4

Handling of persons involved in reported incidents and implementation of corrective measures.

The Company prioritizes integrity and business ethics. We have built a comprehensive compliance training system.

During the Reporting Period, we trained all employees and suppliers through onboarding sessions, daily meetings, and integrity agreements. This year, we delivered over 2,000 training sessions. We achieved 100% coverage for the Board, all employees, and suppliers on anti-corruption and ethical standards. This ensures all partners uphold ethical standards, jointly fostering a clean operating environment.

During the Reporting Period
We provided anti-corruption training to the Board of Directors and our employees

Cover
2,000+ persons

Coverage rate of
100%

02 INNOVATIVE R&D FOR SUPERIOR QUALITY

Giant Biogene treats quality as its lifeline. We have established a lifecycle quality management system covering R&D, production, and the supply chain. We strictly follow regulations for cosmetics, food, and medical devices, implementing high-standard quality monitoring and compliance management. This chapter focuses on "Innovative R&D, Crafting Quality." It covers quality management, product R&D, intellectual property protection, and supply chain management. We detail our systematic construction and source control to ensure product safety and excellence.



QUALITY MANAGEMENT

Giant Biogene adheres to the core philosophy of "Sincerity, Kindness, Excellence, and Innovation." We specialize in biotechnology for beauty and health, dedicated to delivering superior consumer experiences. We have established a comprehensive product quality management system. Through systematic quality control and a strong internal safety culture, we safeguard product standards and protect consumer rights. On the R&D front, we prioritize innovation. We have built a scientific and efficient system, gathered a team of senior experts, and strengthened full-cycle intellectual property protection. In our supply chain, we focus on compliance and green sustainability, collaborating with suppliers for mutual growth.

Quality management system

Giant Biogene views product quality and safety as our lifeline. We place them at the core of our business. We strictly comply with all relevant laws and regulations across our diverse product portfolio to ensure compliant operations.

Product Category	Applicable Laws and Regulations
Cosmetics	<ul style="list-style-type: none"> Regulations on Cosmetics Supervision and Administration. Measures for Cosmetics Registration and Filing Administration. Measures for Cosmetics Production and Operation Supervision and Administration. Cosmetics Classification Rules and Classification Catalogue. Good Manufacturing Practice for Cosmetics Production.
Food	<ul style="list-style-type: none"> Food Safety Law of the People's Republic of China. Measures for Food Production Licensing Administration. General Rules for Prepackaged Food Labeling. Provisions on Supervision and Administration of Food Safety Principal Responsibility Implementation by Enterprises. Measures for Food Production and Operation Supervision and Inspection Administration.
Medical Devices	<ul style="list-style-type: none"> Regulations on Medical Devices Supervision and Administration. Good Manufacturing Practice for Medical Devices Production. Good Supply Practice for Medical Devices. Measures for Medical Devices Recall Administration. Measures for Medical Devices Adverse Event Monitoring and Re-evaluation Administration.

According to national regulatory requirements, during the Reporting Period, the Company newly implemented multiple relevant regulations, including "Good Quality Management Practice for Medical Devices Online Sales," "Administrative Provisions on Filing of Internet Drug and Medical Device Information Services," "Guidelines for Self-inspection and Verification of Medical Device Registration," "Measures for Cosmetics Safety Risk Monitoring and Evaluation Administration," and "Opinions on Deepening Cosmetics Regulatory Reform and Promoting High-Quality Industrial Development," further strengthening quality and safety management in the medical devices and cosmetics fields.

After the Issuance of New Regulations:

STEP 1

For regulations requiring immediate implementation, the Company conducted reviews in combination with quality management system operation, timely revised internal system documents, and organized relevant departments for training and promotion.



STEP 2

For new regulations with implementation buffer periods, the Company formulated document revision plans, clarifying revision timelines, responsible departments, and follow-up mechanisms to ensure all related documents were updated and approved within the buffer period. At the same time, multiple rounds of internal training were conducted to ensure all departments fully understood the new requirements.

During the Reporting Period, the Company added and revised approximately 1,800 quality system documents. These documents cover procedures, management regulations, operating instructions, and standards. The revisions were driven by factors such as organizational structure adjustments, production system optimization, and updates to the Class III medical device system. In addition, the Company simultaneously completed the version updates of process documents triggered by production technology upgrades and process parameter adjustments, as well as updates to inspection items, methods, and quality standards. The compilation, review, and release processes for all documents strictly adhere to the Company's quality management system regulations.

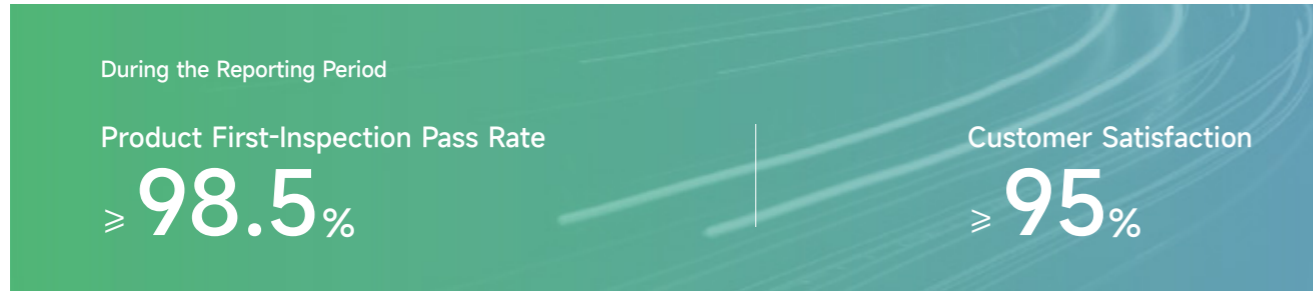
During the Reporting Period the Company added and revised approximately quality system

1,800 documents



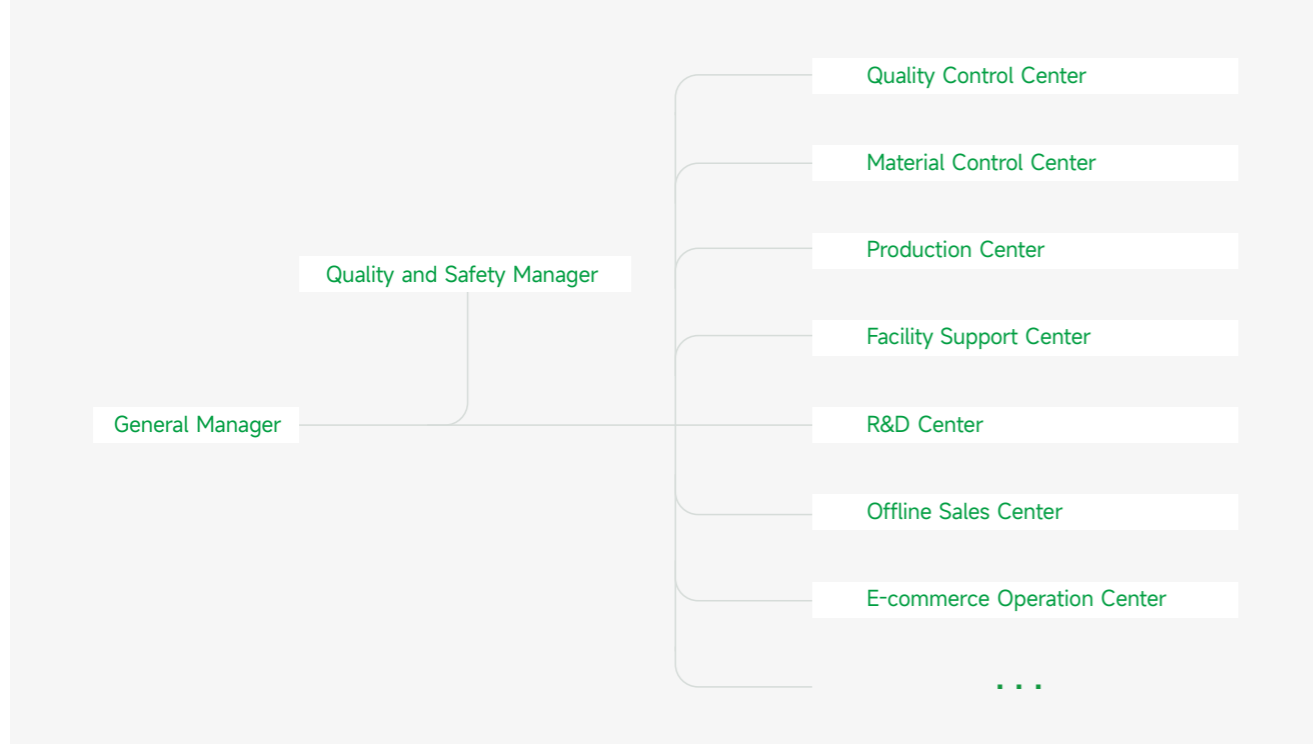
The Company's quality management system operates robustly and efficiently, with significantly enhanced system execution. All staff deeply practice the quality policy of "Quality as Life, Reputation as Foundation" precisely decomposing the core goals of "Product First-Inspection Pass Rate $\geq 98.5\%$, Customer Satisfaction $\geq 95\%$ " to various business units, and establishing a "Weekly Quality Analysis" dynamic monitoring mechanism.

Through weekly review of monitoring data, immediate correction of abnormal phenomena, and implementation of improvement measures, we have effectively ensured continuous optimization of product quality and excellent performance of system operation.



The Company has established a robust quality management system with clearly defined roles and responsibilities. The General Manager holds overall accountability for quality. Our multi-center structure includes the Quality Control Center, Material Control Center, Production Center, Facility Support Center, R&D Center, Offline Sales Center, and E-commerce Operation Center. Our system covers the entire chain from design, raw material control, and production to sales. Through closed-loop management, we ensure both product safety and full traceability.

Quality Management System Organization Chart of Giant Biogene



Giant Biogene places great importance on quality system certifications.

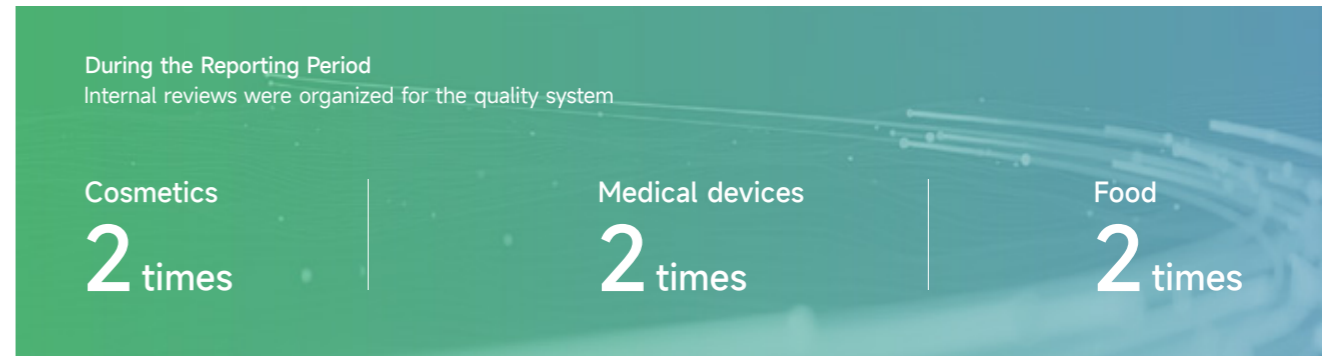
During the Reporting Period, we maintained our existing systems for medical devices (ISO 13485), cosmetics (ISO 22716), and food (FSSC 22000). We also ensured the effective operation and annual audits of our environmental (ISO 14001), occupational health and safety (ISO 45001), energy (EnMS), and quality (ISO 9001) management systems. Leveraging these frameworks, we continuously optimize our management model and enhance operational efficiency.

Quality Management System Certifications of Giant Biogene



The Company continuously conducts internal quality management system reviews and problem resolution.

The Company continuously conducts internal quality management system reviews and problem resolution. During the Reporting Period, the quality system organized 6 internal reviews in total (2 for cosmetics, 2 for medical devices, and 2 for food). The Company's overall quality management system operates effectively. For identified items for improvement, corrective and preventive actions have been taken, and all have been rectified after verification.



Quality management actions

Giant Biogene has established a comprehensive workflow for product quality management. We implement daily full-process control through supplier assessment, material acceptance, production QA/QC monitoring, and sample retention. These measures effectively safeguard product safety and protect consumer rights. Furthermore, we drive systematic improvements through complaint analysis, quality review meetings, customer satisfaction surveys, internal audits, and management reviews.

Daily Production Quality Management Process

STEP 1 Supplier Assessment

- Qualification Review: Conduct strict reviews of production qualifications, business licenses, quality system certifications, etc., to ensure that suppliers are legal and compliant.
- On-site Audit: Conduct on-site inspections of the production site in accordance with the audit plan, understand production equipment, technological processes, quality control measures, etc., and evaluate the production and quality assurance capabilities.
- Regular Evaluation: Comprehensively evaluate suppliers based on aspects such as supply quality, delivery time, and service level. For suppliers with poor performance, take measures like rectification, reducing the purchase quantity, or terminating the cooperation.

STEP 2 Material Inspection and Acceptance

- Document Verification: Verify and check the quality inspection reports, product certificates, delivery notes and other accompanying documents to ensure that these documents are complete and accurate.
- Visual Inspection: Inspect the packaging, labels, and appearance of materials to check if the packaging is intact and the labels are clear.
- Quantity Verification: Check whether the quantity of the received materials is consistent with that on the delivery note.
- Sampling Inspection: Sample according to the sampling rules and send the samples to the laboratory for testing of physical and chemical as well as microbial indicators. Only products that pass the test can be put into storage.

STEP 3 Production Process Monitoring

- Pre-production Check: Inspect the environment, equipment, and personnel hygiene in the production workshop to ensure that the production environment meets the requirements.
- Production Process Patrol Inspection: Regularly inspect all links of the production line to check whether the operations are compliant, whether the process parameters meet the standards, and whether the equipment is operating normally. Correct any non-compliant and abnormal situations in a timely manner.
- Critical Control Points Monitoring: Focus on monitoring key control points such as the amount of raw material addition, insulation temperature, time, and the sterilization process.
- Clean-up Inspection: After the production of each batch of products is completed, check whether the equipment, containers, and production area in the workshop are clean to prevent cross-contamination.

STEP 4 Product Inspection

- Implementation of Inspection Items: Conduct a comprehensive inspection of sampled products in accordance with the internal control quality standards to ensure that the products meet the quality criteria.
- Inspection Records and Reports: Carefully record the inspection data results, fill out the inspection report, which will serve as the basis for product release after being reviewed.
- Retained Sample Management: Establish a sample-retention management procedure. Retain samples for each batch of products, conduct regular sample-retention observations, and fill in the records.
- Disposal of Non-conforming Products: If the inspection fails, promptly notify the relevant departments, label and isolate non-conforming products, analyze the causes, conduct a review, and take corrective measures such as reworking or destroying non-conforming products.

Giant Biogene has established a comprehensive inspection and audit system for product quality and safety and continues to implement it, ensuring the quality of products leaving the factory is guaranteed.

Specific Content

Quality Monitoring

- The Company conducts full-chain quality inspections based on strict internal quality control standards, covering raw materials, auxiliary materials, packaging materials, intermediates, semi-finished products, and finished goods. The scope of control includes incoming acceptance testing of material physicochemical indicators, real-time monitoring of process parameters (such as temperature and pressure), regular monitoring of production environment cleanliness (including suspended particles and airborne bacteria), and inspection of in-process products at all stages. Additionally, the Company strictly enforces a sample retention management system, conducting regular observations and stability studies to ensure continuous product quality, stability, and compliance. All inspection reports, batch production records, and environmental monitoring records are centrally archived, ensuring that the entire production process is fully traceable and verifiable.

Response to Non-conforming Products

- Non-conforming Raw and Auxiliary Materials: The Quality Management Department organizes a joint review involving the Procurement, Production, and other relevant departments. If the non-conformity poses a potential risk to product quality and safety or fails to meet standards, the Company firmly executes returns or destruction and requires the supplier to rectify the issue. Cooperation will only resume after the supplier has rectified the issue and passed re-evaluation.
- Non-conforming Products During Production: Immediately halt the relevant production process, and mark and isolate the non-conforming products to prevent mixing with conforming goods. Organize an analysis to identify the root cause and implement corrective actions (such as adjusting equipment parameters, replacing molds, or conducting personnel training). Production may only continue after the non-conforming products have been reworked and pass re-inspection; otherwise, they are scrapped.



To comprehensively enhance the emergency response capability for product quality and safety incidents and deepen the comprehensive governance of quality and safety, the Company has constructed a scientific and sound product recall system. By continuously optimizing the recall process and response mechanism, the Company ensures that it can rapidly activate emergency plans when facing product quality defects or potential health risks, achieving rapid response, precise traceability, and efficient disposal. This maximizes the protection of consumer rights and social public safety.

To enhance emergency response capabilities for product quality and safety incidents and improve comprehensive quality safety governance, the Company has established a robust product recall system. By continuously optimizing the recall mechanism, the Company ensures a rapid response in the event of product quality defects or potential hazards to human health.

During the Reporting Period, we conducted mock recall drills for our cosmetics, medical devices, and food sectors, generating specific summary reports for each. The drills covered various scenarios, including fading text on cosmetic bottles, damaged medical device packaging, and scratches. By performing forward tracking and reverse tracing across the product lifecycle, we achieved 100% traceability. Thanks to our rigorous quality management system, no actual product recalls occurred during the Reporting Period.

During the Reporting Period

Product recall incidents

0 case

Traceability rate

100%

Product Recall Mechanism of Giant Biogene

Recall Targets:

- Cosmetics Recall Scope: Products with quality defects or other potential hazards to human health.
- Food Recall Scope: Unsafe food.
- Medical Device Recall Scope: Medical device products with defects.

Recall Scenarios:

- Complaints and Reports: Situations where the public complains or reports that the Company's products pose quality or safety hazards.
- Internal Self - inspection: The Company discovers, through internal inspections and self - checks, that the delivered products have quality and safety hazard risks.
- External Supervision: The supervision and management department discovers that the Company's products have quality and safety hazards during the process of supervision and random inspections.
- Emergency Situations: Other changes (including technology, regulations, industry rules, and unexpected incidents) that affect the quality or safety of the delivered products.

Recall Process:

- The Quality Management Department issues the "Recall Announcement" in accordance with regulatory requirements.
- Relevant Company departments trace sales and outbound records to verify the regions, relevant contacts, and contact information for the products subject to recall. The Company determines the necessary remedial measures and informs relevant parties to take safety precautions regarding the products to be recalled. Subsequently, corresponding warehousing and transportation facilities are prepared based on the quantity and weight of the products to be recalled.

Chemical Safety

Giant Biogene complies with domestic and international laws and conventions regarding chemical safety, including: "Work Safety Law of the People's Republic of China", "Regulations on the Safety Management of Hazardous Chemicals", "Convention Concerning the Safe Use of Chemicals at Work", "GB/T 13690 General Rules for Classification and Hazard Communication of Chemicals".

Measures for Chemical Safety Assurance at Different Product Stages:

Step	Specific Content
R&D Phase	We strictly follow regulations like the "Chemical Safety Technical Code." We ban prohibited ingredients and reduce controversial ones, and proactively reduce the use of controversial ingredients and actively explore new alternative materials to achieve substitution or reduced usage.
Procurement Phase	We develop planned procurement plans based on actual needs, conduct strict safety assessments on chemicals, reduce the risk of chemical abuse and waste, and ensure that raw materials do not contain prohibited ingredients.
Storage Management	We store chemicals by type and property. Dedicated staff manage them with alarm monitoring. We maintain entry/exit logs and inventory checks to ensure legal compliance.
Emergency Response	We formed an emergency leading group. In case of leaks or accidents, we ensure rapid and efficient response to minimize safety impacts.



Quality culture construction

Building a quality culture is vital for the enterprise. It improves product quality and core competitiveness. It also boosts employee satisfaction and performance while reducing costs and risks. Furthermore, it drives organizational innovation and shapes a strong brand image. We believe that a superior quality culture is the cornerstone of long-term, high-quality development.

To enhance employees' awareness and capability regarding product quality, we initiate a series of training programs on quality and production safety right from the onboarding stage.

Employees in the production system must complete new hire and pre-job training, which includes both theoretical exams and practical assessments. They are only authorized to work after passing these evaluations and obtaining their work permits. In daily operations, the Company regularly organizes training to promote our quality culture. These sessions cover standards, regulations, management protocols, technical skills, and professional ethics. We utilize exams and on-site questioning to foster an atmosphere where everyone prioritizes quality.

Additionally, the Company holds weekly skills training for workshop staff. Led by workshop directors or skilled operators, these sessions use hands-on equipment guidance and team learning. Covering both equipment operation and relevant theory, this initiative accelerates skill improvement and personal growth while effectively meeting the workshop's operational needs.

During the Reporting Period, we organized 53 training sessions in total (19 for cosmetics, 14 for food, and 20 for medical devices). Topics covered laws, regulations, and quality management system documents. All planned training was successfully implemented.

During the Reporting Period
we organized 53 training sessions

Cosmetics
19 times

Medical devices
14 times

Food
20 times

To address regulatory changes and internal process optimizations, we also conducted 14 ad-hoc training sessions. These covered topics such as the "Measures for the Supervision and Administration of Online Cosmetics Business" and "Unannounced Inspection Case Studies." These sessions effectively improved employees' ability to respond to regulatory updates and enhanced their risk prevention awareness in daily operations.



During the Reporting Period, the Company officially launched the "Quality Excellence – Year of Breakthroughs" campaign. This initiative focuses on three core projects: "Enhancing the capabilities of internal department auditors""Improving product quality throughout the entire lifecycle""Driving quality improvement activities". Through this campaign, we have comprehensively deepened quality management training and promotion. Our goal is to shift the quality mindset from "passive compliance" to "active excellence".

Giant Biogene has continuously received accolades for quality and safety, reflecting our remarkable achievements in quality management.

We launched 24 key projects in production and R&D departments. These initiatives directly address critical quality pain points, such as standardizing design and development, conducting preservative challenge tests, and reducing mixed-batch leakage.



We established a team of 30 internal auditors covering 11 key departments. During the Reporting Period, we conducted 36 specialized empowerment sessions, including 10 video learning sessions, 11 in-depth regulatory training courses, and 15 on-site practical exercises, achieving a deep integration of theory and practice. Based on a multi-dimensional assessment of training completion, audit participation, annual performance, and peer reviews, we recognized 3 "Outstanding Internal Auditors" and 9 senior certified auditors, setting internal quality benchmarks.



The Company encourages all employees to participate in quality innovation. Throughout the year, 359 improvement projects were submitted, covering management process optimization (292), energy saving and consumption reduction (30), and quality improvement (37). These initiatives span the entire business chain from R&D to sales. Following two rounds of strict screening and anonymous voting in the first and second halves of the year, we selected 5 "Outstanding Quality Improvement Projects" for each of the four dimensions: quality improvement, energy saving, process optimization, and scalability.



During the Reporting Period, our products underwent a rigorous three-year tracking inspection by the China Association for Quality Inspection (CAQI). As a result, multiple products were honored with the "National Quality Inspection Stable and Qualified Product" certification and the Quality Credit Commitment Announcement during the "3.15" International Consumer Rights Day campaign.

Furthermore, in the 2025 National "Quality Month" initiative, the Company was awarded the Certificate of Quality Integrity Initiative Enterprise by the CAQI.



PRODUCT R&D

The Company adheres to a research-driven development strategy. We continuously explore new product development, dedicated to creating a superior experience for consumers. We deeply understand the dynamic changes in consumer needs. Therefore, we actively allocate resources to promote technological innovation and product iteration, accurately meeting the rising expectations of our consumers.

R&D system establishment

We have established a comprehensive product R&D process to ensure that new products are launched efficiently and with high quality. This process covers the entire journey from market research and product design to testing and launch, with all stages seamlessly connected.

Product R&D Procedure of Giant Biogene

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<p>01 Project Initiation</p> <p>∨</p>	<ul style="list-style-type: none"> Self - analysis Market research Selection of competitive products Trial use of competitive products 	<ul style="list-style-type: none"> Product design Discussion and review Confirmation of compliance Determination of project initiation
<p>02 Input of Design and Development</p> <p>∨</p>	<ul style="list-style-type: none"> Confirmation of packaging Confirmation of raw materials Confirmation of efficacy design 	<ul style="list-style-type: none"> Confirmation of safety Formula design Confirmation of production and inspection, etc.
<p>03 Planned Trial Use and Improvement</p> <p>∨</p>	<ul style="list-style-type: none"> Trial use and confirmation of the basic system Confirmation of safety Confirmation of effectiveness Confirmation of repeatability 	<ul style="list-style-type: none"> Internal and external testing Scope testing Repetition of the above steps, etc.
<p>04 Output of Design and Development</p> <p>∨</p>	<ul style="list-style-type: none"> Output of product formulations Output of processes Output of inspection methods 	<ul style="list-style-type: none"> Output of design Output of various information required for production and inspection
<p>05 Transformation and Verification of Design and Development</p> <p>∨</p>	<ul style="list-style-type: none"> Trial production Self - construction Filing inspection 	<ul style="list-style-type: none"> Efficacy evaluation Safety evaluation, etc.
<p>06 Confirmation of Design and Development</p>	<ul style="list-style-type: none"> Scale - up production Evaluation and confirmation that the product design and development meet the requirements Lifelong monitoring of the product's safety, effectiveness, and stability. 	

We have built a professional and experienced R&D team with diverse academic backgrounds. Our expertise covers biochemistry, molecular biology, biotechnology, biological sciences, bioengineering, fermentation engineering, and applied chemistry.

Led by our Chief Scientist, the team includes the CTO, technical and product R&D staff, professional lab technicians, and science communication officers. Leveraging their specialized skills, they focus on basic research, applied research, product development, and scientific communication. This drives our R&D work and contributes to the Company's long-term development.

As of the end of the Reporting Period, our R&D team consisted of 211 members, accounting for 9.6% of our total workforce.

We place great importance on the capability building and holistic development of our R&D team. We have established a systematic mechanism for training and capability enhancement.

- We regularly organize internal business training covering workflows and professional skills to solidify the team's foundational capabilities.
- We actively participate in industry exhibitions such as API^[1], PCHI^[2], and CDA^[3] to stay updated on industry dynamics and cutting-edge technology trends.
- We frequently arrange for the team to attend external specialized training, such as cosmetic safety assessments and medical device process improvements, to enhance specific professional competencies.
- We proactively engage in technical exchanges with leading industry teams to learn from best practices and broaden our technical horizons.

The Company has established diverse incentives to stimulate the innovative achievements of our R&D team.

We identify key R&D projects based on strategic needs and assign clear owners to track progress. Key breakthroughs are factored into performance evaluations. Year-end reviews prioritize core metrics such as patent authorizations and project innovation.



Special Achievement Award



Annual Recognition

During the Reporting Period, we recognized outstanding teams and individuals with commendations and financial rewards, such as the "Special Achievement Award." We also supported excellent employees in applying for professional titles and honors, including "Local Leading Talent" and "Hard Tech Innovation Talent," to help them access broader platforms and opportunities.

[1] API: Active Pharmaceutical Ingredient China.
[2] PCHI: Personal Care and Homecare Ingredients.
[3] CDA: China Dermatologist Association.



During the Reporting Period, the R&D department systematically integrated environmental and social factors into daily decision-making and processes. This marks a breakthrough from concept to action, moving green and responsible practices to the very source of R&D. We continue to deepen ESG integration, driving innovation towards safer, more transparent, and sustainable directions.

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- Environmental Dimension: We optimized the refined management system for the full lifecycle of hazardous waste, strictly upholding environmental bottom lines. This involves source classification and reduction to cultivate waste reduction awareness among engineers and strictly separate waste liquid categories. We implemented compliant disposal pathways, ensuring high-concentration organic waste is handled by qualified third parties for resource recovery or harmless treatment, while low-concentration waste is safely discharged in compliance with regulations. Additionally, we achieved full traceability through electronic and imaging records. Furthermore, the department actively promotes environmentally friendly raw materials and formula design, prioritizing green ingredients and simplifying formula structures to effectively reduce the environmental load throughout the product's lifecycle.



- Social Dimension: We adhere to responding to consumer needs with science and integrity, treating product safety as a core responsibility. We integrated full-version safety assessment requirements into the design and development process. By upgrading efficacy evaluation labs and introducing new equipment, we conduct strict quantitative testing for effects such as anti-wrinkle and repair, ensuring all product claims are supported by objective data.



Innovative results

During the Reporting Period, our total R&D investment reached 88.79 million yuan, accounting for 1.6% of revenue.

During The Reporting Period

Total R&D investment

88.79 million

R&D expense ratio

1.6 %

We have achieved remarkable results in R&D. As of the end of the Reporting Period, the Company had accumulated over 140 cosmetic filings, more than 30 Class II medical device registrations, and 2 Class III medical device registrations.

In our R&D pipeline, we currently have over 140 projects under development. We are also continuing to advance the clinical trial applications for two skin revitalization products and persist in the R&D of products in the serious medical field.

As of the end of the Reporting Period, the Company held 209 granted and pending patents. Our recombinant collagen molecule library now boasts over 50 collagen molecules, maintaining a leading position in the industry.

As of The end of The Reporting Period

Patents granted and patent applications

209

Number of collagen molecules contained in our recombinant collagen molecule library

50+

The Company continues to participate in the drafting and formulation of industry and group standards across various dimensions, leading the industry towards healthy, scientific, and standardized high-quality development.

In April 2025, the industry standard for Recombinant Collagen Dressings, which the Company participated in formulating, was officially released. As the first industry standard in this field, it clearly defines requirements, labeling, and packaging for recombinant collagen dressings, and describes corresponding test methods. This standard provides a scientific basis for standardized production, quality control, and clinical application within the industry.

In October 2025, the group standard for Recombinant Type IV Collagen for Cosmetics, spearheaded by the Company, was officially released. As a specialized group standard for the Type IV collagen segment, it stipulates quality control requirements for recombinant Type IV collagen used in cosmetics. This initiative propels the industry from a phase of "technological exploration" into a new era of "standardized application."

Looking ahead, we will remain steadfast in our direction and continue to invest in R&D. We are committed to advancing technology and developing more high-quality products to serve our vast consumer base.



Picture Generated by AI



Intellectual property protection

We place great importance on intellectual property protection. We are committed to building a standardized IP protection system and fostering a corporate culture that respects intellectual property rights.

Strictly adhering to laws such as the "Trademark Law of the People's Republic of China" and the "Patent Law of the People's Republic of China", we have established a series of supporting procedures to achieve standardized IP management.

During the Reporting Period, we continuously tracked updates to national regulations and policies. We integrated the latest requirements into our IP protection system to further refine our management and protection strategies:

GIANT BIOGENE

01 The Company has established a modern operational mechanism. Aligning with the "Requirements for Enterprise Intellectual Property Compliance Management System", we built a compliance system that fits our current development needs. This system clarifies responsibilities and creates checks and balances. We set up an IP organizational structure to define the duties and authority of each department, ensuring the implementation of our IP strategy. We also maintain close collaboration with third-party partners to ensure the stability of our professional IP talent. Additionally, we added an IP risk management procedure to our workflows to achieve IP protection early warnings.

02 The Company has formulated a comprehensive strategic implementation plan for IP cultivation, transformation, and protection. Leveraging our independent R&D achievements, we collaborate with IP service agencies to conduct strategic activities such as patent mining, cultivation, operation, and achievement transformation. Currently, our independently developed products hold a significant share in the domestic market. Furthermore, the advantages of national support policies provide favorable opportunities and platforms for our future development.

03 The Company possesses a solid foundation and core competitive advantages in intellectual property. Our products and technologies feature independent IP rights. Management places high importance on IP work, providing strong support in resource allocation and mechanism building. We are equipped with comprehensive hardware and software facilities. By integrating high-quality R&D resources, we have built a robust innovation ecosystem. Leveraging our strength in the economy, technology, and assets, we continuously consolidate our brand advantage, providing strong support for the in-depth development of our IP initiatives.

Giant Biogene has established an intellectual property management system that spans the entire industry chain. Through multi-faceted measures, we achieve comprehensive risk prevention and control while safeguarding our rights and interests:

Intellectual Property Protection System of Giant Biogene

01 Upstream Supplier Management

- Execute confidentiality and supply agreements with rigorous IP clauses. These agreements clearly define the ownership of background IP, the ownership and benefit sharing of jointly developed results, and set high penalties for breach of contract. All trademark usage is backed by authorized licenses.

02 Downstream Partner Management

- Contractual Control: Precisely define the scope, duration, and territory of IP usage in cooperation contracts. Strictly prohibit any form of reproduction, subcontracting, or reverse engineering.
- On-site Supervision: Deploy resident or unannounced inspectors to key cooperative production links to supervise contract compliance.
- Material Traceability: Apply exclusive codes or invisible markings to core raw materials, semi-finished products, or packaging materials to establish a traceable system and prevent material leakage.

03 Technical and Institutional Guarantees

- Systems & Processes: Implement a Product/Project Manager system, conducting embedded IP audits and management at every stage from R&D to market launch.
- Physical & Information Isolation: Enforce strict personnel access control for laboratories, pilot workshops, and key production areas. Implement encryption and hierarchical authorization for core technical data.
- Personnel Management: Sign confidentiality agreements and invention assignment agreements with all employees and R&D staff. Conduct specialized training to enhance IP awareness across the organization.

04 Industry Co-construction

- Standard Setting: Actively participate in national and industry standards for core ingredients in the pharmaceutical and cosmetic fields.
- Ecosystem Synergy: Promote industry norms and elevate the overall level of IP protection.

During the Reporting Period, the Company conducted a total of 8 IP-related training sessions. These included Basic Knowledge of Intellectual Property, Patent Drafting Techniques and Application Specialized Training, Comprehensive IP Protection Strategies, Giant Biogene Trademark Brand Comprehensive Analysis, Innovation Development and IP Strategies for Quality SMEs, Patent Search and Cultivation, Analysis of Patent Portfolios, Patent Pools, and Application Techniques, and Guidance on Avoiding Conflicts with Prior Rights in Trademark Registration and Use.

These sessions covered all departments involving IP matters, with a cumulative attendance of over 100 employees.



During the Reporting Period, our patent work achieved the following progress and accomplishments:

Type	Data
Intellectual property dispute cases concluded in 2025	0
New patent applications filed in 2025	29
New patents granted in 2025	32
New software copyrights granted in 2025	1
Total accumulated patents as of Dec 31, 2025	104
Total accumulated trademarks as of Dec 31, 2025	833
Total accumulated software copyrights as of Dec 31, 2025	7

SUPPLY CHAIN MANAGEMENT

We attach great importance to supply chain management. We recognize that an efficient, agile, and sustainable supply chain not only helps reduce costs and improve efficiency but also bolsters our competitiveness and reputation.

In our supply chain management practices, we take into comprehensive consideration environmental, social, and economic factors, along with the interests of all stakeholders. We strive to achieve the effective utilization of resources, minimize environmental pollution, and strike a balance between social responsibility and economic benefits.

Supplier management

We strictly adhere to relevant laws and regulations, including the Cosmetics Production Quality Management Norms, Cosmetics Labeling Administration Measures, Guidelines for Supplier Audit of Cosmetic Raw Material Manufacturers, Guidelines for Supplier Audit of Medical Device Manufacturers, GB/T 42061-2022 Medical devices - Quality management systems - Requirements for regulatory purposes, YY/T 0287-2017 Medical devices - Quality management systems - Requirements for regulatory purposes - Guidance on the application, Food Safety Law of the People's Republic of China, ISO/TS 22002-1:2009 Prerequisite programmes on food safety. We place great emphasis on ensuring that our procurement operations are rigorous, compliant, systematic, and well-organized.

GIANT BIOGENE

- New "Notice on New Supplier Cooperation": We introduced this document to extend our management requirements to the initial stage of cooperation. This policy clearly defines core requirements such as supplier qualification audits, material delivery standards, business address verification, integrity commitments, and confidentiality obligations regarding changes. This establishes a standardized, transparent, and secure foundation for cooperation right from the source.

- Revision of "Supplier Evaluation Management Protocol": We upgraded this protocol with a focus on the specific characteristics of our cosmetics business. The new regulations specifically establish a specialized audit mechanism for key raw materials, bringing them into a standardized management system. This has significantly enhanced quality control over core materials and fortified supply chain resilience.

During the Reporting Period, the Company entered into annual framework purchase and sales contracts with select suppliers. We further raised supply quality standards within the contract terms and supplemented them with disposal plans for non-conforming materials during incoming inspection and production. Additionally, we signed quality agreements with suppliers to clearly define quality requirements for materials.

We have established strict supplier entry standards, requiring suppliers to sign quality commitment letters and submit relevant qualification documents. In the selection process, we prioritize companies with relevant certifications (such as Environmental Management System certification and FSC Forest Stewardship Council certification). During the Reporting Period, we continued to evaluate suppliers' production scale, supply capacity, and technical capabilities to select those that meet our requirements. The specific entry procedures include:

The Specific Onboarding Procedures Include:	
Raw Material Supplier Management:	After the R&D department completes material performance testing, the materials are transferred to the Procurement Department. Procurement confirms inspection standards and collects quality certification documents.
Packaging Supplier Management:	The Procurement Department requires suppliers to provide mass production samples. Following tests on appearance, performance, transportation, and machine filling, the R&D department reviews packaging compatibility and establishes files for procurement.
Quality Commitment Constraints:	We sign "Quality Commitment Letters" with all suppliers to clearly define quality responsibility clauses.
Continuous Quality Monitoring:	The Quality Management Department executes incoming material inspections and dynamic monitoring of production compliance.

We conduct annual evaluations of suppliers based on the "Supplier Evaluation Management Procedures." Based on performance appraisal scores, we classify suppliers into Tier 1, Tier 2, and Tier 3, and implement differentiated management according to these classification results.

We place great importance on the management, investigation, and evaluation of our suppliers. During the Reporting Period, the Company distributed "Supplier Quality System Assessment Forms" to 77 new suppliers and conducted on-site audits of 11 suppliers. Through rigorous audit processes, we comprehensively evaluated suppliers across multiple dimensions, including qualifications, supply capabilities, and technical capabilities. This ensures the quality and stability of the upstream supply chain, laying a solid foundation for the Company's steady development. During the Reporting Period, the Company added 88 new suppliers.

During the Reporting Period

Number of new suppliers added by Giant Biogene

88

During the Reporting Period, we incorporated numerous considerations regarding environmental and social responsibility into our supplier evaluation and audit processes. The details are as follows:

- **Environmental Aspects:**

In our supplier evaluations, we are inclined to prioritize suppliers with similar environmental management initiatives and goals. We focus on ecological protection in raw material procurement and production processes, favoring those that can reduce resource dependence and environmental damage. This includes suppliers adopting eco-friendly technologies and clean energy in production, or holding certifications such as Green Factory, FSC^[1], and RSPO^[2].

- **Social Aspects:**

Our supplier evaluations assess labor conditions, employee benefits, and human rights protections. We ensure that suppliers comply with relevant laws and regulations, safeguard the legitimate rights and interests of employees, and maintain a good social reputation. Furthermore, we pay attention to suppliers' participation and contributions to public welfare, choosing those with a strong sense of social responsibility who actively give back to society.

As of the end of the Reporting Period, the Company had a total of 366 suppliers. Among them, 80 hold the SA8000^[3] certification, 29 possess RSPO^[2] certification, and 1 is an ISCC^[4]certified supplier.

As of the end of the Reporting Period
the Company had a total of 366 suppliers

Possess SA8000^[3] certification

80

Possess RSPO^[2] certification

29

Possess ISCC^[4] certification

1

[1] FSC: Forest Stewardship Council.

[2] RSPO: Roundtable on Sustainable Palm Oil Certification.

[3] SA8000: Social Accountability 8000 International Standard.

[4] ISCC: International Sustainability & Carbon Certification.

Region of Suppliers	2025	2024
East China	182	138
South China	89	68
Central China	20	8
North China	26	22
Northwest China	44	37
Southwest China	3	3
Northeast China	2	2
Total	366	278

Supplier Cooperation

During the Reporting Period, we communicated with suppliers through various forms to enhance mutual understanding and improve the efficiency and quality of cooperation.



We invite strategic partners to visit our facilities for on-site exchanges and maintain ad hoc communication regarding quality issues. Additionally, we organize on-site learning sessions for local suppliers to discuss delivery quality and share best practices, fostering mutual improvement.



During the Reporting Period, the Company hosted over 70 supplier exchange sessions, covering core topics such as new product co-development, frontier technology discussions, quality anomaly reviews, and cost reduction strategies. Additionally, we innovatively organized two online industry trend seminars focusing on the latest innovations in packaging and raw materials, establishing an efficient information-sharing platform. These initiatives not only received positive feedback from suppliers but also effectively strengthened strategic collaboration, significantly enhancing the overall responsiveness and innovation capability of our supply chain.



During the Reporting Period, the Company actively integrated into the industry ecosystem by participating in core industry events such as the Guangzhou International Beauty Expo, PCHI, the China (Hangzhou) International Beauty Industry Expo (CIE), and the Shanghai Gift Fair. Leveraging these platforms, we focused on connecting with high-quality resources, analyzing frontier trends, and deepening strategic partnerships. These efforts effectively promoted the optimization and upgrading of our supply chain system and laid a solid foundation for expanding our market presence.

Sustainable supply chains

We place great importance on the sustainable development of our supply chain and have established a standardized system focusing on two key dimensions: integrity management and quality management. The specific details are as follows:

Regarding integrity management:

- **Agreement Constraints:** We sign framework agreements with cooperative suppliers to clarify quality requirements, intellectual property protection, and integrity cooperation clauses. We also sign separate "Integrity and Anti-Bribery Commitment Letters" with each supplier to solidify integrity responsibilities.
- **Training and Communication:** We conduct anti-corruption training and information sessions for suppliers, organizing 5 specialized training sessions during the Reporting Period. Internally, we reinforce integrity awareness among procurement staff through weekly and monthly departmental meetings. We regularly share anti-corruption videos and national regulations in work communication groups and emphasize integrity requirements during holidays.
- **Supervision Mechanism:** We have established an internal bribery reporting email address to ensure a smooth channel for feedback on integrity issues.

Regarding quality management:

- **Qualification Access:** We require palm oil suppliers to possess RSPO certification. During supplier selection, we prioritize enterprises with environmental certifications, such as Green Low-Carbon Factory.
- **Quality Upgrade:** We have added items such as heavy metal testing to our procurement agreements to raise quality control standards.
- **Sustainability Priority:** We prioritize the adoption of ocean-friendly raw materials and packaging, as well as RSPO-certified raw materials, to ensure sustainable supply chain development from the source.

We attach great importance to ensuring supply chain stability. During the Reporting Period, building upon our continuous efforts, we further upgraded and implemented the following specialized reinforcement measures to safeguard stability and mitigate risks:

Special Reinforcement Measures:

- **Implementation of an on-site supervision mechanism for core packaging materials.** For high-risk core packaging materials, we dispatch professionals to station at the factory during mass production, conducting full-chain supervision on raw material input, key process parameters, and semi-finished product testing. We established an immediate correction mechanism, strictly enforcing rework requirements for non-compliant semi-finished products to eliminate quality hazards at the source.
- **Establishment of a pre-entry defense line for raw materials.** We implement differentiated acceptance standards based on raw material risk levels. Before warehousing, we strictly verify material information and packaging integrity, ensuring that 100% of non-compliant products are intercepted outside the warehouse.

Remarkable Results in Practice:

- **Proactive Risk Control:** The production defect rate for core high-risk packaging materials decreased significantly year-on-year, effectively mitigating the risk of supply chain disruptions caused by quality issues.
- **Zero-Defect Warehousing:** We achieved a 100% interception rate of non-compliant products before raw material entry, providing a solid guarantee for the stable operation of subsequent production processes.
- **Enhanced Supply Chain Resilience:** Through dynamic risk assessment and whole-process control, the continuity of core material supply was strongly secured, with no major supply chain disruption events occurring during the Reporting Period.

03 SERVICE FIRST AND PROTECTING THE RIGHTS AND INTERESTS OF CUSTOMERS

We view consumers as the cornerstone of our development and always place user experience at the core. Through comprehensive service upgrades, responsible marketing communication, and strict data privacy protection, we actively respond to consumer demands. This chapter focuses on "Service First, Protecting Customer Rights" and implements the customer-centric philosophy through three aspects: customer service, responsible marketing, and privacy protection.



*Picture Generated by AI

Customer services

Giant Biogene has always adhered to the core philosophy of "Customer-Centricity, Service Creates Value," regarding the consumer experience as the lifeline of brand development. We understand that exceptional customer service is not merely a process of problem-solving, but a crucial link in conveying brand warmth and building deep trust.

The Company focuses on improving the quality and efficiency of the entire consumer service chain. We are committed to building a standardized, professional, and refined service system that precisely meets needs across all stages—from pre-sales consultation and product assurance to logistics follow-up and after-sales handling. This approach enhances customer satisfaction and loyalty, consolidating the cornerstone of the stable and efficient operation of our e-commerce business.

To break the limitations of traditional service models, the Company has innovatively restructured its customer service organization. We have abandoned the singular "Pre-sales vs. After-sales" dichotomy, transitioning instead to five specialized teams: Pre-sales, Product, Logistics, Back-end, and After-sales. By clearly defining the responsibilities and professional focus of each team, we have achieved vertical deepening of the service process. This ensures that every consumer request is responded to and resolved rapidly and precisely by the most professional team, significantly enhancing the professionalism and granularity of our service.

The Company firmly believes that "Expertise Stems from Accumulation." Therefore, we are fully committed to building a professional knowledge base system that covers all employees. Within the customer service system, targeting new hire onboarding, basic skills, and advanced capabilities, the Company has formulated supporting learning plans and assessment mechanisms. This creates a positive ecosystem where "newcomers get up to speed quickly, while veteran employees continue to refine their expertise."

This initiative not only significantly improved the 7-day onboarding pass rate for new hires (reaching 90%) but also driven the training assessment pass rate for veteran employees to 94%, providing solid intellectual and talent support for the steady improvement of service quality.

During the Reporting Period

7-day onboarding pass rate for new hires

90%

Passing rate of training and assessment for senior employees

94%

To enhance customer satisfaction, the Company has constructed an integrated pre-sales and after-sales system, dedicated to transforming every customer interaction into a reinforcement point for brand trust.

Categories	Communication Channels
Pre-sales	Precise Response and Professional Empowerment. We implement dynamic scheduling to ensure a year-round response time of less than 15 seconds and deepen the application of intelligent customer service to improve self-service resolution rates. We have built a scenario-based knowledge base and a case post-mortem mechanism to unify professional scripts. Furthermore, by empowering front-line agents with small-sum compensation decision-making authority and integrating workstation tools, we achieve "rapid response, professional answers, and one-time resolution."
After-sales	Rapid Processing and Closed-loop Governance. We have established an "Express Audit" channel for returns and exchanges and a "Dedicated After-sales Desk" for complex issues, significantly compressing processing times. We practice proactive outreach at key nodes and risk pre-intervention, shifting from passive reaction to active service. Additionally, we execute standardized follow-ups and data post-mortems, using common issues to drive improvements in front-end business from the source, thereby reducing complaint rates.
Assessment	Strengthening Process Management and Positive Incentives. We strongly link key experience metrics—such as Customer Satisfaction scores, positive review rates, and First Contact Resolution rates—to customer service performance and incentive systems, encouraging the delivery of service that exceeds expectations.

Pre-sales

Precise Response and Professional Empowerment. We implement dynamic scheduling to ensure a year-round response time of less than 15 seconds and deepen the application of intelligent customer service to improve self-service resolution rates. We have built a scenario-based knowledge base and a case post-mortem mechanism to unify professional scripts. Furthermore, by empowering front-line agents with small-sum compensation decision-making authority and integrating workstation tools, we achieve "rapid response, professional answers, and one-time resolution."

After-sales

Rapid Processing and Closed-loop Governance. We have established an "Express Audit" channel for returns and exchanges and a "Dedicated After-sales Desk" for complex issues, significantly compressing processing times. We practice proactive outreach at key nodes and risk pre-intervention, shifting from passive reaction to active service. Additionally, we execute standardized follow-ups and data post-mortems, using common issues to drive improvements in front-end business from the source, thereby reducing complaint rates.

Assessment

Strengthening Process Management and Positive Incentives. We strongly link key experience metrics—such as Customer Satisfaction scores, positive review rates, and First Contact Resolution rates—to customer service performance and incentive systems, encouraging the delivery of service that exceeds expectations.

Through a series of measures aimed at reducing complaints and enhancing satisfaction, our customer service satisfaction rate increased from 90% to 91%, and our store satisfaction rate reached 94% during the Reporting Period. Behind these figures lies our relentless pursuit of excellence in service details, serving as a powerful testament to Giant Biogene's commitment to "Empowering Life with Technology, Warming Hearts with Service." In the future, we will continue to deepen the construction of our service system, guarding every ounce of trust with a more professional posture.

Through a series of measures aimed at reducing complaints and enhancing satisfaction

Customer service satisfaction

91%

Store satisfaction

94%

To minimize the threshold for consumer feedback to the greatest extent, the Company has established a three-dimensional acceptance network, ensuring that communication channels remain open 24/7:

Direct Hotline Connection:

We have opened a corporate 400 official hotline, where professional specialists directly handle various inquiries and provide instant voice support.

Platform Synergy

We have fully integrated official consultation ports from mainstream e-commerce platforms such as Tmall, JD, and Douyin. By establishing dedicated communication channels, we achieve the rapid flow and processing of requests within the platforms.

Proactive Care

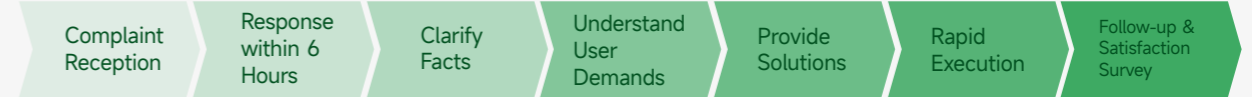
We have established a normalized customer service follow-up mechanism, shifting from "passive waiting" to "proactive engagement." We regularly follow up on user usage to identify and collect potential requests in advance.



During the Reporting Period, the Company received a total of 796 customer complaints, complaint handling rate is 100%.

The Company strictly implements a standardized seven-step customer complaint handling process, with timeliness as the core metric, ensuring that every case is implemented and every matter receives a response. Through the procedures below, Giant Biogene not only effectively resolves customer complaints but also feeds insights back to front-end business through data analysis, continuously driving the dual upgrade of product quality and service experience:

Customer Complaint Management System of Giant Biogene



GIANT BIOGENE

01
Registration

Receive and record complaint details immediately.

02
Rapid Response

Commit to providing an initial response to consumers within 6 hours, informing them of the acceptance status and subsequent handling plan to alleviate user anxiety.

03
Fact Verification

Coordinate across departments (Logistics, Quality Control, Operations, etc.) to rapidly retrieve data and evidence.

04
Clarifying Demands

Precisely define reasonable user demands based on facts and regulations.

05
Solution Formulation

Tailor a fair and reasonable solution (e.g., returns/exchanges, compensation, etc.).

06
Swift Execution

Immediately implement the solution upon approval to shorten the waiting cycle.

07
Closed-loop Follow-up

Conduct specialized follow-ups after resolution to carry out satisfaction surveys, confirm the problem is thoroughly solved, and complete case archiving to form a management closed-loop.



Responsible marketing

We strictly adhere to the laws and regulations governing responsible marketing, including the "Advertising Law of the People's Republic of China" the "Interim Measures for the Administration of Advertising Review for Drugs, Medical Devices, Health Foods, and Food for Special Medical Purposes" the "Standards for the Examination and Release of Medical Device Advertisements" the "Regulations on the Supervision and Administration of Cosmetics" and the "Measures for the Administration of Cosmetics Labeling".

During the Reporting Period, the Company experienced zero incidents of disputes, complaints, or reports related to marketing promotion and labeling usage. Furthermore, there were no litigation cases arising from the aforementioned matters.

The Company has established a "Trinity" responsible marketing system characterized by "Strict Institutional Control, Digital Intelligence Empowerment, and Organization-wide Compliance." We fortify the consumer protection defense line from the source, ensuring the authenticity, accuracy, and legality of all external information.

1. Establish a strict content review system covering all business export channels, achieving 100% control over promotional materials:

Offline Coordination

Establish a mechanism for real-time feedback and information synchronization for offline materials to ensure the real-time accuracy of terminal display information.

Online Control

Implement a unified update mechanism, introducing partners and legal consultants for risk pre-screening; the Brand Department conducts routine patrols of platform pages to timely intercept erroneous and risky information.

Partner Management

Strictly enforce "pre-event + post-event" 100% full-coverage review of partner materials to eliminate external communication risks.

2. Continuously iterate the "Treasure Box" standardized repository, empowering precise information management through digital means:

Information Standardization

Systematically organize core elements such as product efficacy, nicknames, and selling points to ensure accuracy, uniformity, and security for internal usage.

User-Friendly Experience

Lower the usage threshold through functional iterations, enabling internal and external personnel to quickly access authoritative information without additional training.

Dynamic Maintenance

Establish a normalized maintenance mechanism of "weekly gap-filling, real-time additions, and dynamic updates," forming an efficient, collaborative content ecosystem with the Product Department.

Systematic Management

Restructure corporate and brand dimension sectors, formulate standardized review SOPs, build a high-quality asset library, and promote the standardization of repository management.

3. Through a diversified training system, internalize the concept of responsible marketing into the organizational DNA, achieving "organization-wide compliance and full-process control":

Professional Empowerment

The Legal Department conducts monthly case analysis and advertising review training, and regularly invites external legal consultants to deepen legal cognition.

Agile Response

Conduct immediate promotion and implementation in response to updates in review standards to ensure zero time lag in standard implementation.

Closed-loop Optimization

Conduct in-depth retrospectives on review work orders, incorporate public opinion risk factors into management SOPs, and carry out specialized training to ensure the accuracy of consumer interactions.

Warning Education

Collect typical national violation cases and transform them into internal teaching materials, using cases as mirrors to continuously improve the team's ability to identify and prevent risks.

During the Reporting Period, the Company's highlights and initiatives in responsible marketing Included:

01

Guided consumers to participate in KOMFYMED's environmental initiatives through campaigns. From July to August 2025, the company spearheaded the "Empty Bottle Recycling Plan" to elevate environmental action. The campaign successfully collected a total of 2,576,430 disposable units and tubes, diverting approximately 3,852.66 kg of carbon emissions from the atmosphere. The recycled packaging materials were upcycled through professional regeneration processes into green furniture, low-carbon backpacks, and stationery, which were then donated to students in mountainous areas.

02

The flagship brand, KOMFYMED, deeply integrates the intangible cultural heritage of Kintsugi with its philosophy of skin repair. Through on-site demonstrations by heritage inheritors and immersive experiences, the campaign created a resonance between traditional repair aesthetics and modern dermatological science. This not only promotes intangible cultural heritage but also gives the brand's philosophy a tangible and warm expression. This initiative successfully built a profound connection among cultural inheritance, social responsibility, and consumer trust, transforming professional skincare concepts into a positive expression that possesses both humanistic depth and social value.

Privacy protection

Adhering to the principle of "Data Minimization, Security Maximization," the Company has constructed a full-link privacy protection system ranging from public domain compliance to internal network control, firmly defending consumer data security.

In cooperation with public domain platforms, we strictly abide by e-commerce platform rules and industry privacy protection conventions. All cooperative e-commerce channels have implemented customer information encryption. Adhering to the principle of "No Touch, No Acquisition," the Company never directly collects or stores consumers' personal sensitive privacy data, cutting off leakage risks at the source.

Regarding internal control, the Company strictly complies with "Data Security Regulations," establishing data full-lifecycle management standards and setting up a dedicated "Information Protection Organization" within the e-commerce center to coordinate database security. We comprehensively apply de-identification technology to desensitize sensitive information; simultaneously, we implement strict access control and permission level management, ensuring sensitive data is visible and operable only to authorized personnel, thereby fortifying the internal security defense line.

Furthermore, the Company implements confidentiality responsibilities through organization-wide awareness empowerment. Personnel at the data middle platform and key positions sign confidentiality agreements upon entry, clearly defining legal red lines; meanwhile, data confidentiality obligations are integrated into daily management and training to continuously strengthen privacy protection awareness, fostering a corporate culture where "everyone understands security and everything protects privacy," ensuring all-round protection of consumer data.



Picture Generated by AI

04 GREEN OPERATION FOR SUSTAINABLE DEVELOPMENT

We view green development as the cornerstone of our enduring success, committed to embedding sustainability into every facet of our operations. Through a robust environmental compliance framework, we strictly manage emissions—spanning waste gas, wastewater, and solid waste—while actively integrating solar energy and water-saving processes to maximize resource efficiency. Centered on the theme "Green Operations for Efficiency and Quality," this chapter details our initiatives and performance highlights across four key pillars: environmental management, emission control, resource optimization, and climate resilience.



Environmental management

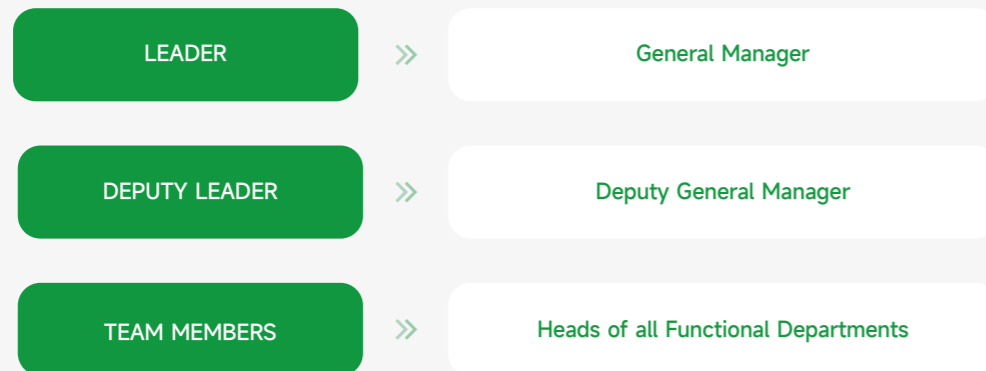
During the Reporting Period, the Company strictly abided by national ecological and environmental laws and regulations, establishing a comprehensive environmental compliance management framework. We deeply implemented the requirements of the "Environmental Protection Law of the People's Republic of China," the "Water Pollution Prevention and Control Law," the "Air Pollution Prevention and Control Law," the "Law on the Prevention and Control of Pollution from Solid Wastes," and the "Law on the Prevention and Control of Environmental Noise Pollution."

Furthermore, regarding the lifecycle management of hazardous waste, we strictly enforced the "Measures for the Administration of Hazardous Waste Transfer." We also aligned with technical specifications such as the "Pollution Control Standards for Hazardous Waste Storage" and the "Technical Specifications for Hazardous Waste Identification and Marking" to ensure the standardization of hazardous waste disposal.

On this basis, the Company continuously optimized its Environmental, Occupational Health, and Safety Management System. Through annual revisions and the addition of system documents, we constantly improved the suitability, adequacy, and operability of management policies. We are committed to safeguarding the company's green and sustainable development with a rigorous compliance posture and a dynamically improving management system.

During the Reporting Period, the Company strictly implemented the Environmental Protection Responsibility System and established an "Environmental Protection Management Group" to build a top-down environmental governance framework. Led by the General Manager and Deputy General Manager, the group comprises heads of all functional departments, forming a management network characterized by company-wide participation and clear individual accountability. Furthermore, the group has established a routine supervision mechanism to conduct regular environmental inspections and reviews.

Environmental Protection Responsibility System



During the Reporting Period, the Company underwent the annual external audit for its environmental management system. Over the course of a rigorous two-day on-site inspection, the audit team conducted a comprehensive assessment of every aspect of the company's environmental management, ultimately determining that the system was functioning effectively. The successful completion of this on-site annual audit marks a new milestone for the Company's internal environmental management mechanisms in terms of compliance and effectiveness.



Meanwhile, leveraging its solid accumulation and comprehensive strength in the field of green manufacturing, the Company was awarded the title of "National Green Factory." This prestigious honor serves not only as a high recognition of the Company's long-term commitment to green development concepts but also as a testament to its industry-leading position in constructing a full-lifecycle green manufacturing system. Furthermore, it lays a solid cornerstone for the subsequent deepening of sustainable development strategies.



The Company strictly benchmarks against the HKEX "ESG Reporting Guide" and deeply integrates domestic best management practices to scientifically formulate four core environmental management goals. These goals serve as the actionable guidelines that permeate the company's entire operations.

During the Reporting Period, priority was placed on the implementation of these goals. Through full-process control and refined execution, significant compliance results were achieved: zero environmental pollution incidents and zero environmental administrative penalties occurred throughout the year. Furthermore, exhaust gas and wastewater discharge indicators were strictly controlled within statutory limits, and waste disposal processes fully complied with regulatory requirements.

This series of achievements not only validates the effective implementation of the four environmental goals but also demonstrates Giant Biogene's firm commitment to strictly guarding ecological red lines and practicing green responsibility.



Emission Reduction Targets

Implement a series of decarbonization measures to lower carbon emissions generated during production processes and office operations.



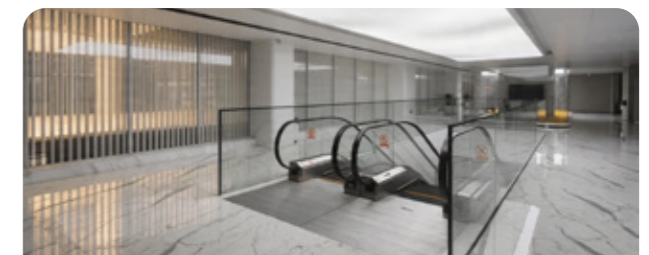
Waste Reduction Targets

Improve the "Three Wastes" policy, enhance raw material utilization efficiency, and reduce solid waste discharge and its intensity through recycling and other methods.



Water Efficiency Targets

Refine water conservation policies, increase investment in water-saving technologies and processes, and improve water usage efficiency in both production and office settings.



Energy Efficiency Targets

Strengthen energy consumption management, adopt low-energy appliances, and reduce energy consumption intensity across production and office activities.

MISSIONS MANAGEMENT

We have established a comprehensive internal policy framework for emission management, encompassing documents such as the "Environmental Protection System," "Pollutant Discharge and Environmental Statistics Management System," "Environmental Protection Archives Management System," "Environmental Facility Operation Management System," and "Environmental Protection Inspection Management System." Through standardized daily emission management, routine supervision and inspections, and precise data monitoring, we ensure full compliance with emission regulations and strive to minimize our adverse impact on the environment.

Wastewater management

The Company strictly abides by national laws and regulations, including the "Water Pollution Prevention and Control Law of the People's Republic of China," the "Integrated Wastewater Discharge Standard," and the "Water Quality Standards for Wastewater Discharged to Urban Sewers." Complementing these legal requirements, we have formulated internal rules such as the "Wastewater Treatment Management System" and the "Sewage Discharge Management Procedures." This approach establishes a standardized and systematic management architecture for emissions.

During the Reporting Period, the Company's primary wastewater streams consisted of domestic sewage and production wastewater. We implemented full-process control over both types, deeply integrating the concept of "source reduction" into every stage from generation to treatment.

To ensure effective governance, the Company established a rigorous monitoring mechanism. We adopted a dual-monitoring model that combines "daily self-inspection" with "monthly third-party testing." This approach comprehensively guarantees the compliance and efficiency of wastewater treatment operations, thereby minimizing environmental impact to the greatest extent possible.

In terms of environmental control for production operations, the Company places high importance on wastewater treatment. We have established a dedicated wastewater treatment plant that operates round-the-clock, ensuring 100% collection and treatment of wastewater generated throughout the production process. This ensures that all treated wastewater meets discharge standards. By exercising dual control at both the source and treatment stages, we minimize the impact of production wastewater on the surrounding ecosystem, putting into practice the development philosophy of green production and eco-friendly operations. Thanks to this rigorous management system, the Company achieved a 100% compliance rate for wastewater discharge during the Reporting Period.

During the Reporting Period
the Company's wastewater discharge
met the standard

100%

During the Reporting Period, the key indicators related to the Company's wastewater discharge^[1] were as follows:

Indicator Name	2025	Unit
Total Wastewater Discharge Volume	36,356.95	tonnes
COD Discharge Volume	10.88	tonnes
Ammonia Nitrogen Discharge Volume	1.16	tonnes

Waste gas management

The Company strictly abides by national laws and regulations, including the "Atmospheric Pollution Prevention and Control Law of the People's Republic of China" and the "Emission Standard of Air Pollutants for Boilers." Complementing these legal requirements, we have internally established the "Exhaust Gas Treatment Management System," building a robust management and control system for exhaust gas characterized by comprehensive policies and effective implementation.

By introducing multi-faceted governance equipment, the Company has achieved effective emission reduction and stable compliance of exhaust gas. Furthermore, we implement continuous monitoring of exhaust gas generation, which has significantly enhanced our overall management efficiency.

During the Reporting Period, the Company's main exhaust gas emissions included Non-methane Hydrocarbons, Sulfur Dioxide, Particulate Matter, Cooking Fumes, Odorous Gases, and Nitrogen Oxides. This composition remains consistent with previous years.

Name of Indicator	Analytical Method	Frequency of Monitoring
Sulfur dioxide	HJ57-2017	Monitoring annually
Particulate matter	HJ836-2017	Monitoring annually
Darkness of smoke	HJ1287-2023	Monitoring annually
Cooking fumes	HJ1077-2019	Monitoring annually
Ozone concentration	HJ1262-2022	Monitoring semi-annually
Non - methane total hydrocarbons	HJ604-2017	Monitoring semi-annually
Nitrogen oxides	HJ693-2014	Monitoring monthly

[1] The 2025 emissions data, as well as the various energy and water consumption figures mentioned hereinafter, have increased compared to previous years. This increase is attributable to the commissioning of the new plant and the debugging and trial production preparation of production equipment for future business operations.

During the Reporting Period, the Company implemented precise technical renovation and upgrade measures targeting exhaust gas emissions:

- Boiler Upgrade: We phased out the obsolete 4-ton hot water boiler and installed a new 6-ton low-nitrogen steam boiler. This initiative significantly reduced the emission intensity of nitrogen oxides from the source.
- Fume Control: We comprehensively replaced aging fume purification facilities and commissioned high-efficiency, next-generation fume purification equipment, which has significantly enhanced the capacity for fume purification and treatment.



Workshop organic waste gas treatment equipment



Plasma photo-oxygen integrated machine



Oil fume purifier

During the Reporting Period, the main waste gas emission data of the Company are as follows:

Name of Indicator	2025	Unit
Oxynitride	0.579	tonnes
Oxysulfide	0.149	tonnes
Dust	0.033	tonnes
Suspension particles	0.116	tonnes

Waste management

The Company strictly abides by laws and regulations, including the "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes," establishing a stringent waste management architecture. Based on the overarching "Solid Waste Management System," we have further detailed the "Hazardous Waste Transfer Management Measures." Furthermore, we strictly align with a series of specialized policies, such as the "Pollution Control Standards for Hazardous Waste Storage" and the "Technical Specifications for the Setting of Hazardous Waste Identification Signs." This ensures that the entire process of hazardous waste management is traceable, standardized, and under strict control.

During the Reporting Period, the Company's waste emissions consisted of general waste (domestic garbage and general industrial solid waste) and hazardous waste, which remains consistent with previous years. The processing workflows for these different types of waste are as follows:

General Waste

We strictly enforce a classified collection system and uniformly hand over waste to municipal departments for standardized treatment, achieving rational resource streamlining.



Hazardous Waste

We manage these materials in strict accordance with the "National Catalog of Hazardous Waste." We implement an internal circulation mechanism of "transfer by waste-generating departments and centralized temporary storage by the Safety & Environment Department." Waste is moved to a dedicated hazardous waste warehouse managed by the Safety & Environment Department. Before the storage capacity hits the warning line, we promptly commission qualified third-party professional disposal companies to conduct harmless disposal, ensuring continuous compliance and zero-risk operations.



During the Reporting Period, the total volume and intensity of the Company's waste emissions were as follows:

Name of Indicator	2025	Unit
Total volume of hazardous wastes	65.18	tonnes
Intensity of hazardous wastes	0.012	tonnes/million revenue
Total volume of non-hazardous wastes	366.72	tonnes
Intensity of non-hazardous wastes	0.066	tonnes/million revenue

RESOURCE MANAGEMENT

Energy management

The Company strictly abides by national laws and regulations, including the "Law of the People's Republic of China on the Conservation of Energy," the "Renewable Energy Law of the People's Republic of China," and the "Law of the People's Republic of China on the Promotion of the Circular Economy," establishing a scientific and stringent energy management system. During the Reporting Period, the Company maintained strict compliance with internal protocols such as the "Energy Conservation Target Responsibility System," "Energy Management Regulations," "Energy Utilization Status Analysis System," and "Comprehensive Energy Utilization Management Control Procedures."

During the Reporting Period, the Company's energy portfolio included a diverse range of sources, such as natural gas, diesel, gasoline, purchased electricity, and solar energy. Faced with complex energy consumption scenarios, we adhered to a dual approach of "increasing supply and reducing consumption". By implementing multiple targeted measures to optimize energy allocation, we have comprehensively improved energy efficiency.

This series of actions has not only effectively reduced overall energy consumption levels but also tangibly advanced the realization of energy conservation and emission reduction goals, demonstrating Giant Biogene's firm determination on the path of green and low-carbon development.

Energy Management Measures of Giant Biogene

Case 1: Boiler Reconstruction

To meet production requirements, during the Reporting Period, we phased out the obsolete 4-ton hot water boiler and installed a new 6-ton low-nitrogen steam boiler. This initiative significantly reduced the emission intensity of nitrogen oxides from the source.

Case 2: Green Supply Chain and Low-Carbon Building Practices

During the Reporting Period, the Company prioritized suppliers with certified green building materials. First, we selected recyclable metal composite panels to achieve closed-loop recycling throughout the material's lifecycle, thereby reducing solid waste generation and resource consumption. Second, we extensively applied LOW-E energy-saving glass to the building's facade and lighting areas. This effectively blocks infrared radiation and reduces energy consumption for heating and cooling in winter and summer, achieving low-carbon emission reductions during the operational phase.

Case 3: Rooftop Photovoltaic Project

During the Reporting Period, the Company implemented a rooftop PV application project, deploying photovoltaic power generation and energy storage facilities on the office building's roof. As of December 2025, the PV system has achieved the efficient conversion of solar energy into electricity, generating a cumulative output of 136,983.78 kWh of usable power. This initiative actively promotes the optimization of our energy structure and establishes a green production and operation model, contributing tangible strength to the realization of the "Dual Carbon" goals.



To deepen the awareness of energy conservation and environmental protection among all employees, during the Reporting Period, the Company carried out multi-dimensional and comprehensive energy-saving thematic promotion activities. We have established a three-dimensional publicity matrix that combines "online training + offline visualization":

All-Employee Online Empowerment:

In May 2025, leveraging the Feishu platform, the Company successfully hosted a specialized online training session on "Water and Energy Conservation Knowledge." Targeted at all employees, this initiative utilized digital tools to transcend spatial and temporal constraints, ensuring that energy-saving concepts and practical know-how were precisely delivered to every individual. Consequently, we achieved our goal of 100% training coverage.



Offline Atmosphere Creation:

We simultaneously carried out offline visual promotion campaigns, meticulously producing and posting a series of energy-saving themed posters. Through consistent visual displays in office areas, we constantly remind employees to practice green office concepts, integrating water and energy conservation awareness into the subtle details of daily work. This has fostered a positive corporate cultural ethos where "everyone advocates conservation and action is seen everywhere."



During the Reporting Period, the aggregate data regarding various energy consumption and greenhouse gas emissions of Giant Biogene are as follows:

Name of Indicator	Unit	2025
Natural gas	cubic meters	1,957,037.66
Diesel, gasoline	liters	16,459.73
Purchased electricity	ten thousand kwh	2,722.69
Self-generated solar energy	ten thousand kwh	16.58
Total direct energy consumption	tonnes of standard coal	2,172.17
Total direct energy consumption intensity	tonnes of standard coal/ million revenue	0.39
Total indirect energy consumption	tonnes of standard coal	3,346.18
Total indirect energy consumption intensity	tonnes of standard coal/ million revenue	0.61
Total integrated energy consumption	tonnes of standard coal	5,518.35
Total integrated energy consumption intensity	tonnes of standard coal/ million revenue	1.00

Use of resources

Upholding the philosophy of water conservation and protection, Giant Biogene strictly adheres to laws and regulations including the "Water Law of the People's Republic of China" and the "Law of the People's Republic of China" on the Prevention and Control of Water Pollution. Aligning with our operational realities, we have formulated targeted management policies and implemented specific measures across our production and office environments to effectively enhance water use efficiency.

During the Reporting Period, the Company's primary source of water intake was the municipal water supply. The Group's water usage details are presented as follows:

Name of Indicator	Total Volume/Intensity	Unit
Total water consumption	462,622.80	cubic meters
Intensity of water consumption	83.83	cubic meters/ million revenue

Water Saving In the Office

The Company has established a production water-saving system based on "refined management + collective cultural co-creation." Adopting a holistic approach that ranges from hardware maintenance and operational standards to awareness cultivation, we are comprehensively reducing water consumption:

Strengthening Routine Operations and Process Control

Lean Equipment Maintenance

We conduct regular inspections of water supply facilities, performing routine checks on key nodes such as pipes, faucets, and water meters to ensure leaks are "detected and repaired early," thereby eliminating hidden waste. Simultaneously, we implement preventive equipment maintenance to guarantee the efficient operation of water facilities.

Optimization of Operational Standards

In cleaning operations, we promote "micro-water" practices, replacing prolonged high-volume flushing with damp wiping and small, frequent amounts of water. In public areas like restrooms, we post visible water-saving signs to constantly warn employees against "running water" phenomena, integrating water-saving habits into daily details.

Scientific Green Irrigation

We dynamically adjust irrigation strategies based on seasonal shifts and weather changes, comprehensively promoting high-efficiency water-saving technologies such as sprinkler, micro-, and drip irrigation. We also actively utilize rainwater resources to minimize irrigation water dependency.

Deepening Organization-wide Water Conservation Awareness and Culture

Multi-dimensional Promotion and Empowerment

Relying on digital platforms like Feishu and traditional channels such as thematic training, we continuously carry out water conservation knowledge promotion. By deeply analyzing the importance and practical methods of water saving, we achieve full coverage of water conservation concepts among all employees.

Incentive and Disciplinary Mechanism

We have constructed a "positive incentive + negative constraint" closed-loop management system. Departments and individuals with outstanding performance in water conservation are awarded honorary certificates and material rewards; conversely, wasteful behaviors are met with serious criticism and penalties. This fosters a positive corporate atmosphere where "everyone cherishes water and every action saves water."



Water Saving In Production

The Company adheres to a water-saving strategy of "source reduction, process control, and closed-loop recycling." Driven by the dual engines of technological innovation and management optimization, we have comprehensively improved production water efficiency.

GIANT BIOGENE

01 High-Efficiency Condensate Recovery

We implemented a synergistic recovery project for thermal energy and water resources. All condensate water (approx. 2 tons/hour) generated from heat exchange stations and steam distribution cylinders is recovered to the boiler soft water tank for reuse as boiler feedwater.



02 Refined Water Scheduling

We established a dynamic response mechanism of "on-demand usage" for production water. Regarding water demand for workshop public equipment, we enforce a communication process of "20-minute advance reservation and immediate shutdown after use." Through real-time intercom coordination between operators and utility system positions, we have eliminated the phenomenon of idling equipment and continuous water flow, strictly controlling ineffective energy consumption from the management level.



03 Reclaimed Water Reuse and Deep Treatment

- Substitution for Domestic Miscellaneous Use: The Giant Medical plant innovatively implemented a "waste-for-fresh" strategy. Primary concentrated water generated during the purified water preparation process is collected and treated for miscellaneous uses such as restroom flushing. This has saved a cumulative total of 8,734 cubic meters of fresh water throughout the year.
- Deep Process Water Reuse: During the Reporting Period, a new 15-ton water maker was added, accompanied by the activation of a deep recovery system for primary concentrated water. Utilizing secondary reverse osmosis membrane technology, this system further purifies the originally discharged primary concentrated water, transforming it back into raw water for purified water preparation and reinjecting it into storage tanks. This allows for the monthly recovery of approximately 590.69 tons of high-quality recycled water, greatly enhancing the



Use of Packaging Materials

Upholding the sustainable development philosophy of "source reduction, circular reuse, and lean production," the Company has comprehensively reduced packaging material consumption through four core initiatives:

Cost-saving measures	Description and benefits
Implementing Precise Procurement to Eliminate Waste at the Source	We established a dynamic procurement model based on actual production needs to scientifically formulate raw material purchasing plans. By precisely matching supply and demand, we effectively avoid material backlog and expiration caused by over-purchasing, cutting off the chain of resource waste right at the supply chain source.
Deepening Internal Circulation to Build a Reuse System	We vigorously promote an internal circular utilization mechanism for packaging materials. For instance, the outer cartons of KOMFYMED disposable essence are recycled and reused as shipping cartons for finished products. Simultaneously, we reuse fabric straps and share raw material pallets, significantly reducing the consumption of single-use packaging and improving the turnover rate of logistics carriers.
Optimizing Production Scheduling to Reduce Obsolescence Losses	We implement lean production scheduling management to enhance the accuracy and flexibility of plan execution. By reducing raw material expiration and finished product stagnation caused by frequent plan changes, we fundamentally lower the dual waste of packaging and materials resulting from scrappage.
Upgrading Equipment Maintenance to Strictly Control Process Waste	We continuously invest in equipment upgrades and maintenance to ensure the production line operates in a highly efficient and stable state. By improving equipment precision and stability, we significantly reduce the defect rate and waste generation during production, indirectly cutting down on additional packaging consumption caused by rework or scrappage.

During the Reporting Period, the primary types of primary packaging materials we utilized included plastic bottles, aluminum tubes/aluminum foil bags, and non-woven fabrics, while the main secondary packaging materials consisted of paper boxes and cartons. The details regarding the usage of all packaging materials by Giant Biogene for the current year are as follows:

Name of Indicator	Unit	2025
Metals	tonnes	565.99
Papers	tonnes	6,156.63
Plastics	tonnes	8,884.05
Fabrics	tonnes	650.95
Intensity of packaging materials	tonnes/million revenue	2.95

Responding to Climate Change

Governance

Giant Biogene has deeply integrated climate change response into its ESG governance system, establishing a top-down three-tier governance structure driven by the Board of Directors, the Corporate Governance Committee, and ESG-related functional departments (see the "ESG Governance" section of this report for details on the structure and responsibilities).

As the strategic level, the Board of Directors is responsible for monitoring industry ESG and climate development trends, assessing climate-related risks and opportunities, and approving related strategic guidelines, targets, and annual work reports. As the management level, the Corporate Governance Committee is responsible for formulating and updating climate-related management policies, organizing materiality assessments, and regularly reporting management strategies, policies, and performance to the Board to support its continuous supervision of climate issues. As the execution level, ESG-related functional departments are responsible for collecting climate-related information and data, participating in and implementing specific work plans at all levels of business operations, ensuring that response measures are effectively implemented in daily operations.

To ensure governance effectiveness, the Group dynamically grasps the status of climate risk management through regular reporting mechanisms. Meanwhile, when formulating strategic planning and important business decisions, we prudently assess the potential financial and business impacts of climate change, ensuring that climate factors are incorporated into overall management decision-making considerations, continuously enhancing the Company's climate resilience.

The Board regularly receives professional training on climate change to enhance its knowledge reserves in climate governance and its capability to fulfill climate-related duties. We will continue to improve the climate management system and working mechanisms, and will incorporate climate-related performance into the Directors' remuneration policy where appropriate.

Strategy

Facing the common challenge of global climate change, we are guided by scientific and systematic concepts, focusing on building a climate management system and actively exploring cleaner and more sustainable operation models.

In 2025, with reference to the requirements of Part D of Appendix C2 "Environmental, Social and Governance Reporting Code" of the Hong Kong Stock Exchange Main Board Listing Rules, we introduced climate scenario analysis methods to conduct a comprehensive analysis of the types, likelihood, impact levels, and adaptation capabilities of potential climate events. We continuously enhance climate resilience, providing strong support for the Group to formulate and implement decarbonization targets.

Time Horizons and Climate Scenario Selection

Combining macro policy trends, climate performance, and current business development models, we have established a time framework with short-term (2026-2028), medium-term (2029-2033), and long-term (2034-2050) horizons.

For the scenario analysis of physical risks, we selected the Intergovernmental Panel on Climate Change (IPCC) low-emission scenario (SSP1-RCP2.6) with a temperature rise of 1.5°C and the high-emission scenario (SSP4-RCP8.5) with a temperature rise of 1.5°C to 3°C to conduct analysis, in order to assess climate-related physical risks within the relevant time horizons.

Scenarios	SSP1-RCP2.6 (IPCC)	SSP4-RCP8.5 (IPCC)
Description	Global emission reduction initiatives are well-implemented, with greenhouse gas emissions at a low level, making it possible to limit global warming to within 2.0°C by 2100.	Due to the lack of policies to address climate change, greenhouse gas emissions are at a high level and are continuously accumulating and rising.
Analysis Method	Assess the financial impact of various physical risks on the Company's financial position, operating results, cash flow, and financing costs in the short, medium, and long term time period.	

For the scenario analysis of transition risks, we selected two scenarios set in the "World Energy Outlook" report published by the International Energy Agency (IEA), using the "Net Zero Emission by 2050 Scenario" (NZE 50) as the low-carbon transition pathway and the "Stated Policies Scenario" (STEPS) as the high-emission pathway, to assess the main transition risks and opportunities we face within the corresponding time horizons.

Scenarios	NZE 2050	STEPS
Description	Achieve net zero carbon dioxide equivalent emissions by 2050, without relying on emission reductions outside the energy sector to achieve its targets. Under this scenario, the global temperature rise by 2100 will be limited to within 1.5°C.	Consider only specific policies that governments have enacted or announced, and take into account the situation where commitments made by countries worldwide cannot be fully realized. Under this scenario, the global temperature will rise by approximately 2.7°C by 2100 and continue to rise.
Analysis Method	Assess the transition risks and related opportunities the Company may face in the short, medium, and long term time period to adapt to and mitigate the impacts of climate transition.	

Impact Level of Climate Risks and Opportunities

Based on the aforementioned time horizons and scenario framework, combined with the characteristics of the biotechnology and skincare industry, the Company's strategic planning and business model, and with reference to relevant disclosure guidelines, we identified and formed a list of Giant Biogene's climate-related risks and opportunities through industry benchmarking analysis and external expert consultation. Currently, our identified list of risks and opportunities includes 4 physical risks, 4 transition risks, and 4 opportunities.

In 2025, we conducted a comprehensive assessment and review of important climate-related risks and opportunities that may affect the Company's financial position, operating results, and cash flow. For impacts that have already occurred, we analyzed them based on actual climate-related matters during the Reporting Period; for future potential impacts, we referenced internationally recognized data sources such as the International Energy Agency (IEA) and the Network for Greening the Financial System (NGFS), combined with weather forecasts and macroeconomic data under different scenarios, to comprehensively assess the expected financial impacts of climate change.

Physical Risks

To more comprehensively and accurately quantitatively assess the risks posed by climate change, we referenced internationally recognized climate databases such as CLIMADA, NGFS, and CMIP6 to evaluate the impacts of four types of physical climate risks: "floods," "typhoons," "heatwaves," and "droughts." We defined that if the impact rate falls within the 0%-3% range, it is classified as a Minor Risk; if it is within the 3%-5% range, it is defined as a Routine Risk; and if it is above the 5% range, it is defined as a Critical Risk.

The assessment results are shown in the table below.



*Picture Generated by AI

Risk Category	Risk Potential Impact	Quantification Method	Time Horizon	Risk Impact Level		
				SSP1-RCP2.6	SSP4-RCP8.5	
Physical Risks - Acute Risks	Floods	Equipment and assets submerged by floods require suspension of operations, affecting the stability of business operations.	Utilize databases to obtain flood depth simulation results, converting flood depth into building damage ratios and operational downtime impacts, thereby calculating the potential annualized asset damage ratio and operational downtime impact for each operation site caused by floods.	Short-term	Minor	Minor
				Medium-term	Minor	Minor
				Long-term	Minor	Minor
	Typhoons	Typhoons may damage the Company's infrastructure, affecting the stability of business operations.	Select CLIMADA as the typhoon model development tool to obtain historical typhoon track data, generate simulated historical tracks, and conduct typhoon simulations under various climate scenarios and time horizons. Combined with the asset damage ratio model for a single typhoon event, quantify the potential annualized asset damage ratio and operational downtime impact for each operation site caused by typhoons.	Short-term	Minor	Minor
				Medium-term	Minor	Minor
				Long-term	Minor	Minor
	Heatwaves ^[1]	An increase in the frequency of high-temperature heatwaves may lead to rising potential additional costs for factories to maintain normal operations.	Based on the productivity loss rate forecasts provided by the NGFS database, further quantify the potential additional costs the Company faces to maintain normal operations during heatwaves.	Short-term	Minor	Minor
				Medium-term	Minor	Minor
				Long-term	Minor	Minor
	Droughts	An increase in the frequency of droughts will lead to rising potential additional costs for factories to ensure normal operations.	Use the CMIP6 platform to predict future annual precipitation, further deriving the potential probability of occurrence and impact of droughts.	Short-term	Minor	Minor
				Medium-term	Minor	Minor
				Long-term	Minor	Minor



Transition Risks and Opportunities

Through analysis, the transition risks we face that may directly cause financial impact mainly stem from stricter environmental regulations, enhanced greenhouse gas emission reporting obligations, the need for investment in low-carbon technologies, and fluctuations in raw material costs as the "Dual Carbon" goals advance.

We assess the comprehensive impact level of each transition risk from two dimensions: the comprehensive likelihood of occurrence and the comprehensive impact. In addition, regarding climate change-related opportunities, the main opportunities we have identified are concentrated in areas such as green finance support, energy efficiency improvement, and green product and packaging innovation. We conduct a comprehensive assessment by analyzing the correlation between each opportunity and financial indicators, combined with its comprehensive likelihood of occurrence and comprehensive impact.

[1] Comprehensive analysis shows that heatwave risk does not directly trigger operational disruption or physical asset loss for factories, but only affects them by increasing additional operating costs (such as cooling, equipment maintenance, etc.). The risk level is assessed as minor.

Transition Risks & Opportunities Category		Potential Impact	Time Horizon	Impact Level of Transition Risks & Opportunities NZE 2050 STEPS		
Transition Risks	Policy and Legal	Enhanced GHG Emission Reporting Obligations	As requirements for corporate environmental information disclosure strengthen domestically and internationally, Giant Biogene, as a listed company, needs to systematically conduct greenhouse gas inventories and disclose climate-related risks, which may increase corresponding management costs.	Short-term Medium-term	Medium	Low
		Regulation of Existing Products and Services	If the packaging materials of existing products are non-recyclable, the raw materials have a high carbon footprint, or the production process has low energy efficiency, they may gradually be subject to domestic environmental protection policies and industry green standards, thereby bringing potential pressure on business operations and revenue growth.	Medium-term Long-term	Low	Low
	Technology	Costs of Transitioning to Low-Emission Technologies	In the process of transitioning to low-carbon production, to improve energy efficiency and reduce carbon intensity in production, funds need to be invested in equipment upgrades, energy-saving technology transformations, and renewable energy facility construction (such as factory photovoltaic systems). Related investments will bring certain capital expenditure and operating cost pressures.	Short-term Medium-term	Medium	Medium
	Market	Rising Raw Material Costs	The natural plant raw materials and bioactive ingredients relied upon may face supply instability and price increase pressures due to climate fluctuations and resource constraints. At the same time, rising energy costs will further push up overall production costs.	Medium-term Long-term	Medium	Medium
Opportunities	Policy and Financing	Policy and Financing Opportunities	Utilize national and local incentive policies such as subsidies and tax benefits for green manufacturing and energy conservation/emission reduction projects to reduce the initial input costs of low-carbon transition. At the same time, actively connect with green credit, sustainability-linked loans, and other financial tools to optimize capital costs and support technological upgrades.	Medium-term Long-term	Low	Low
	Energy Sources	Energy Efficiency Improvement	Through equipment energy-saving renovations, process optimization, and smart energy management measures, systematically improve energy efficiency and effectively reduce operating costs and carbon emissions.	Short-term Medium-term	Low	Low
	Markets and Brand	Green and Eco-friendly Products	In line with the requirements of downstream customers for green supply chains and the growing demand of consumers for sustainable beauty products, highlight the low-carbon attributes of products, develop and promote raw materials or products with clear environmental benefits, shape a "Technology towards Green" brand image, and obtain market premiums.	Medium-term Long-term	Low	Low
	Technology and Operations	Green Packaging	By researching and developing or introducing energy-saving processes, eco-friendly packaging solutions, water resource recycling, and other low-carbon technologies, systematically reduce energy consumption, water consumption, and material consumption in production processes, directly reducing operating costs while building long-term cost and environmental advantages.	Short-term Medium-term	Low	Low

Financial Quantification and Response Measures

In 2025, we conducted a comprehensive assessment and quantitative review of significant climate-related risks and opportunities that may affect the Company's financial position, operating performance, and cash flow. Based on this, we have formulated and are gradually implementing targeted response measures.

Physical Risks

We have linked the impact level of physical risks to six financial indicators: "Capital Expenditure," "Replacement Cost," "Cost of Sales," "Revenue," "Cost of Sales Change Index," and "Revenue Change Index," to quantitatively analyze the financial impact of various climate risks on Giant Biogene under current and future different climate scenarios and time horizons.

Through analysis, our main business focuses on the research and development and production of bioactive ingredients and skincare products. Its production lines do not possess production characteristics of high energy consumption, high emissions, or strong outdoor dependence. Production bases are mainly located in Xi'an, China, with a relatively concentrated layout. Based on this, we judge that, in the current period and the foreseeable future, climate change will not have a significant financial impact on the Company's business operations and asset value, and no business or asset-related risks and opportunities susceptible to climate factors have been identified. It is expected that in the next Reporting Period, climate change will not lead to significant adjustments in the book value of the Company's assets or liabilities.

Based on the financial impact assessment, we have determined the focus of climate response and management, formulated corresponding measures, and incorporated the consideration of climate risks and opportunities into daily operations and management decision-making to systematically enhance climate change adaptation capabilities. The list of Giant Biogene's risks and opportunities and specific response measures are shown in the table below.

Physical Risk	Current Financial Impact	Expected Impact	SSP1-RCP2.6	SSP4-RCP8.5	Response Measures
Flood	In 2025, Giant Biogene did not experience any operational disruptions or events with significant financial impact caused by extreme weather conditions such as floods, typhoons, heatwaves, and droughts. Furthermore, these events did not have a material impact on the Company's business model and value chain.	Short-term	Low	Low	We have formulated comprehensive emergency response plans for extreme weather, including the "Flood, Heavy Rain, and Typhoon Prevention Emergency Plan" and the "Anti-Freezing Emergency Plan," to ensure business continuity and employee safety.
		Medium-term	Low	Low	Prior to the summer rainy season, we proactively organize the thorough cleaning of storm drains and external rainwater networks within our facilities. We also prepare sufficient flood control sandbags and intensify patrols in critical areas to mitigate potential risks of flooding and waterlogging.
		Long-term	Low	Low	We have established wind and rain protection protocols for key facilities such as warehouses, detailing operational standards for equipment reinforcement and covering to reduce the risk of damage from extreme weather.
Typhoon		Short-term	Low	Low	We are progressively establishing a diversified supplier network and optimizing our raw material procurement layout to avoid over-reliance on a single region. Additionally, we are strengthening supply chain resilience planning to minimize the impact of climate-related risks on business continuity.
		Medium-term	Low	Low	
		Long-term	Low	Low	
Heat Wave ^[1]		Short-term	Low	Low	We are optimizing the facility's cooling systems by adopting high-efficiency energy-saving equipment and implementing time-based, zoned temperature control. Simultaneously, we reasonably schedule outdoor operations during high-temperature periods and provide heatstroke prevention facilities to reduce energy consumption while ensuring safe and stable production.
		Medium-term	Low	Low	
		Long-term	Low	Low	
Drought	Short-term	Low	Low	We are promoting water-saving technological upgrades in production, establishing reserve mechanisms and diversified procurement channels for key plant-based raw materials, and evaluating reclaimed water reuse systems. These measures aim to enhance water resilience and alleviate supply chain risks.	
	Medium-term	Low	Low		
	Long-term	Low	Low		

Transition Risks and Opportunities

Based on current assessment results, the cost savings and revenue growth brought about by transition risks and opportunities are expected to be relatively limited for Giant Biogene in the foreseeable future, with a relatively low overall degree of financial impact. We will, based on the Company's development stage and business model, develop differentiated response measures for each transition risk and opportunity and advance their implementation in phases.

Transition Risks and Opportunities		Current Financial Impact	Potential Financial Impact	Response Measures	
Transition Risks	Policy and Legal	Enhanced Emission Reporting Obligations	As regulatory requirements for ESG reporting and transparency become increasingly stringent, compliance management costs will increase.	Build a systematic carbon emission accounting system, establish internal data management processes, and actively participate in industry policy dialogues.	
		Regulation of Existing Products and Services	Stricter regulations on product carbon footprints may drive up operating costs due to product upgrades or modifications.	Conduct green design assessments for the full lifecycle of products and gradually replace high-carbon-footprint raw materials and non-recyclable packaging.	
	Technology	Costs of Transitioning to Low-Emission Technologies	Green production technologies will bring significant capital expenditures and initial investment pressures.	Develop a low-carbon technology roadmap and systematically plan equipment updates and renewable energy facility construction.	
	Market	Increase in Raw Material Costs	In 2025, transition risks did not have a material impact on Giant Biogene's business model and value chain, nor did they result in significant related management costs.	Stricter regulations on product carbon footprints may lead to an increase in raw material costs.	Establish strategic reserves of key plant raw materials, promote the diversification of procurement regions and varieties, and enhance supply chain resilience.
Opportunities	Policy and Financing	Policy and Financing Opportunities	Meanwhile, the cost savings from the Company's current initiatives in clean energy supply and the optimized utilization of resources and packaging have not yet been significantly reflected in financial performance; similarly, the revenue contribution from green products has not yet been fully realized.	Obtain government subsidies or green credit through leading practices to reduce the cost of capital.	Follow green policies, systematically apply for subsidies and tax incentives, and explore green financial instruments.
	Energy Source	Improvement in Energy Efficiency	Reduce energy consumption and thus long-term operating costs by adopting green facilities and electrified equipment.	Continuously invest in equipment upgrades and maintenance to ensure that production lines operate in a highly efficient and stable state, thereby improving energy utilization efficiency. Implement rooftop photovoltaic application projects by laying photovoltaic power generation and energy storage facilities on the roofs of office buildings, taking practical actions to optimize the energy structure and create a green production and operation model.	
	Market and Brand	Green and Environmentally Friendly Products	Enhance market influence through green innovative products, thereby increasing market share and operating revenue.	Define low-carbon attribute labels for products and develop highly efficient, low-environmental-burden raw materials and formulas based on biotechnology.	
	Technology and Operations	Green Packaging	Reduce packaging costs through material recycling and reduction.	Promote an internal circular utilization mechanism for packaging materials. For example, recycle the outer cartons of KOMFYMED disposable essence to be reused as finished product shipping boxes, while simultaneously achieving the reuse of fabric straps and the sharing of raw material and auxiliary material pallets. Apply recyclable and biodegradable packaging materials at scale to promote the reduction and recycling of packaging materials.	

Risk management

Giant Biogene systematically embeds climate change factors into its existing risk management framework. Through a full-cycle management mechanism of "Identification, Assessment, and Response," the Company dynamically analyzes and manages climate-related risks, aiming to continuously strengthen business resilience and ensure operational stability under different climate scenarios.

Climate Risk Management Process

GIANT BIOGENE

01

Risk Identification

Closely track global and domestic climate policy developments, industry green development trends, and business operational feedback. Combined with peer benchmarking studies, comprehensively sort out and identify climate risks and opportunities that may have a material impact on the Company's R&D, production, and supply chain.



02

Risk Assessment

For the identified risks, the Company conducts in-depth assessments from dimensions such as likelihood of occurrence, potential impact severity, and organizational adaptability. Meanwhile, referencing the key concerns of stakeholders and external professional opinions, we perform a matrix ranking of the materiality of climate risks to determine management priorities.



03

Risk Response

Based on the results of risk assessment and ranking, the Company tailors management measures and special response plans for core climate risks. Through institutionalized management arrangements, we promote the implementation of various risk mitigation measures in daily operations to effectively reduce potential operational disruptions caused by climate change.

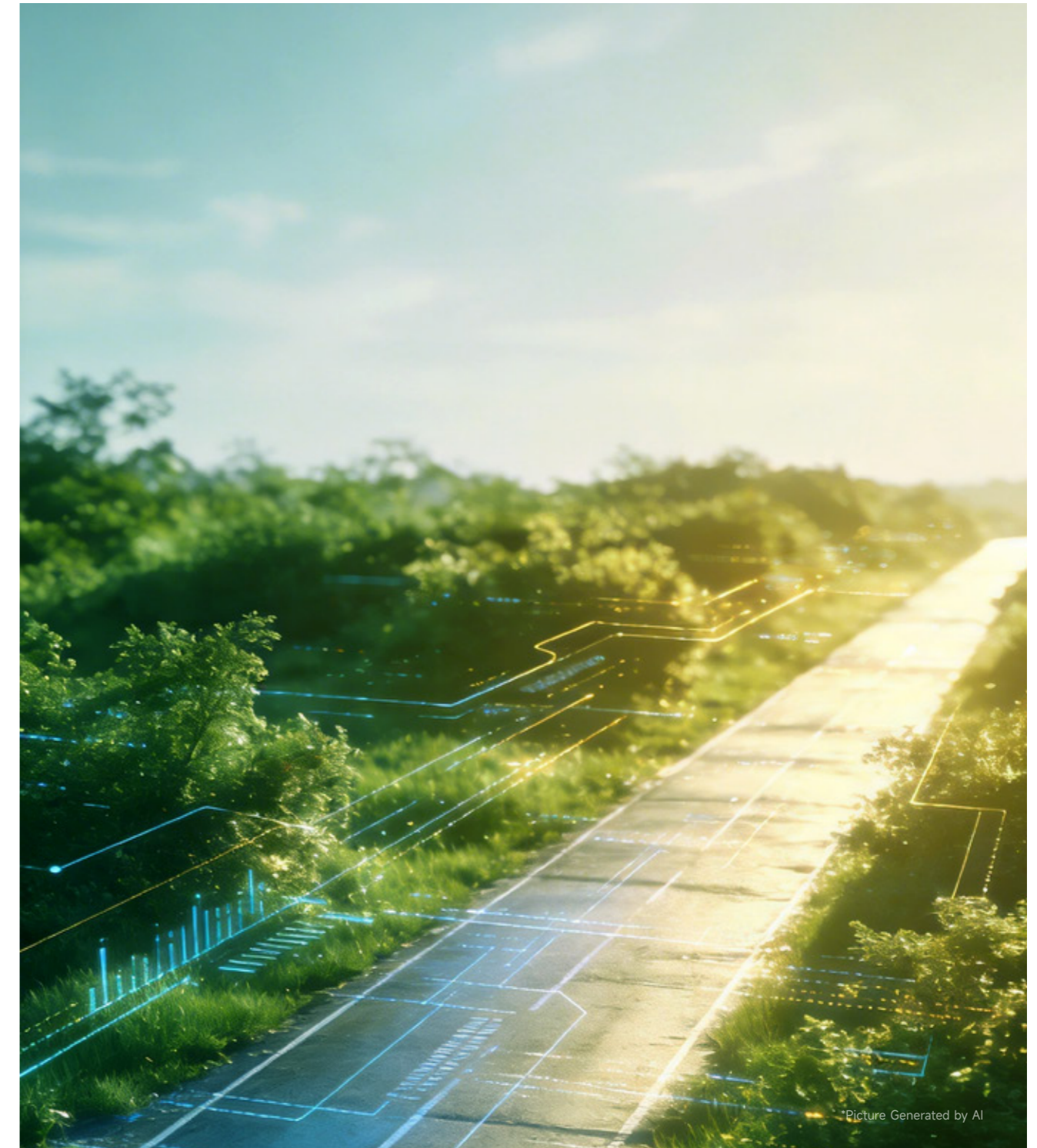
Metrics and Objectives

Giant Biogene deeply practices the national "Dual Carbon" vision, fully integrating the green and low-carbon philosophy into R&D innovation and daily operations. Based on the current status of our business development, we systematically deploy energy conservation, consumption reduction, and greenhouse gas emission reduction measures. We actively collaborate with upstream and downstream partners in the value chain to jointly explore low-carbon transition pathways and steadily reduce the carbon footprint across the enterprise's full life cycle. To ensure the efficient implementation of emission reduction actions, the Company has established clear climate management goals to guide relevant responsible departments in gradually implementing energy conservation and emission reduction work:

Greenhouse gas emission reduction targets

Implement a series of carbon reduction measures to lower carbon emissions generated during production processes and in office settings.

Name of Indicator	Unit	2025
Scope 1 greenhouse gas emissions ^[1]	tonnes of carbon dioxide equivalent	4,272.29
Scope 2 greenhouse gas emissions ^[2]	tonnes of carbon dioxide equivalent	15,527.49
Total greenhouse gas emissions (Scope 1 and Scope 2)	tonnes of carbon dioxide equivalent	19,799.78
Greenhouse gas emission intensity (Scope 1 and Scope 2)	tonnes of carbon dioxide equivalent/ million revenue	3.59
Scope 3 greenhouse gas emissions ^[3]	tonnes of carbon dioxide equivalent	140,031.09



*Picture Generated by AI

[1] For Scope 1, the calculation adopts the Net Calorific Value of gasoline (44.8 GJ/t) and diesel (43.33 GJ/t) from the "2005 China Greenhouse Gas Inventory Study." It also utilizes the Carbon Content per Unit Calorific Value for gasoline (0.0189 tC/GJ) and diesel (0.0202 tC/GJ) from the "2006 IPCC Guidelines for National Greenhouse Gas Inventories" and the "Provincial Greenhouse Gas Inventory Guidelines (Trial)." Additionally, a Carbon Oxidation Rate of 98% for both gasoline and diesel is applied, based on the "Provincial Greenhouse Gas Inventory Guidelines (Trial)."

[2] The emission factor for purchased electricity in Scope 2 is calculated based on the national average CO₂ emission factor for 2023 (0.5306 kgCO₂/kWh), as published in the Ministry of Ecology and Environment's "Announcement on the Release of 2023 Power Carbon Dioxide Emission Factors."

[3] Regarding Scope 3 greenhouse gas emissions, we have currently conducted statistics and calculations for the following categories: Category 1 Purchased Goods and Services, Category 2 Capital Goods, Category 3 Fuel and Energy-Related Activities, Category 5 Waste Generated in Operations, Category 6 Business Travel, Category 7 Employee Commuting, Category 9 Downstream Transportation, and Category 11 Use of Sold Products.

05 TALENT PROTECTION AND CREATING EXCELLENT WORK- PLACE

Giant Biogene regards talent as the cornerstone of our enduring success, dedicated to building an exceptional workplace where employees can work with peace of mind, live with comfort, and grow with joy.

We not only provide market-competitive compensation and benefits alongside comprehensive health protection but also utilize digital platforms like "Giant Academy" to open up career progression channels, ensuring every talent is recognized.

Focusing on the core theme of "Talent Assurance, Building an Exceptional Workplace," this chapter comprehensively introduces our initiatives across four dimensions—compliant employment, rights and benefits, safety and health, and training and development—demonstrating how we empower employees to grow alongside the Company through a foundation of systems and the wings of care.

EMPLOYMENT

Labor Rights and Interests

Giant Biogene continues to deepen the concept of compliant employment. On the basis of strictly abiding by national laws and regulations and internal systems such as the "Employee Recruitment Management Procedures" and "Labor Contract Management Procedures," the Company has fully launched a recruitment portal website, realizing digital and online management of the entire recruitment process.

During the Reporting Period, the Company focused on three key upgrades to the recruitment management system. Giant Biogene has built a more transparent, rigorous, and efficient recruitment management system, laying a solid foundation for building a high-quality, compliant talent team:

<p>Optimizing the Internal Referral Mechanism.</p>	<p>We upgraded the internal referral channel from a single instant messaging tool to a recruitment portal system, achieving automatic collection of resumes into the talent pool. This not only ensures the accuracy of referrer traceability but also builds a structured internal referral talent resource pool.</p>
<p>Optimizing Re-hiring Standards.</p>	<p>We updated the hiring process and evaluation criteria, and clearly stipulated that the department and position for re-employment must remain consistent with the original employment information, ensuring the rigor of personnel recruitment.</p>
<p>Strengthening Background Checks and Access Audits.</p>	<p>We verify the originals of ID cards and academic certificates during the interview stage to ensure information authenticity; introduce salary flow statements as a reference basis during the compensation setting stage; and add personal credit reports and more comprehensive physical examination items to onboarding materials, comprehensively controlling employment risks.</p>

During the Reporting Period, the Company strictly complied with the "Labor Law of the People's Republic of China" and the "Law on the Protection of Minors", establishing a prevention system against child labor and forced labor characterized by "strict source control, voluntary employment, and zero tolerance for violations".

In terms of prevention, the Company implements strict age admission and identity verification mechanisms, adhering to the principle of "no interviews for anyone under 18 years old," and reviews ID information before interviews to completely block child labor risks at the source. Meanwhile, all employment is based on the equal and voluntary consensus of both parties, with compliant labor contracts signed according to law, resolutely eliminating any form of forced labor and fully protecting employee rights.

Regarding response mechanisms, the Company has established a rigorous violation handling process: upon discovering suspected child labor, work is immediately stopped, and the individual is safely escorted back to their guardian, while simultaneously reporting to regulatory authorities and seriously holding the recruitment audit responsible person accountable; if forced labor clues are found, the violation is immediately terminated, and the responsible person is severely punished.

Through full-process closed-loop management, the Company ensures a pure and legal employment environment and the comprehensive implementation of humanitarian care. During the Reporting Period, there were no incidents of child labor or forced labor employment.

Anti-discrimination

Giant Biogene firmly practices the core values of Diversity, Equity, and Inclusion (DEI) and resolutely opposes any form of employment discrimination and unfair competition. The Company strictly abides by the principle of fair employment, eliminating discriminatory treatment based on any non-competency factors such as gender, education, age, health status, and religious beliefs, ensuring that every employee enjoys equal opportunities for career development. By building an institutionalized anti-discrimination management system and a normalized cultural advocacy mechanism, the Company deeply integrates the philosophy of "respecting differences and equal opportunities" into the entire process of talent acquisition, development, utilization, and retention, striving to create an open, fair, and vibrant workplace ecosystem.

Staff Diversity

Giant Biogene attaches great importance to the talent diversification strategy, taking the construction of a diverse and inclusive talent echelon as the core recruitment objective. During the Reporting Period, the Company established a diversified talent introduction system driven by the "dual-wheel" of social recruitment and campus recruitment. In terms of channel strategy, the Company consolidated the two core positions of online recruitment and internal referral, and innovatively expanded the self-media matrix to strengthen the talent diversion effect; in terms of process control, the Company strictly implements the full-chain standardized selection procedures from resume screening, interview invitation, and professional evaluation to salary negotiation and onboarding.

Campus Recruitment

In order to build a solid talent foundation, during the Reporting Period, the Company added 4 new partner universities, conducted 30 campus recruitment activities cumulatively, and successfully absorbed more than 600 outstanding fresh graduates, injecting strong fresh blood into the Company's talent echelon construction.



Jointly Constructing Internship Training Bases: In September 2025, we formally established a school-enterprise cooperation relationship with Shaanxi Agriculture and Forestry Vocational University, building a stable internship supply channel. This lays a solid foundation for the subsequent reserve and conversion of skilled talents.



Deepening the Targeted Training Mechanism: We held a special seminar with Shaanxi National Defense Industry Vocational and Technical College and reached an in-depth consensus on student employment docking, joint recruitment, and customized training, promoting the precise matching between talent cultivation and enterprise needs.



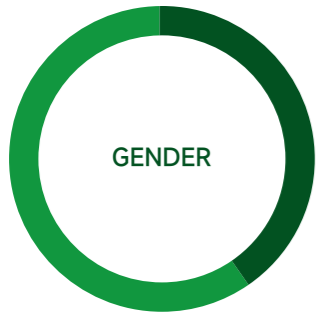
Promoting Talent Structure Upgrading: We conducted corporate visits and exchanges with teachers and students from the School of Biology at Shangluo University, engaging in in-depth communication regarding employment prospects, business layout, and compensation and benefits. This initiative successfully opened up a channel for the continuous supply of professional talents to R&D and production departments.

Social Recruitment

In terms of social recruitment, the Company innovates its employer branding strategy and builds a new digital recruitment ecosystem of "new media diversion." It has successively deployed multiple human resources self-media accounts on platforms such as Douyin and Xiaohongshu, displaying corporate culture and employer image in multiple dimensions through short videos and graphic content, effectively expanding the boundaries of traditional recruitment channels. Coupled with the organization of multiple large-scale centralized interview activities, the Company has significantly improved recruitment efficiency, ensuring the continuous and stable absorption of various excellent talents. During the Reporting Period, the Company successfully hired nearly 800 people through social recruitment.



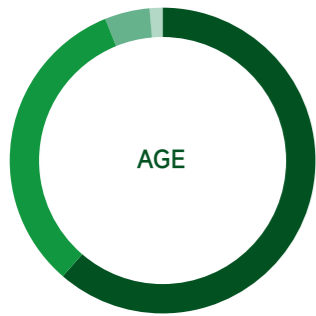
As of the end of the Reporting Period, Giant Biogene had a total of 2,201 employees. The breakdown of employees by gender, region, age, and employment type is shown in the figure below.



Number of employees by gender (headcounts)	unit	2025
• Male Staff	person	904
• Female staff	person	1,297



Number of staff by region (headcounts)	unit	2025
• North-west region	person	2,073
• Other regions	person	128



Number of staff by age (headcounts)	unit	2025
• Aged 30 and below	person	1,267
• Aged 31-40	person	791
• Aged 41-50	person	126
• Aged 51 and above	person	17



Number of staff by employment category (headcounts)	unit	2025
• Full-time staff	person	2,201
• Part-time staff	person	0

RIGHTS AND BENEFITS

Remuneration and benefits

Giant Biogene has established effective salary and performance appraisal management measures, aimed at stimulating employee enthusiasm and creating a positive incentive mechanism for the mutual success of employees and the Company.

During the Reporting Period, the Company implemented a systematic reform of the "Compensation Management System," aiming to build a compensation incentive system that combines internal fairness, external competitiveness, and strategic orientation.

Remuneration Management

- 01 Introducing a broadbanding structure to break through the rigid constraints of traditional job grades, allowing for greater salary fluctuation within the same position based on employee capability and performance, thereby fully stimulating individual potential.
- 02 Deepening ESG value integration by incorporating key ESG indicators—such as sustainable development contributions, compliance behavior, and diversity and inclusion practices—into salary adjustment evaluations, guiding employees to resonate with the company's long-term value.
- 03 Establishing a transparent communication mechanism by adding compensation structure interpretation sessions and personal feedback channels, significantly enhancing employees' perception of and trust in compensation fairness.
- 04 Implementing dynamic market benchmarking by establishing a quarterly monitoring mechanism to calibrate in real-time based on authoritative third-party data, ensuring that compensation levels for key positions remain in a market-advantageous position and continuously strengthening talent attraction.

Performance Assessment

During the Reporting Period, to comprehensively improve organizational efficiency, stimulate innovation, and ensure fairness, the Company formally introduced the OKR tool and established a strategic, differentiated performance appraisal system. We deeply aligned individual goals with long-term strategies and annual business plans. This ensured that strategic goals cascaded from top to bottom, while encouraging bottom-up participation, significantly enhancing the sense of ownership among all employees. In terms of execution, the company implemented a flexible dual-track mechanism: the sales department fully adopted OKRs to strengthen agile market response, while non-sales departments promoted a model integrating "Core Job Responsibilities + Innovative Challenges." This approach consolidates core duties while focusing on incentivizing innovation, cross-departmental collaboration, and long-term value creation.

Furthermore, the Company strengthened dynamic process management through monthly review mechanisms. Appraisal results were applied to compensation, promotion, training, and project opportunities, successfully building a positive ecosystem of "Strategic Alignment - Agile Process - Development Closed-loop," which effectively drove the achievement of overall company goals.

Employee Welfare

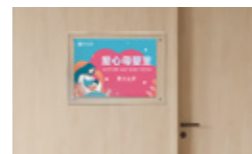
The Company firmly believes that employee well-being is the cornerstone of sustainable development. We are committed to building a holistic, multi-level care system to create a warm and supportive workplace ecosystem.

• In terms of health protection: We place employee physical and mental wellness at the forefront. In addition to routine annual check-ups, we organized specialized screenings for breast and cervical cancer for all female employees in 2025. Guided by the philosophy of early prevention, detection, and treatment, we have built a solid health defense line for our female staff.

• In terms of living and housing: The Company launched specialized welfare plans for housing and vehicle purchases. By providing substantial support such as low-interest loans, we effectively alleviate employees' financial burdens and help them achieve a stable and fulfilling life.

• In terms of humanistic care: We focus on emotional connection and attention to detail. During traditional festivals and special anniversaries, we present self-developed products and gifts to convey our sincere gratitude for employees' hard work. We have established a high-quality staff cafeteria to create a comfortable space for relaxation and rejuvenation. Additionally, we built standardized nursing rooms to provide a private and convenient environment for working mothers. We also continue to support retired employees through the Retired Staff Office, ensuring our care remains uninterrupted.

Through these measures, the Company has truly achieved full-cycle employee care ranging from physical to mental well-being, and from active employment to retirement. This has significantly enhanced team cohesion and sense of belonging.



Employee Benefits

Statutory benefits

- Social insurance
- Housing provident fund
- Statutory holidays

Female employee care

- Organize warm greetings for female staff on the 8 March Women's Day to express our care to them on such festival
- Set up a baby care room
- Organized screenings for breast and cervical cancer

Holiday and birthday benefits

- Holiday gift packs and holiday greetings for staff during every festive occasions
- Organize activities on staff birthdays and distribute birthday gifts

Additional benefits

- Provide housing and car purchase benefits for employees
- Organize annual physical examinations for all employees
- Establish retirement office to regularly care for retired employees
- Set up employee cafe

Employee benefits

Giant Biogene adheres to a people-oriented philosophy and conducts multidimensional employee care. Through efficient communication, diverse benefits, and a variety of activities, we convey the company's care and warmth to our staff, continuously enhancing their sense of belonging and satisfaction.

Employee Care

During the Reporting Period, the Company continued to deepen its efforts in employee labor protection and welfare care. Adhering to the principle of "implementing targeted measures and precise safeguards," we comprehensively fortified the safety and health defense line for our employees.

In terms of occupational safety

We strictly distributed sufficient personal protective equipment including rain boots, work shoes, gloves, and uniforms for special positions according to standards, ensuring zero dead angles in production safety.

In terms of living support

Focusing on practical difficulties, we distributed 300 quilts and bedding sets free of charge throughout the year, effectively resolving the worries of employees living in rental accommodations.

In terms of seasonal care

During high-temperature periods, we not only fully distributed high-temperature subsidies but also provided heatstroke prevention supplies to all employees, ensuring a cool and safe summer.

In terms of occupational health surveillance

We provided specialized free health check-up services for frontline workshop employees, achieving early detection and prevention of health risks.

These pragmatic measures have truly translated care into reality, significantly enhancing employees' sense of belonging and security.

In addition, the Company has implemented in-depth, diversified employee care initiatives, striving to build an organizational ecosystem with high cohesion and a strong sense of belonging. We hold monthly collective birthday parties on a routine basis. Through warm celebration ceremonies, exquisite cakes, and exclusive customized gifts, we ensure that every birthday celebrant deeply feels the warmth of a "family" and the organization's recognition.

Case 1: Good Mood Employee Emotional Well-being Initiative

During the Reporting Period, the Company and its brand, Collgene, launched the "Good Mood" initiative. Centered on the philosophy that "All emotions are lovely, we love ourselves," we built a comprehensive psychological support system. We created a "Mood Gas Station" in the park, launching an autumn-limited "Self-love Flavor Coffee" and a DIY "Exclusive Self-love Cup" activity at the cafeteria. This encouraged employees to release stress through handwritten messages and creative collages. Simultaneously, we set up a "Warm Drink Station" to convey autumn warmth through hot beverages. For new employees, we hosted warm ice-breaking welcome parties, presenting customized care cards and brand gifts to help new partners quickly integrate into the "Giant Biogene Family."



Case 2: Employee Social Networking Events

The Company always prioritizes employee well-being and sense of belonging. From meeting emotional needs to providing life support, we take practical actions to provide a safety net and serve as solid backing for our staff in the workplace. In May 2025, we co-organized a large-scale networking event with nearby communities and multiple companies. Nearly 100 single young employees from the Company and the community were invited to participate. Through diverse activities such as a "Wish Wall" sign-in, fun ice-breaking sessions, lawn barbecues, and live band performances, we created a relaxed social setting. This helped employees break social barriers and meet like-minded partners. The event received high recognition from employees, establishing the company as a solid platform for expanding social connections. Such networking events will continue as a regular program.



The Company will continue to deepen the "people-oriented" philosophy of care and constantly iterate the employee well-being system. From focusing on professional growth to caring for physical and mental health, and from creating a warm internal atmosphere to building a broad platform for social connection, we are committed to ensuring that every employee gains a sense of achievement at work and happiness in life. We will continue to transform the enterprise into a "Happy Community" trusted by employees through delicate measures and long-term persistence. We will make care the inexhaustible driving force for the Company's high-quality development and work together with all employees to create a better future.

Employee Communication

During the Reporting Period, building upon the existing "Employee Mental Health Management Regulations," the Human Resources and Administration Department of Giant Biogene meticulously organized over 100 seminars, covering more than 1,400 employees.

By integrating employee seminars with care activities, we have constructed a full-cycle onboarding and care system that combines formal discussions with informal interactions.

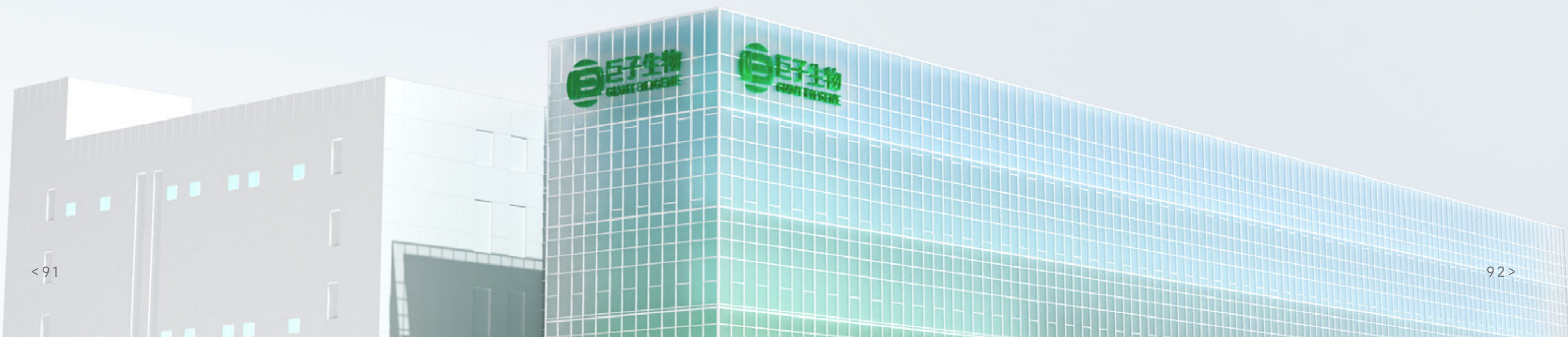
At the key milestone of the first month of employment, the company hosts in-depth integration exchange meetings. We listen to new employees' voices from multiple dimensions, including adaptation assessment, pain point feedback, and suggestion collection. We also invite company management to inject confidence and clear planning into new employees' career development through face-to-face communication.

Subsequently, the care model flexibly shifts from "meeting-style" to "lifestyle-oriented," breaking traditional scene limitations. We extend the reach of care to informal settings such as shared meals in the cafeteria, break times, and even during commutes.

This "boundary-less" approach not only bridges the psychological distance between management and employees but also timely addresses emotions and solves problems in a relaxed and natural atmosphere, allowing new employees to truly feel the warmth and inclusiveness of the organization.

During the Reporting Period, the Company established an online anonymous suggestion box mechanism, striving to create an open and transparent communication ecosystem. This channel provides a worry-free space for expression, allowing for the authentic and comprehensive collection of deep feelings and constructive suggestions regarding corporate governance and departmental management.

Adhering to the principle that "Every Piece Receives a Response," we conduct rapid research and timely improvements on collected suggestions, and establish a quarterly publicity system to regularly disclose lists of typical issues and rectification results. This closed-loop management mechanism not only ensures that employee voices are heard and valued but also wins employee trust through visible changes, effectively promoting the continuous optimization of management levels.



To effectively reduce employee turnover and enhance organizational stability, the Company has implemented a series of precise and innovative talent retention initiatives:

- 01 Deep Business Insight & Targeted Intervention. Focusing on personnel fluctuations in key departments, we deeply analyze core issues like management division of labor and workload intensity. We output specialized diagnostic reports and formulate optimization plans.
- 02 Frontline Work Approach. Management proactively dives into the business frontline to keenly capture employees' difficulties and demands in actual work. We establish a "Discovery-Feedback-Collaborative Optimization" rapid response mechanism to resolve resignation triggers from the source.
- 03 Internal Career Development. We smooth internal career channels and vigorously promote an internal competitive bidding mechanism. Adhering to the principle of prioritizing internal promotion for management positions, we also provide flexible transfer opportunities for basic employees, breaking the career ceiling and offering broad development space.
- 04 Dynamic Talent Profile Optimization. We establish a quarterly review mechanism to iterate the talent competency model with various business departments, continuously improving person-job matching and recruitment precision, thereby solidifying the foundation of team stability from the entry point.

During the Reporting Period, the Company's employee turnover rate was 32.3%. The employee turnover rates categorized by group are as follows:

Category	Groups	Turnover Rate
Employee turnover rate by gender	Male	33.6%
	Female	27.0%
Employee turnover rate by age	Employees aged 30 and below	33.3%
	31-40 years old	27.3%
	41-50 years old	12.7%
	Employees aged 51 and above	0
Employee turnover rate by region	Northwest region	30.6%
	Other regions	15.0%

SAFE AND HEALTHY

Giant Biogene upholds its responsibility to create a safe and healthy working environment for its employees. We are committed to strengthening the implementation of principal responsibility for work safety, fostering a secure and stable workplace, and strictly safeguarding the health and safety of every employee.

Production safety management

Highlight results related to safety production

Category of Objectives	Highlights	Type
Fatalities and serious injuries	0 (No accident)	Quantitative
Major fire (explosion) accidents	0 (No accident)	Quantitative
Major equipment safety incidents	0 (No accident)	Quantitative
Major safety responsibility incidents	0 (No accident)	Quantitative
Occupational Hazard Incidents	0 (No accident)	Quantitative
Employee safety education and training rate	100% (Full coverage)	Qualitative
Rectification rate of potential safety accidents	100% (Overall rectification)	Qualitative

During the Reporting Period, the Company strictly complied with national laws and regulations and adhered to the principle of "Prevention First, Comprehensive Management." By strengthening the execution of regulations and refining the control of the entire production and operation chain, we systematically reduced safety risks.

We targeted the optimization of operational processes and emergency plans, driving a comprehensive upgrade of the safety management system towards standardization and refinement. To further build a solid safety defense line, we introduced two core management systems this year: the "Safety Management System for Equipment Installation and Commissioning," which standardizes safety operation standards at the front end of the equipment lifecycle; and the "Internal Reporting Reward System for Accident Hidden Dangers," which encourages all employees to participate in safety hazard screening, effectively enhancing the level of essential safety.

During the Reporting Period, focusing on the three core dimensions of "Responsibility Implementation, Risk Prevention and Control, and Capacity Building," the Company comprehensively upgraded its work safety management system. The key highlights are as follows:

1. Consolidating Responsibilities & Building a Grid-based Management System

The Company has fully implemented the work safety target responsibility system, organizing all employees to sign the "Work Safety Target Responsibility Letter" and decomposing safety indicators down to the individual level. For high-risk areas, we implement specialized safety production plans, clarifying the safety duties and awareness requirements for managers at all levels to form a responsibility network that is "horizontal to the edge and vertical to the bottom" (comprehensive and thorough). Simultaneously, we have revised and improved safety and environmental protection policy documents to solidify the institutional foundation.

2. Deepening Hazard Screening & Implementing Full-cycle Dynamic Risk Control

We have established a normalized inspection mechanism of "Daily Patrols, Monthly Inspections, and Holiday Checks," covering daily fire prevention patrols, monthly comprehensive hazard management, and specialized natural gas leak detection. Addressing seasonal risks, we proactively conduct flood control pipeline cleaning and material reserves in summer, and fully implement anti-freezing patrols in winter to ensure operational safety during extreme weather. Furthermore, we strictly enforce on-schedule reporting and annual inspection systems for special equipment to ensure intrinsic safety.

3. Strengthening Empowerment Training & Building a Combat-ready Emergency Force

We have constructed a "Internal Training + External Training + Drills" trinity capability matrix. Throughout the year, we organized 18 internal thematic training sessions covering all areas from new employee onboarding and hazardous chemical management to confined space operations and occupational health. We also innovatively launched 36 episodes of the "Feishu Safety & Environment Horn" micro-class, achieving high-frequency, fragmented access to safety knowledge. Key personnel were selected to participate in external professional certification and re-examination to enhance professional standards. Additionally, we conducted 18 comprehensive emergency drills to high standards, simulating complex scenarios such as fire, leaks, heatstroke, flood control, and elevator rescue, significantly improving the practical emergency response capabilities and safety "red line" awareness of all employees.



Internal specialized training



Full-coverage emergency drill

During the Reporting Period

Internal thematic training sessions

18 sessions

"Feishu Safety & Environment Horn" micro-class

36 sessions

Fire safety training sessions and fire drills

18 times

Over the past three years, the number of work-related fatalities within the Group was zero. During the Reporting Period, the number of lost days due to work injury was 414 days.

Support for the health of employees

Giant Biogene prioritizes the health and safety of its employees. We strictly comply with laws and regulations including the "Work Safety Law of the People's Republic of China," the "Fire Protection Law of the People's Republic of China," the "Law on the Prevention and Control of Occupational Diseases," the "Provisions on the Administration of Occupational Health at Workplaces," and the "Special Provisions on Labor Protection for Female Employees." Meanwhile, during the Reporting Period, we introduced the "Employee Emergency Plan for Sudden Physical Discomfort" to improve the rapid response and disposal mechanism for health emergencies.

During the Reporting Period, the Company implemented multiple initiatives to safeguard employee health:

- 01 Conducted training on the "Law on the Prevention and Control of Occupational Diseases" and environmental protection knowledge to comprehensively enhance employees' occupational protection awareness and compliance operation skills.
- 02 Procured and distributed Personal Protective Equipment to ensure that every employee receives standardized and effective individual protection during operations.
- 03 Organized occupational health examinations for employees to achieve dynamic monitoring and early intervention of occupational health status.
- 04 Conducted third-party environmental monitoring on schedule to ensure continuous compliance with occupational health standards based on scientific data.
- 05 Carried out specialized drills for occupational hazards, significantly enhancing the team's emergency response capabilities in handling sudden occupational health incidents.
- 06 Established emergency medical kits to provide timely treatment guarantees for common sudden conditions such as colds and heatstroke.

TRAINING AND DEVELOPMENT

Employee training

	Category	Unit	2025
Percentage of employees trained	Trained employees as a percentage of total employees	%	100
Total hours of employee training	Total hours of training received by employees	hour	102,480
Percentage of employees trained by category	The percentage of senior managers in the company participating in training	%	0.32
	The percentage of middle-level managers in the company participating in training	%	2.68
	The percentage of basic-level staff in the company participating in training	%	97.00
Percentage of employees trained by gender	The percentage of female employees participating in training	%	57.38
	The percentage of male employees participating in training	%	42.62
Total hours of training by category	The total number of training hours for senior managers in the company	hour	140
	The total number of training hours for middle-level managers in the company	hour	2,537
	The total number of hours trained among basic-level staff in the company	hour	102,480

Total hours of training by gender	The total number of training hours of female employees participating in training	hour	61,970.66
	The total number of training hours for male employees participating in training	hour	43,193.12
Average training hours per employee by category	Per capita training hours for senior managers of the company	hour	20
	Per capita training hours for middle-level managers in the company	hour	43
	Per capita training hours among basic-level staff in the company	hour	48
Average training hours per employee by gender	Per capita training hours for female employees participating in training	hour	47.78
	Per capita training hours for male employees participating in training	hour	47.78

During the Reporting Period, Giant Biogene continued to deepen its "Talent Strength Enterprise" strategy. While improving the offline training system and career development channels, the Company heavily invested in building a digital learning engine—the "Giant Academy" online platform—achieving a comprehensive upgrade of employee training models.

Talent Strength Enterprise

Building a Diversified Course System to Empower Growth at All Levels

The Company meticulously developed 14 core courses throughout the year. Content ranges from management advancement courses like "Gold Medal Interviewer 2025 Edition" and "Replicable Leadership," to professional skill courses such as "DeepSeek Application," "Knowledge Extraction," "Teaching Techniques," and "Impromptu Speaking," as well as cultural literacy courses like "Career Planning" and "Management Cadres and Cultural Heritage," comprehensively meeting employees' multidimensional needs from skill enhancement to mindset transformation.

Building a Digital Learning Ecosystem for Knowledge Sharing

"Giant Academy" achieved a breakthrough from 0 to 1, establishing a full-process closed-loop system covering resource management, training planning, implementation tracking, and examination management. The platform integrates departmental knowledge bases and establishes unified content publishing and learning standards, breaking information silos and making knowledge flow more efficiently.

Strengthening Faculty Construction to Build an Internal Hematopoiesis Mechanism

The Company established a rigorous certification system, successfully certifying 124 "Gold Medal Interviewers" throughout the year, significantly improving the professionalism of talent selection. We also carried out specialized training for internal trainers; through course lectures, practical assignments, and rigorous reviews, we certified 48 qualified internal trainers from 74 candidates and accumulated 48 high-quality courseware.

We have established smooth career development paths for every employee. Building upon our existing training system, we have focused on updating a precise, tiered, and categorized rotation training system, and have specifically released the "Precise Rotation Training Plan," "E-commerce Employee Training Plan," and "Production Employee Training Plan."

By tailoring full-chain rotation paths and quantitative assessment standards for employees with different business attributes, we have not only significantly shortened the cycle from "onboarding" to "competence" for new hires, improved person-job match and skill conversion rates, but also built a sustainable internal talent hematopoiesis mechanism, laying a solid talent foundation for the company's agile expansion and high-quality development.

Employee development

During the Reporting Period, Giant Biogene continued to deepen its talent development strategy and solidly operated the existing "Employee Growth System" and "On-the-job Personnel Continuing Education Plan," providing long-term guidance for employees' career planning and promotion channels. The Company implemented specific policy support and subsidy mechanisms to continuously encourage employees to obtain professional qualifications, apply for professional titles, and pursue higher degrees, fostering a "positive and upward" learning atmosphere.

In 2025, the results of this initiative were remarkable: we successfully assisted 1 person in applying for an intermediate professional title, 9 in applying for junior professional titles, and 2 in embarking on part-time doctoral studies. This series of achievements not only realized the resonance between individual employee value and company development but also reserved a solid force of high-level talents for the Company's technological innovation and sustainable development.

During the Reporting Period

Apply for intermediate professional title

1 person

Apply for junior professional title

9 persons

On the job doctoral studies

2 persons

The Company vigorously promotes internal talent mobility and promotion mechanisms, adhering to the principle of "Priority for Internal Competition" for management positions. During the Reporting Period, a number of outstanding internal backbones stood out through competition and were promoted, which not only opened up broad career development space for employees but also effectively stimulated organizational vitality. This strategy relies on the rich business experience of internal employees, significantly shortening the post adaptation period, reducing employment risks and management costs; at the same time, it further strengthens cultural identity, consolidates talent echelon construction, and comprehensively improves organizational cohesion and core competitiveness. Through these pragmatic measures, Giant Biogene has vividly practiced its commitment to the comprehensive development of employees, laying a solid foundation for building a learning organization and driving long-term enterprise development.

06 GIVING BACK TO COMMUNITY AND DEMONSTRATING RESPONSIBILITY

Giant Biogene recognizes that enterprises are co-creators of social value. Upholding the philosophy of "Tech for Good," we extend our charitable reach to education, healthcare, and disaster relief, warming the hearts of those in need. Simultaneously, we cultivate the industry landscape by spearheading standard-setting and deepening professional exchanges to drive the sector towards standardization and scientific advancement. This chapter focuses on "Giving Back to the Community and Demonstrating Responsibility," highlighting our initiatives and cases in social welfare and industry development.



SOCIAL WELFARE

Giant Biogene deeply understands that as creators and beneficiaries of social value, enterprises must actively practice Core Socialist Values and have the courage to shoulder social responsibilities.

To enhance corporate public credibility, we actively respond to the calls of government departments, communities, and non-governmental organizations, remaining active on the frontlines of public welfare year-round. We have carried out multiple public welfare activities in various fields, such as knowledge popularization, charitable donations, and volunteer services. During the Reporting Period, we made cumulative donations totaling over 4 million RMB.

During the Reporting Period

Our cumulative donations exceeded

4 million RMB



Public welfare and charity

Case 1: Carrying Love Forward, Sustaining Warmth

During the Reporting Period, the Company adhered to the philosophy of "Tech for Good" and collaborated with organizations such as the Shaanxi Provincial Charity Federation to conduct a four-month special public welfare campaign. We donated over RMB 3 million worth of caring supplies to frontline "dedicators" in sectors including education, healthcare, and public security, paying tribute to the guardians of society through concrete actions. This initiative not only conveyed deep concern for personnel in key positions but also demonstrated the Company's determination to practice long-termism and gather the warmth of public welfare. In the future, the Company will continue to expand the boundaries of its public welfare efforts, integrating corporate responsibility into the vast corners of social development to contribute enduring strength to building a better and warmer world.



Case 2: Plastic Reduction for Education, Love Ignites Future

On World Environment Day 2025, Giant Biogene leveraged its brand KOMFYMED to partner with a professional recycling organization, launching the "Plastic Reduction for Education, Love Ignites Future" initiative. Through specialized upcycling processes, collected plastic packaging was transformed into practical teaching aids and low-carbon study kits, which were subsequently donated to schools in remote mountainous regions. These supplies, imbued with eco-friendly concepts, not only provide educational support for children in these regions but also sow the seeds of sustainability in their hearts, achieving a meaningful convergence of green circulation and charitable giving.



Case 3: "5·25 National Skin - Care Day" Public-welfare Campaign

In 2025, for the 11th consecutive year, the Company supported "5·25 National Dermatological Care Day," collaborating with over 400 public hospitals across more than 30 provinces and cities to focus on skin health for the elderly through free clinics and science popularization. Its brands—KOMFYMED, Collgene, and Keyu—worked together to build an online and offline public welfare matrix, promoting scientific skincare concepts through ingredient analysis and parent-child interactions. The Company continues to practice "Tech for Good," making cutting-edge biotechnology accessible to the general public, integrating professional care into daily life, and firmly fulfilling its social mission of "Biotechnology for Beauty and Health."

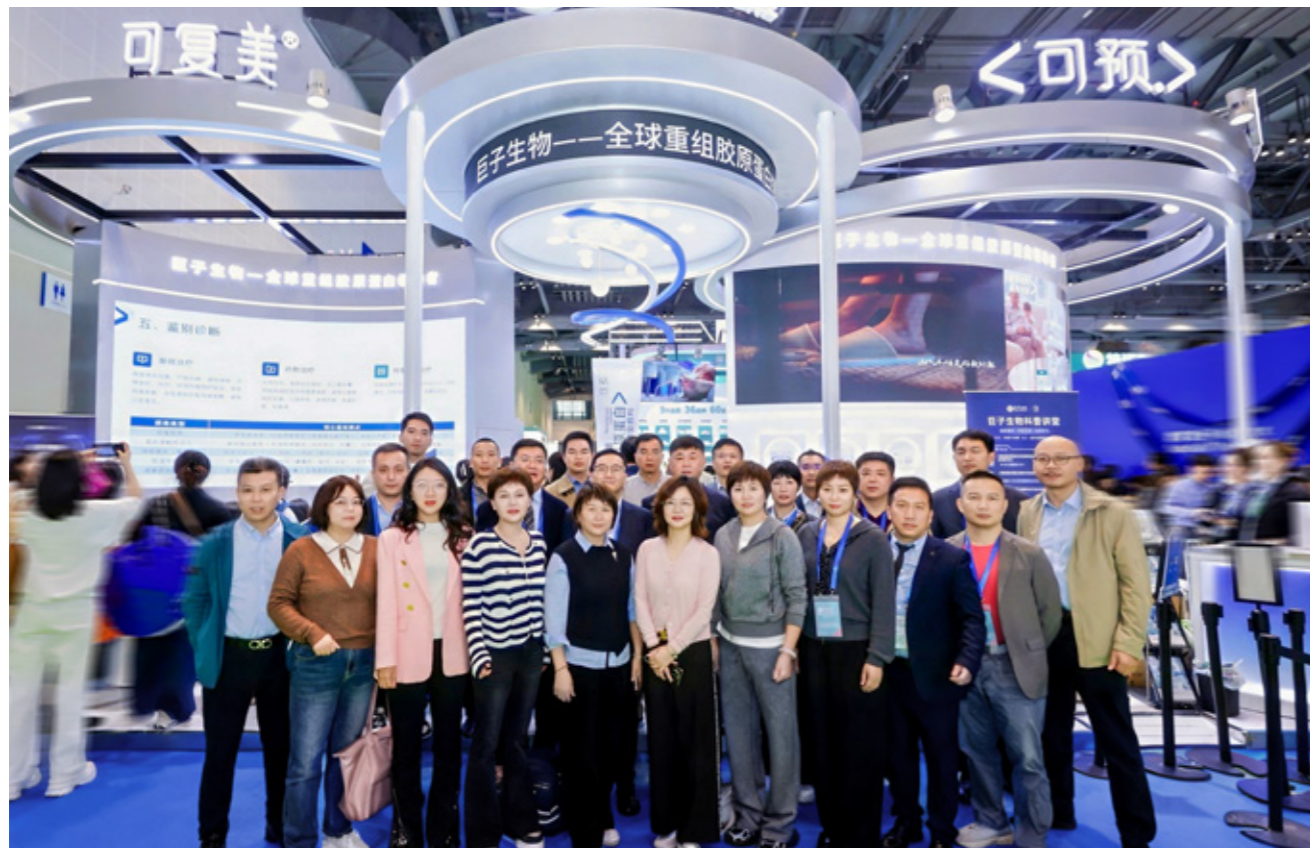


INDUSTRY DEVELOPMENT

We actively engage in industry activities, leveraging alliances and summits to build platforms for exchange and learning. By connecting with peers, authoritative experts, industry veterans, and emerging leaders, we not only deepen our core technologies but also continuously enhance our industry influence and broaden public awareness.

Case 1: Actively participate in industry activities

Giant Biogene has played a proactive role in facilitating industry exchange and promoting sector development. During the Reporting Period, the Company participated in over 100 industry conferences, attending major events such as the CSD 2025 (The 30th Annual Meeting of Chinese Society of Dermatology) and the CDA2025 (20th Annual Meeting of China Dermatologist Association). Giant Biogene was invited to the CBA2025 (Annual Meeting of Chinese Burn Association), where it showcased its Keyu brand and hosted a specialized satellite symposium. In the field of burn treatment, we developed recombinant collagen demonstrates significant efficacy at various stages of burn injuries, such as hemostasis, promoting healing, repairing skin structure, and assisting in scar repair. Giant Biogene's research on recombinant collagen has advanced the development of life sciences, with its products providing better treatment solutions for burn patients and making significant contributions to global healthcare.



Case 1: Promote industry standardization

The Company continues to deeply cultivate the industry standard ecosystem, actively participating in the drafting and formulation of multi-dimensional standards to lead high-quality industry development through a standardization strategy. During the Reporting Period, the industry standard "Recombinant Collagen Dressing" participated by the Company and the group standard "Recombinant Type IV Collagen for Cosmetics" led by the Company were officially released successively. The release of these two standards not only fills the gap in standards for recombinant collagen in the sub-fields of dressings and cosmetic raw materials, unifying key technical indicators and test methods, but also effectively solves the pain point of the lack of evaluation basis for emerging raw materials, promoting the industry from "technological exploration" to a new stage of "standardized application," providing an authoritative scientific basis for regulating market order and curbing low-quality competition.

The Company continues to advance the construction of its standard system, aiming to accelerate the efficiency of scientific and technological achievement transformation by establishing high-standard quality benchmarks, building a fair, transparent, and highly dynamic industrial ecosystem, thereby comprehensively leading the industry towards healthier, more scientific, and more standardized sustainable development.



Appendix: Index of Appendix C2 of Listing Rules of HKEX
Subject Areas, Aspects, General Disclosures and KPIs

Environmental			Indexes
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Emissions Management
	A1.1	The types of emissions and respective emissions data	Emissions Management
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Emissions Management
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Emissions Management
	A1.5	Description of emissions target(s) set and steps taken to achieve them	Environmental Management
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Environmental Management Emissions Management
	A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials
A2.1		Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Resource Management
A2.2		Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Resource Management
A2.3		Description of energy use efficiency target(s) set and steps taken to achieve them	Environmental Management Resource Management
A2.4		Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	Environmental Management Resource Management
A2.5		Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Resource Management

ESG Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs)

Environmental			Indexes
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources	Environmental Management Emissions Management
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Environmental Management Emissions Management
Social			Indexes
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	Employment
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	Employment
	B1.2	Employee turnover rate by gender, age group and geographical region	Rights and Benefits
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	Safety and Health
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Safety and Health
	B2.2	Lost days due to work injury	Safety and Health
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Safety and Health

ESG Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs)

Social			Indexes
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Training and Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Training and Development
	B3.2	The average training hours completed per employee by gender and employee category	Training and Development
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Employment
	B4.1	Description of measures to review employment practices to avoid child and forced labour	Employment
	B4.2	Description of steps taken to eliminate such practices when discovered	Employment
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain	Supply Chain Management
	B5.1	Number of suppliers by geographical region	Supply Chain Management
	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	Supply Chain Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Supply Chain Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, how they are implemented and monitored	Supply Chain 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, labelling and privacy matters relating to products and services provided and methods of redress	Quality Management Customer Services Responsible Marketing Privacy Protection

ESG Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs)

Social			Indexes
B6: Product Responsibility	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Quality Management
	B6.2	Number of products and service related complaints received and how they are dealt with	Customer Services
	B6.3	Description of practices relating to observing and protecting intellectual property rights	Product R&D
	B6.4	Description of quality assurance process and recall procedures.	Quality Management
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Privacy Protection
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	Operational Compliance
	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	Operational Compliance
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	Operational Compliance
	B7.3	Description of anti-corruption training provided to directors and staff	Operational Compliance
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	Social Welfare
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Social Welfare
	B8.2	Resources contributed (e.g. money or time) to the focus area	Social Welfare
Climate-related Disclosures			Indexes
(I): Governance	1. An issuer shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:		
	(i)	how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	Climate Change Response – Governance

Climate-related Disclosures		Indexes
(I) : Governance	(ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	Climate Change Response – Governance
	(iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer’s strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	Climate Change Response – Governance
	(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 19 to 22), including whether and how related performance metrics are included in remuneration policies (see paragraph 17); and	Climate Change Response – Governance
	(b) management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	
	(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	Climate Change Response – Governance
	(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Climate Change Response – Governance
	Climate-related risks and opportunities 2. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer’s cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	
(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer’s cash flows, its access to finance or cost of capital over the short, medium or long term;	Climate Change Response – Strategy	
(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	Climate Change Response – Strategy	

Climate-related Disclosures		Indexes
(II) : Strategy	(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	Climate Change Response – Strategy
	(d) explain how the issuer defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	Climate Change Response – Strategy
	Business model and value chain 3. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain. Specifically, the issuer shall disclose:	
	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain; and	Climate Change Response – Strategy
	(b) a description of where in the issuer’s business model and value chain climate related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Climate Change Response – Strategy
	Strategy and decision-making 4. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose: (a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	
	(i) current and anticipated changes to the issuer’s business model, including its resource allocation, to address climate-related risks and opportunities;	Climate Change Response – Strategy
	(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);	Climate Change Response – Strategy

Climate-related Disclosures		Indexes
(II) : Strategy	(iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and	Our current core strategy for addressing climate change is centred on energy conservation and carbon reduction, and we plan to develop a climate transition plan in the future in line with our business development strategy.
	(iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 19 to 22; and	Energy Management
	(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 4 (a).	Energy Management
	5. An issuer shall disclose information about the progress of plans disclosed in previous Reporting Periods in accordance with paragraph 4(a).	We have set relevant targets in the current year and will report on the progress of these targets at the end of each year in the future.
	Financial position, financial performance and cash flows-Current financial effect 6. An issuer shall disclose qualitative and quantitative information about:	
	(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the Reporting Period; and	Climate Change Response – Strategy
	(b) the climate-related risks and opportunities identified in paragraph 6(a) for which there is a significant risk of a material adjustment within the next annual Reporting Period to the carrying amounts of assets and liabilities reported in the related financial statements.	Climate Change Response – Strategy
	Financial position, financial performance and cash flows-Anticipated financial effect 7. The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	
	(i) its investment and disposal plans; and	During the current and foreseeable periods, climate-related risks and opportunities have not had a material impact on our financial position, performance and cash flows. Given the high level of measurement uncertainty associated with such matters, specific disclosures on related capital investment and funding sources have not been provided.
	(ii) its planned sources of funding to implement its strategy; and	
(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.		

Climate-related Disclosures		Indexes
(II) : Strategy	Climate resilience 8. An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose: (a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:	
	(i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;	Climate Change Response – Strategy
	(ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and	Climate Change Response – Strategy
	(iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	Climate Change Response – Strategy
	(b) how and when the climate-related scenario analysis was carried out, including:	
	(i) information about the inputs used, including: 1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; 2) whether the analysis included a diverse range of climate-related scenarios; 3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; 4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; 5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; 6) time horizons the issuer used in the analysis; and 7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis);	Climate Change Response – Strategy
	(ii) the key assumptions the issuer made in the analysis; and	Climate Change Response – Strategy
	(iii) the Reporting Period in which the climate-related scenario analysis was carried out.	Climate Change Response – Risk Management

Climate-related Disclosures		Indexes
(III) Risk Management	9. An issuer shall disclose information about: (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:	
	(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	Climate Change Response – Strategy
	(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	Climate Change Response – Strategy
	(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	Climate Change Response – Strategy
	(iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;	Climate Change Response – Strategy
	(v) how the issuer monitors climate-related risks; and	Climate Change Response – Risk Management
	(vi) whether and how the issuer has changed the processes it uses compared with the previous Reporting Period;	Climate Change Response – Risk Management
	(b) the processes the issuer uses to identify, assess, prioritise and monitor climate related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	
	(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer’s overall risk management process.	
	(IV) Metrics and Targets	Greenhouse gas emissions 10. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the Reporting Period, expressed as metric tons of CO2 equivalent, classified as:
(a) Scope 1 greenhouse gas emissions;		Climate Change Response – Metrics and Targets
(b) Scope 2 greenhouse gas emissions; and		Climate Change Response – Metrics and Targets
(c) Scope 3 greenhouse gas emissions.		Climate Change Response – Metrics and Targets

Climate-related Disclosures		Indexes
(IV) Metrics and Targets	11. An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	
	(b) disclose the approach it uses to measure its greenhouse gas emissions including:	
	(i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;	Climate Change Response – Metrics and Targets
	(ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	Climate Change Response – Metrics and Targets
	(iii) any changes the issuer made to the measurement approach, inputs and assumptions during the Reporting Period and the reasons for those changes;	Climate Change Response – Metrics and Targets
	(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 10(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer’s Scope 2 greenhouse gas emissions; and	Climate Change Response – Metrics and Targets
	(d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 10(c), disclose the categories included within the issuer’s measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	Climate Change Response – Metrics and Targets
	Climate-related transition risks 12. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	
	Climate-related physical risks 13. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
	Climate-related opportunities 14. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	
Capital deployment 15. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.		

Based on the results of climate scenario analysis, climate change is not expected to have a material financial impact on our business operations or asset values during the current and foreseeable periods. Therefore, no specific disclosure has been made in the Reporting Period.

Climate-related Disclosures		Indexes
(IV) Metrics and Targets	Internal carbon prices 16. An issuer shall disclose:	
	(a) an explanation of whether and how the issuer is applying a carbon price in decision making (for example, investment decisions, transfer pricing, and scenario analysis); and	No internal carbon pricing mechanism has been adopted at present. We will continue to monitor relevant policy developments and industry practices, and assess the feasibility of introducing such a mechanism when appropriate.
	(b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;	
	Remuneration 17. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 1(a)(iv).	Climate Change Response – Governance
	Industry-based metrics 18. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry based metrics associated with disclosure topics described in the IFRS S2 Industry based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	Following a prudent assessment, the applicability of relevant industry indicators to us is limited at present; therefore, no specific disclosure has been made.
	Climate-related targets 19. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:	
	(a) the metric used to set the target;	Considering that the Company is currently in the phase of production scale expansion, the prediction of future output remains uncertain. In the future, the Company will establish corresponding quantitative carbon emission targets based on its development stage and actual production volume.
(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);		
(c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);		
(d) the period over which the target applies;		

Climate-related Disclosures		Indexes
(IV) Metrics and Targets	(e) the base period from which progress is measured;	Considering that the Company is currently in the phase of production scale expansion, the prediction of future output remains uncertain. In the future, the Company will establish corresponding quantitative carbon emission targets based on its development stage and actual production volume.
	(f) milestones or interim targets (if any);	
	(g) if the target is quantitative, whether the target is an absolute target or an intensity target; and	
	(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Following a prudent assessment, the applicability of relevant industry indicators to us is limited at present, hence no specific disclosure has been made.
	20. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
	(a) whether the target and the methodology for setting the target has been validated by a third party;	The Company's climate-related targets have not been subject to third-party verification.
	(b) the issuer's processes for reviewing the target;	Climate Change Response – Governance
	(c) the metrics used to monitor progress towards reaching the target; and	Climate Change Response – Governance
	(d) any revisions to the target and an explanation for those revisions.	No revisions to the targets were made during the Reporting Period.
	21. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	Considering that the company is currently in the phase of production scale expansion, the prediction of future output remains uncertain. In the future, the company will formulate corresponding quantitative carbon emission targets based on its development stage and actual production volume, and will disclose and analyze the progress of these targets annually.
	22. For each greenhouse gas emissions target disclosed in accordance with paragraphs 19 to 21, an issuer shall disclose:	
	(a) which greenhouse gases are covered by the target;	Climate Change Response – Metrics and Targets
	(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	Climate Change Response – Metrics and Targets
(c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	Climate Change Response – Metrics and Targets	

Climate-related Disclosures	Indexes	
<p>(IV) Metrics and Targets</p>	<p>(d) whether the target was derived using a sectoral decarbonisation approach; and</p> <p>We have considered industry decarbonization approaches and practices in the process of formulating our climate targets.</p>	
	<p>(e) the issuer’s planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:</p>	
	<p>(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;</p>	
	<p>(ii) which third-party scheme(s) will verify or certify the carbon credits;</p>	<p>The Company has not yet considered the use of carbon credits as a factor in the formulation and achievement of its climate targets.</p>
	<p>(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and</p>	
	<p>(iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).</p>	
	<p>Applicability of cross-industry metrics and industry-based metrics 23. In preparing disclosures to meet the requirements in paragraphs 3 to 8 and 19 to 20, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 10 to 17) and (ii) industry-based metrics (see paragraph 18).</p>	<p>Following a prudent assessment, the applicability of current relevant cross-industry and industry-specific indicators to us is limited, therefore no specific disclosure has been made.</p>



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