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2024

Environmental, Social and
Governance Report

DONG-E-E-JIAO CO., LTD

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About this Report



Introduction

This Report is the 2024 Environmental, Social and Governance Report (this “Report”) released by Dong-E-E-Jiao Co., Ltd, to disclose and exhibit its performance in environmental, social and governance aspects to its stakeholders. This Report has been reviewed by the Company’s Board of Directors, which will be responsible for the authenticity and validity of the information contained herein.



Reporting Period

The reporting period is from January 1, 2024, to December 31, 2024, unless stated otherwise. To ensure the report's comprehensiveness, some information extends beyond this specified period.



Reporting Scope

Unless stated otherwise, this Report is about the Dong-E-E-Jiao Co., Ltd., with the scope that is identical to the scope of its consolidated financial statements. Any deviation from the scope will be stated in the Report.



Data Source

All information and data presented in this report are from publicly available materials provided by governmental agencies, as well as the Company's formal documents and public disclosures. Financial data referenced herein is subject to annual reports, while other data comes from the Company's internal statistics inside the Company. Unless stated otherwise, all monetary amounts are denominated in RMB.



Basis of Preparation

This Report is prepared with primary reference to internationally and/or domestically recognized frameworks for ESG, sustainable development, and corporate social responsibility, including the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (Trial)*, the State-owned Assets Supervision and Administration Commission of the *State Council’s Study on the Compilation of Special ESG Reports by Listed Companies held by Central SOEs*, the Global Reporting Initiative (GRI) *Sustainability Reporting Standards*, ISO 26000:2010 “Guidance on Social Responsibility”, among others. Additionally, it emphasizes the importance of the industry context and the unique characteristics of the Company.



Abbreviations

To facilitate the exposition and reading, “Dong-E-E-Jiao”, the “Company”, “We” in this Report are all refer to Dong-E-E-Jiao Co., Ltd.



Report Publication

This Report is released in the form of electronic version and can be obtained from website of Juchao Zixun(<http://www.cninfo.com.cn/>), official websites of the Shenzhen Stock Exchange(<http://www.szse.cn/>) and the official website of the Company (www.dongeejiao.com).



Readers Feedback

To continuously raise the level of the Company's ESG management, enhance the quality of ESG information disclosure and drive the Company to effectively implement the ESG development, we would like to solicit opinions from readers for this report (as detailed in Appendix II “Reader Feedback Form”). We welcome your opinions and comments submitted to the following email address: deejdb@dongeejiao.com.

About Dong-E-E-Jiao

Company Profile

Dong-E-E-Jiao Co., Ltd. (stock code 000423.SZ), commonly referred to as Dong-E-E-Jiao, is a subsidiary of the central state-owned enterprise China Resources Group and an integral part of its healthcare sector. Dong-E-E-Jiao was founded as the Shandong Dong-E-E-Jiao Factory in 1952, transitioned to a joint-stock limited company in 1993, and was listed on the Shenzhen Stock Exchange in 1996. In 2005, it became a member of China Resources Group. Dong-E-E-Jiao specializes in the research, development, production, and sales of donkey-hide gelatin, along with a diverse range of traditional Chinese medicine (TCM) products, health supplements, and food items.

It is dedicated to its mission: building trust through quality, inspiring dedication through teamwork, setting industry benchmarks, ensuring well-being for the people, and preserving cultural heritage for the nation. Its vision is to become the most trusted leader in tonic health products for the public. With a strong emphasis on customer needs and experiences, Dong-E-E-Jiao continues to solidify its position as the premier brand Dong-E-E-Jiao recognized as National Treasure for Health. By melding 3,000 years of TCM culture with modern nutritional science, it enhances product quality through technological innovation and rigorous full-industry-chain quality control, in order to pursue a leading brand combined with Chinese traditions and global perspective in nutrient industries.

Corporate Culture

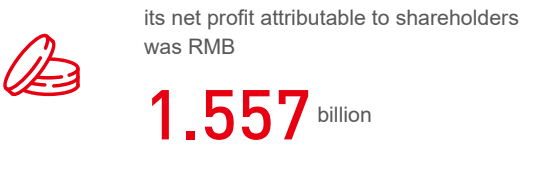
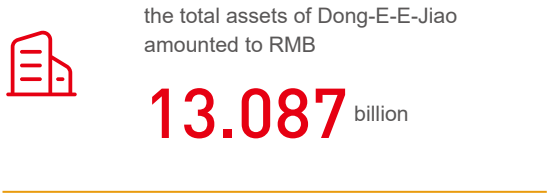
Dong-E-E-Jiao, a renowned Chinese traditional medicine brand with a rich cultural heritage, has cultivated a unique corporate culture over years of dedicated operation. Its mission is to promote a Healthy and Beneficial Society, while its core values emphasize integrity, authenticity, inheritance and innovation. The Company is committed to becoming the most trusted leader in tonic health products for the public.

Core Values

- Integrity, Authenticity, Inheritance and Innovation
- Act with integrity, operate with authenticity, uphold tradition, and drive continuous innovation.
- 12 virtues of Dong-E-E-Jiao people: Integrity and trustworthiness, gratitude and respect, generosity and inclusiveness, authenticity and quality, craftsmanship excellence, superior standards, unwavering commitment, heritage preservation, adherence to rules, innovation and reform, self-improvement, and future leadership.



As of the end of 2024



Vision

- Become the most trusted leader in tonic health products for the public
- Dong-E-E-Jiao champions a time-honored Chinese health and wellness philosophy that seamlessly integrates heritage with ongoing innovation. The Company is committed to promoting holistic well-being—nurturing the body, mind, and spirit—to enhance the quality of life for its consumers. Dedicated to delivering safe, effective, and authentically crafted Chinese tonic and wellness products, Dong-E-E-Jiao also offers comprehensive health solutions. By spearheading advancements in the health industry and facilitating the modernization and globalization of traditional Chinese medicine, Dong-E-E-Jiao empowers individuals to take control of their well-being, fostering a healthy, sustainable, and fulfilling lifestyle.



Mission

- Promote a Healthy and Beneficial Society
- Dong-E-E-Jiao's mission, promoting a healthy and beneficial society, captures the profound impact that donkey-hide gelatin has had on people's lives for centuries. This mission underscores the Company's dedication to advancing the health and wellness industry, contributing to longevity and overall well-being, and achieving sustainable corporate growth and enduring success. It embodies the noble ideals and pursuit of excellence that Dong-E-E-Jiao upholds, while also defining its broader social responsibilities. These responsibilities include fostering employee development, supporting partnership initiatives, fulfilling governmental obligations, engaging in philanthropic efforts, protecting the environment, fighting for saving lives.

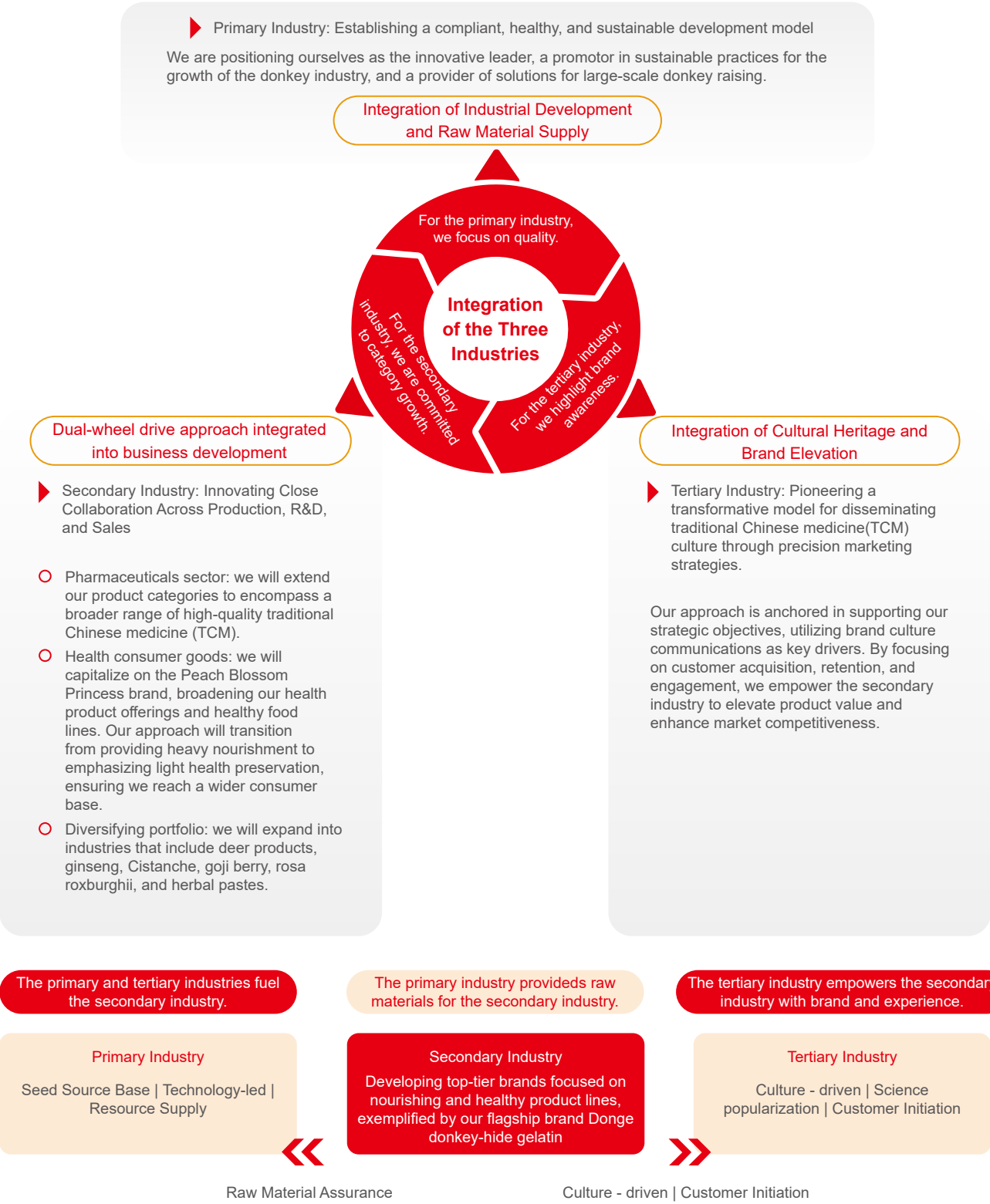


Five Statements

Establishing Trust Through Quality	Committed to becoming the most trusted leader in tonic health products for the public	▶ Forged through trials, as unyielding as stone and gold
Inspiring Dedication Within the Team	The universe operates with ceaseless vitality; a noble person should constantly strive to strengthen himself.	▶ Just as a towering tree rises from unified roots, we reach for the heights together.
Setting Standards for the Industry	Guided by integrity, true leadership emerges naturally.	▶ Just as the earth gives birth to all things, and a nobleman's virtue is like the mother earth to carry everything.
Upholding Well-being for the People	Health is the cornerstone of a prosperous life.	▶ Like water that nourishes all, we strive to benefit the world around us.
Preserving the Soul of the Nation	We are committed to creating historical and cultural values, advancing the rich legacy of Traditional Chinese Medicine (TCM) and its civilization.	▶ Just as passing the torch, we commit to illuminate the light of heritage.

Businesses Presence


Through its industrial deployment of integrating the primary, secondary and tertiary industrys, Dong-E-E-Jiao aims to establish itself as the premier model of three-industry integration within the traditional Chinese medicine industry.



Main Products

Dong-E Donkey-hide Gelatin

A precious tonic Chinese medicinal materials medicine with a history of nearly 3,000 years, listed as a top tonic in the *Divine Farmer's Materia Medica* and known as the holy medicine for replenishing blood in the *Compendium of Materia Medica*. It won the National Quality Gold Award three times respectively in 1980, 1985, and 1990, received the Great Wall International Gold Award in 1991, and was honored with the National Quality Award in 2015. Since 2015, it has ranked the first on the China Pharmaceutical Brand Value Rankings for nine consecutive years. Currently, Dong-E-E-Jiao is the number one OTC product and the leading brand in health wellness.



Compound Donkey-hide Gelatin Syrup


Originating from the Ming Dynasty, the renowned Liangyi Ointment from the *Complete Compendium of Zhang Jingyue* has a rich history spanning over 400 years. This time-tested traditional Chinese medicine formula is designed to tonify Qi, nourish blood, and alleviate symptoms such as dizziness, insomnia, and anemia. With no cane sugar or preservatives, it guarantees quality backed by 45 years of experience, encapsulated in the motto: good Qi and blood, no longer deficiency.

Furthermore, the Compound Donkey-hide Gelatin Syrup has garnered prestigious recognition, receiving the 2024 Special Excellence Award from the American Society of Clinical Oncology (ASCO) and the Best of SIO Award from the American Society of Integrative Oncology (SIO) at their annual conferences.



"Peach Blossom Princess" Donkey-hide Gelatin Cake

The Peach Blossom Princess Beauty Series is carving a niche in the burgeoning "light wellness" sector by seamlessly integrating into the daily lives of young people. Through innovative brand collaborations and high-profile celebrity endorsements, this series is successfully driving a nationwide brand transformation.



Donkey-hide Gelatin Instant Powder

Aligned with Dong-E-E-Jiao's overall positioning, this product focuses on the core demographic of experienced professionals and refined mothers with blood-nourishing needs such as menstrual and postpartum care. The brand continues to develop donkey-hide gelatin powder as a key product, with the Dong-E-E-Jiao Little Gold Bar as the core visual, extending the series to include various products with donkey-hide gelatin as the primary ingredient in the Little Gold Bar line.



Men's Tonic Products

To unlock a second growth curve, Dong-E-E-Jiao has significantly expanded its Royal Reserve 1619 men's tonic product line. This includes the rapid development of new categories such as Cistanche products, featuring offerings like Cistanche raw extract and Donkey-hide Gelatin Cistanche oral solution. As a result, a diverse range of products has quickly gained traction in the market.



"Yan Zhenqing" Bird's Nest Products

Bird's nest, instant bird's nest, donkey-hide gelatin bird's nest, freeze-dried bird's nest, and more.



Healthy Snacks

Donkey-hide gelatin jujubes, donkey-hide gelatin collagen paste, donkey-hide gelatin red jujube gummies, and more.



Others

Black Donkey Prince Donkey Meat and Jin Shang Hua Tonic Tea. We have created an extensive product portfolio that encompasses three primary lines: Nourish Youth, Preserve Longevity, and Boost Foundation. This diverse range is organized into four main categories: wellness teas, wellness stews, tonic pastes, and health products. The product portfolio is specially designed to effectively meet the unique and individualized needs of various consumers.



Awards for 2024

Innovations and international achievements



National High-tech Enterprise

Department of Science and Technology of Shandong Province and others



Second Prize of Science and Technology Progress Awards of Shandong Province for the year 2024

Department of Science and Technology of Shandong Province



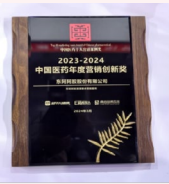
Golden Award at 2024 International Exhibition of Inventions of Geneva

Organizing Committee of International Exhibition of Inventions of Geneva



2024 Outstanding Case for Cultivation of New Quality Productive Forces

China Enterprise Reform and Development Society



2023-2024 China Pharmaceutical Annual Marketing Innovation Award

E-Pharma Manager



Special Excellence Award at 2024 ASCO Annual Conferences

American Society of Clinical Oncology



Best of SIO Award at 21st Annual International Conference, Society of Integrative Oncology

American Society of Integrative Oncology

Investor Relations and ESG



Tianma Awards for Investor Relations

Securities Time



2024 China Listed Company Yinghua Award A-Share Investor Relations Innovation Award

China Fund News



Outstanding Board Office Practice among Listed Companies 2024

China Association for Public Companies(CAPCO)



Outstanding Case for 2023 Annual Performance Briefings by Listed Companies

China Association for Public Companies(CAPCO)



2024 China Corporate ESG 100 Index

People's Daily Overseas Edition All-China Environment Federation



Top 100 Value Listed Companies on the Main Board

Securities Times



A-Rated Information Disclosure in SSE

Shenzhen Stock Exchange



2024 Listed Company ESG Value Communication Award

Yidong

Corporate management and action influence



2024 Shandong Province Outstanding
Enterprise Management Achievements

Department of Industry and Information
Technology of Shandong Province



Top 300 Most Popular Listed
Companies



2024 Shandong Province Outstanding Enterprises in
the Integration of Industrialization and Informatization

Shandong Provincial Center for Integration of
Industrialization and Informatization Promotion



2024 Top 20 Most Competitive
Pharmaceutical Listed Companies in China

China Pharmaceutical Enterprises
Association



Yicai Annual Return on Investment
Company



Top 100 Integrity Brands of
Shandong Province

Shandong Association for Integrity
Construction Promotion



"Lun Jian" Annual Outstanding
Enterprise Star

Sailing Health(Jian Shi Ju)



10th Batch of Provincial Key Leading
Enterprises in Agricultural Industrialization

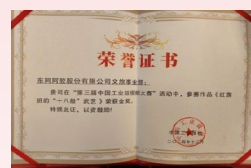
Department of Agriculture and Rural
Affairs of Shandong Province



China's 500 Most Valuable Brands

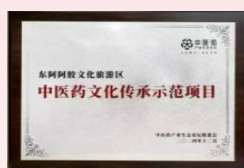
World Brand Lab

Culture and brand communication



Gold Award at the 3rd China Industrial
Short Video Competition

China Industry News



Demonstration Project for Cultural
Heritage of Traditional Chinese Medicine

Organizing Committee of TMEC



Phoenix Star Annual Overseas
Expansion Case Award

Phoenix Television Limited



A-Share Overseas Expansion Case

Phoenix Television, ifeng.com



2024 World Brand Yearbook

Xinhua Publishing House

Products



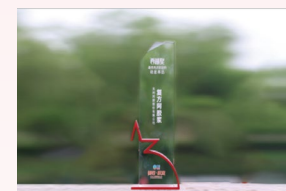
13th China Food Health Seven-Star
Award - Annual Newcomer Award

China Food Health Seven-Star
Convention Alliance



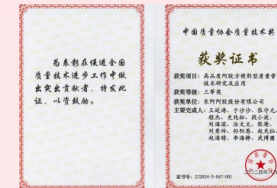
2024 China Characteristic
Tourism Products Competition

China Tourism Association



Compound Donkey-hide
Gelatin Syrup
Most Popular Star Product
Among Pharmacies

2024 Wuzhen Health
Conference



Third Prize of the Quality and
Technology Awards 2024

Chinese Association for
Quality



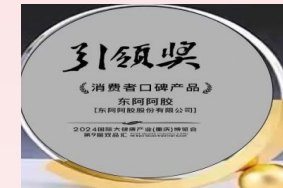
National Time-Honored
Brand "City Gift"
Competition Gold Award

National Time-Honored
Brand "City Gift" Competition
Organizing Committee



Compound Donkey-hide Gelatin
Syrup
2024 the Most Cooperative
Valuable Product in Chinese
Chain Pharmacies

China Pharmaceutical
Brand List



Consumer Word-of-Mouth
Product Leadership Award

2024 International Grand Health
Industry Expo (Chongqing) and the
9th Double-Brand Conference



Traditional Chinese Medicine
Diet and Innovation
Development Conference and
12th Medicinal Cuisine Skills
Competition Gold Award

China Association of Health-
Protection Food



Demonstration Base for the
Modernization of Traditional
Chinese Medicine Materials
Industry

National Alliance for Traditional
Chinese Medicine Materials
Standardization and Quality
Evaluation Innovation



2024 Brand Excellence Award

Jingdong(JD)



Dong-E-E-Jiao / Compound
Donkey-hide Gelatin Syrup
First Ranking at the 2024 Annual
Comprehensive Ranking of Over-
the-Counter (OTC) Drug
Products in China

CNMA (China Non-prescription
Medicines Association)

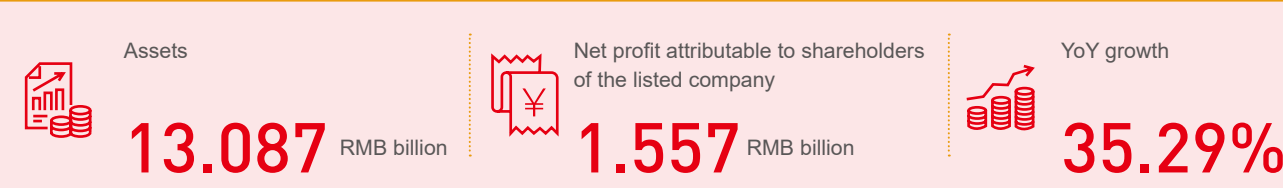


2024 Top 50 Comprehensive
Competitiveness of Traditional
Chinese Medicine Industry

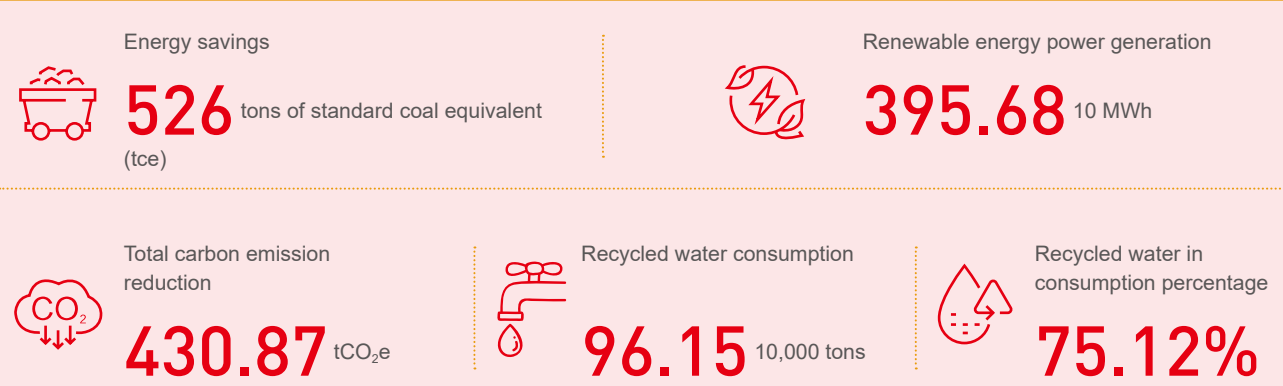
17th China Health Ecology
Organization, CPEO

Performance Highlights

Operation performance



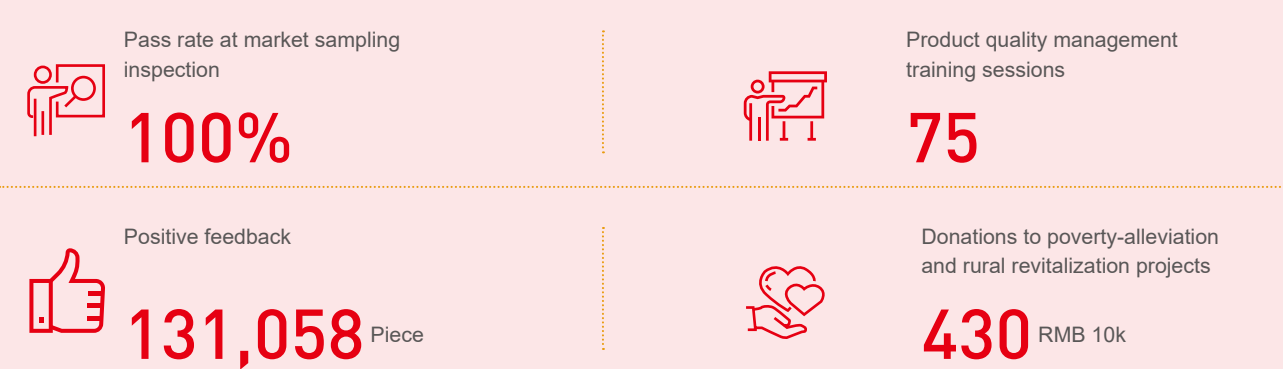
Environmental Performance



Governance Performance



Social Performance



Responsibility Governance

Dong-E-E-Jiao has embedded ESG (Environmental, Social, and Governance) considerations into its corporate strategy, positioning it as a central driver of high-quality development. The Company is committed to integrating these principles into its strategic decision-making, business management, and operational practices. By fostering open communication with stakeholders, Dong-E-E-Jiao actively addresses societal expectations and continually enhances its sustainability initiatives. This approach not only strengthens its sustainability capabilities but also establishes a robust, transparent, and responsible governance framework.

ESG Management System

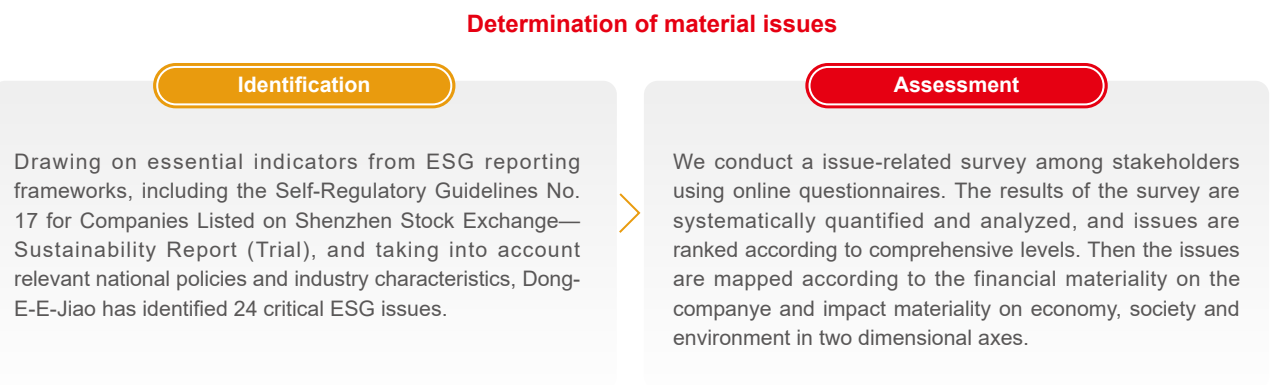
Dong-E-E-Jiao has developed a robust ESG governance framework aimed at enhancing its sustainability efforts. In 2024, the Company published the Notice on the Establishment of the Dong-E-E-Jiao ESG Committee, formally creating the Dong-E-E-Jiao ESG Committee. This initiative is designed to bolster decision-making, organizational effectiveness, and sustainability execution capabilities in ESG management. The governance structure consists of three tiers: decision-making, management, and execution layers, with clearly defined responsibilities and management processes. This systematic approach ensures the effective implementation of ESG objectives and underpins the long-term, sustainable development of the Company.

Dong-E-E-Jiao's Structural Organization for ESG Governance

Level	Management framework	Main functions
Decision-making level	Board of Directors	It comprehensively supervises the implementation of the Company's ESG-related tasks and provides guidance and suggestions as necessary.
Management	ESG Committee	<ul style="list-style-type: none">Oversee the coordination and enhancement of the Company's ESG management system.Supervise the establishment of robust ESG governance mechanisms within the organization.Facilitate discussions and decision-making on critical issues related to the Company's ESG management system.Coordinate internal and external resources to support and advance the value of ESG management.Conduct research and make determinations on other significant matters pertaining to the Company's ESG initiatives.
Execution level	ESG Committee Working Group	<ul style="list-style-type: none">Promote and facilitate the implementation of the Company's ESG management system.Develop and refine the Company's ESG management policies and processes.Organize and oversee ESG Committee meetings while ensuring the effective implementation of decisions.Create comprehensive ESG management work plans and regularly monitor their execution.Review and systematically organize the implementation of ESG management work plans.Assist in the preparation and disclosure of special ESG reports.Engage in various ESG management processes, evaluating and improving them efficiently.Support the implementation of other significant initiatives related to the Company's ESG management.

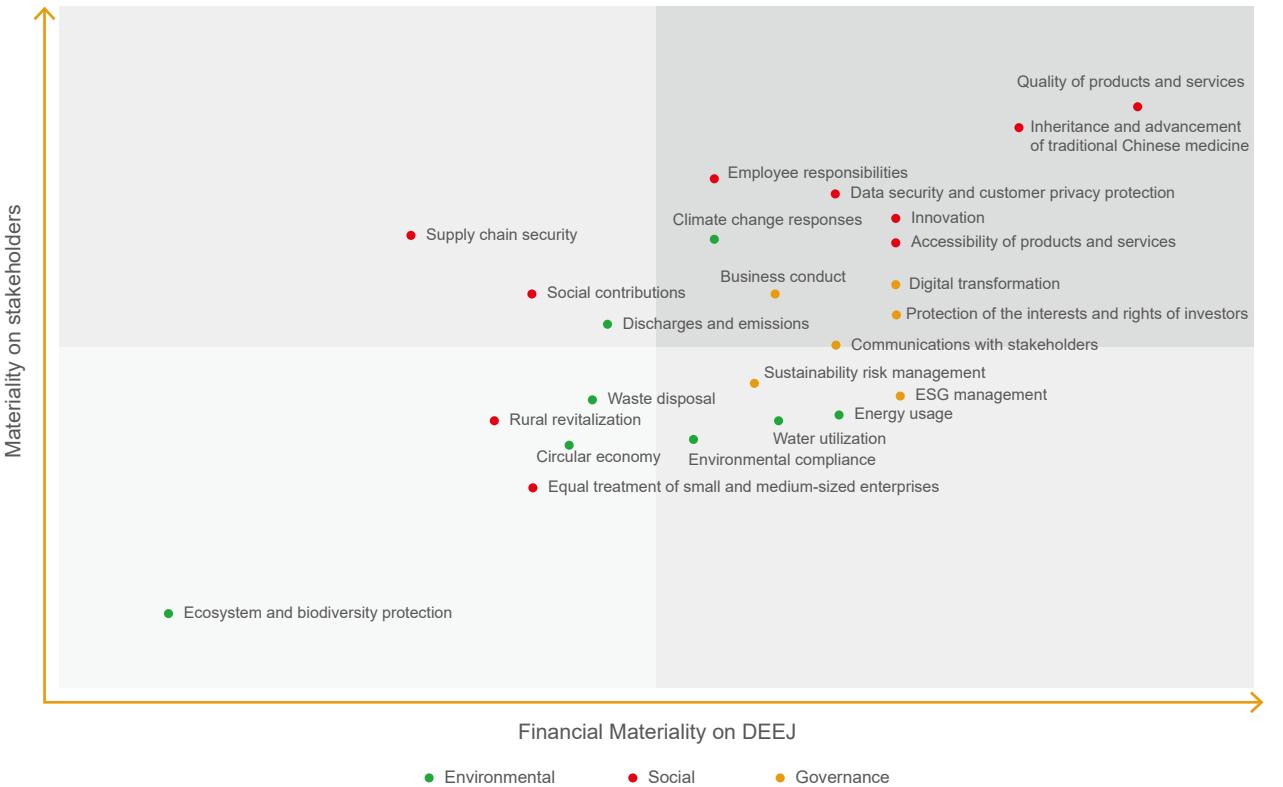
Assessment of Material Issues

Dong-E-E-Jiao adheres to the principle of double materiality, evaluating issues through two key dimensions: financial materiality and impact materiality. By distributing electronic questionnaires to both Company management and external stakeholders, Dong-E-E-Jiao acquires a thorough understanding of stakeholder perspectives and expectations. This approach allows for the effective evaluation and prioritization of critical issues.



Results of Material Issues

The Company keeps improving the identification and management of material topics, selecting significant topics to guide its pursuit of sustainable development goals with purpose and focus.



List of material issues

- 01

Quality of products and services
- 02

Inheritance and advancement of traditional Chinese medicine
- 03

Innovation
- 04

Data security and customer privacy protection
- 05

Accessibility of products and services
- 06

Digital transformation
- 07

Protection of the interests and rights of investors
- 08

Employee responsibilities
- 09

Climate change responses
- 10

Communications with stakeholders
- 11

Business conduct
- 12

ESG management
- 13

Energy usage
- 14

Sustainability risk management
- 15

Water utilization
- 16

Discharges and emissions
- 17

Social contributions
- 18

Environmental compliance
- 19

Supply chain security
- 20

Waste disposal
- 21

Circular economy
- 22

Rural revitalization
- 23

Equal treatment of small and medium-sized enterprises
- 24

Ecosystem and biodiversity protection

Communications with Stakeholders

Dong-E-E-Jiao, taking into account its industry characteristics and business operations, has developed robust communication channels for engaging with its stakeholders. The Company has implemented a regular and efficient communication framework that encompasses government bodies, regulatory agencies, industry associations, shareholders and investors, employees, customers, suppliers and partners, the media, the wider community, and among others. By actively identifying stakeholder expectations and addressing their concerns, Dong-E-E-Jiao aims to generate greater value for all parties involved while simultaneously enhancing its ESG performance.

Stakeholders	Expectations and concerns	Response forms
 Governmental bodies, regulators and industry associations	<ul style="list-style-type: none">Respond to national strategies.Operate under laws.Leading the industry development.Contribute to local economy.	<ul style="list-style-type: none">Execute national polices.Operate with compliance.Participate in developing industry standards.Innovate technologies.Fulfill tax obligations.
 Shareholders and investors	<ul style="list-style-type: none">Create stable value.Safeguard the rights and interests of shareholders.Disclose information with transparency.Improve company governance.	<ul style="list-style-type: none">Safeguard the sustainable rights and interests of shareholders.Convene regular investor exchange sessions.Enhance information disclosure quality.Improve governance mechanism.
 Employees	<ul style="list-style-type: none">Protect the rights of employees.Build a competitive compensation schemes.Career development.Occupational health and safety.Employee care	<ul style="list-style-type: none">Hold worker congress.Optimize compensation system.Smoothen communication channels.Safeguard employee health and safety.Enrich employee activities.
 Customers	<ul style="list-style-type: none">Product quality and safety.Enhance customer relation management.Protect the rights and interests of customers.	<ul style="list-style-type: none">Improve quality management system.Provide personalized customer service.Protect customer privacy.Customer satisfaction survey.
 Suppliers/Partners	<ul style="list-style-type: none">Cooperation with integrity.Follow business ethics.Boost industry development.Facilitate supply chain sustainability.	<ul style="list-style-type: none">Promote responsible procurement.Follow transparent business principles.Host supplier conferences.Optimize supplier management system.
 Media	<ul style="list-style-type: none">Timely response to public concernsOffer authoritative and transparent updates regarding corporate developments.	<ul style="list-style-type: none">Actively engage with the media by accepting interviews and addressing public concerns.Publish corporate announcements through official channels, including the Company website, WeChat official account, and various other platforms.
 Public	<ul style="list-style-type: none">Contribute to course of public interestFocus on community development.Protect the ecological environment and biodiversity.	<ul style="list-style-type: none">Participate in public welfare initiatives.Improve healthcare accessibility.Engage in volunteer activities.Create employment opportunities.Promote animal protection and welfare

Responsible Practices

In 2024, Dong-E-E-Jiao steadfastly embraced the national big health strategy, leveraging innovation to propel high-quality development. While honoring its rich traditions, the Company achieved significant breakthroughs and underwent transformative changes that elevated its operations to new heights. Business performance saw substantial improvement across all metrics, and market capitalization soared to a historic high. This remarkable growth underscored the Company’s reliable potentiality, bringing donkey-hide gelatin culture to the forefront of the global stage.

Governance Upgrade: Strengthening the Foundations of Modern Corporate Governance

Dong-E-E-Jiao is committed to enhancing its corporate governance structure by advancing the Four Reshaping initiative and the 1238 strategy. These efforts have established a dual-driven model that harmonizes cultural and industrial elements, leading to improved transparency and operational resilience. In 2024, the Company proudly launched the Rooted in Traditional Medicine, Refined in Essence Party-building brand and was honored as a 2024 New Era Enterprise Party-Building and Corporate Culture Development Practice Unit. This initiative fosters a deeper integration of Party-building principles with business operations, fortifying corporate compliance management and strengthening the framework for sustainable development governance.

Technological Innovation: Smart Manufacturing Driving Industry Upgrade

Dong-E-E-Jiao is committed to a steady approach to innovation, focusing on enhancing strategic collaboration between industry, academia, and research institutions. Our innovative framework, encapsulated in the One Center, Three High Grounds + N Joints R&D system, underpins our efforts. In 2024, the Company achieved significant breakthroughs in developing new dosage forms of compound donkey-hide gelatin syrup and traditional Chinese health functional foods. Notably, our research on the use of compound donkey-hide gelatin syrup for treating cancer-related fatigue garnered the prestigious Special Excellence Award at the American Society of Clinical Oncology (ASCO) Annual Conference, marking it as the only traditional Chinese medicine to receive the honor on a global scale. Simultaneously, the Company has intensified its commitment to smart manufacturing, expediting its intelligent transformation and digital transition. The inauguration of the Health Consumer Products 10-billion Industry Park signifies the dawn of a new era as we transition towards the innovative “lighthouse factory” model.

Brand Revitalization: Innovations Steering a National Trend Toward Healthy Lifestyle

Dong-E-E-Jiao is revitalizing its market presence by refreshing its brand to align with national trends, embracing digital transformation, and appealing to younger consumers. The Company has established a new brand core, launching innovative products like Little Gold Bars, Donkey-hide Gelatin Milk Tea, and Jin Shang Hua, which have garnered widespread recognition and expanded the landscape of health and wellness consumption. The Chinese Health and Wellness Festival on Rednote unites health and wellness influencers from across the nation. Initiatives such as Traditional Chinese Medicine across the World and Young TCM Stories utilize modern storytelling techniques to articulate the narrative of contemporary Chinese medicine, further solidifying Dong-E-E-Jiao’s status as a cultural symbol of wellness in China.

Low-Carbon Operations: Green Manufacturing for Environmental Protection

Dong-E-E-Jiao is committed to the principle of green development, actively addressing climate change and fully embracing the dual carbon goals. The Company has positioned itself as a leader in the industry, spearheading environmental upgrades across the entire supply chain. In 2024, Dong-E-E-Jiao took significant steps to enhance its sustainable supply chain management, optimizing resource utilization and achieving remarkable advancements in green production, energy conservation, and consumption reduction. By focusing on green manufacturing and fostering innovation in environmental protection technologies, the Company is not only contributing to the establishment of an ecological civilization but also setting a benchmark for excellence in green practices within the realm of Traditional Chinese Medicine.

Responsibility and Commitment: Health Wellbeing Promoting Social Inclusion

A company’s true value extends beyond its commercial success; it is deeply rooted in its commitment to social responsibility. Dong-E-E-Jiao has consistently embraced a people-centered approach, fostering a safe, healthy, and harmonious working environment for all employees. The Board of Directors prioritizes medical accessibility, championing equitable access to Traditional Chinese Medicine resources. Through innovative products and community welfare initiatives, the Company strives to ensure that the health benefits of donkey-hide gelatin reach broader recipients. We actively integrate the principles of Traditional Chinese Medicine with efforts aimed at rural revitalization, enhancing the synergy of the three industries: agriculture, healthcare, and culture. This approach fosters the growth of industries related to donkeys, deer, and Cistanche, resulting in a diverse array of health and wellness brands. In 2024, the Company significantly expanded its investments in industrial support, public health initiatives, and various other sectors. By advancing social responsibility projects focused on educational support, medical assistance, and cultural heritage preservation, these efforts not only add substantial value to society but also strengthen the Company’s impact and reputation in the realm of corporate social responsibility.

Global Cooperation: Promoting the International Presence of Traditional Chinese Medicine

In 2024, Dong-E-E-Jiao took significant strides in enhancing connectivity and driving development within the Traditional Chinese Medicine (TCM) sector. The Company successfully hosted a high-level seminar focused on the quality and advancement of TCM, alongside the International Donkey Industry Development Conference, both of which fostered collaborative innovation and integrated growth. As a key representative of the TCM industry, Dong-E-E-Jiao participated in prestigious international events such as the 21st World Congress of Chinese Medicine and the 7th China International Import Expo. Through these platforms, we showcased the unique attraction of TCM culture to a global audience, shining a spotlight on donkey-hide gelatin culture and the wisdom embedded in TCM.

Looking ahead, Dong-E-E-Jiao remains committed to its founding mission of promoting a healthy and beneficial society. We will continue to deepen our Environmental, Social, and Governance (ESG) management practices, drive innovation for industry advancement, and support the high-quality development of the health and wellness sector. Our aim is to ensure that donkey-hide gelatin culture and TCM wisdom resonate on the global stage, and strive for contribution in a Healthy China through the Dong wisdom and strengths.



Topic One

A Millennium of Donkey-hide Gelatin Charm: Preserving the Treasures of Traditional Chinese Medicine Culture

As a leader in the donkey-hide gelatin industry, Dong-E-E-Jiao is dedicated to the mission of protecting, exploring, developing, and inheriting the rich legacy of Traditional Chinese Medicine (TCM). The Company aligns its endeavors with the Big Health strategy, embracing the dual responsibilities of preserving TCM heritage while simultaneously fostering innovation within the field. By adopting a dual-growth model that combines pharmaceuticals with health consumer products, Dong-E-E-Jiao is not only creating innovative product formats but also safeguarding the cultural treasures intrinsic to TCM. The Company implements the TCM+ and Four-in-One development strategies, enhancing its core business and maximizing the potential of the Belt and Road initiative. Dong-E-E-Jiao is committed to promoting the global dissemination of TCM culture, actively enhancing its international influence, and driving the high-quality development of the TCM industry.

Contribution to UN SDGs



Advancing the Big Health Strategy and Fostering High-Quality Development in the Traditional Chinese Medicine Industry

As a pivotal leader in the gelatin industry chain and a foremost enterprise in the donkey-hide gelatin sector, Dong-E-E-Jiao is dedicated to aligning its efforts with the national big health strategy. In response to this national initiative, the Company actively integrates itself into the burgeoning health industry, leveraging new opportunities to establish the National Treasure for Health Dong-E-E-Jiao brand. Dong-E-E-Jiao has crafted a well-defined dual-growth model that encompasses both pharmaceuticals and health consumer products, thereby fostering both the preservation and innovation of Traditional Chinese Medicine (TCM). This comprehensive approach not only enhances the Company's market presence but also ensures the ongoing legacy and innovation of TCM in today's health landscape.

Dong-E-E-Jiao serves as a pivotal central SOE within the Traditional Chinese Medicine (TCM) sector, playing a crucial role in supporting and advancing the industry. The Company is dedicated to establishing a self-sustaining, safe, and reliable TCM industry chain. By hosting key events such as the Traditional Chinese Medicine Industry Chain Synergy Action and TCM Industry High-Quality Development Salon and the International Donkey Industry Development Conference, as well as actively participating in academic forums and industry exchanges, Dong-E-E-Jiao is instrumental in promoting high-quality development of the TCM sector. Through these initiatives, the Company not only fosters collaboration and knowledge sharing but also ensures the continued high-quality growth within the industry.

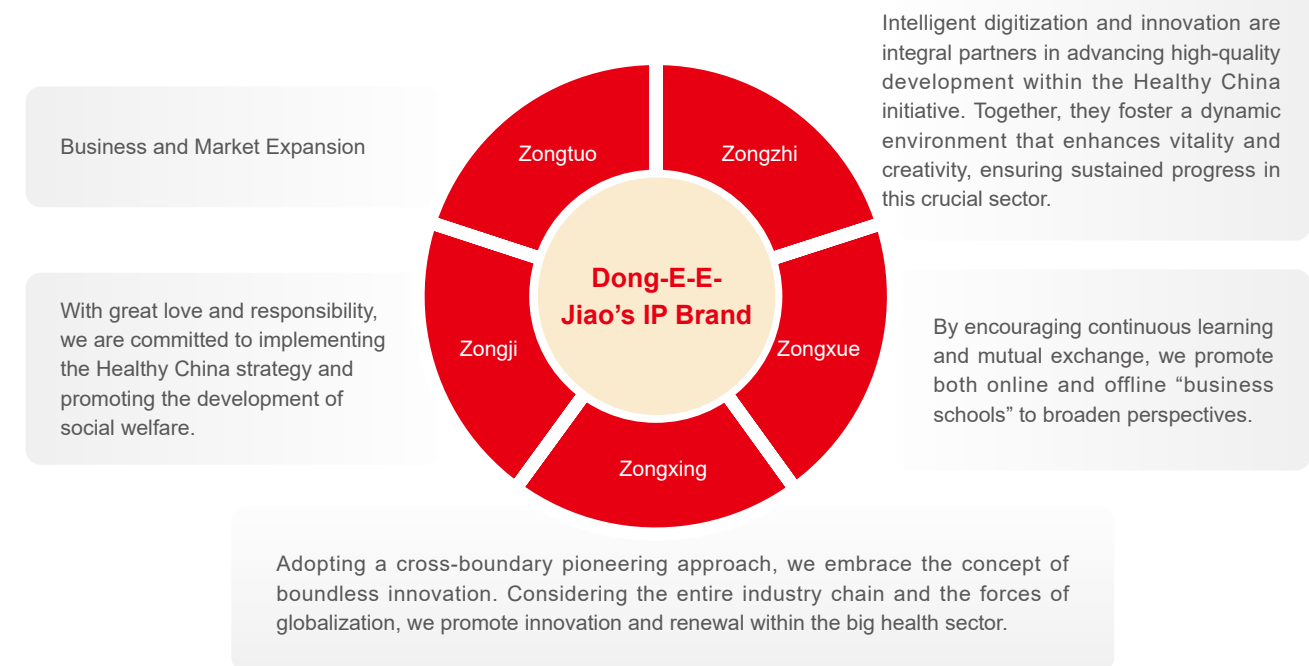
Case Dong-E-E-Jiao hosts the Traditional Chinese Medicine (TCM) Industry Chain Co-Chain Initiative and High-Quality Development Salon

In June 2024, Dong-E-E-Jiao, in collaboration with chain leader units, proudly hosted the TCM Industry Chain Co-Chain Initiative and High-Quality Development Salon titling "Co-chain development to accerelate the new quality productive forces with TCM". This event gathered a diverse group of stakeholders, including government representatives, academics, researchers, medical educators, industry-related enterprises, and experts. The salon focused on key topics such as industrial upgrading, innovative research and development, and collaborative development. Participants engaged in in-depth discussions to explore new pathways for achieving high-quality growth within the TCM industry. The event aimed to strengthen collaboration between upstream and downstream enterprises in the TCM industry chain, fostering resource sharing and complementary advantages.



Traditional Chinese Medicine (TCM) Industry Chain Co-Chain Initiative and High-Quality Development Salon

In line with its current development trajectory and aligned with the national Big Health strategy, the Company has proudly introduced the channel IP brand Shiji Zongheng. This brand encompasses various components, including Zongtuo, Zongzhi, Zongxue, Zongxing, and Zongji. By collaborating with its partners, the Company aims to foster a spirit of co-construction, co-building, and co-creation, ultimately striving for mutual success.



In 2024, the Company through health consumer products implemented the Healthy China strategy, consistently launching higher value-added and more youth-oriented health and wellness products to satisfy market demand. This initiative aims to enhance corporate competitiveness and inject new momentum and vitality into the high-quality development of the big health industry.

As a distinctive segment of China's livestock sector, the donkey industry plays a crucial role in restructuring local industrial systems, fostering a circular economy, promoting rural revitalization, and achieving common prosperity. While expanding its own development, the Company draws upon its expertise in donkey industry research to conduct initiatives aimed at conservation and breeding promotion, engage in donkey conservation research, and formulate relevant standards and industrial development plans. These efforts are designed to promote the healthy and sustainable development of the donkey industry.

Case Dong-E-E-Jiao Attends the International Donkey Industry Development Conference and the 9th (2024) Donkey Industry Development Conference

In November 2024, Dong-E-E-Jiao participated in the International Donkey Industry Development Conference, as well as the 9th (2024) Donkey Industry Development Conference. Under the theme Joining Forces to Develop the Donkey Industry, Cooperating for a Win-Win Future, the conference focused on key areas such as policy guidance, industrial upgrading, innovative research and development, and collaborative development. The event featured a series of thematic meetings and forums, where attendees released the Initiative for Revitalizing China's Donkey Industry and reached the Dong-E Consensus, which emphasizes the sustainable development of the international donkey industry. These initiatives provide crucial intellectual support for the industry's sustainable development and promote international cooperation and exchange within the donkey sector.

As a benchmark in donkey industry research, we are poised to utilize our global perspective, adherence to world-class standards, and unique characteristics of Dong-E-E-Jiao to establish a model for deep collaboration between industry, academia, and research institutions. Through these efforts, we aim to jointly drive the high-quality development of the international Traditional Chinese Medicine (TCM) industry and the modern agricultural sector.



International Donkey Industry Development Conference and the 9th (2024) Donkey Industry Development Conference


Upholding Tradition and Innovating to Propel the Modernization of Traditional Chinese Medicine (TCM)

Dong-E-E-Jiao has established a robust brand structure centered on donkey-hide gelatin, complemented by its two key offerings—Compound Donkey-hide Gelatin Syrup and “Peach Blossom Princess” Donkey-hide Gelatin Cake—along with the extension Royal Reserve 1619. This structure has led to a brand paradigm characterized by one superpower with multiple strengths. The Company is committed to diversifying and innovating, continuously expanding its product matrix to cater to the diverse health needs of consumers while effectively enhancing product accessibility.

In 2024, Dong-E-E-Jiao aligned its strategy closely with market and sales demands through initiatives like Donkey-hide Gelatin+, +Donkey-hide Gelatin and Non-Donkey-hide Gelatin Medicinal and Edible Homology. The focus was on three key industrialization directions: healthy snacks, functional foods, and healthy foods. Among the new offerings will be Jin Shang Hua, a Chinese-style wellness tea designed to integrate TCM principles with modern technological innovation. The Company will uphold tradition and innovate with theme of “gelatin-based medicines and healthy consumer goods”, establishing a complete TCM matrix system.

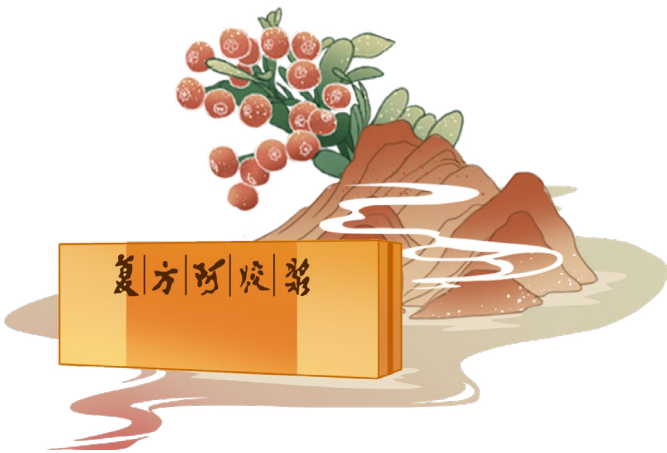
Gelatin-Based Medicines

The Company is committed to continuous product improvement and innovation. In 2024, it expanded the application scenarios for its offerings. A significant milestone is the receipt of a clinical trial acceptance notice (Acceptance No.: CXZL2300072) for the improved version of the Compound Donkey-hide Gelatin Oral Liquid—this marks Dong-E-E-Jiao’s first clinical trial acceptance notice since the onset of the 14th Five-Year Plan. In addition, the Company has revamped the packaging of its products, successfully launching sachet-packed versions of the Compound Donkey-hide Gelatin Oral Liquid. Extensive research has also been conducted on the standards for medicinal materials. Through thorough resource assessments, the Company has identified the original plants of these materials, along with their authentic and primary production areas. Moreover, Dong-E-E-Jiao has established grade evaluation standards for both the medicinal materials and decoction pieces used in the Compound Donkey-hide Gelatin Oral Liquid. A comprehensive quality control system featuring the components of content + identification + characteristic spectrum has been constructed, further strengthening the quality foundation for its gelatin-based medicines.



Sachet-packed Compound Donkey-hide Gelatin Syrup

The Company is actively enhancing the influence of its products through rigorous academic initiatives. In 2024, the Compound Donkey-hide Gelatin Oral Liquid garnered recognition by being included in several esteemed documents, such as the Expert Consensus on the Clinical Application of Compound Donkey-hide Gelatin Oral Liquid in the Treatment of Cancer-related Fatigue with Deficiency of Both Qi and Blood, the Expert Consensus on the Traditional Chinese Medicine Maintenance Treatment of Malignant Tumors, and the Guidelines for the Integrated Traditional Chinese and Western Medicine Diagnosis and Treatment of Recurrent Abortion. These academic milestones underscore the product’s significance in clinical settings, culminating in its recognition with the Outstanding Excellence Award in the Pain and Symptom Management category at the annual conference of the American Society of Clinical Oncology (ASCO). Additionally, at the 21st Annual Conference of the Society for Integrative Oncology (SIO) in the United States, the Compound Donkey-hide Gelatin Oral Liquid was honored with the prestigious Best of SIO award, further solidifying its impact within the integrative oncology community.



Healthy Consumer Goods

The Company has established the Dong-E-E-Jiao-Jiangnan University Joint Innovation Laboratory, which focuses on a singular platform and the principle of “authenticity”. This initiative aims to enhance the high-quality production of two major product categories, while also developing two complementary tracks: food and health food. This strategic approach cultivates a development model defined as 1+1+2+2.

In 2024, the Company accomplished the development and launch of nine new products, successfully overcoming technical challenges associated with pure donkey-hide gelatin powder. This achievement has established a robust evidence chain that underscores the reliability of the product. A series of studies have demonstrated that donkey-hide gelatin powder effectively alleviates physical fatigue. Additionally, the research has elucidated the functional mechanisms of donkey oil and donkey milk in skin protection and enhancement, thus providing a solid scientific foundation for future product development.

Healthy Consumer Goods from Dong-E-E-Jiao

Rose-flavored Donkey-hide Gelatin Cake



Deer-hide Gelatin Cake



Donkey-hide Gelatin, Autumn Pear, and Loquat Paste




Original Extract of Cistanche Deserticola



Original Extract of Donkey-hide Gelatin and Cistanche Deserticola



Donkey-hide Gelatin and Fish Ma



Low-Sugar Donkey-hide Gelatin Cake



Donkey-hide Gelatin Paste



Donkey-hide Gelatin Powder

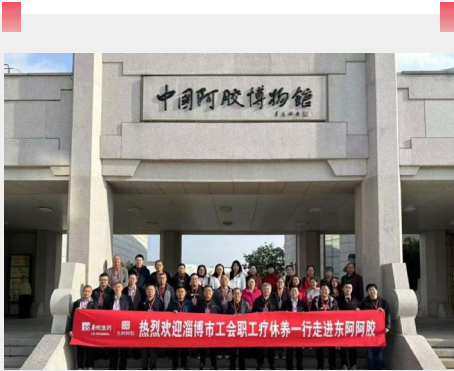


Inheritance and Innovation in Traditional Chinese Medicine (TCM): Pioneering a New Healthy Lifestyle

Dong-E-E-Jiao stands at the forefront of integrating the inheritance and innovation of Traditional Chinese Medicine (TCM) culture. By harnessing the treasures of nourishment, the Company effectively shares the rich narrative of TCM. Through cultural leadership, immersive scenario experiences, and active customer engagement, Dong-E-E-Jiao cultivates a deep connection with its consumers. Utilizing its tourism resources and core business strengths, the Company has developed a unique TCM+ model, characterized by a four-in-one approach which empowers the sustainable and high-quality growth of its core business.

TCM + Health and Wellness

Dong-E-E-Jiao proudly operates the Dong-E-E-Jiao No. 78 Experience Hotel and the Dong-E-E-Jiao Cultural Hotel, both deeply rooted in traditional culture and focused on health and wellness. These hotels are designed to enrich the elements of Traditional Chinese Medicine (TCM) while providing an immersive experience that celebrates its healing practices. To enhance the travel experience, the hotels offer a variety of specialty dishes that reflect TCM principles, including nourishing medicinal cuisine, donkey-hide gelatin wellness banquets, and Tianlong donkey meat banquets. Guests can enjoy thoughtfully curated amenities in their rooms, such as mugwort herbal pillows, Jiuding Lotus aged moxa sticks, tangerine peel and hawthorn tea, and donkey-hide gelatin ginger and jujube tea. Capitalizing on their recognition as a Shandong Province Health and Wellness Base, these hotels fully leverage the health and wellness offerings of the surrounding scenic area. They provide nourishing, comfortable, and enjoyable accommodations and dining experiences that contribute to overall well-being. This initiative not only helps improve public health but also promotes the inheritance and innovative development of TCM culture.



TCM + Experience

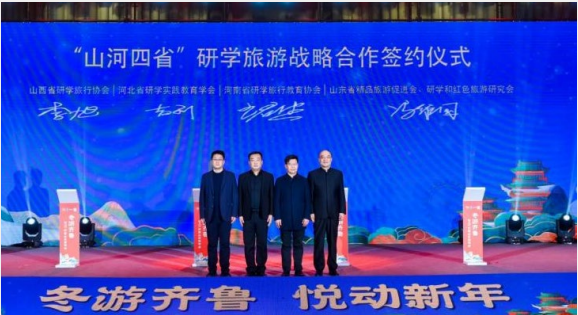
The Company enriches the experience of Traditional Chinese Medicine (TCM) culture through a diverse array of over 40 engaging activities. These initiatives include the Spring Festival Temple Fair, the Chinese-style Health Preservation Festival on Rednote, the Co-Chain Action of the TCM Industry Chain, the TCM Cultural Tourism Experience Week, and the 2025 Welcome Winter in Shandong New Year Celebration in Shandong. A standout endeavor is the pioneering eight-act situational drama titled Great Harmony in the World: Benevolence of Doctors, Mission Inheritance, and Worship of the King of Medicine. The Company has also invited esteemed veteran TCM practitioners and renowned experts to conduct consultations, offering free pulse diagnosis and medical advice to the public. In addition, they hold lectures on TCM health preservation techniques and facilitate innovative experiences, such as the development of TCM dietary therapies, medicated diets, and new beverage options. Through these efforts, the Company achieves a fresh interpretation and profound dissemination of TCM culture, fostering greater public awareness and appreciation for this ancient healing tradition.



TCM + Study Tour

The Company leverages the educational resources available in Liaocheng to develop immersive study tour experiences in locations such as Linqing, Binzhou, and Linyi. It has established comprehensive TCM study tour classrooms and offers a range of TCM culture lectures. Participants can engage in hands-on courses that include copying ancient prescriptions, crafting imitation orders, creating TCM sachets, identifying medicinal herbs, and reciting Confucian classics. These initiatives have culminated in the formation of four systematic research and study programs that have captivated tens of thousands of participants. In 2024 alone, the Company received 379 study tour teams, comprising a total of 18,934 individuals.

Through collaborative efforts with both central and local governments, the Company has successfully cultivated the Fall in Love with TCM brand, further igniting interest in the inheritance and innovation of TCM culture. This initiative empowers young people to embrace the essence of traditional Chinese medicine, connect with its rich cultural heritage, and gain valuable insights and perspectives in TCM research. As a result, they are able to appreciate the profound allure of TCM culture.



TCM + Tourism

In the heart of the city, a dynamic interaction unfolds between two remarkable museums. The remarkable power of donkey-hide gelatin leads to an extraordinary world of Traditional Chinese Medicine (TCM). Leveraging the resources of the Dong-E-E-Jiao Cultural Tourism Zone, the Company has established a Traditional Chinese Medicine Cultural Museum, a Herbal Paste and TCM Clinic, and a Hundred Herbs Garden. These venues serve as platforms to showcase the rich history of TCM, the geographical distribution of Chinese herbs, the science behind herbal processing, the classification of various herbs, and the principles of health preservation. Through personalized prescriptions tailored for each visitor, the Company has created a holistic tourism and health-preservation hub that highlights TCM herbal pastes, meridian physiotherapy, sound therapy, mental wellness practices, exercise therapy, tea therapy, and dietary therapy. The Company's commitment is to immerse tourists in the unique cultural allure and scientific significance of Traditional Chinese Medicine, fostering a deeper appreciation for this ancient wisdom while promoting cultural confidence and self-empowerment.

Dong-E-E-Jiao is at the forefront of hosting culturally significant international events and forums, and has initiated innovative projects to promote Traditional Chinese Medicine (TCM), such as TCM Around the World and Young TCM Talents Speak. Notably, it has organized large-scale cultural gatherings like the 2024 Dong-E-E-Jiao Winter Solstice Nourishment Festival. These initiatives, characterized by their two innovations in TCM culture, have yielded impressive results. The establishment of a renowned Chinese TCM museum is gaining momentum, harnessing cultural energy and fostering industrial growth. Through these efforts, Dong-E-E-Jiao is making substantial contributions to the preservation and advancement of TCM culture and industry, ensuring that this ancient wisdom continues to thrive for future generations.



Setting Sail: Showcasing TCM Culture on the Global Stage

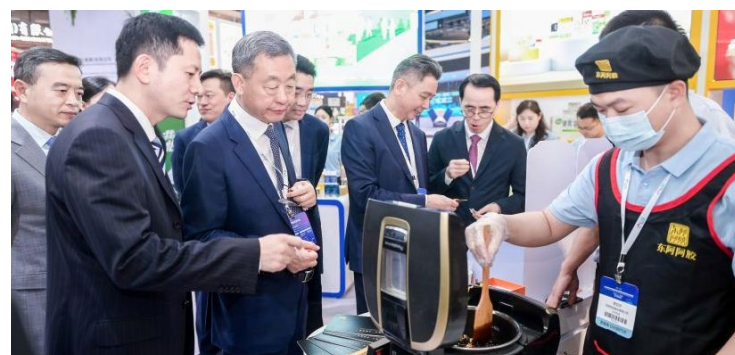
In alignment with the initiative to build a Healthy China, Dong-E-E-Jiao is passionately dedicated to the global expansion of Traditional Chinese Medicine (TCM) culture. The Company actively shares the story of donkey-hide gelatin and TCM, illuminating the unique charm of this ancient practice to a worldwide audience. Dong-E-E-Jiao has made its presence felt at significant international conferences and forums, including the 21st World Congress of Chinese Medicine, the 7th China International Import Expo, the 2024 China International Fair for Trade in Services, the 2024 World Agrifood Innovation Conference, and the Jakarta Expo. Through these platforms, the Company explores new avenues for TCM's global outreach, promotes the international dissemination of TCM culture, and champions the rich heritage of traditional practices. Additionally, Dong-E-E-Jiao aims to enhance the global influence of donkey-hide gelatin, ensuring its benefits are recognized and embraced worldwide.

In its global strategy, Dong-E-E-Jiao is making significant strides in expanding into emerging markets, specifically in Southeast Asia, with a focus on Indonesia and Thailand. The Company is establishing a robust business presence in these regions to promote the international development of its products and services. Concurrently, Dong-E-E-Jiao is committed to deepening the localization of Traditional Chinese Medicine (TCM) culture through a variety of initiatives. In Indonesia, the Company has sponsored and organized a series of health-focused public welfare activities, including educational lectures for the Kota Semarang Cancer Support Group, hematologic oncology support groups, and cancer aerobic health events. These initiatives aim not only to disseminate valuable health management knowledge but also to enhance local awareness and appreciation of TCM. By fostering these connections, Dong-E-E-Jiao is making meaningful contributions to the promotion of TCM and its benefits in emerging markets. Furthermore, the Company actively supports local social welfare initiatives by sponsoring events such as the Semarang Chinese Association's New Year Gathering, a Blood Donation Drive, and the Indonesian Acupuncture Association Seminar. Through these tangible efforts, it promotes the international dissemination of Traditional Chinese Medicine (TCM) culture, delivering greater health benefits to consumers around the world.



Case Dong-E-E-Jiao Shines at the China (Macao) International High-Quality Consumption Exhibition

In September 2024, Dong-E-E-Jiao, a key player in the China Resources Big Health Sector, made a notable appearance at the 3rd China (Macao) International High-Quality Consumption Exhibition. The Company captivated attendees through live gelatin preparation, engaging product displays, and tasting activities, effectively showcasing the allure of traditional Chinese nourishment. Dong-E-E-Jiao garnered high praise from China Resources Group and attracted widespread attention from event participants, affirming its commitment to quality and consumer engagement. This initiative represented a valuable exploration in supporting the development of the Guangdong-Hong Kong-Macao Greater Bay Area while also promoting the rich heritage of traditional Chinese medicine (TCM).



Chairman Wang Xiangming and Delegation Visit the Booth



Dong-E-E-Jiao Exhibition Booth

Case Dong-E-E-Jiao Participates in the 21st World Congress of Chinese Medicine

In October 2024, Dong-E-E-Jiao took part in the 21st World Congress of Chinese Medicine, held under the theme Promoting Mutual Learning Between Chinese and Western Civilizations, Advancing Global Sharing of TCM. The event showcased a variety of products, including donkey-hide gelatin, compound donkey-hide gelatin syrup, Peach Blossom Princess donkey-hide gelatin cake, and (instant donkey-hide gelatin powder. These offerings garnered widespread recognition and high praise from attendees. Dong-E-E-Jiao continues to advance its internationalization strategy, sharing the story of the heritage and innovation of Traditional Chinese Medicine (TCM) with the world. The Company embraces its mission to promote the continuity and development of TCM culture, actively working to enhance the global sharing of TCM. By championing the cultural significance of Chinese herbal medicine, Dong-E-E-Jiao aims to bring the essence of this national treasure to an international audience.



Venue of the World Congress of Chinese Medicine

Dong-E-E-Jiao is dedicated to driving both business growth and cultural communication in a synergistic, dual-driven approach that mutually empowers both objectives. Aligned with its business development strategy of anchored in Hong Kong, focused on Southeast Asia), the Company has launched its first Chinese-style flagship store in the Hengqin-Guangdong-Macao In-Depth Cooperation Zone—specifically, the Hengqin Nourishment Lifestyle Flagship Store. This initiative serves as a strategic “bridgehead” and “outpost” for the overseas promotion of TCM culture, actively establishing an international brand image. Dong-E-E-Jiao aims to promote the global reach of Traditional Chinese Medicine while contributing Chinese wisdom and strength to enhance the health and well-being of people around the world.



Hengqin Nourishment Lifestyle Flagship Store



Dong-E-E-Jiao Products Exhibited at the French TCM Museum

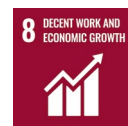
Topic Two

Intelligent Manufacturing Drives New Quality Productive Forces and Empowers the Development of Dong-E-E-Jiao

In the context of China's ongoing initiatives to construct a modern industrial system and foster high-quality economic development, Dong-E-E-Jiao is committed to aligning with national strategic priorities aimed at advancing new quality productive forces. The Company is actively integrating into the broader landscape of the pharmaceutical and health industry's transformation and upgrading. By embracing innovative development concepts, Dong-E-E-Jiao is forging new pathways in intelligent manufacturing, paving the way for sustainable growth and enhanced efficiency within the industry. Guided by its 1238 Strategy and driven by the vision of establishing a digital health consumer goods provider rooted in pharmaceuticals, Dong-E-E-Jiao is dedicated to spearheading the digital transformation of the traditional Chinese medicine sector. The Company is committed to advancing its intelligent manufacturing strategy, elevating its efforts in intelligent transformation and digital upgrades to unprecedented levels.

Through scientific and technological innovation and digital empowerment, Dong-E-E-Jiao is consistently enhancing the standards of new quality productive forces. This dedicated effort injects significant momentum into the modernization and sustainable development of the traditional Chinese medicine industry chain. By setting new benchmarks for intelligent manufacturing, Dong-E-E-Jiao contributes valuable insights and strength to the ongoing advancement of the pharmaceutical and big health sectors.

Contribution to UN SDGs



Intelligent Transformation and Digital Upgrading: Establishing a New Intelligent Manufacturing System

Dong-E-E-Jiao is dedicated to harnessing advanced digital concepts and has developed a comprehensive step-by-step roadmap for digital factory implementation. This strategic initiative aims to facilitate the thorough transition from traditional industrial practices to innovative intelligent manufacturing. The Company focuses on six core scenarios, including innovation-driven product research and development, smart and interconnected low-carbon industrial parks, and highly efficient collaborative supply chains, among others. By building an efficient and intelligent production management network, Dong-E-E-Jiao is driving the holistic advancement of intelligent transformation and digital upgrading, setting new standards in the industry.

Focusing on the building of an intelligent manufacturing system, the Company deeply integrates cutting-edge technologies such as artificial intelligence, IoT, big data, and the industrial internet. It has established an integrated intelligent manufacturing architecture centered on the Manufacturing Execution System (MES), with the Enterprise Resource Planning (ERP) system as the backbone. This architecture also incorporates multi-dimensional platforms such as Laboratory Information Management Systems (LIMS), Quality Management Systems (QMS), Enterprise Asset Management (EAM), and Product Lifecycle Management (PLM). As a result, the Company significantly enhances its digital capabilities and elevates its level of intelligent manufacturing, effectively improving both production efficiency and product quality.



Case Dong-E-E-Jiao Achieves National CMMM Level 4

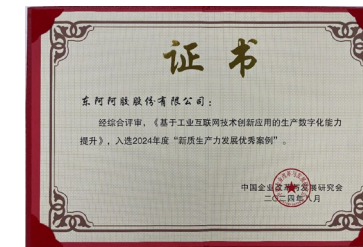
In December 2024, Dong-E-E-Jiao successfully completed the Level 4 certification assessment for China Manufacturing Maturity Model (CMMM) conducted by the Ministry of Industry and Information Technology. This certification encompasses 16 core processes throughout the entire production, sales, and service lifecycle of products such as donkey-hide gelatin, compound donkey-hide gelatin syrup, and Peach Blossom Princess donkey-hide gelatin cake. This achievement highlights the Company's excellence in the realm of intelligent manufacturing.



Dong-E-E-Jiao CMMM Level 4

Case Dong-E-E-Jiao is Included into 2024 Outstanding Cases for Cultivation of New Quality Productive Forces

In August 2024, Dong-E-E-Jiao's project, Enhancing Production Digital Capabilities Through Innovative Applications of Industrial Internet Technology, was chosen as one of the 2024 Outstanding Cases for Cultivation of New Quality Productive Forces by Xinhua News Agency. This recognition fully affirms the Company's leading role in digital and intelligent transformation.



2024 Outstanding Case for Cultivation of New Quality Productive Forces

Case Dong-E-E-Jiao Successfully Selected into the 2024 Provincial Intelligent Factory List

In September 2024, Dong-E-E-Jiao was selected into the 2024 Provincial Intelligent Factory list by the Department of Industry and Information Technology of Shandong Province, recognizing its outstanding performance in developing an intelligent manufacturing system. This accolade positions the Company as a benchmark for intelligent manufacturing in the province.



Intelligent Manufacturing Workshop of Dong-E-E-Jiao

Digital Empowerment: Building Efficient Full-Chain Management

Dong-E-E-Jiao is committed to deepening the integration of digital and physical realms, guided by the principle of digital leadership. This approach drives the Company to continuously enhance quality and efficiency in intelligent transformation and digital upgrade, injecting strong momentum into the digital transformation and high-quality development of the healthcare and wellness industry.

In terms of digital capability, the Company emphasizes capability enhancement, establishing a comprehensive digital organization and talent development system. From data-driven decision analysis to the application of technical tools, Dong-E-E-Jiao achieves full-chain optimization and comprehensively enhances its operational capabilities, providing solid support for the implementation of its intelligent manufacturing strategy.

In production and operations, Dong-E-E-Jiao is committed to advancing the integration of various sectors through a comprehensive digital transformation of all production processes and elements. This initiative promotes collaborative transformation across the entire industry chain, empowering innovation and development within the sector. By developing intelligent equipment prediction models and real-time alert systems, the Company has achieved seamless data connectivity across platforms such as MES, ERP, QMS, and LIMS. Additionally, it has established digital twin dashboards for multiple production lines, including compound donkey-hide gelatin syrup and donkey-hide gelatin jujubes, significantly enhancing the digitization and visualization management of the production process.



Data Visualization

5G and the Industrial Internet: Empowering a New Intelligent Manufacturing Ecosystem

Dong-E-E-Jiao is advancing the deep integration of information technology and industrialization, along with digital twin technology, to enhance the application of 5G and the Industrial Internet, as well as artificial intelligence. This approach is rapidly accelerating the intelligent upgrading of production processes. By integrating deep learning algorithms with business systems, the Company has achieved significant improvements in quality control efficiency and accuracy across various stages. This includes defect detection in compound donkey-hide gelatin syrup bottles, the implementation of thermal imaging technology in the foam extraction stage, and the transmission of cutting measurement information in the gelatin drying stage.

AI-Powered Quality Control in Production

Utilizing AI to identify defects in compound donkey-hide gelatin syrup bottles.

Exploring infrared thermal imaging technology in the foam extraction stage, with over 100,000 data points collected.

Achieved an 80% increase in the efficiency of information transmission for cutting measurements during the gelatin drying process.

The implementation of the AI Superbrain for standard detection among employees in the donkey-hide gelatin line has led to a 20% reduction in non-compliance rates regarding safety gear.

Case Dong-E-E-Jiao is Selected as a National Digital Leadership Enterprise by the Ministry of Industry and Information Technology

In December 2024, Dong-E-E-Jiao's Integrated Operations Leadership Practice in the Healthcare and Wellness Sector was recognized as a National Digital Leadership Enterprise Practice case. This distinction represents the highest honor in the field of digital transformation, highlighting a significant achievement for Dong-E-E-Jiao in advancing the digital transformation of the healthcare and wellness industry and setting a benchmark for others in the sector.



附件	
2024 年数字经济典型案例名单	
(排名不分先后)	
(一) 数字经济企业典型案例	
序号	企业名称
1	北京百度网讯科技有限公司
2	腾讯计算机系统有限公司
3	阿里巴巴集团控股有限公司
4	华为技术有限公司
5	京东集团
6	美团
7	拼多多
8	快手
9	抖音
10	小红书
11	哔哩哔哩
12	爱奇艺
13	优酷
14	腾讯视频
15	芒果TV
16	优酷网
17	爱奇艺
18	腾讯视频
19	优酷网
20	爱奇艺
21	腾讯视频
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24	腾讯视频
25	优酷网
26	爱奇艺
27	腾讯视频
28	优酷网
29	爱奇艺
30	腾讯视频

List of Digital Leadership Enterprise Practices



01

Lean Governance: Building a Foundation for Long-Term Business Success

Dong-E-E-Jiao prioritizes governance as its cornerstone, continuously refining its governance structure and clarifying the roles and responsibilities of the Board of Directors, Supervisory Committee, and General Meeting of Shareholders. This approach ensures transparent and efficient decision-making. The Company implements an integrated mechanism for risk control and compliance to guarantee legal and compliant operations. It maintains effective communication with investors to protect their legitimate rights and interests. By enhancing operational efficiency through digitalization and driving production effectiveness with intelligent manufacturing, the Company provides a solid foundation for its high-quality development.

Contribution to UN SDGs



Risk control and compliance training sessions

20

Audit training sessions

62

Digital transformation expenditure

2,448 RMB 10k

Cybersecurity training sessions

24

Cybersecurity incidents

0

R&D of innovative technologies Expenditure

20,994 RMB 10k

Patents authorized in the year

10



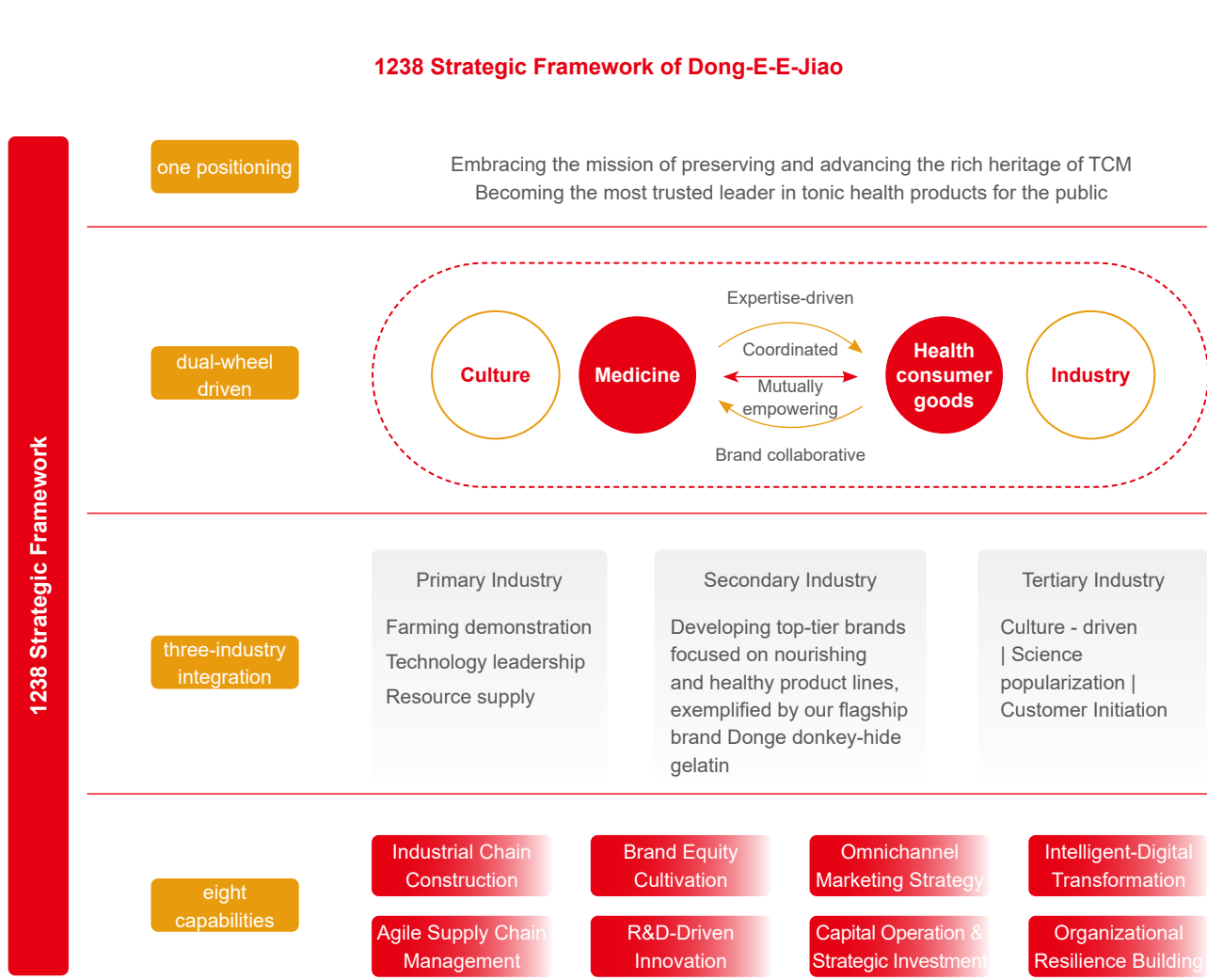
Strategy First: Building a Competitive Advantage

Dong-E-E-Jiao embraces the principles of preserving tradition while fostering innovation. The Company is dedicated to the heritage and advancement of Traditional Chinese Medicine (TCM) culture, establishing a sound strategic framework, promoting sustainable development, and actively supporting the core strategic directive of the 20th National Congress of the Communist Party of China to promote coordinated regional development. This commitment drives the implementation of significant national regional strategies.

Strategic Vision

Guided by the 1238 strategic framework, Dong-E-E-Jiao has taken on the mission of promoting the heritage and innovation of TCM culture. The Company is striving to become a trusted leader in health and wellness products. The Company drives development in critical areas such as brand building, omnichannel marketing, research and development innovation, and capital operations through dual-driven strategies, integration of three industries, and eight capability-building initiatives.

At the same time, Dong-E-E-Jiao actively practices sustainable development by incorporating ESG principles into its strategic planning. It focuses on agile supply, intelligent and digital transformation, and robust organizational support, continuously optimizing its industry chain to ensure effective strategy implementation. This approach enhances the high-quality development of the traditional medicine industry while creating long-term value for society.



Strategy Management

Dong-E-E-Jiao places great emphasis on strategic management, outlining measures for implementing its strategies and developing systematic and scientifically grounded action plans for the short, medium, and long term. Through a structured approach to strategic implementation, the Company effectively supports its objectives and ensures the achievement of its corporate goals.

In 2024, Dong-E-E-Jiao established a strategic implementation task force led by the president. The task force designed and utilized various strategic decoding tools to drive the formulation and execution of over 480 strategic initiatives. The Company also revamped its market analysis system, regularly publishing thematic research reports and promptly identifying industry trends. This approach provides a solid foundation for strategic adjustments and effectively supports the Company's business development.

Aligning with National Strategies

Dong-E-E-Jiao actively aligns itself with national development strategies, fully leveraging its unique strengths in the traditional Chinese medicine (TCM) sector. The Company strategically guides its corporate layout with foresight, promoting the integration of regional resources and collaborative development. By doing so, it supports the implementation of significant national regional strategies and injects strong momentum into local economic growth.

Aligning with National Strategies	
National Strategies	Dong-E-E-Jiao's Response
Beijing-Tianjin-Hebei Coordinated Development	Capitalize on the strategic opportunity presented by the coordinated development of the Beijing-Tianjin-Hebei region to optimize production capacity distribution and enhance industrial value.
Western Region Development and the Belt and Road Initiative	Utilize Xinjiang's geographical advantages and its abundant resources in livestock and traditional Chinese medicine to establish a raw material supply chain for donkey-hide gelatin and promote the growth of the specialty Chinese medicine industry.
Support for the Greater Integration of Hong Kong and Macau into National Development	Harness the collective strengths of the Guangdong-Hong Kong-Macau Greater Bay Area in emerging strategic industries, advanced manufacturing, and modern services. Facilitate collaboration with Hong Kong and Macau in areas such as traditional Chinese medicine culture and high-tech research and development.
Revitalization of the Northeast China	Incorporate the development of the sika deer industry into the medium- and long-term planning framework, integrate industry chain advantages, and expedite the formation of new productive forces.
Ecological Civilization Construction	Commit to the principles of green development, striving to achieve a harmonious balance between economic growth and ecological benefits.



Efficient Operations and Standardized Governance

Dong-E-E-Jiao consistently refines its governance structure to enhance the efficiency of its listed company, clearly outlining the roles and responsibilities of the General Meeting of Shareholders, the Board of Directors, and the Supervisory Committee. This clarity ensures that each entity, along with the management team, effectively fulfills its duties while maintaining a robust system of checks and balances. With a solid governance framework in place, the Company promotes informed decision-making, efficient execution, and effective oversight, ultimately elevating its operational standards.

Enhancing Corporate Governance Structure

The Company is dedicated to strengthening its corporate governance framework. In alignment with the principles of the modern enterprise system, we operate rigorously in compliance with laws, regulations, and relevant regulatory documents, including the Company Law of the People's Republic of China and the Corporate Governance Guidelines for Listed Companies. We aim to establish a modern corporate governance system where the rights and responsibilities of different governance entities are clearly defined, transparent, coordinated, and able to effectively balance one another.




Standardized Operations of the Three Bodies and Management Level

Dong-E-E-Jiao is committed to modernizing its governance system and enhancing its operational capabilities. We continually refine the decision-making processes of the Board, the Supervisory Committee and the General Meeting of Shareholders to ensure that directors, supervisors, and the management team fulfill their responsibilities in accordance with the law. This approach promotes diligence and efficiency while enabling effective oversight, strategic decision-making, and operational execution, all of which contribute to the Company's commitment to high-quality development.

General Meeting of Shareholders

Dong-E-E-Jiao strictly adheres to the Company Law of the People's Republic of China, the Rules of the Shareholders' Meeting of Listed Companies, and other relevant legal and regulatory frameworks. In conjunction with our Articles of Association, we have established Rules of Procedure for General Meeting of Shareholders to ensure the smooth operation of these gatherings. We also prioritize the protection of the rights of minority shareholders, ensuring that they fully enjoy their legal rights and interests.

As of the end of 2024

 the Company successfully held **3** general meetings of shareholders

Board of Directors

Dong-E-E-Jiao fully recognizes the general meeting of shareholders as the key decision-making body for significant operational and management matters. The Company has consistently upheld the Board of Directors' responsibilities, which include formulating strategies, making critical decisions, and mitigating risks. To ensure the effective exercise of these responsibilities, we have established comprehensive governance documents, including the Rules of Procedure for the Board of Directors, the Implementation Rules for the Special Committees under the Board, and the Management System for Delegated Authority. Additionally, we have developed a Work System for Independent Directors to guarantee that they effectively fulfill their roles. This structure enhances the Board's capacity for scientific and professional decision-making across all facets of the organization.

Lean Governance: Building a Foundation for Long-Term Business Success

Exploring the Future of Carbon: Empowering Green and Sustainable Development


People-Centered Approach: Prioritizing Health and Safety

Walking with Responsibility: Crafting a Better Life through Ingenuity

As of the end of 2024, the Board of Directors has established four special committees: the Strategy Committee, the Compensation and Review Committee, the Audit Committee, and the Nomination Committee. Both the Audit Committee and the Compensation and Review Committee are comprised entirely of external directors, ensuring their independence.

As of the end of 2024

The Board consists of **9** members, including **2** female directors and **3** independent directors.

 **9** Board meetings and **53** proposals discussed

Governance Performance of the Board of Directors of Dong-E-E-Jiao

Indicator	2024 value	2023 value
Board meetings	9	9
Expected attendance on Board meetings	75	77
Actual attendance on Board meetings	75	77
Proposals considered by the Board	53	42

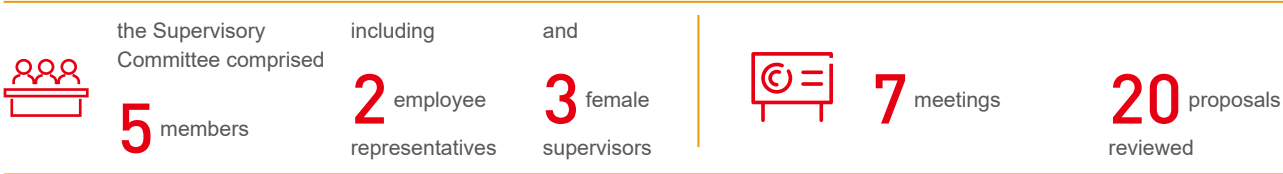
Board Members of Dong-E-E-Jiao

Name	Gender	Age	Title	Industry background
Cheng Jie	Male	46	Chairman of the Board	Management
Wen Guangwen	Male	61	Independent director	Finance
Guo Dean	Male	62	Independent director	R&D
Sun Xiaobo	Male	66	Independent director	R&D
Xu Peiqing	Male	53	Director	Management
Shen Jingfeng	Male	49	Director	R&D
Wang Xiaoyue	Female	42	Director	Management
Sun Jinni	Female	41	Director	Management
Ding Hongyan	Male	54	Director	Management

Supervisory Committee

The Company has established comprehensive Rules of Procedure for the Supervisory Committee, which plays an active role in overseeing the organization's management practices. The Supervisory Committee effectively evaluates the performance and compliance of both the Board of Directors and the management team, ensuring the protection of the Company's and its shareholders' legitimate rights and interests.

By the end of 2024



Governance Performance of Dong-E-E-Jiao's Supervisory Committee

Indicator	2024 value	2023 value
Supervisory Committee meetings	7	6
Proposals considered	20	15

Dong-E-E-Jiao's Supervisory Committee Members

Name	Gender	Age	Title	Industry background
Zhou Jiao	Female	46	Chair	Legal
Wang Hongjie	Female	48	Supervisor	Audit
Zhang Jin	Female	44	Supervisor	Finance
Wei Hua'nan	Male	59	Employee supervisor	Management
Chang Yunpeng	Male	42	Employee supervisor	Audit

Management Level

The Company is committed to continuously optimizing the operational mechanisms of its management team, safeguarding their legal rights to perform their duties, and effectively fulfilling their roles in strategizing, ensuring implementation, and enhancing management. This approach contributes to the ongoing improvement of the Company's operational performance. By the end of 2024, the management team comprised six members, all with professional backgrounds in management, finance, and various other fields.

Remuneration and Review

The Company is committed to a fair, transparent, and incentive-driven remuneration management system designed to align with its strategic objectives and support the long-term sustainable development of the business.

We strictly adhere to our remuneration voting policy to ensure that the compensation for senior executives is determined in an open, fair, and transparent manner. In December 2024, the Company convened a Board meeting and announced the resolution from that session. The Board reviewed and approved two key resolutions: the Resolution on the Performance Review Results of the Management Team Members for the Year 2023 and Their Terms of Office, and the Resolution on the Payment of Performance Bonuses for the Management Team Members in 2023, along with the Comprehensive Payment of Term Incentives. These actions reinforce the connection between the remuneration of senior executives and the Company's overall business performance.

The Company has integrated ESG management objectives into its senior executive remuneration framework. The assessment criteria encompass critical indicators such as compliance management, resource conservation, energy efficiency, emission reduction, and the attainment of EHS goals. By incorporating ESG considerations into the remuneration assessment process, we encourage the management team to actively engage in fulfilling their social responsibilities, thereby promoting the Company's sustainable development.

Building Consensus and Driving Development through Party Building

Dong-E-E-Jiao firmly upholds the principles of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. The Company fully implements the directives from the 20th National Congress of the Communist Party of China, harnessing the Party's leading role to deepen the work of co-construction in Party building. By promoting a seamless integration of the Party building brand with traditional Chinese medicine culture, Dong-E-E-Jiao fosters the inheritance and innovation of this cultural heritage, fueling high-quality development through robust Party building efforts.

Political Construction of the Party

Dong-E-E-Jiao continually enhances the political leadership involved in Party building. The Company is dedicated to empowering minds, guiding practices, and advancing initiatives through the Party's innovative theories. By embedding the Party's leadership into all facets of corporate governance through established institutional regulations, Dong-E-E-Jiao ensures a reciprocal relationship between Party building and corporate development. This approach consistently drives the effective and substantial advancement of key Party building initiatives.

In 2024, the Company revised and enhanced its Party building systems, including the First Topic System of the Party Committee, the Three Importance and One Bigness Decision-making System, and the Management and Rules of Procedure for Party Committee Meetings. These improvements promote the institutionalization, standardization, and proceduralization of integrating the Party's leadership into corporate governance. They clarify the Party Committee's leading role in establishing direction, managing overall strategy, and ensuring effective implementation. By continuously refining the decision-making regulations for matters related to the Three Importance and One Bigness, the Company ensures that major issues undergo prior review by the Party Committee. This approach maximizes the core leadership role of the Party, effectively integrating its guidance into significant corporate decisions.

In 2024, the Company convened a total of 31 Party Committee meetings, during which 279 items related to Party building, as well as operational and management decision-making, were studied and discussed. These meetings reinforced the vital leadership role of the Party Committee and facilitated the transformation of the Party's political and organizational advantages into the Company's strengths in innovation and development.

Performance of the Party Committee Meetings at Dong-E-E-Jiao

Indicator	2024 value	2023 value
Party Committee meetings	31	22
Proposals considered by Party Committee meetings	279	190

Additionally, the Company is committed to strengthening its grassroots party organizations. It has developed and revised key systems, including the Democratic Life Meeting System for the Party Leadership Team and the Management Measures for Recognizing Outstanding Communist Party Members, Exemplary Party Workers, and Advanced Grassroots Party Organizations. These enhancements have significantly improved the grassroots party-building framework, promoting standardized and systematic management of grassroots initiatives and fostering a positive culture of collective responsibility.

By the end of 2024

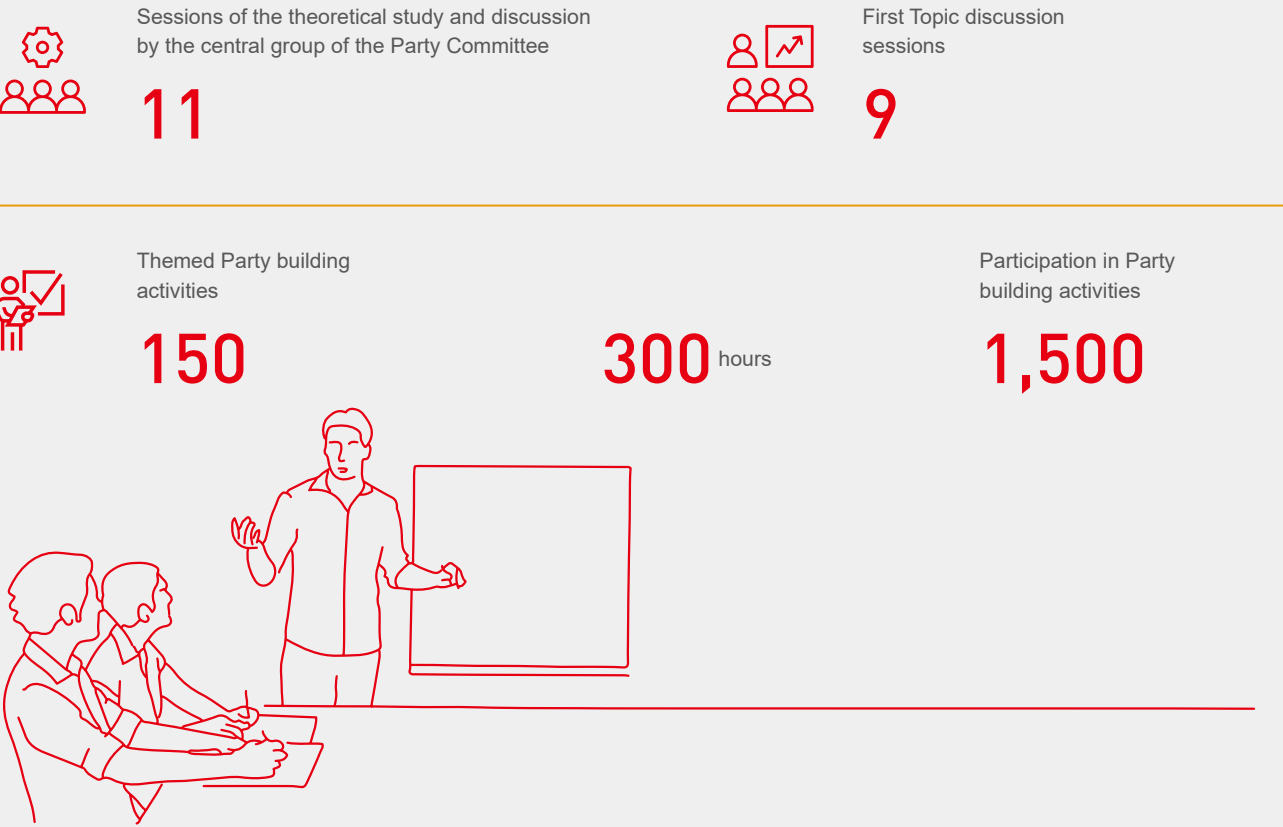


Ideological Construction of the Party

Dong-E-E-Jiao is committed to strengthening ideological and political guidance to reinforce the foundation of faith through value cultivation and continuous innovation in organizational practices. The Company effectively harnesses platforms such as the Three Meetings and One Class themed Party days, and various activities to drive initiatives like Party Secretaries Giving Lectures, Sword Training Vanguard workshops, Me and My Country themed events, visits to patriotic education bases, and team-building hikes. These efforts are designed to enhance the cohesion and effectiveness of the Party organization.

Moreover, the Company has actively implemented educational campaigns focused on learning and applying Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. Several theoretical study initiatives have been launched, including study sessions on Xi Jinping Thought and training programs for newly appointed Party branch members. These initiatives aim to deepen understanding and improve the ability to apply the Party's innovative theories, thereby shaping values, guiding practice, and driving progress. Through this approach, the Company ensures that learning enriches wisdom, promotes integrity, and inspires proactive action.

In 2024



Case

the 'Sword Training Vanguard' Workshop

In 2024, the Company held the Sword Training Vanguard workshop specifically designed for Party branch secretaries. This intensive 5-day program took place at the China Business Executives Academy, Dalian and aimed to deepen participants' understanding of Party theoretical concepts. The workshop focused on fostering consensus, inspiring practical action, and applying Party theory to real-world scenarios, ultimately enhancing the effectiveness of grassroots Party-building efforts.



Concluding Ceremony of the 'Sword Training Vanguard' Workshop

Case

'Me and My Country' Themed Party Day Activity

On September 29, 2024, the Company's Party branch celebrated a 'Me and My Country' themed Party Day event. The day featured a stirring chorus of Me and My Country and a solemn recitation of the Party membership oath, alongside various activities designed to reflect on the nation's 75 years of glorious history. Participants expressed their love and devotion to the motherland, emphasizing the spirit of unity and progress in this new era. The event further strengthened the cohesion and sense of belonging within the Party organization.



'Me and My Country' Themed Party Day Activity

Party Cultural Development

Dong-E-E-Jiao has established a unique Party Building + Traditional Chinese Medicine Culture framework, fostering a distinguished Party-building brand and cultivating a vibrant Party culture. In June 2024, the Company launched its Party-building brand, Original Intention of Medicine, Refining E-Jiao Fragrance, during the July 1st themed Party Day celebration. This initiative closely intertwines Party culture with the Company's mission, promoting the seamless integration of Party building with the innovation and preservation of traditional Chinese medicine culture. Additionally, the Company earned recognition as a 2024 New Era Enterprise Leading Party Building and Corporate Culture Practice Unit.



Brand Description

Brand Logo

Promoting Business through Party Building

Integration of Party Building and Business

Dong-E-E-Jiao is committed to high-quality Party-building initiatives that deeply integrate and promote the relationship between Party development and business operations. At the heart of this endeavor is the core Party-building brand, Original Intention of Medicine, Refining Donkey-hide Gelatin Fragrance. Each Party branch is tasked with creating corresponding sub-brands that align with their primary responsibilities and business objectives. This approach enhances both the appeal and influence of the Party-building brand, strengthens its role in guiding business strategies, and fosters a mutually beneficial relationship between the Company's growth and its Party-building efforts. As a result, a 'dual-drive' effect emerges, reinforcing the synergy between Party-building culture and industry integration.

Building Sub-brands with strengthening the integration of Party Building and Businesses



Furthermore, the Company is committed to prominently featuring the Party's values in its research and development, production processes, and market expansion efforts. This approach fosters a seamless integration of Party building with business operations while ensuring that Party branch secretaries fulfill their dual responsibility. To further this mission, the Company has created a Party Member Vanguard Team that harnesses the leadership and exemplary contributions of Party members in driving key technical innovations, expanding into new markets, and fulfilling social responsibilities. This initiative embodies a harmonious blend of Party-building initiatives and business growth.

Case Party Member Vanguard Team for Project Task Force

In 2024, the Company directed each Party branch to form over 30 project task forces, such as the Peach Blossom Princess Donkey-hide Gelatin Cake Production Capacity Improvement Task Force, the Public Facilities Support Task Force, and the Cost Reduction and Agile Supply Task Force. These Party Member Vanguard teams harness the pioneering spirit and exemplary dedication of Party members, inspiring and motivating both Party members and employees to tackle challenges, embrace responsibility, and achieve outstanding results.

The Party branch task force in the donkey-hide gelatin raw material sector focuses on strict quality control at every stage, from breeding improvements and animal husbandry to the collection of donkey hide. Meanwhile, the task force in the production sector is committed to driving technological breakthroughs in manufacturing processes. The smart operations and asset management task force provides robust support for the Company's digital transformation initiatives. Lastly, the marketing task force is dedicated to enhancing service experiences for consumers.



Joint Party building

Dong-E-E-Jiao is committed to exploring and innovating in its approach to Party-building collaboration. The Company strengthens its ties with grassroots Party organizations and deepens regional coordination mechanisms. By promoting joint Party-building initiatives across both upstream and downstream sectors, Dong-E-E-Jiao fosters collaborative development throughout the industrial chain and establishes new models of cooperation between educational institutions and enterprises. Through the sharing of valuable resources, the Company facilitates interconnected interactions and drives collaborative growth.

Case

Joint Party-Building Activities among Industry, Universities, and Research Institutions

In August 2024, Dong-E-E-Jiao, in collaboration with the Party Committee of the School of Food Science at Jiangnan University, launched a joint Party-building initiative. In December, both Party Committees engaged in a series of joint activities, representing a significant advancement in the partnership between the educational institution and the enterprise. Guided by this innovative Party-building brand, Dong-E-E-Jiao and Jiangnan University focused on the big health industry, fostering a seamless integration of Party-building efforts and business operations. This collaboration not only strengthened school-enterprise ties but also contributed to the development of new forms of Chinese medicine production, showcasing a shared commitment to excellence and innovation in this vital sector.

Case

Collaborative Party-Building Event with China Resources Lifang Pharmaceutical (Anhui) Party Branch

In 2024, the Dong-E-E-Jiao Party Branch teamed up with the China Resources Lifang Pharmaceutical (Anhui) Party Branch to host a joint Party-building event themed Building a Red Foundation Together, Creating a Bright Future. During this event, both parties signed a joint construction agreement that outlined their shared goals, tasks, and strategies for collaboration. The partnership facilitated in-depth cooperation across various areas, including Party member education, business exchanges, and cultural activities, fostering mutual growth and development.

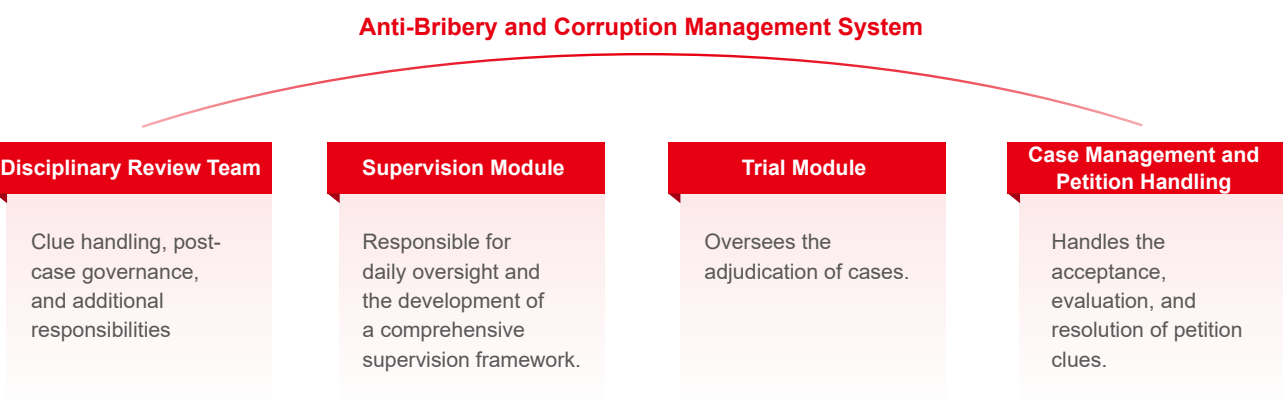
Collaborative Party-Building Event with China Resources Lifang Pharmaceutical (Anhui) Party Branch

Building A Corruption-free Organization

Integrity Management System

Dong-E-E-Jiao is committed to establishing a robust integrity management system that enhances strict Party governance and fosters a “three-no corruption” framework—not daring to be corrupt, not being able to be corrupt, and not wanting to be corrupt. This initiative is anchored in Party-building principles, legal compliance, and regulatory standards. To support this framework, the Company has developed a comprehensive anti-corruption management structure and deployed three supervisory inspection teams to carry out oversight responsibilities at all levels. Additionally, Dong-E-E-Jiao has facilitated the signing of an Integrity Commitment Letter, reinforcing the implementation of the Party’s stringent governance mandates. The Company is dedicated to cultivating a culture of clean governance and promoting integrity throughout its operations.

The Company has enhanced its reporting channels by creating a dedicated reporting email address and submission channels in Wechat official account. It is fully committed to protecting the legal rights of whistleblowers and follows established reporting procedures. Additionally, the Company adheres to internal regulations like the Employee Misconduct Handling Rules, which clearly mandate that supervisory and disciplinary personnel maintain strict confidentiality regarding whistleblower information.



Building a Culture of Clean Governance

Dong-E-E-Jiao places a strong emphasis on fostering a culture of integrity and transparency governance. This commitment effectively strengthens the ideological defense against corruption and ensures ongoing education in integrity practices. Recognizing Party discipline education as a crucial political responsibility, the organization focuses on the Six Persistence: persistence in systemic thinking; persistence in diverse educational methods; persistence in applicability; persistence in publicity and guidance; persistence in deepening oversight; and persistence in integrating learning with practice. These principles drive the organization to enhance the depth and effectiveness of Party discipline education.

To facilitate this process, the Company organizes Party groups at all levels to study the Disciplinary Sanctions Regulations of the Communist Party of China. This is achieved through initiatives such as Three Meetings and One Class and themed Party-day activities. Additionally, leaders within the Party organizations deliver specialized lectures on Party discipline education, tailored to their specific work contexts. Additionally, the Company bolsters its ideological defenses against corruption through various initiatives, including warning education conferences, collective integrity discussions, and family integrity assistance programs.

To further promote a culture of integrity, the organization has created dedicated sections on its internal website, featuring themes such as Understanding Party Discipline and Nurturing Integrity, Learning the Regulations Every Day, Party Discipline Education in Progress, and Branch Secretary Talks About Party Discipline. The Company has also launched a WeChat official account to foster a positive environment focused on conduct and anti-corruption efforts.

In 2024 alone

the Company held
22 anti-corruption training sessions

20 hours

3,439 participants

Governance Performance of Dong-E-E-Jiao on Clean Party Building

Indicator	2024 value	2023 value
Anti-corruption training sessions at management level	8	6
Anti-corruption training participation at management level	463	48
Anti-corruption training duration at management level (Hours)	13	13
Employee anti-corruption training sessions	16	10
Employee anti-corruption training participation	2,976	1,068
Employee anti-corruption training duration (Hours)	13	18

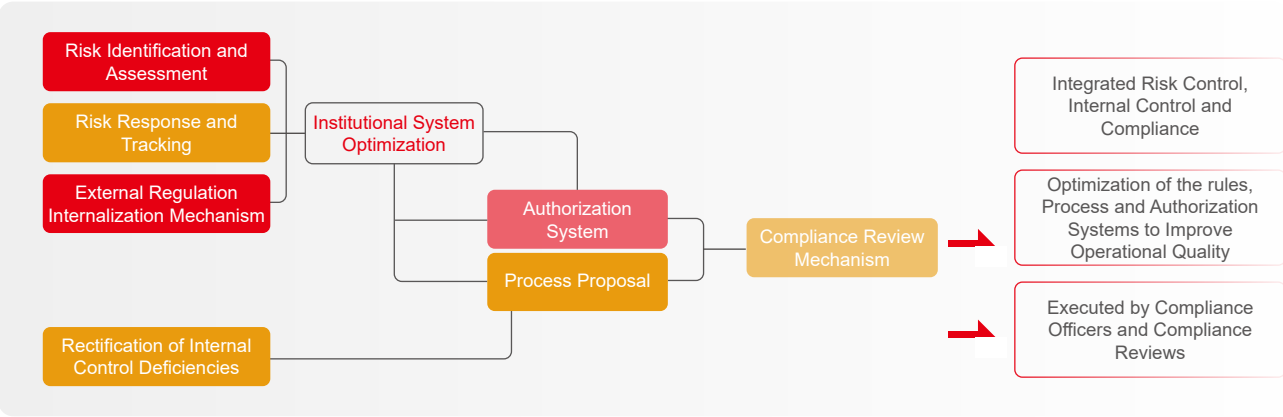
Collaborative Management: Upholding Compliance Standards

Dong-E-E-Jiao has established an integrated management system that encompasses risk, internal control, and compliance. This system is primarily guided by a focus on risk, utilizing internal control as the framework while emphasizing compliance management as the core objective. Adhering to the principles of corporate governance under the rule of law serves as the Company's bottom line. Through this approach, the Company centralizes resource management, collaborates effectively across management efforts, and drives stable and efficient operations.

Integrated Risk Control and Compliance

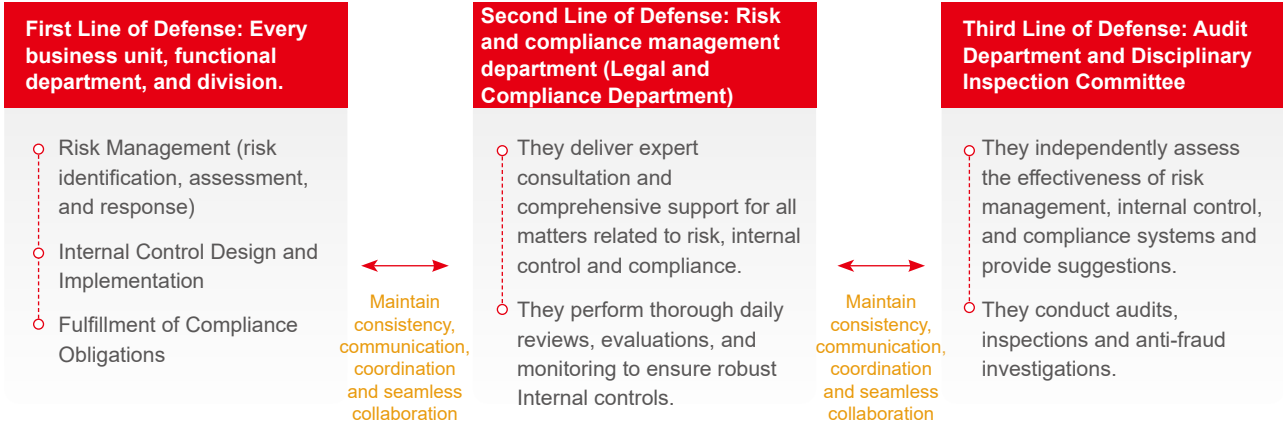
Dong-E-E-Jiao has implemented a comprehensive compliance and risk control operation mechanism that continuously strengthens the division of responsibilities and accountability in these areas. Through thorough risk identification and assessment, effective risk response and tracking, and the integration of external regulations into internal practices, the Company optimizes its institutional framework. This optimization process clarifies the authorization system within the institutional framework and establishes corresponding processes based on established regulations. It also refines risk management measures to enhance effectiveness. Furthermore, compliance officers and compliance reviews serve as key anchors for supporting the integrated operation of compliance and risk control.

Integrated Compliance and Risk Control Operation Mechanism



The Company has established a Three Lines of Defense model for compliance and risk control to ensure compliant operations and manage risks effectively. The First Line of Defense is made up of business departments, which are responsible for daily risk identification and management. The Second Line of Defense includes compliance, risk control, and other functional departments that provide professional support for compliance and risk control efforts. The Third Line of Defense consists of internal audit departments and other independent units that conduct audits and evaluations to ensure the effectiveness of the risk control and compliance system.

Three-Line Defense System for Risk Control and Compliance



Risk Management

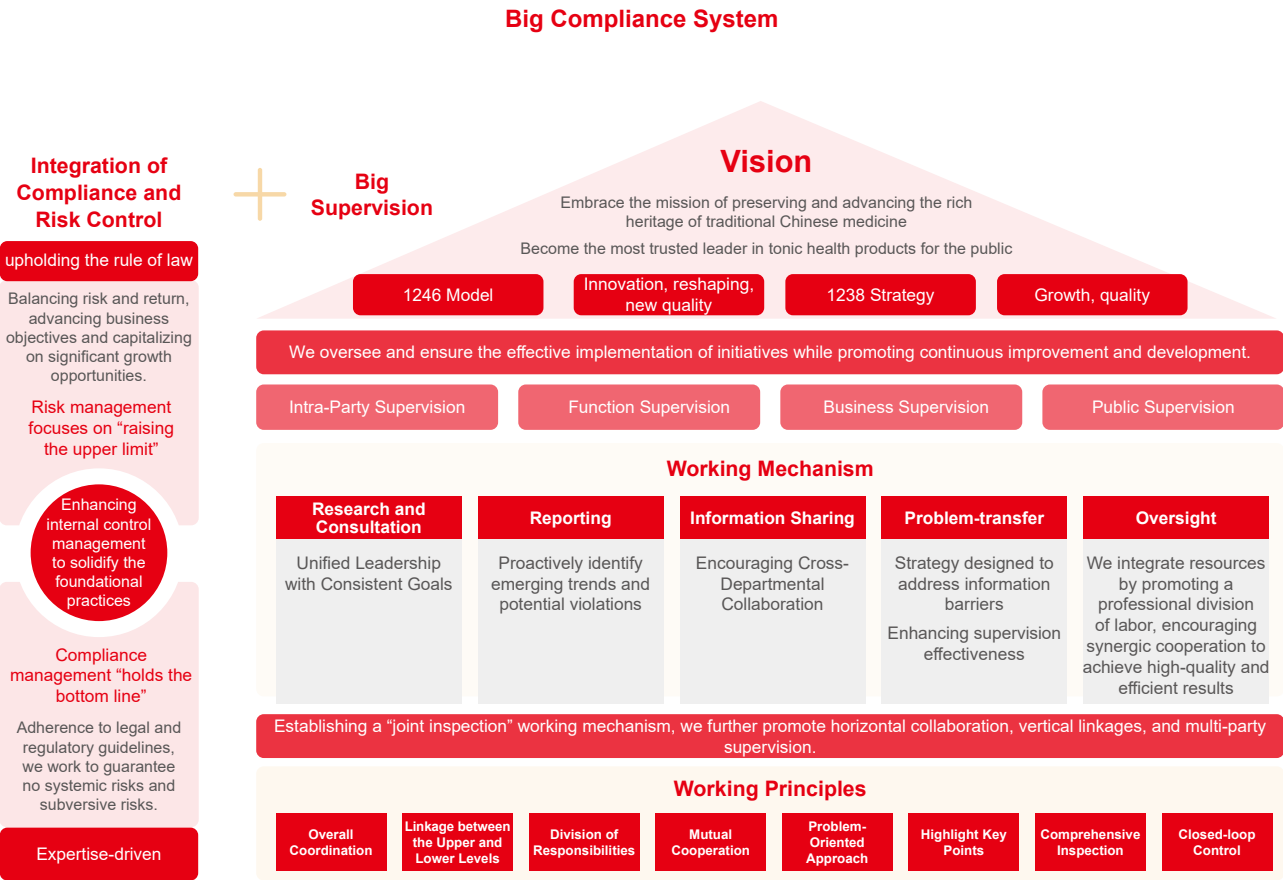
Dong-E-E-Jiao consistently prioritizes the prevention and resolution of major risks, continually enhancing its risk management and prevention system while also strengthening its risk management capabilities. The Company actively fosters a culture of comprehensive risk management and works to improve its ability to prevent and respond to risks in its operations, ensuring stable performance.

To achieve this, Dong-E-E-Jiao accurately identifies, assesses, and anticipates potential major risks. The Company employs dynamic management strategies for these risks, conducting quarterly reviews to summarize, analyze, and report on the implementation of risk response measures. Additionally, Dong-E-E-Jiao promptly identifies and addresses new risks and incidents that arise during its operations. This proactive approach has resulted in the creation of the 2024 Quarterly Major Risk Monitoring List and the Quarterly Risk Monitoring Report. Through these initiatives, the Company continuously enhances its ability to manage major risks throughout the entire process.

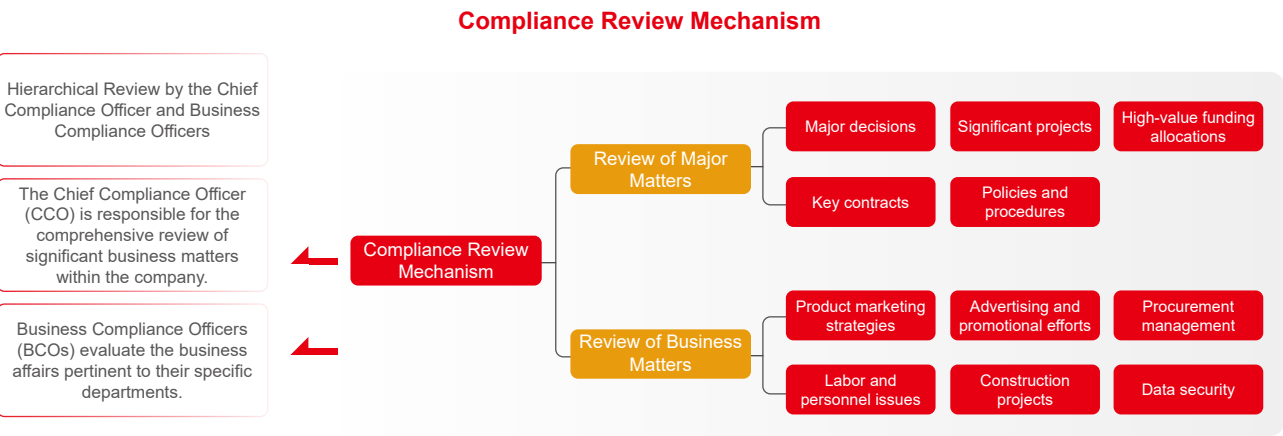
Compliant Operations

Compliance Management System

Dong-E-E-Jiao has established a robust compliance management system that spans the entire business chain. The Company has revised its Compliance Management Policy and integrated it with a Compliance and Risk Control System and a Large Supervision System, creating what it terms a Big Compliance System. This comprehensive framework promotes efficient and high-quality compliance oversight, ensuring that the Company's legal and regulatory management is sound and supports its commitment to sustainable development.

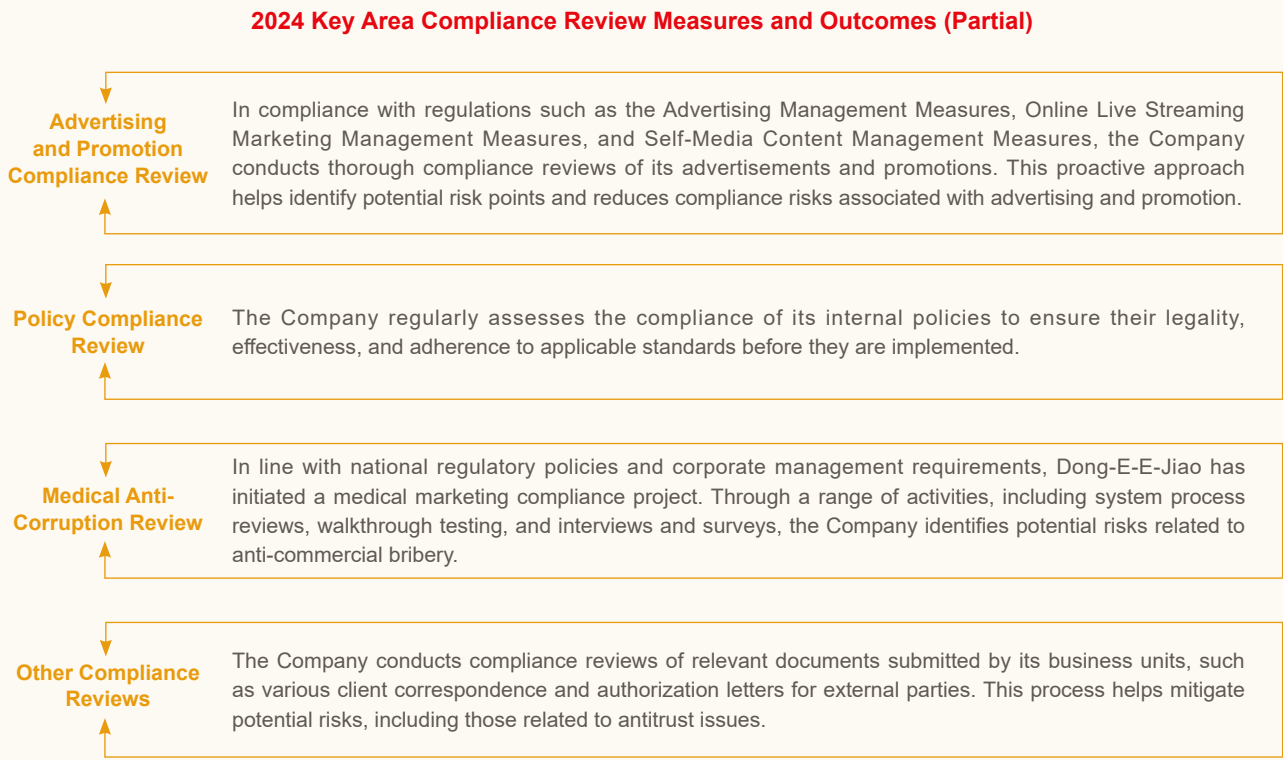


To enhance the compliance review process, Dong-E-E-Jiao has implemented a tiered review mechanism that involves the Chief Compliance Officer and Business Compliance Officers. For significant matters, such as major decisions, key projects, substantial contracts, and regulatory compliance, the Chief Compliance Officer oversees the compliance reviews. Meanwhile, Business Compliance Officers are responsible for assessing compliance in daily operations, including product marketing, advertising, procurement management, labor and personnel issues, and data security. By utilizing a system of tiered authorization and layered reviews, Dong-E-E-Jiao clearly delineates compliance responsibilities at all levels, ensuring rigorous compliance from routine operations to critical decision-making.



Compliance Management Measures

In 2024, Dong-E-E-Jiao conducted thorough reviews of over 150 items across 14 key areas, including advertising, medical anti-corruption, construction projects, labor employment, and related-party transactions. The Company also regularly conducts compliance reviews of its internal regulations, completing 25 system evaluations during the reporting period to ensure that its internal management standards are upheld. Additionally, the Chief Compliance Officer attended 29 meetings of the Party Committee and management team, strengthening compliance oversight in the decision-making process and effectively preventing compliance risks.



Compliance Culture Development


Dong-E-E-Jiao places great emphasis on cultivating a strong compliance culture, committing to integrating compliance principles into every facet of its operations. In 2024, the Company released the Dong-E-E-Jiao Employee Compliance Code of Conduct and conducted a widespread promotion of compliance concepts among all employees. Nearly 4,000 employees signed compliance pledges, significantly enhancing overall awareness of compliance within the organization.

The Company continuously strengthens the permeation of its compliance culture by producing and distributing a variety of compliance publications, including Legal Compliance Knowledge Lectures and Compliance Reports. Additionally, it hosts seminars focused on compliance knowledge to further reinforce this commitment. Additionally, the Company customizes compliance behavior guidelines and training for each business department, ensuring a seamless integration of compliance requirements with business practices. Through systematic efforts to build a compliance culture, the Company gradually fosters an environment where all employees actively participate and adhere to compliance standards together.

Case

Business Compliance Officer Training Camp

In September 2024, Dong-E-E-Jiao hosted the second session of its Business Compliance Officer Training Camp, which saw nearly 40 compliance officers from various departments come together for an intensive training experience. The program featured tailored courses delivered by professional organizations, centering on critical compliance areas within the Company. The goal was to elevate the skills and effectiveness of the business compliance officers in carrying out their responsibilities.




Progress of the Business Compliance Officer Training Camp

Case

Customized Compliance Conduct Guidelines for the Pharmaceutical Center

In July 2024, Dong-E-E-Jiao launched a customized compliance training program for the Pharmaceutical Center. This training outlined specific compliance conduct guidelines across four essential areas: Comply, Take Responsibility, Oppose, and Protect. These guidelines aimed to seamlessly integrate compliance requirements into daily business operations, foster collaborative development between compliance and business functions, and support the Company's stable operational framework.



Customized Compliance Training Program for the Pharmaceutical Center

Risk Control and Compliance Training Performance of Dong-E-E-Jiao

Indicator	2024 value	2023 value
Risk control and compliance training sessions	20	12
Risk control and compliance training participation	1,200	466
Risk control and compliance training duration (Hours)	40	24

Internal Controls

Internal Audit

Dong-E-E-Jiao is committed to enhancing its internal audit leadership system under the guidance of the Party Committee and the Board of Directors. The Company is focused on strengthening the Party Committee's strategic planning and conducting thorough preliminary research on significant audit issues. This approach aligns with the audit work requirements set forth by General Secretary Xi Jinping, which emphasize a close relationship akin to an arm's reach, inseparable as a shadow, and as impactful as thunder. In line with its 1238 strategic plan, Dong-E-E-Jiao has developed a Medium-Term and Long-Term Audit Work Plan and updated the Management Measures for Utilizing Audit Results. These initiatives are aimed at continuously improving the effectiveness of the audit supervision process.

Medium-Term and Long-Term Audit Work Plan



In 2024, the Company prioritized research-driven audits and digital audits to enhance the scope and effectiveness of its auditing processes. The audits focused on critical areas such as marketing, procurement, and research and development, successfully completing a total of nine projects. Concurrently, the Company aimed for systematic rectification and established a long-term mechanism for addressing audit findings. By creating a rectification ledger and implementing rigorous review procedures, the Company successfully tracked and resolved 146 audit issues throughout the year, achieving a 100% completion rate for rectifications by their deadlines.

Moreover, the Company regularly conducts audit training to bolster the professional skills of its auditors through case analysis, hands-on exercises, and other methods. In 2024, it organized 62 training sessions for both internal and external audit personnel. By incorporating the latest industry regulations into these sessions, the Company enhanced the foresight and adaptability of its audit team, providing robust support for compliant operations and effective risk management.

Internal Audit Performance of Dong-E-E-Jiao

Indicator	2024 value
Audit training sessions	62
Audit training duration (Hours)	463
Audit training participation	513
Number of special audits	9
Issues identified through special audits	107
Correction rate of issues	100%



Case Participation in Liaocheng Internal Audit Association Training

In October 2024, the Company organized two sessions for a total of 14 audit personnel to participate in training offered by the Liaocheng Internal Audit Association. This training focused on audit theories and techniques, equipping participants with valuable knowledge that they later shared through internal training sessions within their department. As a result, this initiative significantly enhanced the audit team's business capabilities and risk prevention awareness, further strengthening the effectiveness of the internal audit function.



Participation in Liaocheng Internal Audit Association Training

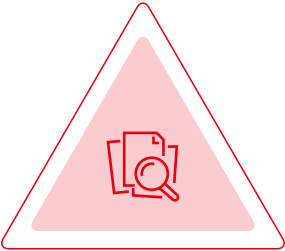
Internal Control Management Measures

The Company is committed to ensuring the effectiveness of its business operations while safeguarding the safety and completeness of its assets. In 2024, it implemented targeted internal control enhancement initiatives in critical areas including research and development, engineering construction, and raw material supply. These initiatives not only strengthened process management but also identified and optimized various risk control points.

Internal Control Management Measures of Dong-E-E-Jiao

The Company undertook a comprehensive review of its R&D projects across the pharmaceutical, health products, and donkey industry sectors. This process revealed design flaws within the R&D system. In response, the Company proposed seven improvement recommendations and is actively monitoring their implementation. By utilizing specific projects, the Company aims to drive rectification efforts and enhance the maturity of its R&D project management.

R&D Internal Control Enhancement



Engineering Construction Internal Control Enhancement

In line with internal control requirements in the engineering construction sector, the Company identified potential risks. It developed 27 key control points and 54 internal control measures tailored for this sector. These efforts are focused on strengthening the internal control system within engineering and mitigating associated risks.

Raw Material Supply Internal Control Enhancement

The Company conducted a thorough analysis of risks and the internal control system in the donkey hide raw material supply sector. This included a comprehensive review of value chain processes. As a result, five improvement recommendations were proposed to promote better management practices.

Case Audit Personnel Participate in Group Data Analysis Training

In December 2024, the Company organized a total of eight audit personnel to participate in three data analysis training sessions conducted by the Group , focusing on data analysis. This training emphasized essential skills such as non-on-site audit system functions, business data analysis, modeling techniques, and basic SQL proficiency. All participants successfully completed the final assessments and subsequently led internal training sessions within their department. This initiative significantly enhanced the digital audit mindset and capabilities of the audit team.



Audit Personnel Participate in Data Analysis Training

Lawful Governance

Dong-E-E-Jiao is committed to upholding laws in corporate governance. The Company continuously optimizes its compliance and legal management mechanisms while strengthening litigation management. Dong-E-E-Jiao effectively leverages its functions in legal rights protection and supervisory management to prevent and resolve legal risks in its operations. The Company systematically advances its legal and compliance management efforts by enhancing contract review processes and implementing lean contract management practices. This proactive approach allows Dong-E-E-Jiao to effectively exercise its legal risk control functions.

The Company actively fosters a culture in which all employees are encouraged to learn, abide by, and apply the law. We are strengthening our legal training and education initiatives while enhancing the legal literacy of our entire workforce. This comprehensive and ongoing effort not only improves our capacity for legal governance but also effectively mitigates legal risks, ensuring stable operations.



Legal Awareness Campaign on "4·15" National Security Education Day

Tax Payments under Laws

The Company places great emphasis on tax management and has established the Tax Management Guidelines to ensure precision in handling all tax-related matters. We conduct tax returns and payments during the periods specified by tax laws and legally utilize tax incentives to minimize our tax burden.

In 2024

the Company paid a total of RMB **899.398** million in taxes

Fair Competition

Dong-E-E-Jiao strictly adheres to national anti-monopoly laws and regulations, demonstrating its commitment to promoting a fair and competitive marketplace. In 2024, the Company conducted specialized compliance reviews in the field of anti-monopoly, carefully evaluating its internal systems, distribution agreements, and correspondence to ensure that all business activities align with anti-monopoly requirements.

In the market transactions sector, the Company strengthened collaboration with the OTC division, sales operations department, and other relevant units, optimizing internal policies and processes to mitigate potential monopoly risks. Through systematic anti-monopoly management measures, Dong-E-E-Jiao not only effectively minimizes legal risks but also actively contributes to fostering fair competition and sustainable growth within the industry.

Shared Value: Strengthening Market Value Management

In 2024, Dong-E-E-Jiao embraced an investor-centric approach, continually reinforcing the core foundations of effective governance and precise information disclosure. The Company systematically identified eight key strategies: Value Co-Creation (corporate governance); Value Sharing (comprehensive shareholder engagement); Consultation for Value (consultation with brokerage firms); Value Communication (accurate information disclosure); Value Consensus (ESG system development); Value Co-Buidling (collaboration between the industry and the Company); Value Co-Shaping (capital market engagement); and Value Aggregation (resource alignment and guidance). This framework establishes a scientifically sound and uniquely tailored model for Dong-E-E-Jiao's market value management. The Company is committed to maximizing its market value in a methodical and sustainable manner that aligns with its operational performance, thereby fully supporting its goal of high-quality development.

Themes for Market Value Management



Value Co-Creation (Corporate Governance)

The Company places a strong emphasis on enhancing its corporate governance structure and modernizing its governance capabilities. It strictly complies with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, and other relevant laws and regulations, ensuring a robust governance framework. By implementing standardized management practices regarding the operations of the General Meeting of Shareholders, the Board of Directors, and the Supervisory Committee—the Company actively works to strengthen its modern governance capabilities. This approach not only improves the transparency and fairness of decision-making but also safeguards the legitimate rights and interests of shareholders.

Value Sharing (Comprehensive Shareholder Engagement)

Dong-E-E-Jiao is dedicated to sharing value with its shareholders by continuously enhancing its investor communication mechanisms and innovating communication channels. The Company has established an Investor Relations Management Policy to streamline its approach to investor engagement. To ensure effective investor relations, the Company conducts high-standard and frequent interactions, thoroughly engaging both institutional and minority shareholders. In 2024, Dong-E-E-Jiao successfully held four high-quality earnings presentations and conducted 182 reverse roadshows and roadshows. Additionally, the Company responded to over 220 calls on its investor hotline and addressed more than 150 inquiries on the Shenzhen Stock Exchange's interactive platform.

To share its achievements and enhance investor returns, Dong-E-E-Jiao has established a diverse set of shareholder reward mechanisms and has innovatively organized events to engage shareholders while showcasing new products. By offering cash dividends, the Company strengthens shareholder returns, sharing the benefits of its success with investors and enhancing their sense of satisfaction.

In September 2024, Dong-E-E-Jiao completed its first-ever interim dividend, distributing cash dividends totaling RMB 737 million to all shareholders. This amount represented 99.77% of the net profit attributable to shareholders for the first half of 2024. According to the 2024 annual profit distribution plan, based on a total share capital of 643,976,824 shares at the end of the year, the Company declared a cash dividend of RMB 12.7 per 10 shares (tax included), amounting to a total distribution of RMB 817,850,566.48. Since its initial dividend payout in 1999, Dong-E-E-Jiao has cumulatively distributed RMB 8.469 billion in dividends, consistently creating value for its shareholders.

Investor Communication Performance of Dong-E-E-Jiao

Indicator	2024 value
Performance presentation sessions	4
Brokerage firms and institutions that participated in	180
Investors that participated in	more than 300
Roadshows/reverse roadshows	182
Brokerage firms and institutional investors covered	809
Answering hotline calls from investors	more than 220
Responding to inquiries on the interactive platform of Shenzhen Stock Exchange (Piece)	154

Case Shareholder Rewards and New Product Experience Activities

In 2024, to express gratitude to shareholders for their long-term support and engagement, Dong-E-E-Jiao organized a series of shareholder rewards and new product experience activities. The Company sent new product gift boxes to thousands of its shareholders.

After receiving these gift boxes, many shareholders shared photos of their presents on social media, along with their tasting experiences and enthusiastic praise for the Company's new offerings. This initiative not only fostered a deeper connection between shareholders and the Company's products but also significantly increased the visibility of the new products, drawing greater attention from consumers.



Sending New Product Gift Boxes to Shareholders



On-site Earnings Presentation



Fund Institutions Visiting Dong-E-E-Jiao

Consultation for Value (Consultation with Brokerage Firms)

Dong-E-E-Jiao has innovatively established a resource-sharing cooperation mechanism with brokerage firms, fostering regular and constructive communication with 30 leading brokerage firms. The Company actively participated in strategic meetings with 17 brokerages to gain insights into industry trends and relay important company information.

By the end of 2024, a total of 26 brokerages had issued 97 research reports, facilitating resource sharing and leveraging complementary advantages between the Company and these brokerage firms. This collaboration provided robust support for the Company's capital market performance, seamlessly integrating market value management with corporate value. As a result, a new landscape of consultation for value has emerged, strengthening partnerships with brokerage firms.

By the end of 2024



26

brokerages had issued

97

research reports

Value Communication (Accurate Information Disclosure)

To ensure smooth value communication and information sharing, the Company strictly adheres to the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Administrative Measures for Information Disclosure by Listed Companies, and other relevant laws, regulations, and regulatory documents, including our Articles of Association. We have developed an Information Disclosure Management Policy to ensure the timely and accurate disclosure of relevant information in a true, complete, and transparent manner. This approach protects investors' rights to be informed and to participate in decision-making.

In 2024



the Company issued **103** announcements and earned a Grade **A** rating in the Annual Information Disclosure Evaluation for Main Board Listed Companies for the period of 2023-2024

The Company places great emphasis on the confidentiality of insider information. We have established an Insider Management Policy and are continually enhancing our management practices related to insider information. Additionally, we are committed to strengthening our measures to ensure its confidentiality, thereby maintaining the openness, fairness, and integrity of our information disclosure process.

Value Consensus (ESG System Development)

The Company actively responds to the demands of stakeholders and strives to achieve a shared value consensus. While pursuing profit growth, it diligently fulfills its ESG management responsibilities and thoroughly implements the guidelines set forth by the State-owned Assets Supervision and Administration Commission of the State Council for central enterprises to uphold high standards of social responsibility in the new era.

In 2024, the Company embarked on a unique development path for its ESG management system by establishing its ESG Committee. It also preliminarily drafted the ESG management framework and rules, timely released its 2023 ESG report, and strengthened ESG management training. These initiatives have significantly enhanced the quality of ESG efforts, responded to societal expectations, and demonstrated the Company's commitment to achieving value consensus with its stakeholders.

ESG Management of Dong-E-E-Jiao

Timely Disclosure of ESG Reports	<ul style="list-style-type: none">In March, the Company released its 2023 ESG Report (Environmental, Social, and Governance Report).
Establishing and Improving the ESG System	<ul style="list-style-type: none">In January, the Company held a kickoff meeting for the ESG Management System Development and the compilation of the 2023 ESG Report.In May, the Dong-E-E-Jiao ESG Committee was established.By September, the Company had developed a preliminary draft of the ESG Management Framework and Rules.
ESG Thematic Exchanges	<ul style="list-style-type: none">In April, the Company participated in an advanced ESG Management Training organized by the Central SOE ESG Alliance.In August, it attended the centralized release event for the 2024 Sustainability Report Guidelines by China Resources Group.In September, the Peking University Urban Soft Power Research Institute and China Chengxin Green Finance Technology conducted research on the Company's ESG initiatives.In October, the Company engaged in in-depth discussions with China Chengxin Green Finance Technology regarding the development of its future ESG management system.

Value Co-Buidling (Collaboration between Industry and Company)

Dong-E-E-Jiao collaborates with a wide range of outstanding listed companies to leverage each other's strengths and jointly create value. The Company actively engages in benchmarking activities against "three first-class" standards, visiting industry leaders such as Wanhua and Yunnan Baiyao to gain insights into exemplary management practices and drive its own high-quality development. These initiatives not only boost investor confidence but also lay a solid foundation for the Company's long-term value creation.

Through the series of events titled Listed Companies Visit Dong-E-E-Jiao, the Company continuously enhances its visibility and influence in the capital market. In 2024, Dong-E-E-Jiao successfully hosted exchange events for listed companies in regions such as Shandong, Shanghai, Sichuan, and Chongqing, attracting numerous executives from listed companies to participate. These events highlighted Dong-E-E-Jiao's corporate culture and strategic achievements.

Case Value Co-Building through Collaboration with Listed Companies

Series of Activities: Listed Companies Visit Dong-E-E-Jiao

In partnership with local listed company associations and renowned brokerages, Dong-E-E-Jiao has initiated a series of events that invite executives from listed companies in key regions to visit Dong-E-E-Jiao. This initiative aims to continuously gather momentum for development in the new era.

In June 2024, a thematic event kicked off a successful activity series, featuring the participation of listed companies from the Shandong region. This was followed by another event in September, which reignited enthusiasm for collaboration among Shanghai-listed companies. In November, the Sichuan-Chongqing Co-Building event continued the momentum by welcoming listed companies from the Sichuan and Chongqing regions.



Series of Activities: Listed Companies Visit Dong-E-E-Jiao

Benchmarking against "Three First-Class" Standards: Study Visits

Dong-E-E-Jiao places a significant emphasis on industry exchanges and related activities, innovatively implementing thematic initiatives that benchmark against the Three First-Class standards: first-class in the province, first-class in the industry, and first-class in the country. The Company carefully selects benchmark listed companies that are representative, influential within their industries, and demonstrate high management standards as its targets for learning. In addition, Dong-E-E-Jiao takes into consideration factors such as geographical distribution, industry characteristics, and development stages, fostering collaboration with peers across various sectors to explore joint development and discuss future opportunities.



Benchmarking against "Three First-Class" Standards Study Tours

Value Co-Shaping (Capital Market Engagement)

Dong-E-E-Jiao actively invites media representatives to explore the Company through on-site visits and in-depth discussions. This initiative allows the Company to comprehensively showcase its brand heritage, innovative achievements, and commitment to social responsibility. By engaging with the media in this way, Dong-E-E-Jiao aims to effectively communicate its value, further shaping its brand image and enhancing public recognition and influence. This approach brings new momentum to the Company's sustainable development efforts and highlights its leadership and responsibility in the new era.

At the same time, the Company systematically organizes its financial media resources, actively planning deep collaborations with leading finance outlets, and expanding its diverse communication channels. By leveraging the authoritative influence of respected financial media, Dong-E-E-Jiao seeks to effectively convey its brand values, strategic initiatives, and sustainable development philosophy.

Case

Value Co-Shaping and Shaping the Future - Media Guests Visit Dong-E-E-Jiao

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Value Co-Shaping and Shaping the Future - Media Guests Visit Dong-E-E-Jiao

Case

Initial Planning for Financial Media Collaboration and Development

In 2024, Saibailian published an article titled 100% Dividend Payout Ratio, 40% Profit Growth: Dong-E-E-Jiao Restarts High Growth, which attracted nearly 10,000 views. The 21st Century Business Herald followed with two significant pieces: Reevaluating Dong-E-E-Jiao Through Its 1.9-billion Cash Dividend and Over 60% Quarterly Growth: Dong-E-E-Jiao's Ambitions Go Beyond This. Additionally, China Fund News reported on the Company's resurgence with After Seven Years, Pharmaceutical Giant Re-invests in Dong-E-E-Jiao for the Sixth Time. Meanwhile, Gongzi Bao highlighted Dong-E-E-Jiao's performance with the article 35.20% Annual Growth: Dong-E-E-Jiao's 'Strategy' and 'Attack', emphasizing how the Company is continuously enhancing its investment attractiveness and supporting its long-term, steady development in the capital market.

Value Aggregation (Resource Alignment and Guidance)

The Company strictly adheres to regulatory requirements, actively maintains close communication with regulatory agencies, and regularly reports on its activities to ensure operational compliance. Through collaboration with local regulatory bodies, it consolidates regulatory resources from various associations, fosters stronger relationships, and enhances market trust.

Case

Engaging Actively with Regulatory Agencies to Enhance Value Aggregation

Strictly Adhering to Regulatory Requirement

Dong-E-E-Jiao is committed to actively responding to regulatory requirements by launching a dual improvement action plan focused on quality and returns, as well as communicating emerging trends in future value development. The Company diligently implements relevant mandates and engages in initiatives such as the Prevention Month campaign to combat illegal securities, futures, and fund activities.



Regularly Reporting to Regulatory Agencies

Dong-E-E-Jiao maintains a strong commitment to regularly reporting to regulatory agencies, ensuring transparent and standardized information disclosure that highlights corporate governance and operational success. Through deep communication with regulatory bodies, the Company not only guarantees compliance but also effectively utilizes authoritative channels to convey its value propositions and strategic plans. This approach significantly enhances market trust and boosts investor confidence.

Collaboration with the Shenzhen Stock Exchange

During the periods of the 2023 Annual Report and the 2024 Periodic Report, the Company provided timely updates on its development and operations, enhancing collaboration with the Shenzhen Stock Exchange and its Investor Services Department.

Coordination with the Securities Regulatory Bureau

The Company promptly reported to the Shandong Securities Regulatory Bureau, further strengthening its relations with local regulatory agencies.

Digital Empowerment: Innovation-Driven Development

Dong-E-E-Jiao is committed to becoming a pioneer in the fields of informatization, digitalization, and intelligent development through intelligent leadership, strategic planning, resource coordination, and effective governance. The Company leverages intelligent technologies to optimize business processes and enhance operational efficiency, while actively exploring the application of cutting-edge technologies across various domains, including production, manufacturing, and customer experience. Additionally, Dong-E-E-Jiao emphasizes strengthening cybersecurity measures and protecting intellectual property rights, all aimed at driving sustainable corporate development through innovation.

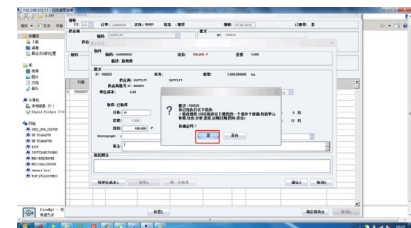
Digital Development

Dong-E-E-Jiao centers its smart and digital initiatives around the strategic positioning of new capabilities, and new engines, aligning with the China Resources Group’s vision for intelligent development. The Company is steadily advancing its digital transformation efforts, having formulated key documents such as the Intelligent Manufacturing Plan. During the reporting period, 31 information and digital management policies were developed and revised, including the Intelligent and Digital Management Policy and the Intelligent and Digital Project Management Rules.. To strengthen organizational leadership, Dong-E-E-Jiao established a clearly defined digital management structure and continues to promote the construction of its digital ecosystem.

The Company has built an integrated information platform that consolidates the Manufacturing Execution System (MES), Enterprise Resource Planning (ERP), Laboratory Information Management System (LIMS), and Quality Management System (QMS). This integration enables seamless data connectivity across departments and enhances the intelligence of production, operations, and quality management.

Core: Manufacturing Execution System (MES)

The Manufacturing Execution System (MES) serves as the brain and nervous center of the intelligent manufacturing platform. It is responsible for monitoring and guiding every aspect of the production process. The MES can collect real-time production data, including equipment status, production progress, material consumption, and more. Leveraging this data, it automatically adjusts production plans and optimizes production processes. At the same time, the MES enables precise allocation of production tasks, fine control of production workflows, and stringent oversight of production quality. This ensures that production activities are carried out efficiently and in an orderly manner.



Manufacturing Execution System (MES)

Backbone: Enterprise Resource Planning (ERP)

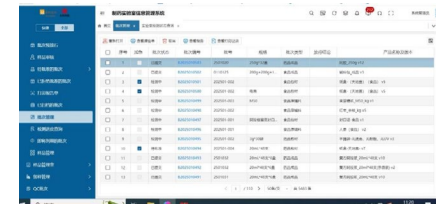
ERP serves as the backbone of the intelligent manufacturing platform by encompassing key areas such as finance, procurement, inventory, sales, human resources, and more. It achieves comprehensive integration and optimal allocation of enterprise resources, ensuring that all functions work harmoniously together. The ERP system collects and analyzes various business data in real-time, providing invaluable decision-making support for the organization and enabling fine-grained management practices. Additionally, ERP can seamlessly integrate with systems like MES, ensuring real-time synchronization and collaborative operations across production plans, material requirements, inventory management, and more. This synergy enhances overall operational efficiency and effectiveness.



Enterprise Resource Planning (ERP)

Support: Laboratory Information Management System (LIMS)

LIMS plays a crucial role in the intelligent manufacturing platform by facilitating laboratory management and data analysis. It enables streamlined management across the entire laboratory process, encompassing the collection, processing, testing, and analysis of samples. This not only enhances laboratory efficiency but also ensures greater accuracy in data results. Moreover, LIMS promptly relays laboratory test results to both the MES and ERP systems, providing essential insights that inform production decision-making.



Laboratory Information Management System (LIMS)

Support: Quality Management System (QMS)

The QMS is a vital component of the intelligent manufacturing platform, dedicated to overseeing quality management and control. It encompasses the entire quality management process, from the procurement of raw materials to the delivery of finished products. This includes various stages, such as developing quality plans, implementing quality control measures, and analyzing quality data. By continuously monitoring quality data throughout the production process, the QMS can quickly identify and address any quality issues, ensuring that products meet both standards and customer expectations. Additionally, the QMS facilitates data sharing and collaborative operations with MES and ERP systems, enhancing the overall efficiency and effectiveness of quality management.



Quality Management System (QMS)

The organization is actively advancing the development of its information technology platform, enhancing digital applications, and expanding their use across various scenarios. This ongoing effort includes the construction and optimization of informatization tools, enabling practical applications in areas such as office process management, internal operations, financial management, and supplier management. By leveraging the informatization platform, the Company aims to drive its growth and development.

In 2024



the Company invested RMB

24.48 million

in its digital transformation initiatives

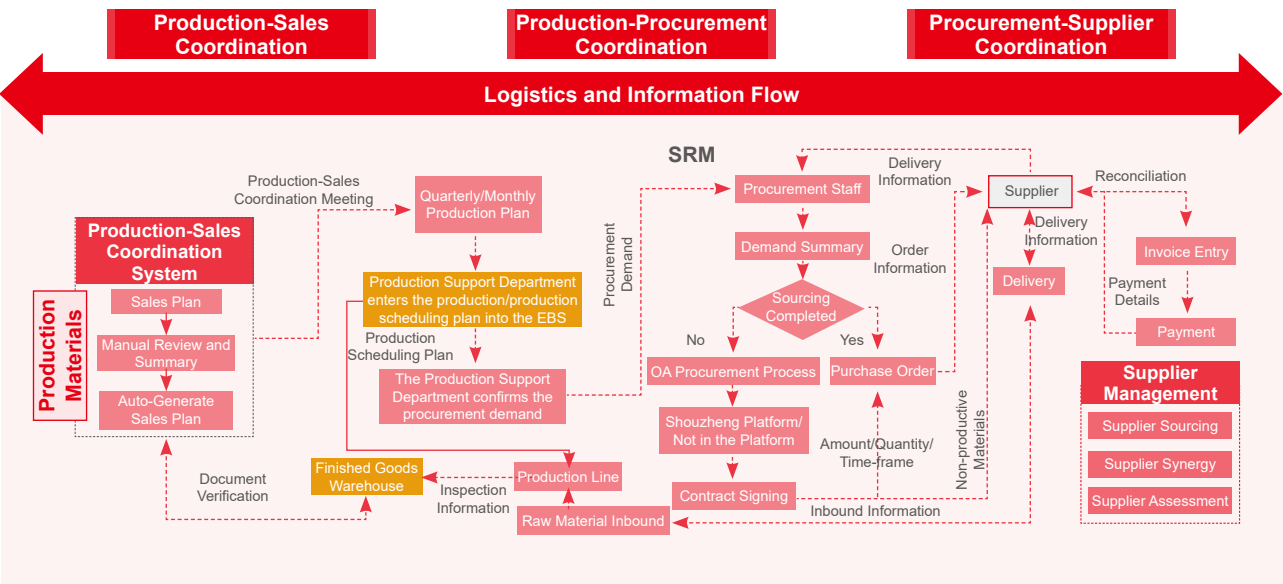


The Integrated Operational Practices within Dong-E-E-Jiao Recognized as a Model Case for the Convergence of the Real Economy and the Digital Economy

Core Digital Platform Development Results at Dong-E-E-Jiao

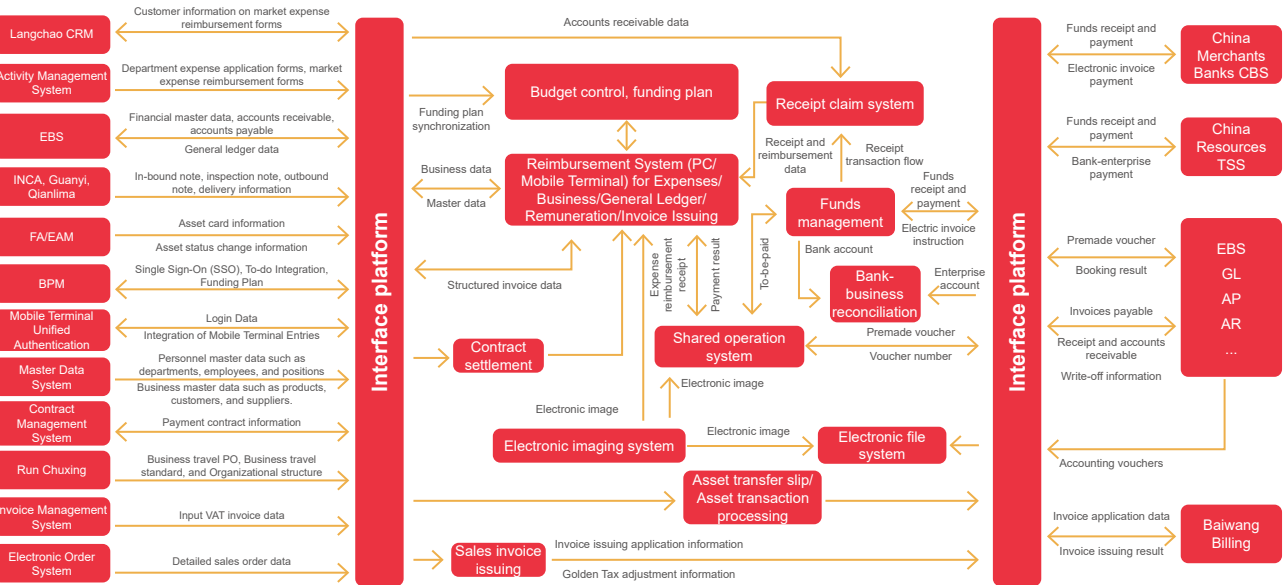
Supply chain digitalization

The first phase of the SRM project has been successfully launched, integrating data interfaces from the budget system, master data system, production and sales collaboration system, contract system, ERP system, and BPM system. This integration has achieved the electronicization and visualization of the entire procurement process and the comprehensive management of supplier lifecycles. By breaking down barriers to internal business information collaboration and connecting with external supplier market information, we are offering a more efficient, convenient, and intelligent supply chain management solution. These advancements will enhance market competitiveness, reduce costs, and improve both product quality and service levels.



Finance sharing development

The Company has successfully completed a comprehensive innovation and upgrade of its sharing system. This enhanced system has facilitated the high integration of the entire finance and operations framework, establishing a data structure grounded in cause-and-effect relationships. It has expanded from traditional accounting sharing to encompass multiple fields. As a result, the system offers a subject-oriented, panoramic view that reflects production and business activities in real time. This integrated approach enables effective management and oversight of business, finance, and technology, fostering collaborative optimization across various business segments and formats.



Cybersecurity

The Company has implemented robust network information security measures, fully complying with the provisions of the Cybersecurity Law of the People's Republic of China. We strictly adhere to internal regulations, including the Detailed Rules for Data Standard Management of China Resources Pharmaceutical Group Co., Ltd. and the Data Security Management Specifications of China Resources (Group) Co., Ltd. In addition, we have developed comprehensive internal management policies and detailed protocols, such as the Rules for Data Security Management and the Rules for Information Security Management. This has resulted in the establishment of a thorough information security system that standardizes compliance management for information security. As a testament to our commitment, the Company has successfully obtained the Information Security Management System Certification.

The Company is actively working to enhance and refine its cybersecurity system through a variety of measures. This includes collaborative efforts to block malicious IP addresses, implementing real-time monitoring with situational awareness, and coordinating responses with Sangfor. These initiatives have led to the establishment of a robust and normalized security protection mechanism, ensuring the stable operation of business systems while continuously elevating the Company's information security standards.

In 2024, to safeguard the security and compliance of its information systems, the Company undertook a comprehensive evaluation of the information security level protection for both the financial sharing system and the LIMS system. This evaluation assessed the security status of these systems, identified and addressed potential security risks, and ensured compliance with national protection requirements. These efforts provide a solid foundation for maintaining the security of the Company's financial operations, supporting scientific research activities, and ensuring business continuity.



Information Security Management System Certification



Registration of the Class Two Protection for the Information System Security

The Company is committed to enhancing its ability to effectively manage major cybersecurity incidents, thereby preventing and minimizing the impact of such events. To this end, it has developed the Information Security System Emergency Response Plan. During the reporting period, the Company conducted offensive and defensive exercises focused on its website, which allowed for the identification of vulnerabilities across the internet, internal networks, and the boundaries between them. This effort resulted in the creation of the Information Security Special Emergency Drill Summary Report, aimed at strengthening the security alerts and emergency response capabilities of its information systems.

Additionally, the Company places a strong emphasis on enhancing awareness of fraud prevention and cybersecurity among all employees. In response to the National Cybersecurity Awareness Week, the organization has actively organized specialized training sessions, quiz competitions, and distributed informational materials to promote cybersecurity knowledge and prevention techniques. This initiative aims to strengthen employees' ability to identify and respond to cyber threats.

In 2024



Cybersecurity-Related Performance of Dong-E-E-Jiao

Indicator	2024 value	2023 value
Cybersecurity training sessions	24	13
Cybersecurity training duration (Hours)	14	12
Cybersecurity training participation	3,217	2,348
Cybersecurity incidents	0	0

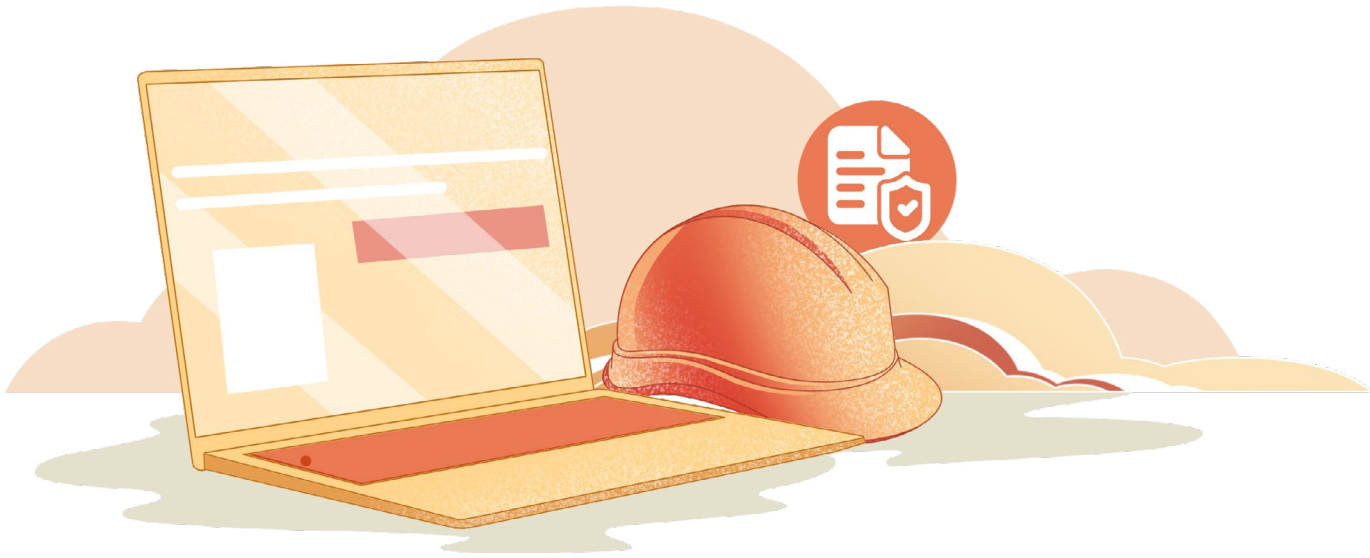
Case Cybersecurity Awareness Week

In September 2024, during National Cybersecurity Week, Dong-E-E-Jiao actively participated in industry seminars and collaborated with professional institutions to conduct a series of internal training activities. These included Cybersecurity Awareness Week events, information security awareness education, and specialized skill training sessions. The initiative was rooted in the core principle that cybersecurity is for and relies on the people. The goal was to establish a comprehensive information security protection system that engages all employees in safeguarding the organization.



Distribution of Cybersecurity Awareness Materials

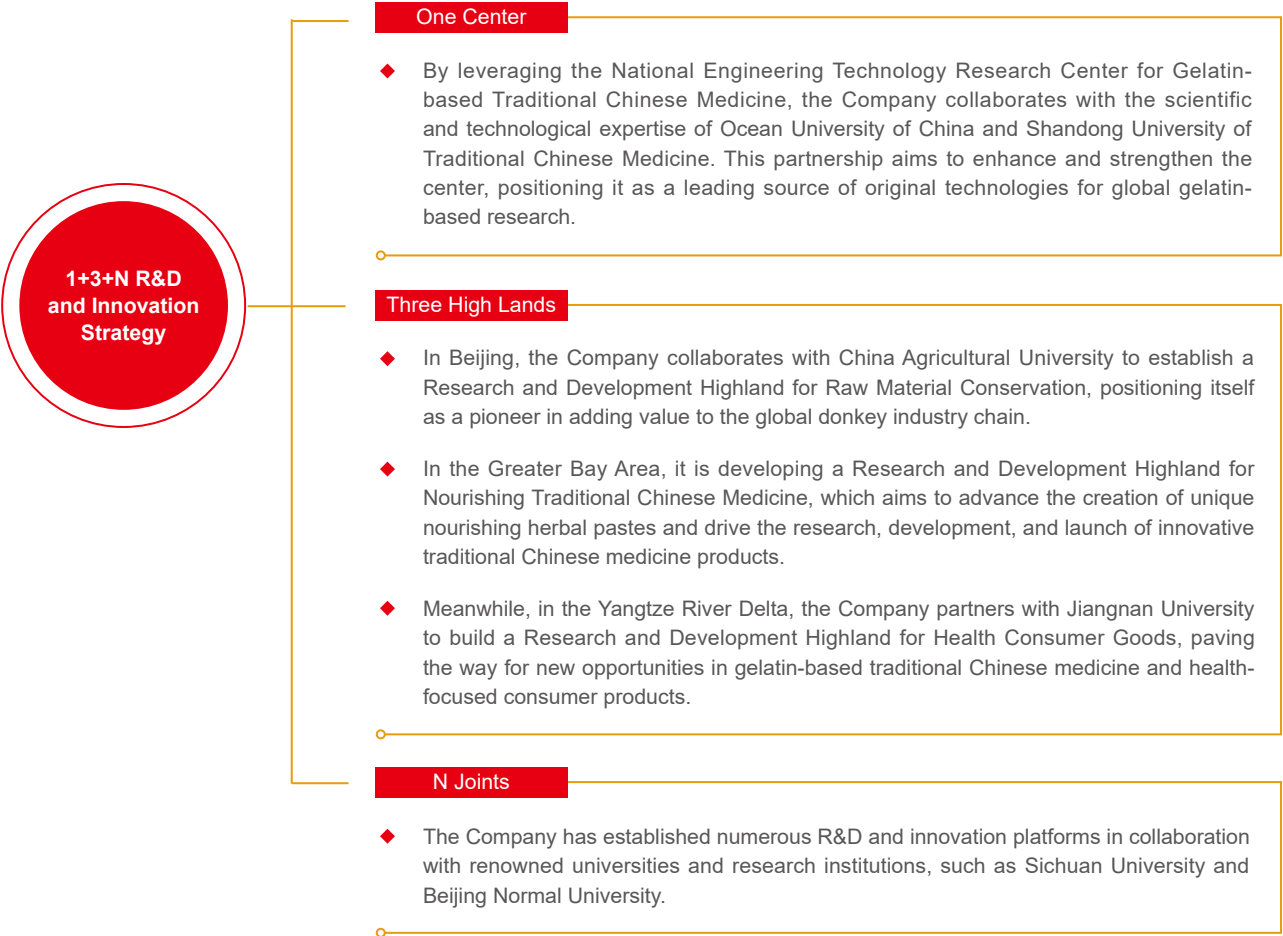
Cybersecurity Training Sessions



Technological Innovation

R&D and Innovation Management System

Dong-E-E-Jiao views scientific and technological innovation as the cornerstone of its business development. By focusing on a dual-wheel drive approach, the Company leverages its strengths in gelatin-based traditional Chinese medicine. It has increased its investment in research and development, allocated resources in a systematic and efficient manner, and adopted a 1+3+N R&D and innovation strategy to support the achievement of its strategic objectives.



It has implemented a comprehensive R&D project management system, featuring the Measures for R&D Project Management as the foundational framework. This first-level system is supported by seven second-level systems, including the Measures for Project Change Management and Measures for Project Evaluation Management, along with various detailed rules and guidelines at the third level, all aimed at standardizing R&D management practices.

Additionally, the Company has optimized the operational framework of its Science and Technology Innovation Committee by establishing an external expert review mechanism and enhancing the integration of expert resources. The Trial Rules for the Management of External Science and Technology Experts Recruitment have been formulated to standardize the management of external experts, improve the scientific rigor of project decision-making, and mitigate R&D risks.

The Company enhances the management of the entire product R&D lifecycle by establishing a comprehensive product lifecycle management platform. This platform spans all critical stages, including market demand analysis, product planning, design, launch, and delisting. It also integrates R&D projects, experiments, resource allocation, and knowledge management, resulting in significantly improved R&D efficiency and a reduced new product development cycle. Simultaneously, it ensures product quality, providing robust support for the Company's ongoing innovation efforts and strengthening its competitive edge.

Scientific Research Cooperation and Communication

The Company is committed to fostering strong partnerships and communication with scientific research institutions, universities, and industry peers. By engaging in joint research initiatives and collaborative efforts to address key challenges, we harness external expertise to invigorate our internal capabilities, achieve complementary strengths, and create mutual benefits. In 2024, the Company actively pursued industry-university-research collaborations and facilitated technical exchanges within the industry. This proactive approach allowed us to stay attuned to emerging technology trends, leading to numerous scientific research achievements and a continuous enhancement of our technological capabilities.

Case Establishment of the Joint R&D Center for Gelatin-based Traditional Chinese Medicine

In 2024, we embarked on an exciting new venture by establishing the Joint R&D Center for Gelatin-based Traditional Chinese Medicine in collaboration with Shandong University of Traditional Chinese Medicine, following our 1+3+N R&D strategy. Our initial focus was on enhancing the platform's facilities, and we successfully completed the installation, debugging, and operational setup of the required equipment. The center has now officially relocated to its new site, where office work and experiments are progressing smoothly. One of our key collaborative projects, titled Research on the Pharmacodynamic Substances and Quality Standards of Jiannao Bushen Pills/Oral Liquid, is advancing well. To date, we have completed pharmacodynamic studies involving two animal models. Furthermore, we have successfully finalized the research screening, demonstration, and discussions on various proposed cooperation projects.



The Office and Testing Environment in the Joint R&D Center for Gelatin-based Traditional Chinese Medicine

Case Joint Establishment of the Innovation Research Institute for the Deer Industry

We are proud to announce the establishment of the Innovation Research Institute for the Deer Industry, in collaboration with the Dalian Science and Technology Bureau and the Dalian Institute of Chemical Physics at the Chinese Academy of Sciences. This partnership leverages the strengths of all three organizations to address the technical challenges facing the deer industry. The institute will focus its research on pilose antler and pilose antler pieces, which serve as the core subjects of our investigations. As part of this initiative, four projects have already been approved for implementation.



The Unveiling Ceremony of the Innovation Research Institute for the Deer Industry

Case Joint Establishment of the Industrial Innovation Research Institute

On October 12, 2024, we entered into a comprehensive strategic cooperation agreement with China Agricultural University. Together, we will establish the Industrial Innovation Research Institute, a pioneering research and development institution located within the National Agricultural Science and Technology Innovation Port. This initiative will create a new model for collaboration among industry, academia, and research sectors.



Signing of the Strategic Cooperation Agreement with China Agricultural University

Case Establishment of the Joint Innovation Laboratory Between Dong-E-E-Jiao and Jiangnan University

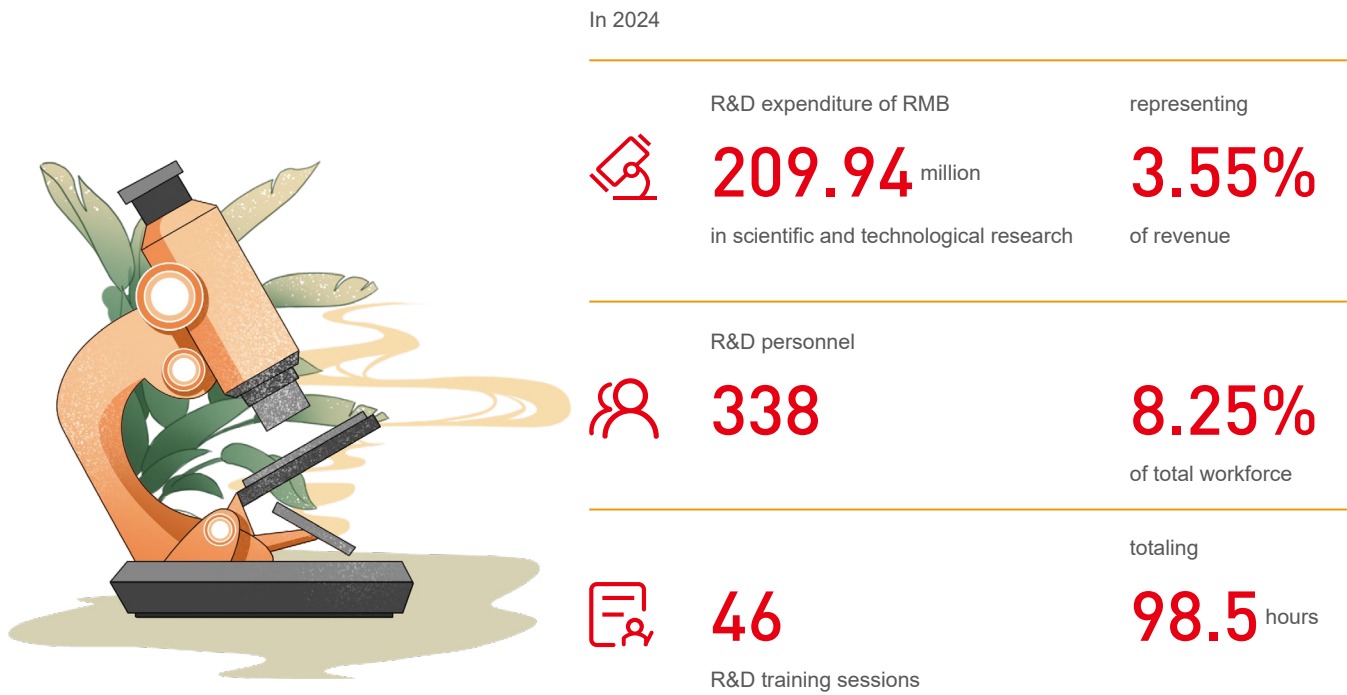
In collaboration with the National Engineering Technology Research Center for Gelatin-based Traditional Chinese Medicine at Dong-E-E-Jiao and the National Engineering Technology Research Center for Functional Foods at Jiangnan University, we have jointly established the Joint Innovation Laboratory. This industry-university-research platform is dedicated to advancing three key areas: healthy snacks, functional foods, and health foods. Our goal is to create a flexible R&D and innovation model that seamlessly integrates basic research, product development, sensory evaluation, efficacy verification, standard formulation, and industry leadership. To date, this technical platform has facilitated the development of 12 new product projects, leading to the filing of 2 invention patents.



Signing of the Strategic Cooperation Agreement with Jiangnan University

Incentives and Investment in R&D Efforts

The Company places a high priority on the development of scientific research talent, viewing human resources as its primary asset. In 2024, we welcomed two external scientific and technological experts, including academicians, and onboarded three post-doctoral fellows and four PhD graduates. To foster innovation, we have enhanced our incentive mechanisms and introduced a dual-track model for R&D and management. This approach has stimulated creative vitality and helped cultivate a pool of outstanding talent in the field. During this period, we proudly recognized one individual as a Leading Talent in the Taishan Industry of Shandong Province, and several people received prestigious accolades, such as the China Resources Pharmaceutical Technical Expert award in 2024.



R&D Management Performance of Dong-E-E-Jiao

Indicator	2024 value	2023 value
Expense into R&D of innovative technologies (RMB 10k)	20,994	16,450
R&D expenditure to operating revenue	3.55%	3.49%
Number of R&D employees	338	323
Percentage of R&D personnel	8.25%	8.78%
R&D training sessions	46	20
R&D training participation	801	460
R&D training duration (Hours)	98.5	45

Technological Achievements

The Company is dedicated to advancing critical core technologies and consistently facilitating the transformation of research achievements into practical applications. By integrating research and development with industrial growth, we prioritize the creation of value in our products. Through avenues such as independent R&D and collaborative partnerships with universities and research institutions, we enhance the quality and efficiency of our technological innovations and expedite the emergence of new productive forces.

In 2024, we made significant strides in technical innovation, achieving numerous milestones in patent applications and approvals, software copyright registrations, and independent scientific advancements. Additionally, we contributed to the formulation of industry standards. Specifically, we secured 10 new patents across various categories, added 5 software copyrights, and played an active role in developing 23 standards.

In 2024



10 new patents

5 software copyrights

played an active role in developing

23 standards



Scientific and Technological Innovation Performance of Dong-E-E-Jiao

Indicator	2024 value	2023 value
Technological innovation projects		
Technological innovation achievements	11	18
Provincial or ministerial R&D projects which the Company participated in	10	6
Technological innovation projects in the year	107	84
Development of standards		
Standards developed in the year	23	9
Including: Industrial standards	5	3
Group Standards	18	6
IPR		
Total patents authorized by the end of the year	383	376
Including: inventions authorized	187	182
Utility models authorized	146	147
Industrial designs authorized	50	47
Patents authorized in the year	10	12
Including: inventions authorized	7	10
Utility models authorized	0	1
Industrial designs authorized	3	1
Patent applications in the year	24	2
Including: invention applications	15	2
Industrial designs applications	9	0

IPR Management

As Dong-E-E-Jiao accelerates its commitment to independent scientific and technological innovation, it places a strong emphasis on the protection and management of intellectual property rights. The Company strictly adheres to relevant laws and regulations, such as the Patent Law of the People's Republic of China. To support this commitment, Dong-E-E-Jiao has established six comprehensive intellectual property management policies, including frameworks for Patent Management, Copyright Management, General Intellectual Property Management, and Incentive Measures for Service Inventions and Creations. These policies address all aspects of intellectual property management, covering the entire lifecycle from application and use to maintenance, authorization, and abandonment.

In addition to these frameworks, the Company prioritizes the promotion and training of intellectual property rights. Dong-E-E-Jiao offers specialized training programs for compliance officers, which focus on the application, maintenance, and utilization of various intellectual property rights, including patents, trademarks, and copyrights. This initiative aims to enhance employees' awareness of intellectual property issues and equip them with the necessary skills to navigate this critical aspect of our business.

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Exploring the Future of Carbon: Empowering Green and Sustainable Development

Dong-E-E-Jiao views environmental protection as a fundamental pillar for its long-term growth. The Company is committed to enhancing its environmental governance system while actively promoting low-carbon transformation and ecological harmony. Through responsible practices, Dong-E-E-Jiao strives to contribute to global sustainable development goals, working collaboratively to create a beautiful future where humanity and nature thrive together.

Contribution to UN SDGs



Expenditure into technologies to
reduce emissions and increase
energy efficiency

197.27 RMB 10k

Comprehensive energy consumption

0.0258 tce/ RMB 10k
value of output

Carbon dioxide emissions

0.06676 tCO₂e/ RMB 10k
value of output

Savings of TCEs

526 tce

Clean energy power generation

395.68 10 MWh

Total carbon emission reduction

430.87 tCO₂e

Water consumption

2.13 Ton/ RMB 10k value
of output

Recycled water consumption

96.15 10,000 tons

Recycled water consumption

75.12 %

Water savings

6.91 10,000 tons

Wastewater discharge
compliance rate

100 %

Waste gas emission
compliance rate

100 %

Solid wastewater discharge
compliance rate

100 %

Responding to Climate Change and Enhancing Climate Resilience

Dong-E-E-Jiao is dedicated to actively engaging with the national dual carbon strategy, focusing on enhancing its capacity for climate adaptation and resilience. The Company has established a comprehensive governance framework that reinforces risk identification and management while strategically positioning itself to seize low-carbon opportunities. By implementing a scientific target system and consistently promoting a green and low-carbon transformation, it is making meaningful contributions to global climate action efforts.

Climate Change Governance

Dong-E-E-Jiao deeply understands the critical impact of climate change on sustainable corporate development and integrates this awareness into its corporate governance framework. The Company is committed to enhancing its ability to adapt to and mitigate the effects of climate change. Within its governance structure, the Board of Directors has established an ESG Committee tasked with overseeing climate change-related initiatives. This Committee is responsible for reviewing development plans and their implementation, identifying and assessing the risks and opportunities posed by climate change, formulating response strategies, and providing expert recommendations to the Board.

In terms of specific implementation, the ESG Committee clearly defines the responsibilities of each department to ensure the effective execution of governance goals and initiatives. Among these, the Equipment Engineering Department plays a central role in coordinating the Company's energy conservation and carbon reduction initiatives. It is responsible for managing and analyzing energy usage and carbon dioxide emissions data, providing strong data support to achieve the Company's energy-saving and emission reduction goals. Relevant departments work collaboratively, each contributing according to their responsibilities, to promote energy conservation and emission reduction efforts, while comprehensively driving the green and low-carbon transformation of business processes.



Climate Strategy

Climate Risk Identification and Response

Dong-E-E-Jiao references the *International Financial Reporting Standards Sustainability Disclosure Standard No. 2 – Climate-related Disclosures (IFRS S2)* framework released by the International Sustainability Standards Board (ISSB) to conduct a comprehensive examination of the challenges posed by climate change. The Company systematically identifies the climate risks it faces, including transition risks and physical risks, and analyzes their potential impacts and severity on its operations, strategic planning, and business development. In response, it formulates targeted management strategies and countermeasures. These efforts aim to mitigate the potential financial risks associated with climate change, ensuring the effectiveness and stability of the Company's operations.








Climate Risk Identification and Response

Climatic risk category	Risk type	Risk factor	Potential impact on the Company's development	Mitigation measures
 Transition risk	Legal and policy risk	As global and domestic governments accelerate climate policies, such as carbon emission trading and carbon taxes, it is crucial for the Company to comply with the regulations and requirements of the dual carbon strategy. Failure to do so could result in regulatory fines, increased compliance costs, and a loss of market trust.	Rising compliance costs can further heighten the risk of non-compliance and potential penalties.	To mitigate these challenges, the Company must enhance its monitoring of carbon emissions and implement a comprehensive carbon management system that encompasses the entire production process. Establishing clear energy and carbon emission reduction targets is essential, as is optimizing carbon intensity across production and supply chain operations. Regular training for employees and suppliers can improve their awareness and responsiveness to climate policies. Furthermore, the Company should invest in green intelligent manufacturing processes to ensure compliance with regulations and minimize associated risks.
	Technology risk	If the Company fails to develop low-energy consumption technologies or adopt green production processes in a timely manner, it risks losing market competitiveness due to inadequate energy efficiency and outdated practices.	Such outdated technologies can lead to increased costs, jeopardizing customer retention and market share.	To address these challenges, the Company should allocate research and development resources toward advancing green manufacturing processes and energy-efficient production equipment. Additionally, it should prioritize partnerships with suppliers who embrace energy conservation and emission reduction technologies. Strengthening collaboration with industry associations will help the Company stay informed about technological trends and promote active innovation, ensuring that its capabilities align with market demands. Regular carbon footprint assessments throughout the product life cycle will enhance the Company's green competitiveness and position it as a leading benchmark in the industry.
	Market risk	As consumer demand for green products continues to rise, the Company faces significant risks if it fails to quickly adapt to market trends, including a potential loss of market share and customers.	Customer churn, market share decline and revenue loss.	To mitigate these risks, it's crucial for the Company to conduct regular market research to stay attuned to evolving consumer preferences for sustainable products. The Company should prioritize the launch of eco-friendly products, such as donkey-hide gelatin items featuring environmentally conscious packaging and low-carbon production methods. Transitioning to clean energy sources, such as photovoltaic power generation, will further reduce reliance on traditional energy and enhance sustainability efforts. Moreover, active participation in industry-wide green development initiatives can help the Company establish a strong benchmark presence in the market.
	Reputation risk	Stakeholders, including customers and investors, are increasingly focused on the Company's environmental performance. Failing to meet social and environmental standards or facing negative public perceptions due to environmental violations can significantly damage the brand's reputation.	Such setbacks can lead to a decline in customer satisfaction and diminish market competitiveness.	The Company should regularly publish ESG reports that highlight its efforts and achievements in tackling climate change and promoting sustainable development. Strengthening communication with stakeholders is essential; sharing the Company's initiatives in green and low-carbon transformation will enhance transparency and build trust. Additionally, establishing an emergency response mechanism for environmental incidents will enable the Company to swiftly address unexpected situations, safeguarding its reputation and maintaining customer confidence.
 Physical risk	Acute risk	Extreme weather events, such as heavy rains, typhoons, and extreme temperatures, can severely impact the stability of production facilities and supply chains. These disruptions may lead to production delays, delivery issues, and even equipment damage, ultimately affecting customer satisfaction and revenue.	When supply chains are disrupted and products cannot be delivered on time, it can result in lost customer orders and negatively impact the Company's operating income.	It is essential to establish a comprehensive emergency response plan specifically for extreme weather conditions. Regularly assessing the disaster response capabilities of factories and warehouse logistics is vital. Additionally, optimizing supplier selection by prioritizing partnerships with suppliers that have effective disaster resilience measures can further enhance supply chain stability. It is also prudent to clearly outline the liability clauses for both parties regarding extreme weather events in contracts to minimize operational risks.
	Chronic risk	Climate change is driving up the demand for cooling and energy costs, which in turn has long-term effects on employee health and productivity. For instance, expenditures on high-temperature subsidies and health-related costs are increasing.	These factors contribute to rising operational expenses, decreased employee efficiency, and higher cooling costs.	The Company should implement energy-efficient cooling solutions and environmentally friendly equipment to reduce energy consumption; adjust working hours and task allocations during high-temperature periods to minimize health risks and maximize employee efficiency; launch employee health management initiatives to help workers adapt to the long-term impacts of climate change; and allocate resources to energy-saving technologies in production facilities to lessen the effects of climate change on operational efficiency.

Climate Opportunities

The Company is not only actively tackling the risks associated with climate change but is also fully committed to recognizing the opportunities it presents. By collaborating with various stakeholders, we aim to seize these opportunities, foster green and low-carbon transformation, and contribute to achieving global climate goals.

Identification of Climate-Related Opportunities and Their Financial Impacts

Climate opportunity category	Opportunity description	Financial impact
 Resource efficiency	<ul style="list-style-type: none">Streamline logistics and transportation processes to enhance efficiency.Implement recycling and waste material reuse initiatives.Utilize reclaimed water to conserve water resources.	<ul style="list-style-type: none">Lower production and operational costs.Boost product output and market competitiveness, ultimately driving revenue growth.
 Energy efficiency	<ul style="list-style-type: none">Promote the optimization of energy efficiency in processes to reduce overall energy consumption.Transition to renewable energy	<ul style="list-style-type: none">Lower operational costs by decreasing energy usage and minimizing greenhouse gas emissions.Reduce the risks associated with fluctuations in energy prices.
 Products and services	<ul style="list-style-type: none">Introduce environmentally friendly traditional Chinese medicine products, such as donkey-hide gelatin products featuring sustainable packaging and low-carbon donkey-hide gelatin cakes.Develop health-focused traditional Chinese medicine products that address the challenges of climate change, including medications designed to withstand high-temperature storage and tonics that adapt to varying climate conditions.	<ul style="list-style-type: none">Expand the market share and revenue of green traditional Chinese medicine offerings.Identify and explore new markets that are aligned with the needs of climate adaptation.Enhance customer satisfaction and loyalty while solidifying our market position.
 Market	<ul style="list-style-type: none">Comply with the growing environmental protection standards both locally and internationally, while expanding our presence in global markets.Boost our green brand image to attract customers and investors who prioritize sustainable development.	<ul style="list-style-type: none">Enhance the Company's competitiveness and influence in domestic and international markets.Diversify our capital base to strengthen investor confidence.
 Adaptability	<ul style="list-style-type: none">Strengthen the production and supply chain's resilience to extreme climate events.Foster environmental management across the entire lifecycle to mitigate long-term climate impacts.	<ul style="list-style-type: none">Enhance the reliability of the supply chain and ensure business continuity.Secure a stable revenue stream.

Management of Impacts, Risks, and Opportunities

Dong-E-E-Jiao places great importance on the impacts, risks, and opportunities presented by climate change. The Company is committed to integrating climate change management into its corporate strategy and daily operations. To tackle the challenges posed by climate change and seize green development opportunities, Dong-E-E-Jiao has established mechanisms for identification, assessment, monitoring, and management.

In its approach to identification and assessment, the Company utilizes a combination of qualitative and quantitative methods to systematically analyze the effects of climate change on various factors, including business operations, supply chain stability, and shifts in market demand. Additionally, Dong-E-E-Jiao closely monitors domestic and international climate change policies, industry trends, and extreme weather events. The Company dynamically assesses physical and transition risks through internal discussions, consultations with industry experts, and other approaches. Meanwhile, the Company focuses on the opportunities presented by low-carbon technologies, green products, and supply chain optimization to enhance its market competitiveness. It has developed the Environmental Factor Identification and Evaluation Management Standards and regularly conducts assessments to ensure that climate risks and opportunities are integrated into business decision-making.

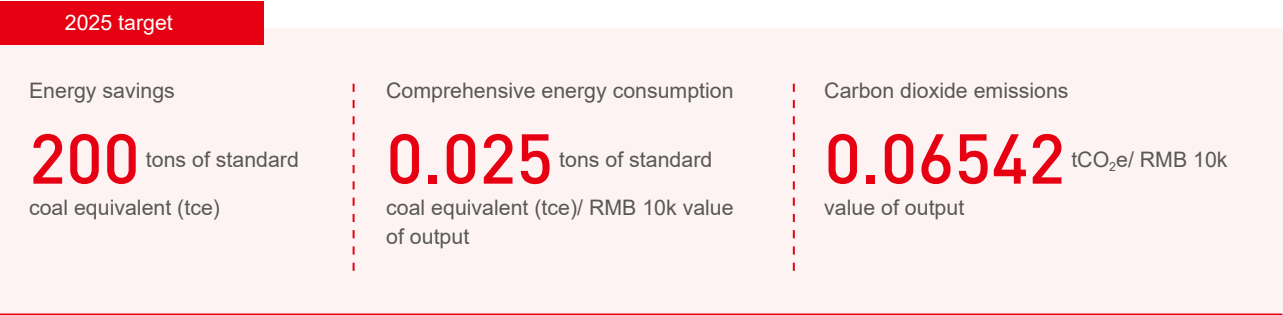
In terms of monitoring and management, the Company has established a multi-level climate change management system. It consistently collects and analyzes climate change-related data to monitor its impact on business operations and promptly adjusts its strategies as needed. In addition, in response to risks such as supply chain disruptions and production halts caused by extreme weather, the Company has developed detailed emergency plans to ensure a rapid response in emergencies and minimize operational risks to the greatest extent possible.

Dong-E-E-Jiao integrates the management of climate change impacts, risks, and opportunities into its internal management processes. The Company not only incorporates climate change-related risks into its comprehensive risk management framework, but also regularly updates its risk assessments and establishes corresponding mitigation measures. Furthermore, it includes climate change-related indicators in its performance evaluation system to motivate both management and employees to actively engage in addressing climate change challenges.

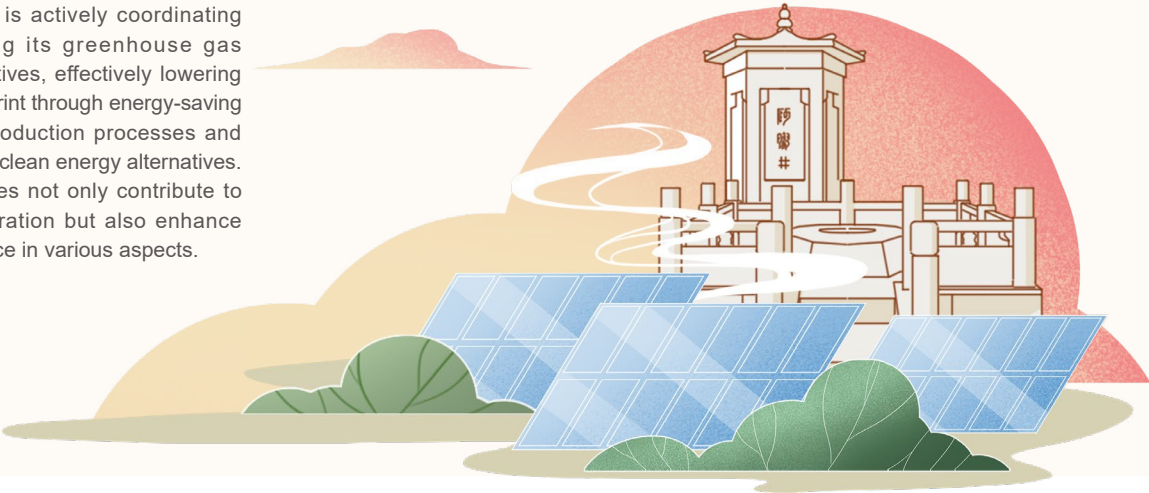


Metrics and Targets

Drawing on its unique business characteristics and production operations, Dong-E-E-Jiao is actively developing climate risk management metrics and targets. The Company has established specific targets related to climate change, including metrics such as standard coal savings, comprehensive energy consumption per 10k RMB of output, and carbon dioxide emissions per 10k RMB of output.



The Company is actively coordinating and advancing its greenhouse gas reduction initiatives, effectively lowering its carbon footprint through energy-saving upgrades in production processes and the adoption of clean energy alternatives. These measures not only contribute to a greener operation but also enhance climate resilience in various aspects.



Greenhouse Gas Emission Performance

Indicator	Unit	2024 value	2023 value
Total greenhouse gas emission	tCO ₂ e	41,689.65	46,888.02
Direct greenhouse gas emissions (Scope 1)	tCO ₂ e	20,045.69	15,659.23
Indirect greenhouse gas emissions (Scope 2)	tCO ₂ e	21,643.96	31,228.79
Greenhouse gas emission intensity	tCO ₂ e/ RMB 10k value of output	0.06676	0.06745
Intensity of direct greenhouse gas emissions (Scope 1)	tCO ₂ e/ RMB 10k value of output	0.0321	0.0304
Intensity of indirect greenhouse gas emissions (Scope 2)	tCO ₂ e/ RMB 10k value of output	0.03466	0.0601

Strengthening Environmental Management for Compliance

Dong-E-E-Jiao is committed to sustainable development and has established a robust environmental management system that strictly adheres to environmental regulations. This dedication ensures that the Company operates in full compliance with established standards. To enhance its environmental governance, the Company has implemented improved oversight mechanisms, strengthened emergency management capabilities, and optimized its environmental performance. Through these efforts, Dong-E-E-Jiao is continually bolstering its capacity for effective environmental management, propelling the organization toward greener, high-quality development.

Environmental Management System

Dong-E-E-Jiao has developed a strong environmental management system characterized by a three-tier organizational structure that includes the Board of Directors, the ESG Committee, and the EHS Management Department. The Company employs an integrated management model that combines environmental oversight with safety protocols to effectively monitor both safety and environmental protection initiatives. To ensure accountability, Dong-E-E-Jiao establishes clear environmental management goals and formalizes these objectives through an EHS Commitment Letter signed with each business unit. This agreement incorporates key targets such as energy conservation, carbon reduction, environmental protection, safety management, and occupational health into performance evaluations. This approach clarifies the responsibilities for environmental management at all levels and facilitates effective implementation across the organization.

Dong-E-E-Jiao strictly adheres to national laws and regulations, including the Environmental Protection Law of the People's Republic of China. The Company has established standardized procedures for wastewater management, solid waste disposal, noise control, and the operation of environmental protection equipment. Responsibilities for environmental management are clearly defined for each unit, fostering systematic and standardized practices in environmental protection.



In 2024



Dong-E-E-Jiao successfully avoided any major incidents of litigation or penalties related to environmental violations and refrained from any illegal or non-compliant activities in this area

The Company is continually advancing its environmental management system to enhance its capabilities and ensure sustainable and effective operations. With ISO 14001 Environmental Management System certified, the Company is dedicated to consistently strengthening its commitment to environmental management excellence.



Environment Management System Certificate

Environmental Supervision Management

Dong-E-E-Jiao places great importance on the environmental impact of its construction projects and production operations. The Company adheres rigorously to the Three Simultaneities management principle, ensuring that environmental protection measures are implemented in tandem with production processes. To mitigate environmental risks and maintain compliance, it puts into practice pollution prevention strategies as outlined in environmental impact assessments and approval documents.

The Company has also established a Monitoring and Measurement Control Procedure to facilitate effective pollutant monitoring and oversight. Over the year, it conducted 180 monitoring sessions covering 16 types of pollutants, including wastewater, exhaust gases, and noise, ensuring real-time tracking of emission data and the effective implementation of pollution prevention measures. Dong-E-E-Jiao is also dedicated to enhancing its environmental compliance management. The Company conducts regular reviews of energy conservation and environmental protection certifications, along with compliance checks on solid waste and exhaust gas emissions, enabling it to quickly identify and address any issues. These efforts consistently improve the Company’s environmental oversight capabilities.

Environmental Emergency Management

The Company regularly conducts environmental governance and management in accordance with applicable laws and regulations, continuously enhancing its ability to handle environmental incidents. To effectively respond to unforeseen environmental events, the Company has thoroughly revised its Industrial Park Environmental Emergency Response Plan, which is now filed with the environmental protection authorities. The plan outlines a clear tiered command and coordination mechanism for managing environmental incidents, including emergency response procedures that enable prompt and efficient action to minimize ecological impact during emergencies.

In 2024, the Company organized emergency response drills for various scenarios, such as hazardous waste leaks and failures in pollution control facilities. These exercises significantly enhanced employees’ capabilities to respond to emergencies, ensuring that effective measures can be implemented swiftly and systematically during actual incidents to protect environmental safety.

Environmental Protection Skill Training

Dong-E-E-Jiao places a strong emphasis on environmental protection skills training, consistently enhancing employees’ professional capabilities and risk prevention through a variety of tiered and multidisciplinary training activities. The Company organizes training sessions for professional competency certification in environmental protection, systematically developing employees’ expertise in environmental conservation and bolstering the Company’s green management initiatives.

For employees in critical roles, Dong-E-E-Jiao has collaborated with wastewater treatment equipment manufacturers to conduct four technical training sessions. These sessions are designed to help employees master the operation and maintenance of equipment, which increases operational efficiency and effectively mitigates environmental risks. Additionally, the Company provides training on hazardous waste regulations and standards, reinforcing regulatory compliance and enhancing management capabilities, thereby significantly improving employees’ dual-prevention skills in hazardous waste management. Through these diverse training initiatives, Dong-E-E-Jiao has successfully elevated employees’ environmental knowledge and practical skills, establishing a strong foundation for the enterprise’s commitment to sustainable development.

In 2024



Dong-E-E-Jiao successfully passed

7 inspections by provincial, municipal, and county environmental protection authorities, all confirming its adherence to regulatory requirements

Proper Resource Management and Sustainable Development

Dong-E-E-Jiao implements a green manufacturing model that prioritizes resource conservation and efficient utilization to establish a low-carbon circular economy. The Company is committed to continually optimizing energy management, protecting water resources, and improving the sustainability of its packaging materials. By promoting the green transformation of its entire industrial chain, Dong-E-E-Jiao maximizes resource utilization and minimizes environmental impact.

Reducing Carbon Emission and Energy Consumption

Dong-E-E-Jiao is fully committed to the principles of green and low-carbon development, making significant strides in energy conservation and carbon reduction. The Company employs a range of strategies, including target management, intelligent monitoring, technological innovation, clean energy substitution, and carbon footprint management. In 2024, Dong-E-E-Jiao recorded a comprehensive energy consumption of 0.0258 tons of standard coal per RMB 10k value of output, reflecting a year-on-year decrease of 3.17%. Throughout the year, the Company saved 526 tons of standard coal, surpassing its goal by an impressive 175.33% and significantly enhancing energy efficiency.

In 2024



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Energy Management and Conservation

The Company is dedicated to achieving its energy conservation and carbon reduction objectives by establishing annual energy consumption targets and performing thorough assessments of key energy-consuming areas, such as production lines. This approach guarantees a 100% coverage of energy consumption quotas for all major energy-consuming units. In 2024, fueled by innovative management practices and technological renovation, the Company recorded impressive achievements in energy conservation and reduction in consumption:

Lean Management and Cost Control

The wastewater treatment plant implemented a “peak cut” electricity consumption strategy, resulting in a 16.8% reduction in peak-hour electricity usage and a cost savings of RMB 16,800.

Energy-saving Optimization in Production Lines

Donkey-hide Gelatin Line

The Mechanical Vapor Recompression (MVR) technology was introduced to replace triple-effect evaporation, resulting in an impressive annual energy savings rate of 71%. Additionally, the introduction of foam extraction machine technology has replaced traditional jacketed kettles, allowing for the enclosed production of donkey-hide gelatin. This upgrade not only enhances the production environment but also achieves an energy savings rate of 31.28%.

Compound Gelatin Syrup Line

During the gelatinization process of the compound donkey-hide gelatin syrup, the Company implemented a three-phase separator technology to efficiently eliminate floating impurities. This advancement results in a steam consumption savings of 1 ton per batch.

Linqing Production Base

18 solar-powered streetlights have been installed, resulting in an annual savings of 7,000 kWh of electricity. Additionally, steam that was previously discharged directly has now been redirected to the wastewater treatment facility to maintain optimal wastewater temperatures, achieving an annual savings of 240 tons of steam. Furthermore, the facility has introduced high-efficiency evaporative cooling screw chiller units and low-energy air suspension high-speed centrifugal blowers.

Case Professional Training on Wastewater Treatment Equipment Operation

In August 2024, the Company partnered with renowned manufacturers of wastewater treatment equipment to conduct a thorough diagnostic assessment of the single-peripheral drive sludge scrapers and truss-type scum and sludge scrapers in two large secondary sedimentation tanks. Alongside this evaluation, specialized training sessions were held, focusing on the operation, maintenance, and repair of the equipment. In December, technical experts from an ozone generator manufacturer were brought in to provide additional training to wastewater treatment operators on the operation, maintenance, and repair of ozone generation equipment. This initiative significantly enhanced employees’ technical repair skills, ensuring that wastewater treatment equipment functions optimally and adheres to discharge standards.



Professional Training on Wastewater Treatment Equipment Operation

Online Energy Monitoring

The Company utilizes its enterprise energy management platform to develop an online energy monitoring system that allows for real-time tracking and analysis of energy consumption across various resources, including water, electricity, and steam. Each month, the Company generates energy consumption analysis reports to aid decision-making for production and operational activities. Additionally, an energy monitoring and alert display screen is employed to present data and issue risk alerts, significantly enhancing energy efficiency and minimizing waste.



Dong-E-E-Jiao Energy Monitoring Display

Carbon Footprint Management

Dong-E-E-Jiao has pioneered carbon footprint research in the donkey-hide gelatin industry, becoming the first company to systematically analyze carbon emissions throughout the entire product lifecycle—from raw material procurement to the delivery of finished goods. By implementing the Life Cycle Assessment (LCA) model, Dong-E-E-Jiao has not only addressed a significant gap in the industry but has also established a standard for green development within the donkey-hide gelatin sector. Through these proactive measures, the Company has positioned itself as a leader in carbon footprint management.



Green Logistics

In the logistics sector, Dong-E-E-Jiao is actively promoting green transportation models and optimizing carbon emission management throughout its supply chain. For in-plant logistics, the Company is utilizing new energy vehicles and enhancing route optimization to continuously reduce energy consumption in its logistics operations. In the realm of sales logistics, Dong-E-E-Jiao strongly encourages the electrification of third-party logistics vehicles. The Company has mandated that logistics partners prioritize electric vehicles for less-than-truckload (LTL) deliveries within a 300-kilometer radius, with plans to gradually extend this requirement to customers within 500 kilometers. Furthermore, electrification is required for last-mile delivery in long-haul LTL transportation, significantly reducing reliance on fossil fuels throughout the shipping process.

Ecologic Carbon Sink

To boost its ecological carbon sequestration capabilities, the Company has substantially increased the green coverage at its Lingqing base through strategic planning and optimization of vegetation. All excess shrubs were transplanted to other vacant areas, while new plantings included Manila grass, Japanese boxwood, and photinia—plants that are more resilient, cold-tolerant, and produce more oxygen. As a result, the green coverage rate has risen from 20% to 40%, significantly enhancing the regional ecological carbon sink function and improving the overall ecological environment of the base.

Energy Management Performance

Indicator	Unit	2024 value	2023 value
Direct energy consumption			
Diesel	L	23,972	21,919
Natural gas	m³	7,662,660	7,206,771
Indirect energy consumption			
Purchased electricity	10 MWh	2,919.71	2,934.98
Purchased steam	GJ	73,636.45	24,602.18
Comprehensive energy consumption			
Direct energy consumption	tce	9,991.15	9,395.95
Indirect energy consumption	tce	6,099.32	4,446.02
Total energy consumption	tce	16,090.47	13,841.97
Energy consumption intensity	tce/ RMB 10k	0.0258	0.0266
Renewable energy sources			
Renewable energy power generation	10 MWh	395.68	387.83
Percent of renewable energy sources	%	13.55	13.21

Photovoltaic Power Generation

The Company is actively implementing photovoltaic (PV) power generation projects to establish a green energy supply system, which aims to replace traditional fossil fuels with clean energy sources. So far, the Company has built three PV power stations with a total installed capacity of 9.24 megawatts. In the donkey-hide gelatin industrial park, the roofs of eight individual workshops and the logistics center are integrated with 13,692 PV modules, creating a PV power station with a capacity of 3.4 MWp. This station operates on a self-generation and self-consumption model, generating 3.9568 million kilowatt-hours of electricity in 2024. Moreover, the black donkey breeding base has harnessed the rooftops of its donkey sheds to construct a 5.6 MWp PV power station, which is connected to the high-voltage grid. Additionally, a 0.24 MWp PV power station is situated on the roof of the donkey slaughtering workshop, also functioning on a self-generation and self-consumption basis.



Photovoltaic Panels on the Industrial Park Rooftop

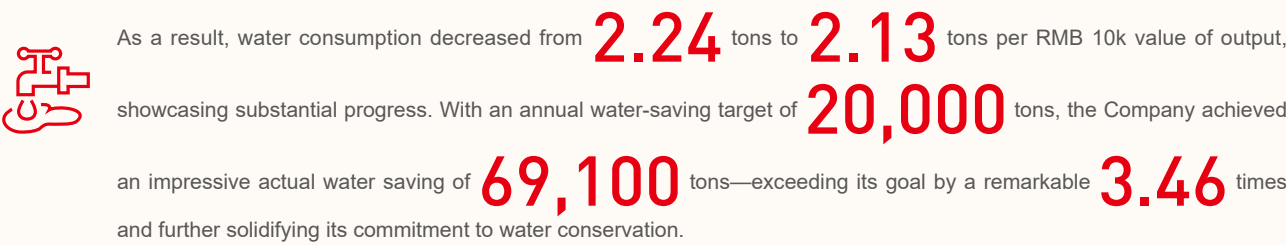


Photovoltaic Panels on the Rooftops of Donkey Sheds at the Black Donkey Breeding Base

Water Resource Management

Dong-E-E-Jiao places a high priority on the protection and conservation of water resources. The Company has implemented a comprehensive range of measures, including water-saving target management, groundwater source protection, and conservation and recycling. These initiatives actively support the national strategy for ecological protection and high-quality development in the Yellow River Basin.

In 2024, the Company continued to enhance its water-saving management system, fostering a strong water conservation mindset among all employees and significantly improving the efficiency of water resource utilization.



Ground Water Source Protection

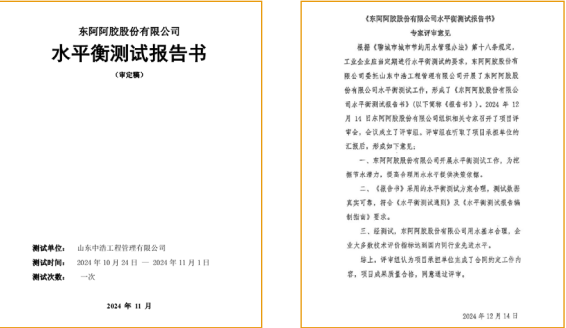
Dong-E District water is a vital resource for donkey-hide gelatin production, sourced from the unique underground flows of the Taihang and Tai Mountains that converge in Dong-E District. However, due to environmental and climatic changes, Dong-E District water has become increasingly limited and valuable. The Company is committed to protecting and using groundwater resources responsibly, strictly following approved water usage plans to prevent over-extraction and waste. Through these proactive measures, the Company not only meets the ecological protection requirements of the Yellow River Basin but also contributes to the sustainable development of local water resources.

Water Conservation

The Company strictly adheres to all relevant national, industry, and local water conservation regulations and standards. We have established a comprehensive water consumption quota management system that ensures measuring instruments are installed at key points of water usage and that a complete water conservation management framework, along with a robust measurement and statistics system, is in place. In our commitment to optimize water use efficiency, we actively invest in advanced water-saving technologies and equipment. To further minimize water waste, we conduct regular audits focused on energy and water conservation. These audits include thorough inspections and prompt rectifications of issues such as leaks, seepage, and dripping within the factory. By quickly identifying and repairing sources of water waste, we significantly enhance the overall efficiency of our water resource utilization.

Case The Company Holds Water Balance Testing

From September to December 2024, a third-party firm was commissioned to perform a comprehensive water balance test. This assessment aimed to evaluate the current state of water supply and distribution network, as well as water consumption across each workshop within Dong-E-E-Jiao. Through careful measurement and data analysis, we established the water balance relationship, identified potential areas for water conservation, and implemented targeted improvement measures. As a result, we have significantly enhanced our water efficiency and established a solid foundation for more effective water management.



Dong-E-E-Jiao's Water Balance Testing Report

Water Recycling and Reuse

Dong-E-E-Jiao is committed to promoting the reuse of reclaimed and circulating water through innovative technology, which reduces its reliance on raw water and significantly enhances water resource efficiency. The Company repurposes bottle washing water from production lines, such as the Compound Gelatin Syrup Line and the Health Product Line, to replenish cooling towers, resulting in annual savings of approximately 20,000 cubic meters of water.

The wastewater treated at the Company's sewage treatment facility meets the standards for landscape reclaimed water reuse. A portion of this treated water is utilized for refilling the landscape lake in the industrial park and for maintaining the park's roadways, maximizing the efficient use of water. The remaining reclaimed water is discharged into the municipal pipeline network and transferred to the Dong'e County Sewage Treatment Plant for further processing, thus achieving resource recycling. Additionally, concentrated water discharged from the purified water stations in each workshop are used to refill the landscape lake, further broadening the scope of reclaimed water use and minimizing the consumption of fresh water.



Water Replenishment for the Landscape Lake

Water Management Performance

Indicator	Unit	2024 value	2023 value
Total water consumption	10,000 tons	128.00	125.52
Including ground water consumption	10,000 tons	125.94	124.52
Tap water consumption	10,000 tons	2.06	0.996
Recycled water consumption	10,000 tons	96.15	88.68
Recycled water consumption	%	75.12	70.65
Water use intensity	Ton/ RMB 10k value of output	2.13	2.24

Packaging Materials Management

Dong-E-E-Jiao is committed to promoting a green transformation in its packaging practices. The Company actively reduces the use of packaging materials in its operations while enhancing the recycling, reduction, and lightweight features of its packaging. By addressing packaging waste and costs at the source, Dong-E-E-Jiao effectively minimizes environmental pollution. In its warehousing process, the Company strongly encourages eco-friendly packaging and continuously optimizes its packaging methods. This includes initiatives such as reducing adhesive tape usage and encouraging the adoption of recyclable packaging materials, all aimed at conserving resources. Additionally, for some products, traditional turnover boxes have been upgraded to more environmentally friendly turnover baskets, significantly increasing the reuse rate of packaging materials and fully embracing the principles of a circular economy.

In 2024



the Company reported a total packaging material consumption of

50,803.9 tons

Strict Emission Control for Clear Waters and Blue Skies

Dong-E-E-Jiao is fully committed to adhering to environmental regulations by implementing stringent management practices for wastewater, exhaust emissions, and solid waste. The Company has adopted a lean approach to refine its operational model. This includes enhancing treatment processes, upgrading environmental protection facilities, and bolstering monitoring and governance efforts. As a result, Dong-E-E-Jiao effectively reduces pollution emissions, continuously improves the ecological environment, and actively contributes to achieving the goals of clear skies, clean waters, and unpolluted land.

Wastewater Management

Dong-E-E-Jiao strictly complies with the Water Pollution Prevention and Control Law of the People's Republic of China, ensuring that all wastewater generated during production and operations is treated and discharged in accordance with established standards. The Company regularly maintains and upgrades its wastewater treatment facilities, continuously optimizing treatment processes to enhance system efficiency and overall environmental performance.

Through careful control of equipment operations and ongoing process improvements, Dong-E-E-Jiao has significantly increased both the efficiency and stability of its wastewater treatment station.

The Company employs an online monitoring system to oversee wastewater treatment operations in real time. By conducting daily tests and monitoring key operational indicators for the primary sedimentation tank, anaerobic tank, and AO system, we can quickly identify and resolve any abnormalities. This proactive approach ensures the wastewater treatment system operates smoothly and complies with discharge standards. In 2024, all discharged wastewater met the standards outlined in the Reuse of Urban Recycling Water—Water Quality Standard for Urban Miscellaneous Use, successfully achieving both stable system performance and regulatory compliance.

Production Wastewater Management Performance

Indicator	Unit	2024 value	2023 value
Production wastewater discharge	10,000 tons	90.89	82.73
Production wastewater treatment compliance	%	100	100
Pollutants discharged from production wastewater	Ton	33.96	26.18
Including: COD	Ton	33.44	55.85
NH3-N	Ton	0.515	0.334
COD discharge intensity	mg/l	45.1	35.1

Waste Gas Management

Dong-E-E-Jiao is dedicated to the comprehensive management of air pollutants. We strictly control exhaust emissions at the source, continuously improve clean production practices, and implement advanced exhaust treatment technologies to minimize pollutant leakage. Throughout our production process, we rigorously enforce pollutant control measures tailored to the specific characteristics of each workshop. In Extraction Workshop 1, we employ a combination of water washing, alkali washing, and biological deodorization to treat the organic exhaust gases generated during extraction. Extraction Workshop 3 implements water washing and activated carbon treatment to effectively manage ethanol exhaust gases, ensuring that VOC emissions remain within regulatory standards. Additionally, in the Granule Workshop, we utilize electrostatic dust removal and bag dust removal methods to efficiently capture particulate matter, ensuring stable and compliant exhaust emissions.

In addition, the Company enhances daily inspections of its exhaust treatment facilities to ensure they operate smoothly and efficiently. For non-road mobile machinery, we conduct tailpipe emissions tests to verify compliance with environmental regulations. Our wastewater treatment station is equipped with odor control systems designed to capture and treat odors centrally before releasing them in accordance with established standards.

In 2024



our total particulate matter emissions amounted to

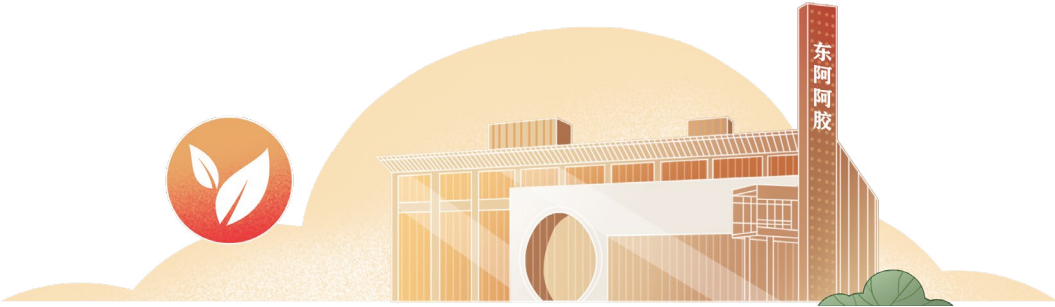
0.264 tons

Case Renovation of the Dust Removal System in the Industrial Park

In 2024, the Company undertook a significant renovation of the dust removal system in the granule workshop, donkey-hide gelatin bead workshop, and the red ginseng crushing room within the industrial park. This initiative aimed to further enhance the production environment and minimize dust pollution. During the renovation, we implemented a new high-efficiency dust collector and optimized the layout of the dust removal air ducts. The air ducts were strategically designed to lead directly into the workshops, and dust collection hoods were installed at key dust generation points, allowing for precise capture of dust at its source. As a result of this renovation, we effectively reduced dust dispersion within the workshops, improved the overall cleanliness of the production environment, and ensured the health and safety of our employees. Additionally, this upgrade enhanced the overall efficiency of our waste gas treatment efforts.



Renovation of the Dust Removal System in the Donkey-Hide Gelatin Bead Workshop



Waste Management

The Company strictly adheres to all relevant laws and regulations, including the Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and the National Catalogue of Hazardous Wastes. We have established robust management systems such as the Solid Waste Control Procedure, guided by the principles of reduction, resource utilization, and harmless treatment for waste management. To ensure environmentally responsible operations, the Company strengthens the standardized management of waste, focusing on lawful and compliant disposal practices while minimizing our environmental footprint.

For general solid waste, including hair residue, herbal residue, and sludge, we enter into disposal contracts with qualified waste removal parties, clearly outlining the requirements for timely collection. Our approach follows a “removal immediately after generation” model, which guarantees prompt waste removal. We also maintain a disposal ledger to regularly monitor and verify the collection and disposal processes, ensuring compliance and traceability at every step.

To manage hazardous waste, the Company has developed a Hazardous Waste Management Plan and created a detailed hazardous waste register. This ensures that every step of the process—from collection and storage to final disposal—is compliant and well-controlled. We pay close attention to the daily management and maintenance of our storage facilities, equipment, and designated areas to provide a safe and reliable environment for hazardous materials. Strict protocols for classified storage, labeling, and transfer manifest systems are enforced. Moreover, we work closely with licensed disposal parties to guarantee the proper and safe disposal of hazardous waste, effectively minimizing environmental risks.



Waste Management Performance

Indicator	Unit	2024 value	2023 value
Hazardous waste generation	Ton	2,994.18	2,833.88
Waste recycling volume	Ton	2,697.18	2,563.88
General waste generation	Ton	2,697.18	2,563.88
Including: hair residue discharge	Ton	409.63	378.58
Herbal residue discharge	Ton	1,806.72	1,181.70
Sludge discharge	Ton	480.84	573.60
Household waste	Ton	297	270
General waste discharge intensity	Ton/ RMB 10k	0.00479	0.00544
Hazardous waste generation	Ton	2.58	3.51
Hazardous waste discharge intensity	kg/ RMB 10k	0.00413	0.00675

Protecting Biological Resources and Maintaining Ecological Balance

Dong-E-E-Jiao is committed to an ecological-first approach that promotes sustainable development throughout its industrial chain while ensuring the responsible sourcing of raw materials. The Company adheres to standardized procurement practices for donkey hide, responsibly manages traditional Chinese medicinal resources, and enhances ecological protection measures. By prioritizing animal welfare, we are creating an ecosystem that encourages harmony between humans and nature.

Sustainable Supply of Raw Materials

To ensure the sustainable use of medicinal plant resources, Dong-E-E-Jiao is committed to the responsible development of traditional Chinese medicinal resources, actively working to prevent the negative impacts of over-harvesting on biodiversity. The Company meticulously manages the entire cultivation process of medicinal herbs, applying fertilizers and pesticides thoughtfully to minimize environmental impact while promoting ecological balance and long-term resource sustainability.

Ecologically Sustainable Management

Greening Initiatives

Dong-E-E-Jiao is dedicated to enhancing the green environment within its factory premises, actively increasing green coverage to mitigate impacts on surrounding ecosystems. The Company prioritizes the protection of natural vegetation around its facilities, preventing human-induced damage while expanding internal green spaces to establish ecological buffer zones. When it comes to green development in scenic areas, Dong-E-E-Jiao strictly follows the Scenic Area Greening Maintenance Management Policy and Monthly On-Site Greening Checklist. This ensures that all trees and lawns within the scenic area are well-maintained, promoting healthy plant growth and preserving the ecological environment.

Sustainable Cultivation of Cistanche

Dong-E-E-Jiao employs artificial cultivation methods to minimize the ecological harm caused by wild harvesting. Wild Cistanche, a nationally protected second-class species, primarily relies on the roots of saxaul trees and is essential for desert ecosystems. The Company encourages artificial cultivation in areas designated for saxaul forest restoration, thereby increasing economic value while contributing to ecological restoration and enhancing biodiversity. This approach not only secures a sustainable supply of Cistanche but also supports the rehabilitation and stability of desert ecosystems.

Animal Welfare and Eco-Farming

Animal welfare is an essential aspect of Dong-E-E-Jiao’s sustainable development strategy. The Company is dedicated to creating a high-standard donkey farming system that supports the ecological and sustainable development of its entire industrial chain. This commitment ensures that donkeys receive appropriate and scientifically-backed care throughout their breeding, management, and production processes. Furthermore, Dong-E-E-Jiao implements rigorous quality audits for raw materials, ensuring that only verified traditional Chinese medicinal ingredients are used in production. This proactive approach helps mitigate the indiscriminate and unsustainable harvesting of medicinal plants, playing a vital role in ecological conservation.



Breeding and Scientific Farming

The Company champions the selective breeding of Dong-E Black Donkeys, focusing on optimizing the core breeding population to enhance overall breed quality. It has established three primary farming models: fattening, breeding, and mixed farming, which improve economic efficiency and promote sustainable development within the donkey industry. In addition, the Company has created the Technical Manual of Dong-E Black Donkey Large-scale Farming to standardize breeding and management practices. This initiative supports the ecological farming principle of raising donkeys as medicinal resources, ensuring that donkey farming complies with scientific, environmental, and animal welfare standards. In 2024, the black donkey farming industry was recognized as one of the ecological cultivation (breeding) units for traditional Chinese medicinal materials in Shandong Province.

Eco-friendly Donkey Shelter Construction

The Company offers spacious and well-ventilated shelters for donkeys, allowing them ample room to move and be active. To combat heat stress in high-temperature conditions, the breeding farm is outfitted with cooling equipment, including fans and sprinklers, which help the donkeys cool down quickly. Additionally, the Company prioritizes cleanliness by regularly cleaning and disinfecting the shelters to minimize the risk of disease transmission. It also has established standardized immunization protocols to ensure a safe and healthy breeding environment.

Professional Management Team Support

The Company has assembled a dedicated animal welfare management team, made up of breeding specialists, veterinarians, and animal behaviorists, to ensure the highest standards of animal care throughout the donkey breeding and processing operations.

Optimizing Feeding Management

The Company utilizes well formulated feed to specifically cater to the nutritional needs of donkeys at various growth stages. It has implemented a nutritional testing system to guarantee the quality and safety of its feed. Furthermore, the Company ensures a consistent supply of clean drinking water and maintains appropriate water temperatures during winter to enhance the overall farming environment. Regular health check-ups are conducted to safeguard the well-being of the donkey population, minimize disease occurrence, and improve overall farming quality.

Enhancing Animal Welfare

Dong-E-E-Jiao takes into careful consideration the natural instincts and behavioral needs of donkeys. To promote a healthy environment, fine sand from the Yellow River is spread across the floors of the shelters, allowing donkeys to roll freely and maintain their natural habits. Scratching posts have been installed to provide a space for donkeys to relieve itching, which not only promotes blood circulation but also helps reduce the risk of parasitic diseases. The Company regularly trims the donkeys' hooves to ensure their overall health and prevent injuries. Additionally, gentle background music is played to help ease the donkeys' nervousness, reduce stress, and enhance their overall mental well-being.

Promoting Green Operations and Practicing Sustainable Development

Dong-E-E-Jiao is committed to deepening its green operation philosophy by implementing energy-efficient practices in the workplace, encouraging low-carbon commuting, and raising environmental awareness through targeted campaigns. These initiatives significantly enhance the Company's sustainable management capabilities. To fulfill its commitment to green development, the Company invests in environmental skills training, optimizes the allocation of office resources, and establishes a resource-efficient, high-performance operational model—all driven by tangible actions.

Green Office

Dong-E-E-Jiao considers green office practices essential for energy conservation and emission reduction. By implementing comprehensive management policies and promoting best practices, the Company fosters a resource-efficient, eco-friendly workplace culture. Employees are encouraged to adopt green lifestyles, focusing on saving electricity and water while prioritizing resource recycling. This collective effort contributes to creating an environmentally friendly and efficient office environment in every aspect.

Green Office Measures

Reducing electricity consumption

- The Company prioritizes the use of energy-efficient and environmentally friendly appliances and equipment.
- During summer and winter, it maintains reasonable air conditioning temperatures and regularly cleans filters to enhance cooling and heating efficiency, thereby minimizing unnecessary electricity consumption.

Reducing water consumption

- The Company regularly inspects its water supply equipment to prevent leaks, spills, and drips, effectively minimizing water waste.
- Additionally, it actively encourages the use of water-saving devices.

Reducing the use of office consumables

- The Company promotes double-sided printing and encourages the use of scrap paper's reverse side to minimize paper waste.
- It supports a paperless office approach, prioritizing the digital storage and transmission of non-essential documents.

Recycling resource

- During renovations and remodeling, the Company follows the principle of using existing resources and conserving materials, ensuring that available resources are fully utilized to minimize waste.
- Additionally, it runs comprehensive awareness campaigns on waste sorting to increase employees' understanding of waste sorting.

Business vehicle management

- The Company strictly follow the principles of compliance with laws and regulations while ensuring efficient business operations, economic security, energy conservation, and environmental protection. This approach aims to optimize the management of official vehicles and minimize carbon emissions during their use.

Encouraging green travels

- The Company encourages employees to embrace eco-friendly travel options like public transportation, walking, and cycling, helping to incorporate the principles of low-carbon living into their everyday lives.







The Sign of Turn Off Power When Not in Use

Environmental Protection Awareness Campaigns

Dong-E-E-Jiao views public awareness initiatives on environmental protection as a crucial strategy for promoting green development principles. Through a variety of engaging and dynamic promotional activities, the Company consistently raises public awareness about environmental issues and demonstrates its commitment to sustainable practices. The Company organizes environmental education training sessions, screens promotional videos, and hosts themed events in alignment with significant environmental awareness days. These efforts create a positive culture of collective involvement in environmental conservation among all employees. Furthermore, Dong-E-E-Jiao encourages its workforce to engage in various environmental initiatives, enhancing their sense of responsibility and consciousness towards protecting the environment.

Case Water Conservation Awareness Campaign



In recognition of World Water Week and China Water Day, the Company launched a water conservation awareness campaign aimed at educating employees about the vital importance of protecting our water resources. The campaign featured engaging promotional banners and informative display boards focused on water-saving themes, helping to raise awareness and share knowledge about water conservation practices. To further enhance this initiative, the Company organized a water-saving pledge activity, encouraging employees to commit to sustainable water use in their daily lives.



Water Conservation Awareness Campaign

Case World Environment Day Awareness Campaign

From June 3 to June 30, 2024, the Company rolled out a series of awareness activities in the context of the World Environment Day. Promotional banners were showcased in high-traffic areas such as the office lobby, cafeteria, and factory floor to effectively disseminate messages about environmental protection. In addition to visual promotions, the Company hosted an environmental knowledge quiz designed to educate employees about environmental issues and relevant policies and regulations. This initiative not only enriched the employees' understanding of environmental concepts but also fostered a stronger sense of collective responsibility toward sustainability across the entire team.



World Environment Day Awareness Campaign



03

People-Centered Approach: Prioritizing Health and Safety

Dong-E-E-Jiao embraces a people-centered philosophy, prioritizing the well-being of its employees. The Company hosts a variety of activities that foster engagement and cultivate a warm, inclusive corporate culture. In addition, we have developed a comprehensive training and empowerment system designed to support our employees' career growth and professional development. Regarding safety management, we have established and continually refined a robust work safety management system. This includes a dual prevention mechanism that focuses on categorizing safety risks and investigating potential hazards. By implementing these measures, we create a strong defense for workplace safety, ensuring the health and well-being of our employees.

Contribution to UN SDGs



New employees

653

Employee training expense

651.59 RMB 10k

Employee care and assistance expense

23.6 RMB 10k

Number of employee activities

37

Occupational health examination coverage

100 %

Campaigns to spot safety hazards

97

Emergency drills

60



Caring with Purpose: Growing Together with Employees

Dong-E-E-Jiao is dedicated to a people-first philosophy, emphasizing the importance of nurturing talent as a foundation for success. The Company continually refines its talent development system, ensuring that employees receive lifelong training and empowerment. In addition to establishing a comprehensive benefits and compensation system, Dong-E-E-Jiao organizes a variety of engaging employee activities that foster a warm and inclusive corporate culture, thereby enhancing employee cohesion. The Company also prioritizes its occupational health management system, safeguarding both the physical and mental well-being of its workforce while upholding their rights and interests. These collective efforts not only support the well-being of employees but also facilitate mutual growth for both the Company and its team members.

Employment

Lawful and Equal Employment

Dong-E-E-Jiao fully adheres to laws and regulations, including the Labor Law of the People's Republic of China, the Labor Contract Law, and the Law on the Protection of Minors. The Company is committed to lawful employment practices, prohibiting the use of illegal labor and child labor, and firmly opposing any forms of discrimination based on age, gender, ethnicity, or other characteristics.

To ensure standardized employment practices, Dong-E-E-Jiao has implemented internal management documents, such as the Recruitment and Employment Management Measures. The Company is dedicated to equal and fair employment, safeguarding employees' legal rights and ensuring equal pay for equal work, along with equal opportunities for development. These initiatives foster stable and harmonious employment relationships and help create a diverse, equitable, democratic, and harmonious work environment.

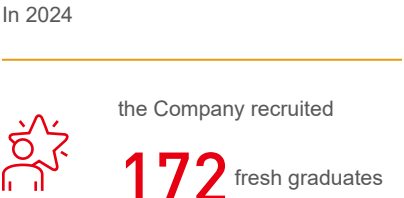
In 2024, the Company proudly achieved a 100% employment contract signing rate, with no incidents of illegal employment, forced labor, human rights violations, or labor disputes.

Creating Employment Opportunities

The Company is committed to fulfilling its corporate social responsibility by actively creating employment opportunities and developing a pipeline of talent. Through information sessions, job fairs, corporate culture promotion events, and employer brand exchange forums, the Company helps alleviate social employment pressures.

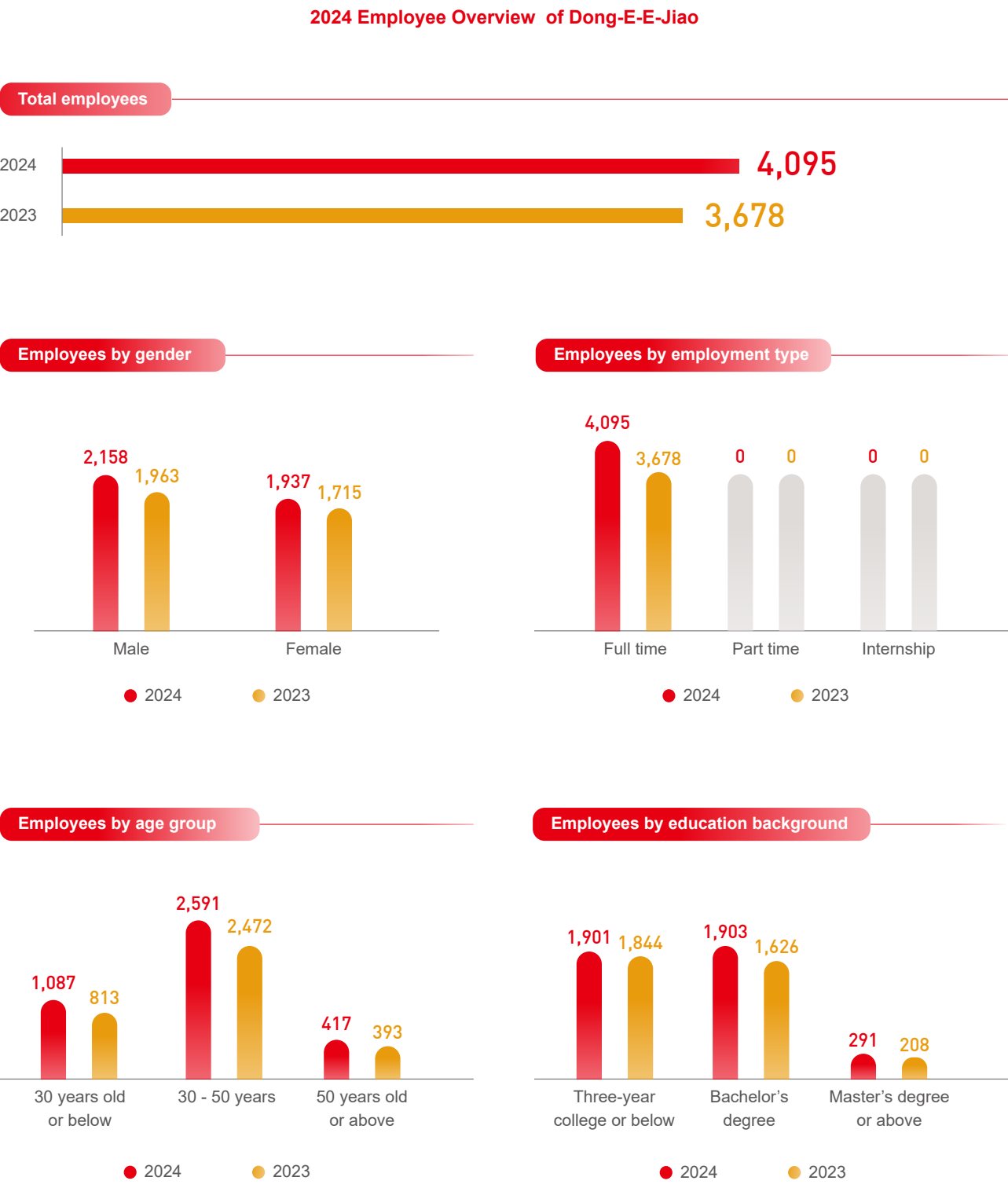
The Company's brand as an employer has gained significant recognition, earning prestigious awards such as Zhilian Zhaopin 2024 China Preferred Employer and the Venus China Human Resources Award - 2024 Campus Recruitment Excellence Practice Award.

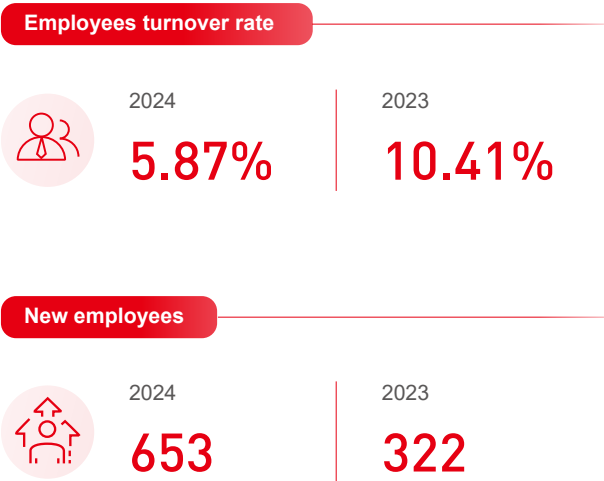
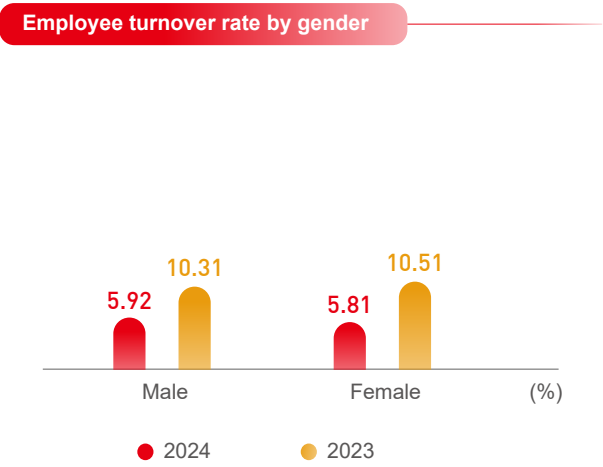
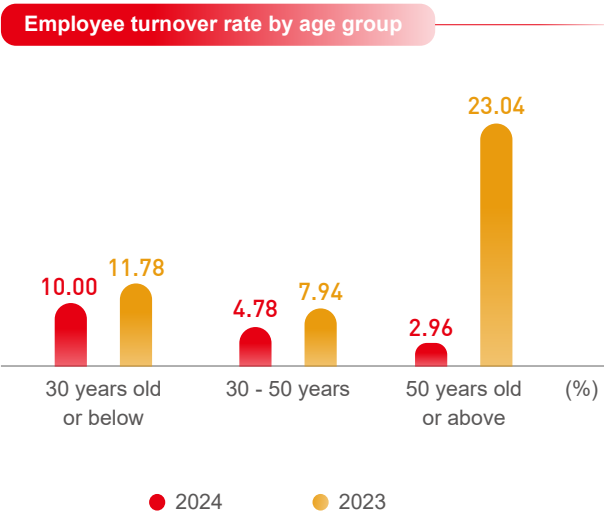
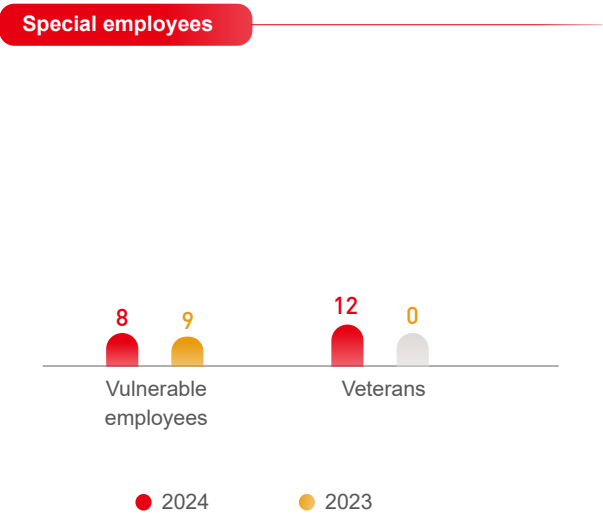
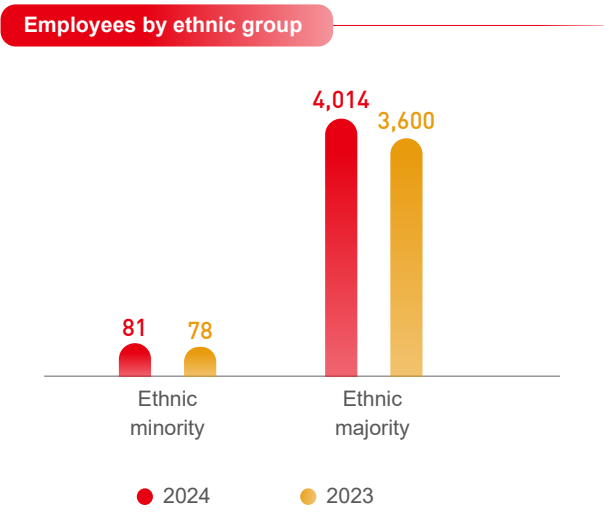
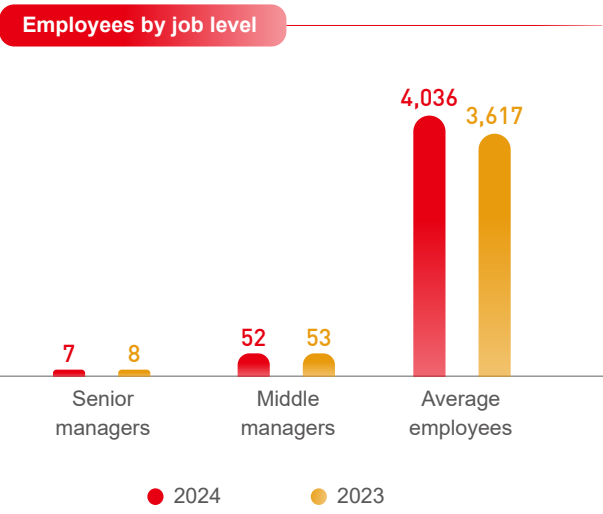
In 2024, the Company recruited 172 fresh graduates, establishing a solid foundation for enhancing its 1238 strategic talent development framework by focusing on attracting top talent.



Staff Structure

By the end of 2024, the Company employed a total of 4,095 individuals, with 653 new hires joining that year.





Employee Development and Training

Employee Incentives

Dong-E-E-Jiao places a strong emphasis on employee motivation and has implemented the Employee Reward and Punishment Management Measures. In 2024, these measures led to the introduction of several corporate-level awards, including the Organizational Performance Award, Special Contribution Award, Outstanding Performance Award, and Outstanding Employee Award. Each business unit has also established year-end recognition and rewards based on annual performance achievements, incentive assessment methods, and budget management, which enhances employees' sense of fulfillment and effectively motivates and retains talent.

To fully harness the initiative and creativity of the management team and key talent, the Company has instituted a benefit-sharing and risk-sharing mechanism between shareholders and both management and essential business personnel. This alignment of interests among shareholders, the Company, and incentive recipients supports a collaborative environment. Additionally, the Company is actively exploring the development of medium-term and long-term incentive plans for executives, core talents, and R&D staff, alongside revising its restricted stock incentive plan.

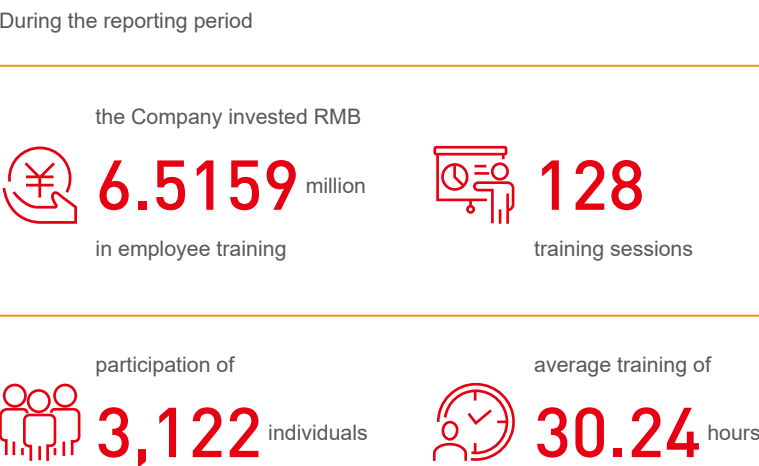
Employee Career Planning and Promotion

Dong-E-E-Jiao has established diverse talent development channels and improved its multi-track promotion mechanism, which includes functional track, professional and technical track, research and development track, marketing track, and technical operation track. The Company has created policies such as the Position and Rank Management Measures and the Employee Mobility Management Measures, which clearly define positions and ranks, promotion criteria, and procedures for both management and staff. This framework provides employees at all levels with clear development paths and career directions, offering broad opportunities and platforms for career growth and personal fulfillment.

Employee Education and Training

The Company has implemented a full-cycle training and empowerment system that establishes a comprehensive talent development framework, covering the entire employee lifecycle across all positions at the organization. This initiative aims to create a distinctive brand for talent development and enhance employees' professional competence levels. Additionally, the Company has complemented this framework with a well-designed position and rank system, providing employees with clear paths for vertical career advancement. Through lateral job rotations and skill expansion opportunities, the Company helps employees broaden their career prospects and achieve diverse growth.

In 2024, the Company partnered with renowned domestic educational institutions such as Gaodun Education and Renmai Education to launch organizational capability enhancement projects. These initiatives aim to establish a performance-oriented capability development system.



Employee Cultivation System



Employee Training Performance of Dong-E-E-Jiao

Indicator	2024 value	2023 value
Employee training sessions	128	198
Employee training participation	3,122	4,095
Average training duration per employee (Hours)	30.24	20.07
Including: Average training duration per senior manager (Hours)	33.50	20.40
Average training duration per middle manager (Hours)	74.75	45.47
Average training duration per average employee (Hours)	28.25	24.04
Employee training expenditure (RMB 10k)	651.59	340.14

Employee Remuneration and Benefits

Remuneration and Benefits

Dong-E-E-Jiao has established a fair and transparent compensation and benefits management system. In compliance with national regulations, the Company promptly and fully contributes to the five social insurances and one housing provident fund for each employee. It continually refines an effective and clear compensation management framework, creating a market-oriented incentive and constraint mechanism that promotes value sharing between the Company and its employees.

The Company regularly conducts performance evaluations and feedback, adhering to a comprehensive Performance Management Policy that boasts 100% coverage of performance assessments. Under this framework, direct supervisors are responsible for providing real-time guidance and feedback on the completion of employees' performance plans post-evaluation.

Moreover, the Company prioritizes employee well-being by implementing a benefits system that includes both supplementary and security benefits. The supplementary benefits include holiday bonuses, birthday celebrations, meal allowances, accommodations for college students, employee cafeterias, gyms, and relaxation areas. Our security benefits encompass corporate annuities and supplementary medical insurance.

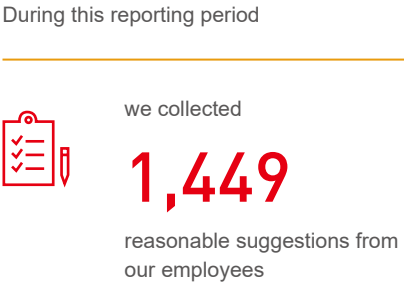
By leveraging market and industry data, the Company conducts a thorough analysis of detailed factors that contribute to our compensation value assessment, allowing us to categorize and optimize our compensation system effectively. Furthermore, we have introduced new benefit measures, such as supplementary medical insurance and home leave for non-local employees. These initiatives comprehensively enhance employee compensation and benefits, boosting employee engagement and cohesion within the organization. In 2024, we achieved 100% coverage for employee social insurance, with total employee remuneration reaching RMB 560.82 million.

Employee Voice

The Company is committed to strengthening democratic management and continuously enhancing communication channels for employees. We rigorously implement transparency in factory affairs and uphold democratic management systems, primarily through employee representative assemblies and member representative meetings. In 2024, we organized seven such meetings, publicly reviewing four matters that directly impact employees' vital interests. This ensures that employees are well-informed and empowered to supervise, fostering positive communication between the Company and its workforce.

We actively listen to and address employee concerns by regularly hosting employee reception days to hear their voices and feedback. In 2024, the Company held seven employee reception days and one face-to-face discussion session with front-line staff, engaging with 39 average employees and addressing 91 requests and issues they raised. Through the Jiaoxin Workshop care initiative, we conducted heart-to-heart talks with 235 participants, including Jiaoxin Branch Secretaries and Union Chairpersons, to track and resolve employee concerns while seriously considering their suggestions to enhance overall satisfaction.

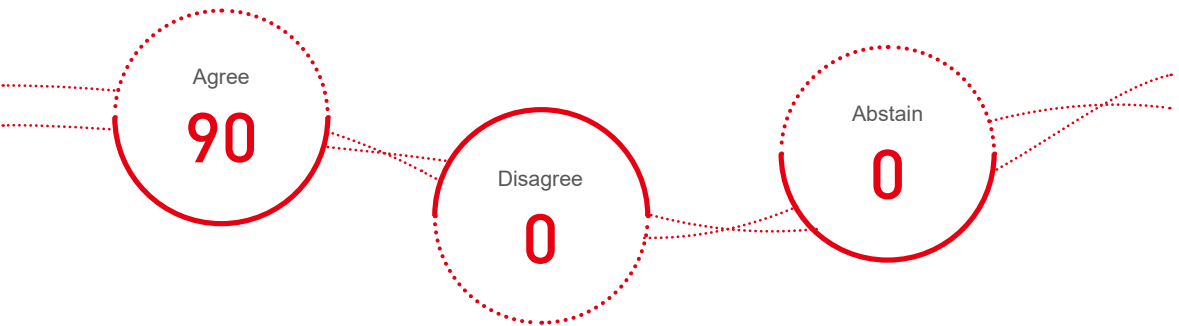
During this reporting period, we collected 1,449 reasonable suggestions from our employees and adopted and implemented 1,308 of them.



Case

Employee Representative Assembly

In September 2024, Dong-E-E-Jiao convened an employee representative assembly. During the meeting, the trade union presented the Dong-E-E-Jiao Factory Affairs Disclosure Management Policy. The Human Resources Department introduced the Skill Level Ranking System and Compensation Adjustment Plan for the Dong-E-E-Jiao Industrial Park, along with the Implementation Plan for Irregular and Comprehensive Working Hours. After thorough discussion and review among the employee representatives present, the voting results were as follows:



Finally, the attending representatives unanimously approved Dong-E-E-Jiao Factory Affairs Disclosure Management Policy, the Skill Level Ranking System and Compensation Adjustment Plan for the Dong-E-E-Jiao Industrial Park, and the Implementation Plan for Irregular and Comprehensive Working Hours.



Employee Representative Assembly

Employee Care and Assistance

- Employee Care

The Company consistently engages in employee care activities aimed at fostering a supportive environment. In 2024, it organized various initiatives, including holiday greetings for 4,376 employees, summer “cooling deliveries” for 498 individuals, visits for 1,603 employees, and fitness services for 19,141 participants. These efforts ensure that care reaches the grassroots level and support is effectively implemented.

Additionally, the Company actively visits and provides comfort to retired employees, enhancing their sense of belonging. During the 2024 Mid-Autumn Festival, the Company completed visits to 703 retired employees, distributing holiday benefits that received enthusiastic approval from all recipients. In total, the Company invested RMB 236,000 in initiatives focused on employee care and assistance in 2024.

In 2024

the Company invested RMB

236,000

in initiatives focused on employee care and assistance

- Caring for Female Employees

The Company prioritizes the unique needs of female employees, ensuring that they receive all the paid leave benefits outlined in the national policy. To support this, it has established nursing rooms and female employee care rooms, organized annual activities for International Women's Day, and provided dedicated visits along with the distribution of nutritional products for employees on maternity leave. These thoughtful initiatives demonstrate genuine care for female employees and significantly enhance their sense of well-being.

Moreover, the Company values the development of its female workforce by recognizing female role models and fostering innovative projects such as the Dong-E-E-Jiao Health Beverage Innovation Studio, which is led by frontline female employees. This initiative fully supports and encourages women to thrive in their respective roles.



Case

International Women's Day Celebration

On March 6, 2024, the Company hosted a special event titled Women Writing Brilliant Chapters, Striving for a New Journey to celebrate International Women's Day, attended by over 100 female representatives from various departments. The event began with a video presentation entitled 2023 Women's Excellence Highlights, showcasing the remarkable achievements of female employees who exemplify the spirit of women are no less capable than men and have played a crucial role in the Company's journey toward high-quality development.

During the celebration, inspiring stories were shared by female role models and representatives of the “most beautiful families”. These women spoke passionately about their dedication and innovation in their roles, demonstrating how they skillfully balance family responsibilities with corporate duties. They embody the values of self-respect, self-confidence, self-reliance, and self-strengthening, proving that they can excel in both personal and professional realms. The event featured a variety of engaging activities, including a recitation titled Building Dreams Together for a Winning Future, as well as awards for Outstanding Female Role Models and Most Beautiful Families. A special initiative highlighted our commitment to community support. Additionally, we showcased a brand story and enjoyed a heartfelt music performance. Interactive games such as Snake Game, Emoji Guessing Game, and Musical Chairs provided a sense of fun and friendly competition. These activities fostered friendships and teamwork among our female employees, contributing to a collaborative spirit throughout the event.

International Women's Day Celebration

Employee Activities

The Company organizes a variety of engaging and enjoyable employee activities to enrich their leisure time, encouraging them to stay fit while maintaining a balance between work and rest. These initiatives are designed to enhance employees' cultural literacy and physical fitness, while also strengthening corporate cohesion and fostering a sense of unity. This showcases a harmonious and people-oriented corporate culture. In 2024, the Company conducted a total of 37 employee activities.

In 2024

the Company conducted
 37 employee activities

Case

Staff Badminton Competition

In June 2024, as part of the ongoing Jiaoxin Workshop Employee Care Project and the series of activities organized by Dong-E-E-Jiao, the trade union hosted the Passion Blossoms: Share with You in Badminton Staff Badminton Competition. This event took place at the badminton hall and saw participation from over 70 employees across 15 representative teams from various trade union branches and departments.

The tournament aimed to uphold the proud traditions of China Resources—a Company rich in heritage—as well as to embody the corporate spirit of Dong-E-E-Jiao: progressive, practical, dedicated, and diligent. Through this event, we sought to cultivate perseverance and resilience among our staff, fostering a competitive atmosphere that encourages everyone to strive for excellence. The competition aimed to inspire all employees and leaders to embrace new challenges and move forward on our collective journey. Before the tournament began, both the referee and an athlete representative took an oath to uphold the principles of fair play and sportsmanship. On the court, the employees transformed into energetic athletes, showcasing their best performances in vibrant sportswear. They unleashed a variety of badminton skills, executing high clear shots, powerful smashes, cross-court shots, and delicate drop shots with confidence. Off the court, the atmosphere was equally lively, as everyone became enthusiastic cheerleaders, filling the air with cheers, encouragement, and applause. Participants exchanged techniques and learned from one another, fostering a spirit of camaraderie and mutual respect among the teams. There was a shared understanding of valuing worthy opponents and appreciating each other's skills.

As the cheers intensified, the competition grew more exhilarating. After a series of intense matches, the top three players in men's singles, women's singles, and mixed doubles were finally determined.



Staff Badminton Competition

Employee Health and Safety

Employee Occupational Health and Safety Management

Dong-E-E-Jiao is dedicated to ensuring the occupational health of its employees. The Company strictly adheres to various laws and regulations, including the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases and the Provisions on the Supervision and Administration of Occupational Health in the Workplace. To support this commitment, it has developed and refined a comprehensive set of rules and regulations concerning employees' occupational health. This includes the Measures for Occupational Health Management, the Standards for Personnel Health and Physical Examination Management, and the Standards for the Management of Personal Protective Equipment. These guidelines are compiled into the Compilation of Occupational Health Management Systems, ensuring that all health management practices are carried out in accordance with established rules.

To further protect employees' health and safeguard their rights and interests, as well as to enhance the overall working environment, the Company has established an Occupational Health Committee and an Occupational Health Management Team. The Occupational Health Committee, led by a senior manager, consists of heads from relevant departments who work together to research, implement, guide, and coordinate occupational safety and health initiatives across various units. The Occupational Health Management Team operates within the Environment, Health, and Safety (EHS) Management Department, with its head serving as the team leader. This team includes two full-time occupational health administrators and nine part-time administrators who oversee the daily management of employees' occupational health.

In recognition of its commitment to safety, the Company has achieved ISO 45001 Occupational Health and Safety Management System Certification and was honored as one of the Outstanding Cases of the Third Batch of Healthy Enterprise Construction by the National Health Commission in 2024.



Safeguarding Employee Physical and Mental Health

The Company is committed to promoting both the physical and mental well-being of its employees by implementing effective measures to raise awareness of occupational health risks. For newly hired employees, we provide comprehensive three-tier safety education and training focused on occupational health. This ensures they develop an early understanding of the importance of occupational health protection, familiarize themselves with our management system, identify potential hazards in their work environment, and learn appropriate protection methods. For current employees, we offer regular refresher training sessions, host awareness weeks, and engage in various initiatives for feedback and evaluation, all aimed at enhancing their knowledge and focus on occupational health. Furthermore, employees transitioning to new roles receive specialized training tailored to the unique health risks associated with their new positions.

In 2024, the Company implemented various initiatives to support the well-being of our front-line employees. We organized a centralized training session focused on mental health to help staff manage emotional stress. Additionally, we hosted a health lecture on stroke awareness and partnered with a local health chain to provide in-office health consultations. This included on-site pulse diagnosis and treatment, as well as efforts to educate employees about overall health and wellness.

Employee Occupational Health Protection

The Company has established and continuously improved its Standards for the Management of Personal Protection Equipment. We promptly purchase and distribute a variety of labor protection items to ensure the safety and health of our employees during the production process. Currently, we offer 46 types of essential labor protection equipment, covering all production and related positions to create a safe working environment.

In line with the System for Warning and Notification of Occupational Disease Hazards outlined in the Compilation of Occupational Health Management Systems, we have implemented clear warning signs in areas and around equipment that pose occupational health risks. Additionally, we notify employees of potential hazards at the entrances of the factory and in each production workshop to help mitigate occupational health and safety risks during their work.

The Company conducts annual health screenings for its employees, which include food and drug health assessments for production and related staff, occupational health examinations, health check-ups for employees in specialized roles, and specific screenings for female employees. In 2024, we expanded our efforts to identify occupational hazard factors, achieving a 100% coverage rate for health examinations. Impressively, the incidence rate of occupational diseases remains at 0%.

In 2024



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1



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Prioritizing Lives and Strengthening the Foundation of Workplace Safety

Dong-E-E-Jiao is committed to fully implementing General Secretary Xi Jinping important directives on workplace safety. We steadfastly embrace the principle of putting people and life first, and diligently promote our responsibilities associated with work safety. Our efforts include deepening the development of our safety standardization system, continually enhancing the identification and prevention of safety risks, and intensifying the promotion and integration of safety concepts throughout our organization. These initiatives are aimed at reinforcing the very cornerstone of workplace safety.

Work Safety Management System

Dong-E-E-Jiao is committed to complying with laws and regulations, including the Work Safety Law and the Fire Control Law of the People's Republic of China. We have established internal management systems, such as the EHS Target Management and Responsibility System, which assign work safety responsibilities to all employees. To ensure accountability, we implement a tiered system of work safety responsibility letters. We have set up a Work Safety Committee, appointed a Safety Director, and employed dedicated personnel for work safety and occupational health management. Our comprehensive work safety management system operates at all levels of the organization, promoting a culture where everyone understands their roles and contributes to safety efforts. This proactive approach helps us build a robust safety firewall, ensuring the secure and stable operation of our workplace.

In 2024, the Company invested RMB 1.5772 million into work safety management. As a result of these efforts, we have not encountered any major safety accidents, achieving an overall record of safe and stable operations.

In 2024



Expenditure on work safety management RMB
1.5772 million

Investigating Hidden Dangers in Workplace

The Company has made significant strides in implementing a dual prevention mechanism focused on classifying and controlling safety risks while thoroughly investigating potential hidden hazards. A comprehensive approach has been adopted to identify and address these safety risks, with various departments collaborating to assess areas such as production processes, equipment, work environments, and employee behaviors. To ensure that safety risks are effectively managed, the Company continuously evaluates and adjusts risk levels and control measures. This systematic approach reinforces the dual prevention framework, keeping safety risks well within acceptable limits.

The Company has established a three-tiered investigation and remediation mechanism. This system involves key management personnel and safety leaders conducting front-line investigations, while the EHS Management Department regularly organizes safety inspections and encourages mutual assessments. Furthermore, employees at all levels are encouraged to engage in self-inspections and corrections to promote a culture of safety throughout the organization.

In 2024, the Company conducted a total of 97 inspections across various categories, including fire protection, idle areas, gas safety, outsourced and rented spaces, electrical safety, building structures, and specialized investigations focused on major hidden dangers. During these inspections, we identified 201 hidden hazards, achieving a rectification completion rate of 100%. Additionally, we meticulously reviewed and optimized 359 risk points.

In 2024



we identified
201
hidden hazards



achieving a rectification completion rate of
100%



meticulously reviewed and optimized
359 risk points

Work Safety Management Performance of Dong-E-E-Jiao

Indicator	2024 value	2023 value
Incidents resulting in personal injuries or fatalities	0	0
Work deaths	0	0
Lost workdays due to work injuries (Hours)	0	0
Annual lost workdays due to work injuries	0	0

Safety Hazard Identification Performance of Dong-E-E-Jiao

Indicator	2024 value	2023 value
Campaigns to spot safety hazards	97	31
Correction rate of safety hazards	100%	100%

Emergency Management of Work Safety

Dong-E-E-Jiao has developed a comprehensive emergency management system for workplace safety. This system includes the formulation of the Emergency Rescue Plan for Work Safety Accidents and the Emergency Drill Plan for 2024. The Company has enhanced its emergency organizational structure and established a holistic approach to safety management that addresses both sound details and broader contexts. To bolster its emergency preparedness, Dong-E-E-Jiao has conducted various emergency drills, simulating scenarios such as fires, mechanical injuries, vehicle accidents, and incidents involving special equipment. These efforts have significantly strengthened the Company's emergency management capabilities.

In 2024, to further enhance the emergency response skills of its personnel, the Company conducted 60 emergency drills in alignment with its annual plan for production safety accidents, involving a participation of 1,910 individuals.

In 2024

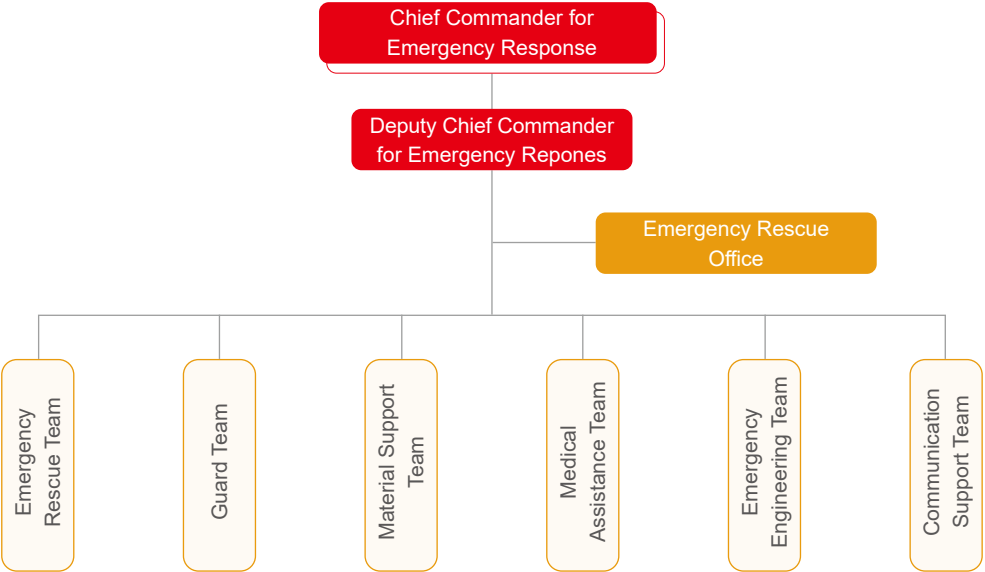


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for production safety accidents



involving a participation of
1,910 individuals

Emergency Organizational Structure



Safety Emergency Management Performance of Dong-E-E-Jiao

Indicator	2024 value	2023 value
Safety emergency drills	34	18
Total safety emergency drill duration (Hours)	29	16
Safety emergency drill participation	1,664	990

Case Work Safety Month Themed Activities

In June 2024, Dong-E-E-Jiao organized a series of activities for Work Safety Month, themed Everyone Talks About Safety, Everyone Can Respond - Unblocking the Life Passage. Each production line, subsidiary, and department participated in emergency evacuation drills aimed at improving employees' fire evacuation skills and deepening their understanding of the importance of safe emergency pathways.



Fire Emergency Evacuation Drill

To enhance employees' safety awareness and their skills in self-rescue and mutual rescue, the Compound Gelatin Syrup Line conducted an emergency drill focused on preventing high-altitude falls. This drill aimed to assess the employees' emergency response times and their ability to handle such situations effectively.



Emergency Drill for High-Altitude Falls

With the rise in the number of vehicles in the underground garage, particularly the growing presence of electric vehicles, the Company has organized an emergency drill to prepare for potential spontaneous combustion fires. Security guards were mobilized to participate in this drill, ensuring that everyone is well-equipped to handle such emergencies efficiently.



Emergency Drill for Vehicle Spontaneous Combustion Fire in the Underground Garage




Workplace Safety Training

To enhance employees' safety awareness, Dong-E-E-Jiao prioritizes safety education and implements a First Class at the Start of Work initiative. After holidays, relevant managers within the Company consistently conduct this initial training, reinforcing safety responsibilities and establishing a comprehensive on-the-job training system that emphasizes shared accountability from top management to all employees.

In 2024, the Company recorded over 13,200 hours of participation in safety education, achieving a 100% completion rate for its annual training plan. Additionally, it organized 100 practical training sessions covering essential topics such as fire safety, traffic control drills, cardiopulmonary resuscitation (CPR), and the operation of rescue equipment and facilities, with a total of 1,866 employees taking part

In 2024

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education

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training plan



Case Fire Extinguishers Safety Education Initiative

In September 2024, our Donkey-hide Gelatin Line conducted a dedicated safety education program titled Fire Extinguishers on the Front Line: Entering the Workshop, Practicing Operations, and Enhancing Skills. This initiative combined theoretical lessons with hands-on training, enabling employees to gain a thorough understanding of how to use fire extinguishers and respond effectively in emergencies. A total of 248 participants successfully completed the fire extinguisher operation certification, significantly boosting the fire safety awareness and emergency response capabilities within our workforce. This program has laid a solid foundation for ensuring a safer work environment.



Safety Education on Fire Extinguisher Operations

Case Safety Awareness Promotion Through Educational Films

In June 2024, during Work Safety Month, the Company organized a series of screenings for front-line employees, showcasing safety warning and educational films like Work Safety: A Weighty Responsibility and The Life Passage. By using real-life case studies presented in these films, we conducted targeted on-the-job safety education for personnel involved in key processes. This initiative aimed to reinforce their sense of responsibility regarding workplace safety.



Watching Safety Awareness Films

04

Walking with Responsibility: Crafting a Better Life through Ingenuity

At Dong-E-E-Jiao, we embody the spirit of craftsmanship that emphasizes a lifelong commitment to excellence. We continuously enhance product quality and management efficiency while minimizing quality risks. Our strategic service system supports customer operations through responsible marketing and a focus on enriching the consumer experience. Furthermore, we prioritize responsible procurement by integrating high-quality resources throughout our industrial and supply chains. By collaborating with our upstream and downstream partners, we aim to create a cooperative ecosystem that benefits all involved. We enthusiastically embrace our responsibilities by promoting regional economic development and actively engaging in social initiatives. Our commitment to rural revitalization is paramount, and we strive to share the successes of our high-quality development with all stakeholders.

Contribution to UN SDGs



Pass rate at market sampling
inspection

100 %

Product quality management
training sessions

75

Customer satisfaction

94.5 %

Positive feedback

131,058 Piece

Total suppliers

1,573

Donations to rural revitalization
projects

430 RMB 10k



Commitment to Quality and Strengthening Product Quality Responsibility

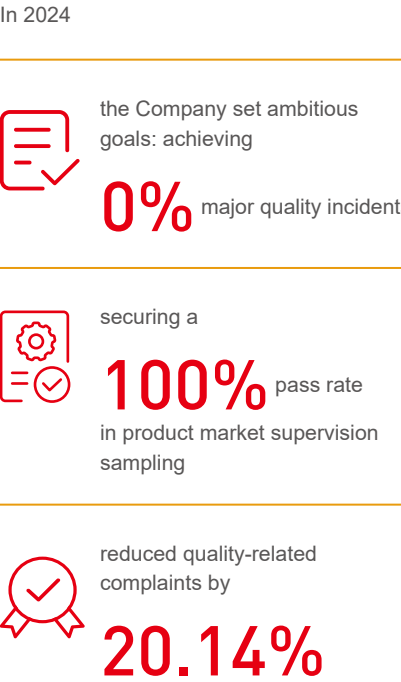
Dong-E-E-Jiao is dedicated to delivering authentic quality, firmly believing that excellence in quality underpins our strength and success. We view quality enhancement as the cornerstone of our brand development and have established a robust product quality management system. Our approach focuses on continuously improving the quality of our materials, production processes, and market performance, ensuring comprehensive prevention and control of quality risks.

Building a Product Quality Management System

Dong-E-E-Jiao upholds the core values of integrity, authenticity, tradition, and innovation, and is committed to its mission of promoting health and benefiting society. The Company recognizes that quality is crucial for its survival and has centered its efforts around the 1238 strategy to establish a comprehensive quality control model across the entire value chain. With a goal of delivering products of excellence and building trust through quality, Dong-E-E-Jiao adopts a quality policy focused on inheriting authentic quality, creating first-class products, and enhancing the health and well-being of our customers. The Company implements a robust system for quality traceability management across the entire industrial chain, breaking down quality objectives and policies at all levels to reinforce accountability for quality control responsibilities throughout the supply chain. Through process tracking, performance evaluations, and annual reviews, Dong-E-E-Jiao ensures the continuous, compliant, and efficient operation of its quality.

In 2024, the Company set ambitious goals: achieving zero major quality incidents, securing a 100% pass rate in product market supervision sampling, attaining 100% approval rates across various certifications and inspections, and ensuring 100% timeliness in the filing and approval processes for drug production quality-related changes. Through meticulous benchmarking and targeted efforts, the Company successfully achieved zero quality incidents, reduced quality-related complaints by 20.14%, and achieved 100% pass rates for 179 batches across 15 products in market sampling. Additionally, it recorded 100% approval rates for 11 certifications and inspections, as well as 100% timeliness in the review, approval, and filing of documents related to drug production quality changes, thereby fully meeting its product quality management objectives.

The Company strictly adheres to regulations such as the Product Quality Law of the People's Republic of China and has developed a comprehensive quality management documentation system based on the Good Manufacturing Practice (GMP). This system encompasses drug development, technology transfer, and commercial drug production stages, ensuring thorough and manageable oversight of regulatory documents. This robust framework provides reliable institutional support for enhancing product quality, improving management efficiency, and reducing quality risks.



Four-level Management Documentation System at Dong-E-E-Jiao



The Company meticulously standardizes its product quality management processes and fosters a comprehensive approach that encompasses every aspect of quality management. This includes the management of product materials, production processes, quality assurance, quality control, continuous improvement practices, and self-inspection procedures. We implement rigorous standards for control, thorough inspections, and extensive supervision throughout all stages. Our product quality inspections are preventive in nature, ensuring that all products comply with regulatory requirements. Furthermore, we reinforce our quality control measures to mitigate business risks effectively.

Quality Management Process of Dong-E-E-Jiao

Elements of Quality Assurance

For elements such as change management, deviation handling, complaint resolution, quality reviews, product recalls, and risk management in qualification and validation, we have established independent work flows for each category.

Production Management Process

Issue a production order -Requisition materials - Input materials into the system - Initiate production -Request inspection -Store finished products in the warehouse -Release products upon passing inspection

Material Management Process

Procurement - Preliminary Inspection - Sampling - Inspection - Release -Warehousing and Storage

Quality Control Process

Set quality standards - confirm inspection methods - develop operating procedures - conduct quality inspections - release materials -issue qualified inspection reports

Continuous Improvement Procedure

Analyze quality parameters -Track quality trends - Assess quality risks -Implement improvements and preventive measures

Self-Inspection Procedure

Set the audit team - Create an audit plan - Carry out an on-site factual audit - Prepare the audit report - Implement continuous improvement procedures



Product Quality Improvement and Certification


Dong-E-E-Jiao is committed to continuously enhancing product quality through a variety of strategies. By focusing on the quality of materials, production processes, and market standards, the Company has achieved significant advancements in quality management. This includes the digital transformation of quality oversight, strengthening the quality assurance system, enhancing food safety protocols, and upgrading quality control measures. These initiatives work together to ensure robust and effective product quality management.

In terms of digital transformation, Dong-E-E-Jiao harnesses advanced technological tools to empower its quality management processes. The Company implements a comprehensive quality traceability system that spans the entire production chain. This system encompasses every step, from the breeding of the donkeys to the warehousing of donkey skins, through the production processes, and finally to the distribution of finished products. This integrated approach not only boosts the efficiency of product quality management but also ensures the digitization of production processes, enhances quality control, and provides full traceability throughout the product lifecycle.

In 2024, the Company embarked on a new phase of digital transformation. We launched the Laboratory Information Management System (LIMS) across all product lines and steadily developed our Quality Management System (QMS). This initiative significantly enhanced our employees' compliance with quality standards and improved the efficiency of quality inspections, record-keeping, and data analysis. Additionally, we introduced a document and training management system to further streamline our processes. Through careful planning and coordinated efforts, we successfully completed the development, system testing, and implementation of several specialized requirements. These advancements have consistently enhanced the overall efficiency of our quality management practices.

Digital Initiatives for Product Quality Management at Dong-E-E-Jiao

Step	Measure
<div><div>Production digitalization</div></div>	<ul style="list-style-type: none">By leveraging advanced technologies like near-infrared analysis, pharmacodynamic fingerprinting, and automated controls, we have achieved intelligent management of key processes, drawing on the expertise of experienced pharmacists.We have modernized our production equipment through hardware upgrades, allowing for automated monitoring and operation, digitized process control, and computerization of production management information.Utilizing cutting-edge technologies such as 5G, digital twins, big data, and the Internet of Things, we have implemented a comprehensive digital approach to manage the entire product lifecycle.With Oracle ERP's flexible field design technology, we have integrated data across the four major sectors of our supply chain—master data, manufacturing, and finance—using a robust database system, a graphical user interface, and standard open API methods. This integration has effectively addressed key challenges in production control, including the seamless flow of information across various production stages and enabling real-time data sharing.
<div><div>Quality control digitalization</div></div>	<ul style="list-style-type: none">In response to market complaints regarding the gelatin-based oral liquid products of traditional Chinese medicine, the Company has implemented advanced AI visual inspection technology. We have installed inspection cameras at several workstations along the production line to conduct real-time checks. This includes analyzing the three-phase codes of Compound Donkey-hide Gelatin Syrup, performing high-speed lamp inspections for foreign matter in the oral liquid, and conducting visual inspections during the cartooning process. As a result, we have successfully automated the detection and removal of foreign substances in all post-packaging stages of Compound Donkey-hide Gelatin Syrup. Since implementing these measures, we have seen a 1% reduction in market complaints.

Step	Measure
<div><div>Product tracking management</div></div>	<div>Donkey farming</div> <ul style="list-style-type: none">A breeding base is established in accordance with Good Agricultural Practice and RFID technology is applied to achieve traceability management of donkey raw materials.
	<div>Donkey slaughter - donkey skin warehousing</div> <ul style="list-style-type: none">An integrated donkey slaughterhouse has been established, where the pickling and storage processes for donkey skins are managed according to standardized procedures. A unified pickling record is maintained throughout this process. Once the donkey skins pass the initial inspection, they are assigned a standardized incoming factory number by the warehouse.
	<div>Product packing</div> <ul style="list-style-type: none">A unique traceability code is generated during the production of each product. This code establishes a correlation that is then uploaded to the traceability platform. When products are either shipped or returned, the traceability code is scanned for outbound processing, and both the inbound and outbound records are uploaded to the platform. This procedure enables comprehensive tracking of the entire product circulation process.

To enhance the quality assurance system, the Company actively mitigates systematic risks through methods such as risk classification and control, internal audits, and external inspections. This approach ensures that there are zero major or significant defects detected during five external inspections. Additionally, through effective post-market product risk management, annual quality reviews, the introduction of equipment for monitoring filling volume processes, and updated methods for indicating expiration dates, the Company systematically analyzes and controls product risks. The Company has established a 132 verification and evaluation standard, utilizing a “2 forms and 1 manual” approach as its foundation. This framework promotes action plans for medium to significant changes following a comprehensive checklist, significantly enhancing the Company's preventive quality control capabilities. To streamline operations, the Company has clearly defined roles and responsibilities by creating 97 detailed responsibility cards for key positions. These responsibilities are enforced through a structured approach that includes supervision and inspection, guidance for rectifying issues, and on-site incentives. As a result, issues on the production floor have steadily decreased month by month, ensuring the stability of production processes and compliance with operational standards.

To enhance the food quality system, the Company is committed to risk prevention and control, professionalism, efficient collaboration, and innovative thinking. This dedication leads to the continuous optimization of a flexible food quality management system, upgrades to the existing food safety protocols, and improvements in food-related processes. By fostering collaboration, the Company ensures the swift and compliant launch of new products while strengthening quality control for outsourced items. The ultimate goal is to deliver safe, high-quality, cost-effective, and quickly available products.

Moreover, in pursuit of quality improvement and cost reduction, the Company has implemented several measures. These include enhancing the pre-treatment of donkey skins, refining the foam water treatment process, and establishing detection methods and criteria for the transmittance of finished products, as well as the endpoint of foam extraction from glue liquid. As a result, the transmittance of donkey-hide gelatin has increased by 37% year-on-year, and the average output of dry donkey-hide gelatin powder has seen a year-on-year increase of 3.35%. The Company has standardized its production processes and implemented real-time online monitoring for the scalding of donkey skins and foam extraction. As a result, batch stability has improved, leading to a 6.3% year-on-year increase in the quality of water-insoluble substances in donkey-hide gelatin. Additionally, we have achieved greater automation in our production processes, successfully completing online turbidity monitoring during the transfer of compound donkey-hide gelatin syrup. This proactive measure has effectively reduced the instances of sedimentation in our finished products, resulting in a 49.3% year-on-year decrease in customer complaints related to this issue.

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3.35%

leading to a

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To enhance our quality control system, we have focused on improving product inspection capabilities and efficiency. This has been achieved through the development of rapid inspection methods, optimizing the arrangement of equipment to minimize waiting times, and conducting skill competitions among staff. As a result, we have ensured that our inspection timeliness and accuracy rates consistently reach 100%.

In line with our Product Life Cycle Management Policy, the Company has established a product decision-making committee to standardize the processes for product development and upgrades. This initiative includes creating an efficient communication mechanism for promotion, and ensuring that all product developments and launches align with the Company's strategic objectives. By leveraging our digital platform for product life cycle management, we are able to enhance oversight throughout the entire product life cycle.

In 2024, the Company performed 19 quality spot checks on our products, achieving a market sampling pass rate of 100%. Throughout the year, we experienced no negative incidents such as product recalls and faced no regulatory penalties. Additionally, we have successfully obtained ISO 22000:2018 Food Safety Management System and GB/T 19001-2016/ISO 9001:2015 Quality Management System certifications for our quality management systems.



Product Quality Management Performance of Dong-E-E-Jiao

Indicator	2024 value	2023 value
Product recalls	0	0
Product quality sampling inspections	19	24
Pass rate at market sampling inspection	100%	100%
Quality complaints per 1 million boxes	4.8067%	6.0192%

Quality Management Awareness and Education

The Company is committed to fostering a culture of excellence in quality, implementing a gold-standard approach that encourages widespread awareness and understanding among all employees. We conduct ongoing education and publicity initiatives to elevate quality consciousness, including targeted training sessions, labor skill competitions, and quality skill enhancement programs to strengthen our team's capabilities. Our strategy incorporates various engaging activities, such as quality management theme training and “quality essay writing” contests, which not only promote internal learning but also encourage external exchanges on quality management practices. This comprehensive approach cultivates a vibrant quality culture and lays a robust ideological foundation for effective quality management across the organization.

In 2024, every employee in product quality management roles participated in our training initiatives. We successfully conducted 75 training sessions, engaging a total of 1,678 participants and totaling 251.8 training hours.

Quality Training Performance of Dong-E-E-Jiao

Indicator	2024 value	2023 value
Product quality management training sessions	75	41
Product quality management training participation	1,678	935
Product quality management training duration (Hours)	251.8	121.2

Case Dong-E-E-Jiao Launches a Series of Quality Month Activities

In September 2024, Dong-E-E-Jiao harnessed the power of media platforms and effectively integrated diverse online and offline channels to promote and deeply study the important insights of General Secretary Xi Jinping on new quality productivity and high-quality development. As part of our initiatives, we launched the Quality Month Initiative along with the Online Classroom on Quality and Compliance. Throughout the month, we organized over 30 training sessions covering key topics such as Quality Management Knowledge, Food Safety, and Lean Management, attracting more than 1,000 participants in total. Additionally, we focused on summarizing and learning from typical quality incident warning education, which significantly enhanced employee quality awareness from multiple dimensions. Overall, these activities reinforced our commitment to quality excellence and continuous improvement.



In September 2024, the Company undertook a comprehensive overhaul to optimize and enhance the professional skills across our entire supply chain. We concentrated on core processes and key roles, organizing a variety of competitions focused on practical skills, including Chinese herbal medicine identification, verification techniques, process quality supervision, quality inspection, and knowledge contests. We initiated the selection of Quality Experts and promoted tools like the Job Clear Card and Learning from Cases, creating a robust, multi-dimensional framework for skill enhancement and quality improvement. This initiative guided employees in sharpening their quality skills, bolstering capabilities, fostering quality leadership, and embodying a spirit of craftsmanship.



Additionally, in 2024, the Company actively facilitated both internal and external quality exchange activities. We hosted a Quality Open Day for employees' families, participated in the “Liaocheng High-Quality Products” Brand Release and Promotion Conference, and attended the Launch Ceremony for Quality Month. These efforts strengthened our internal and external engagement, helped us identify areas for improvement, and addressed gaps to bolster our overall quality performance.



In 2024, the Company received widespread recognition and earned several prestigious honors for its product quality management capabilities.

Our research and application of quality control technology for high-quality and convenient donkey-hide gelatin dosage forms was awarded the Third-Class Quality Technology Award.

Five of our products—donkey-hide gelatin, compound donkey-hide gelatin syrup, Peach Blossom Princess, donkey-hide gelatin jujube, and donkey-hide gelatin—were recognized as part of the first batch of Liaocheng High-Quality Products.

Our initiative on the Construction of a Quality Control Model for the Entire Product Life Cycle was honored as a Shandong Quality Benchmark.

The project aimed at Reducing the Defective Rate of Donkey-hide Gelatin Jujube won a gold medal at the 49th International Conference on Quality Control Circles (ICQCC). Furthermore, twelve of our projects, including Standardized Research on the Moistening Process of Deer Antler Slices and Research on the Automatic Feeding Method of Donkey-hide Gelatin Jujube, participated in the 2024 Pharmaceutical Industry Presentation Competition, with all earning first-place accolades.

Our Quality Inspection Center was honored with the title of Youth Civilization Unit by China Resources Pharmaceutical.



Representative Quality Management Honors of Dong-E-E-Jiao

As a time-honored brand in traditional Chinese medicine, Dong-E-E-Jiao holds significant advantages in promoting healthy consumption. The Company actively participated in the 6th International Summit on Food Safety and Nutritional Health (IFSN), organized by the China Functional Food Industry Conference. The summit addressed key topics such as regulatory compliance, raw material safety, and industry trend analysis, which indirectly touch on essential aspects of supply chain management. During the conference, Dong-E-E-Jiao engaged in discussions with industry partners under the theme of Exploring New Paths to Sustainable Nutritional Health: Integrating Medicine and Food, and Advancing Food Safety Technology. Through collaboration and dialogue, participants reached a consensus on several critical issues related to food quality and safety.

Embracing Customer Responsibility, Integrating Marketing and Service

Dong-E-E-Jiao is dedicated to its vision of becoming the most trusted leader in tonic health products for the public. The Company places consumers at the heart of its operations, continuously refining its customer service system to create a robust strategic approach to customer engagement. By consistently enhancing the quality of service, Dong-E-E-Jiao embraces a sense of responsibility in its operations.

Protecting Consumers’ Rights and Interests While Enhancing the Healthy Consumption Experience

The Company is fully committed to adhering to all relevant national laws, regulations, and guidelines that safeguard customers' rights and interests. We have developed and continuously refined our customer service system, including the implementation of internal management frameworks such as the Consumer Service Experience Management Policy. This enables us to consistently enhance the service capabilities of our customer service team, uphold our commitments to customer care, and ultimately improve the overall customer service experience.

The Company has developed a strategic customer service system designed to meet the diverse needs of consumers across both B2B and B2C markets, seamlessly integrating online and offline channels. By adopting a scenario + experience + service model, we leverage digital tools to offer personalized solutions that enhance the overall consumption experience. Our services encompass health consultations, lifestyle guidance, and health management solutions. Through an active interactive feedback mechanism and targeted community engagement, we continuously optimize our products and services. This approach not only creates new opportunities for enriching consumer experiences but also reinforces Dong-E-E-Jiao’s cultural values around healthy nourishment and wellness. Overall, we aim to significantly improve the efficiency and quality of our customer operations, ensuring that our consumers receive exceptional service tailored to their needs.



Official Release of the Strategic Customer Service System

For our offline C-end customers, we have uniquely developed the LIFE store system, which embodies a nourishing lifestyle. With a strong focus on customer experience, our stores are designed to create memorable moments, prioritize health, and enhance overall customer satisfaction. Leveraging our brand-owned direct stores as platforms, we organize themed events like the Mid-Autumn Festival Gifts - Dong'e Donkey-hide Gelatin and host brand salons such as Nourishing Throughout the Four Seasons: Oriental Aesthetics. Additionally, we collaborate with Hubei Radio and Television Media to conduct exclusive Dong-E-E-Jiao purchase fairs and other engaging activities. We also offer customized services like stewing donkey-hide gelatin and grinding it into powder for our customers. By innovating unique experiential services, we aim to meet the personalized needs of our consumers and foster a trustworthy environment for a healthy, nourishing lifestyle.



Thematic Activities like Mid-Autumn Festival Gifts - Dong'e Donkey-hide Gelatin

Exclusive Dong-E-E-Jiao Purchase Fair



Salon Titled Nourishing Throughout the Four Seasons: Oriental Aesthetics

For our online C-end customers, we have developed a comprehensive customer service system that encompasses pre-sales consultations, after-sales support, and compliance management. This system is designed to address the unique pain points and needs of our consumers, allowing us to effectively engage different customer segments. We boost customer retention through strategies like store membership programs, and continuous product upgrades. Utilizing tools such as “discontinuous touchpoints” and “special care” initiatives, we enhance the service experience for both new and returning customers. Our approach includes diverse product marketing scenarios and innovative promotional activities that highlight our brand’s strengths and improve the overall quality and efficiency of our customer service.

Additionally, we prioritize ongoing training for our customer service team, covering essential topics such as product updates, industry trends, and business knowledge. This empowers our staff to respond to customer inquiries accurately and comprehensively. We also emphasize communication skills training to enhance the effectiveness of our interactions. By listening to customer needs and clearly articulating solutions, we strive to foster strong, lasting relationships with our customers.




The Company is committed to safeguarding customers' basic rights and interests while enhancing the protection of their privacy. We adhere strictly to national regulations on user privacy and our platform's guidelines. Importantly, we do not utilize the information of customers who make purchases or consultations for any commercial purposes. During follow-up communications, we only reach out to customers experiencing after-sales issues or to our major clients. Our customer service team is also prohibited from disclosing any customer information during their interactions.

Streamlined Communication Channels for Swift Consumer Response

Customer Communication

The Company has enhanced its customer communication framework by establishing seamless communication channels. We have developed comprehensive management systems to address complaints related to business operations and key customer interaction points. Our multimedia customer service center incorporates a variety of platforms—including hotlines, the internet, online shopping platforms, WeChat official account, and text messaging—to ensure accessible support for our customers. We proactively engage with our customers, fostering two-way communication with diverse customer segments.

Primary Customer Communication Channels at Dong-E-E-Jiao

Type	Method	Determination of Key Customer Requirements
 Inquiry method	Hotline	Convenient, 7x8 available
	Fax	Convenient, 24-hour available
	Mutual visit	First inquiry responsibility system
	Exhibition	
	Website	Convenient and swift
	Official flagship store	Convenient and swift
 Transaction method	Channel	Determine through the signing of contracts or sales agreements
	Transaction method	
	Payments	
 Feedback method	Hotline	Convenient, 13 hours from Monday to Friday, 8 hours during Saturday and Sunday; leaving messages during other hours.
	Fax	Convenient, 24-hour available
	Online	Instant response

The Company employs a variety of strategies to enhance customer communication, respond quickly to consumer needs, and leverage intelligent services. It has implemented intelligent robots and automated replies in nine stores across Tmall, JD.com, and Douyin, constantly training and refining these systems to help them better understand customer intent and provide more accurate answers. For inquiries that cannot be resolved by intelligent customer service, these are swiftly escalated to human representatives to ensure that all customer issues are addressed effectively. Furthermore, the Company optimizes its customer service staffing schedules to maintain a 7-day, 16-hour support system. By analyzing peak and off-peak periods for customer inquiries and considering store activity traffic, it dynamically adjusts the number of customer service staff to maximize efficiency. This approach ensures that over 90% of online consultation messages receive a response within three minutes, minimizing wait times for customers.

Service efficiency



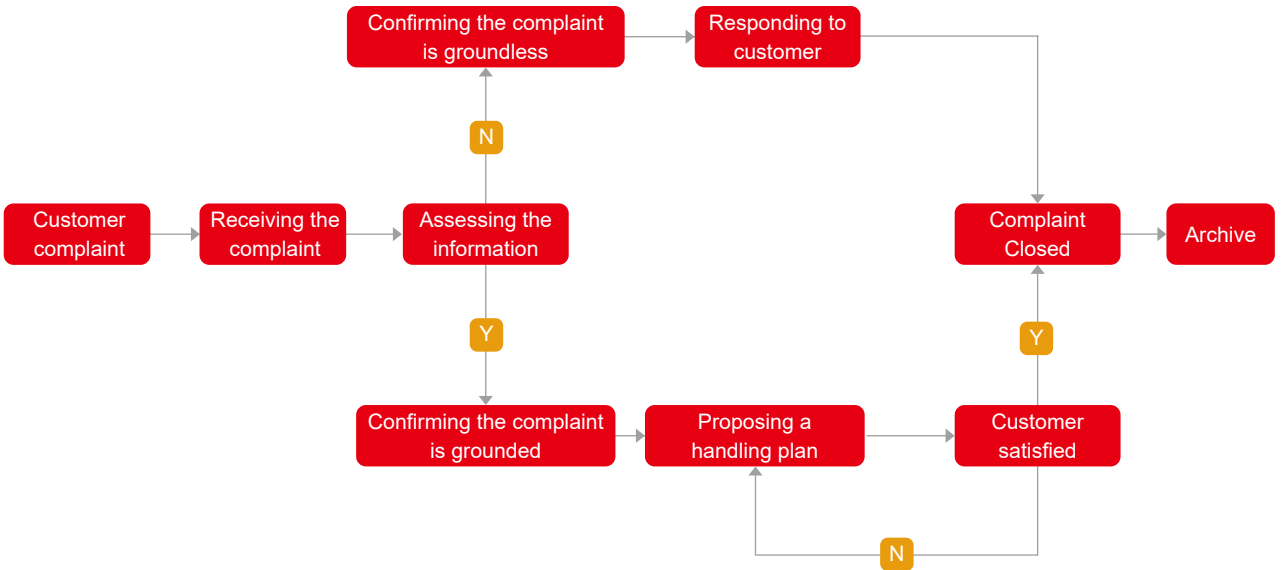
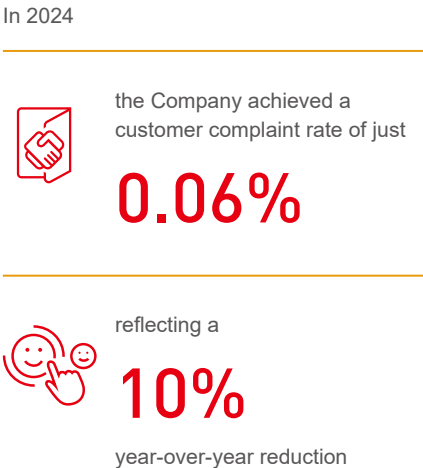
Percentage of online consultation messages receive a response within 3 minutes

over 90%

The Company enhances its channels for customer feedback by offering multiple options, including hotlines, Weibo, online communication, and in-person services. To make it easier for customers to find and use these channels, various feedback options are clearly indicated on product packaging and instruction manuals. To streamline the feedback process, the Company intelligently integrates and summarizes customer opinions from different sources, preventing information fragmentation. It also optimizes the accessibility of each channel, simplifying operational steps to improve convenience for customers reporting issues. In addition, the Company has established a rapid response mechanism for after-sales concerns. Customer feedback is classified and prioritized based on severity and urgency. For urgent issues, local marketing staff are assigned to reach out to customers within two hours, ensuring that problems are resolved within 1 to 3 working days.

Customer Complaint Management

The Company places a strong emphasis on managing customer complaints and grievances. It has established comprehensive policies and procedures to address these issues and employs a “first inquiry responsibility system” to ensure the timely handling of complaints. Within our information system, a dedicated module has been developed to receive, transfer, manage, track, and provide feedback on customer complaints. Through the analysis of this feedback, we can identify common issues and their root causes, allowing us to pinpoint areas for improvement essential to achieving our strategic goals of customer satisfaction and loyalty.

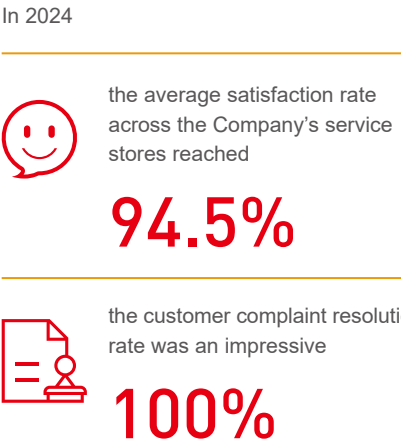


Customer Complaint Handling Process of Dong-E-E-Jiao

Customer Satisfaction Survey

The Company prioritizes customer satisfaction with its service, continually identifying strengths and weaknesses within the service process to implement targeted improvements and enhance overall service quality. Throughout daily operations, the Company actively conducts service evaluations during both pre-sales consultations and after-sales support. This includes both customer-initiated feedback and evaluations solicited by the customer service team. The goal is to foster long-term, stable, and friendly relationships with customers.

In 2024, the average satisfaction rate across the Company's service stores reached 94.5%, representing a 1.1% increase from the previous year. Additionally, the customer complaint resolution rate was an impressive 100%.



Customer Services Performance of Dong-E-E-Jiao

Indicator	Unit	2024 value	2023 value
Customer satisfaction	%	94.5	93.4
Customer complaint ratio	%	0.06	0.08
Reduction of customer complaints	%	10	/
Rate of customer complaints resolved	%	100	100
Customer inquiries processed	10k	133	112
Positive feedback	Piece	131,058	/
Positive comment rate	%	96	/

Innovating Marketing Methods and Leading by Example in Responsible Marketing

Dong-E-E-Jiao has consistently embraced the principles of responsible marketing. The Company strictly adheres to relevant laws and regulations, including the Advertising Law of the People's Republic of China, the Drug Administration Law, the Interim Measures for the Review and Management of Advertisements for Drugs, Medical Devices, Dietary Supplements, and Foods for Special Medical Purpose, as well as the Provisions on the Review of Advertisements Published by Mass Media. To uphold these standards, Dong-E-E-Jiao has developed and rigorously enforces its Advertising Management Measures. This entails requiring all promotional materials to undergo thorough internal compliance reviews prior to their release, ensuring that every piece of content is truthful, accurate, and fully compliant with applicable laws and regulations. To enhance compliance management, the Company has systematically optimized its internal management documents, including the Brand Management Policy, Brand Visual Image Application Management Measures, and Media Management Measures. These improvements strengthen the compliance review process for advertising placements, promotional slogans, and marketing materials, allowing the Company to adapt more effectively to changes in the market and regulatory landscape.

In addition, the Company provides targeted marketing training for all employees in the marketing department. This ongoing training aims to continuously elevate employees' awareness and skills related to compliant marketing practices, further ensuring the legality and effectiveness of our marketing activities.

The Company is committed to continuously innovating its product marketing strategies, channels, platforms, and media to facilitate business growth. In terms of marketing channels, the Company has implemented multi-platform placements that combine online and offline methods. Leveraging diverse sales channels such as e-commerce, it has creatively developed a customized Mid-Autumn Festival Big Brand Day IP for the first time this year. Additionally, it launched the inaugural traceability live-streaming event for purchasing and sales during the New Year Goods Festival and introduced its first digital human live-streaming session, achieving comprehensive media coverage. When it comes to marketing strategies, the Company has shifted its focus from promoting the large, single-product donkey-hide gelatin cake to expanding donkey-hide gelatin + Qi-blood Nourishing and Beautifying category. This strategic change aims to stimulate long-term demand for self-use products among consumers. On the platform side, the Company has partnered with high-potential IPs such as Joy of Life 2 and the Chinese Health-Keeping Festival on Rednote. It has also innovated its marketing efforts on social platforms like Rednote, Douyin, and Bilibili, successfully attracting younger consumers and achieving an effective cross-IP effect.

The Company employs a comprehensive multi-platform communication strategy that effectively integrates online and offline efforts. By engaging Key Opinion Consumers (KOCs) to generate buzz and launching promotional challenges, as well as setting up offline pop-up stores to attract traffic, the brand significantly boosts its visibility and influence. This innovative approach has successfully transformed the traditional health brand into a top choice that resonates with young consumers.

Case

The Peach Blossom Princess Series Leverages Celebrity Endorsement to Drive Product Marketing Success

In 2024, the Company implemented a robust celebrity endorsement system specifically designed for its Peach Blossom Princess series. This strategy targeted the core demographic by utilizing a celebrity matrix that included one primary spokesperson, a brand ambassador, and a star promoter. By focusing on these key elements, the Company deeply engaged its channels and audience, effectively attracting new customers and achieving comprehensive channel coverage. The initiative included six major campaigns, featuring the renewal and official announcement of the spokesperson, new product launches, a traceability campaign during the Mid-Autumn Festival, the announcement of the brand ambassador, as well as integrated marketing efforts during the Double 12 shopping festival and the New Year Goods Festival. By the end of 2024, the combined online and offline marketing initiatives resulted in a remarkable gross merchandise volume (GMV) of RMB 9.554 million, generating 880 million exposures on Weibo. This strategic approach not only elevated brand awareness but also significantly enhanced marketing effectiveness.



Celebrity Endorsement System for the Peach Blossom Princess Series

Case

Innovating Marketing with High-Potential IPs

Dong-E-E-Jiao Partners with Joy of Life

In 2024, Dong-E-E-Jiao partnered with the hit drama Joy of Life 2, transforming the show's influence into valuable brand assets and tapping into a wider audience. This collaboration enhanced content creation and engaged two prominent spokespersons, seamlessly connecting online and offline marketing channels. The result was a significant boost in brand exposure, the establishment of strong brand loyalty, and a successful kickoff for Tmall's 618 shopping event. As a result, sales of donkey-hide gelatin blocks and donkey-hide gelatin powder soared, demonstrating the effectiveness of leveraging high-potential IPs in marketing strategies.



Rednote's Discovery in China Project

In 2024, Dong-E-E-Jiao served as the general sponsor for Rednote's Discovery in China - Chinese Health - Keeping Festival, working closely with the official platform. The event brought together hundreds of leading health-focused bloggers, experts, and brand representatives at Dong'e, Shandong. This gathering aimed to explore emerging trends in the Chinese health and wellness sector, promote traditional Chinese medicine culture, and encourage the innovative development of Chinese health practices. Through a blend of offline activities and integrated online content, Dong-E-E-Jiao significantly enhanced its brand influence and category recognition within the industry, solidifying its position as the leading brand in Chinese nourishment and wellness in the minds of consumers.



The Company is leading the way in digital marketing by developing smart health services and creating an AI-based physique detection system. Leveraging a mobile platform, it offers innovative online services such as tongue and facial diagnosis that quickly generate personalized constitution assessments. This approach opens up new possibilities for traditional Chinese medicine consultations. Based on the diagnosis results and the principles of traditional Chinese medicine, the system can intelligently craft tailored health plans for customers. These personalized plans include dietary recommendations and herbal paste prescriptions, introducing a novel model for customized customer service. Moreover, by implementing data tracking points and establishing a labeling system, the Company creates detailed member profiles, paving the way for precision marketing in a new dimension.



Digital Marketing - AI-based Physique Assessment

Two-Wheel-Driven Brand Development: Efficiently Connecting Diverse Groups

In 2024, guided by the strategic concept of Two-Wheel Everywhere, Dong-E-E-Jiao embarked on a comprehensive brand awakening and rejuvenation initiative. The Company positioned itself as the National Treasure for Health Dong-E-E-Jiao focusing on enhancing engagement with younger audiences and transforming itself into a modern, digital, and youthful brand. This new direction defined a core brand identity dedicated to cultivating a heroic “caregiver” that resonates with the younger generation.

Dong-E-E-Jiao has achieved numerous honors in brand development, being featured on China's 500 Most Valuable Brands list for an impressive 15 consecutive years. Furthermore, its brand transformation efforts have been recognized as a classic case study in the World Brand Yearbook (2024) published by Xinhua News Agency.

In 2024

being featured on China's 500 Most Valuable Brands list for an impressive

15 consecutive years



Case

Representative Case of Dong-E-E-Jiao's Brand Awakening and Rejuvenation

The Company implemented the 520 integrated marketing strategy, delivering a heartfelt message of Feeling for You and Accompanying You Along the Way. This approach helped to shape its image as a steadfast guardian of women's health and empowerment.

Building on the excitement surrounding the Paris Olympics, the Company collaborated with three generations of excellent table tennis players. Initially focusing on the mother-daughter bond, it expanded its messaging to celebrate the broader pan-mother-daughter relationship, emphasizing the caring connections among women. This strategy conveyed the brand's commitment to warmth and emotional connection, effectively translating its rejuvenation efforts into a multidimensional experience for consumers.

Additionally, the Company partnered with the China Oriental Performing Arts Group to sponsor the performance Bloom, a philanthropic event that honored the noble profession of teaching, expressing deep respect for educators everywhere.

Collaborating for Development and Building a Sustainable Supply Chain

Dong-E-E-Jiao is committed to continually enhancing supplier management and implementing responsible procurement practices. The Company organizes and conducts supply chain improvement projects aimed at transforming and upgrading procurement management into a more integrated supply chain management approach. We optimize our supplier management processes and enforce strict standards for supplier admission, assessment, and exit protocols. By strengthening suppliers' sense of responsibility, we create a collaborative environment that fosters coordinated development across the entire industrial and supply chain. Dong-E-E-Jiao actively advocates for industry advancement, striving to create a healthy, win-win cooperation ecosystem. By uniting the strengths of all stakeholders, we seek to achieve shared prosperity and sustainable growth.

Responsible Procurement: Ensuring Resource Sustainability and Raw Material Compliance

Dong-E-E-Jiao is dedicated to upholding the highest standards in procurement practices by strictly adhering to relevant laws and regulations, including the Bidding Law of the People's Republic of China and the Civil Code of the People's Republic of China. We are continuously enhancing our internal management frameworks, such as the Procurement Management Policy (Trial), to standardize and streamline our procurement processes. Our procurement management structure is meticulously organized, featuring a top-down, tiered approach. This structure encompasses a procurement committee, a procurement management center, specialized procurement teams, and dedicated procurement staff. By establishing a comprehensive procurement management system and mechanism, we ensure that all procurement activities are legal and compliant, effectively mitigate procurement risks, and enhance overall procurement efficiency.

Raw materials are vital for the production of our donkey-hide gelatin products, and we are committed to responsible procurement practices. We focus on promoting the healthy and sustainable development of the donkey-hide gelatin industry while enhancing the resilience and safety of our supply chain. To this end, we have established the Dong'e Consensus on the Development of the International Donkey Industry. This agreement encourages our suppliers to voluntarily commit to the responsible development of donkey-hide gelatin raw materials, which includes ensuring compliance with raw material standards, guaranteeing product quality and safety, and promoting resource sustainability. We also emphasize the importance of suppliers fulfilling their social responsibilities, participating in procurement compliance education, and implementing measures to address any violations. Through these initiatives, we are strengthening our procurement compliance management and fostering a more sustainable industry.

Dong-E-E-Jiao is committed to the principles of fairness, impartiality, and transparency as we enhance our supplier management processes. We have standardized our procedures for supplier admission and evaluation by implementing a series of guidelines, including the Supplier Management Measures (Trial), the Implementation Rules for Supplier Management (Trial), and the Material Supplier Management Standards. These documents clearly define the organization and responsibilities involved in supplier management and encourage the development of specific admission and evaluation criteria tailored to individual business needs. We have established a hierarchical management system and a dynamic, quantitative assessment process to evaluate suppliers based on key factors such as integrity, safety, quality, delivery, and service. Our goal is to guide and nurture high-quality suppliers, fostering long-term, stable partnerships while swiftly addressing any shortcomings by eliminating unqualified suppliers. This commitment helps us continuously improve our procurement quality and overall supplier management effectiveness.

Simultaneously, the Company conducts thorough reviews of essential documents, such as suppliers' lists and signed contracts, to comprehensively evaluate their qualifications, compliance, and commitment to social responsibility. This rigorous process ensures the security and reliability of our supply chain.

To uphold our commitment to procurement integrity , we require all participating suppliers to sign the Integrity and Compliance Commitment Letter, which is included in our procurement documents. In 2024, we achieved a 100% signing rate for these commitment letters.

By the end of 2024, we had established a network of 1,573 suppliers, including three strategic partners. During the year, we eliminated a total of 16 suppliers for failing to adhere to the supplier code of conduct or not meeting our supplier management rules.

Suppliers Overview of Dong-E-E-Jiao

Indicator	2024 value	2023 value
Total suppliers	1,573	1,368
Strategic suppliers	3	/
Suppliers removed for failing to adhere to the supplier code of conduct or not meeting our supplier management rules	16	/

Practicing Green and Sustainable Procurement: Empowering Supply Chain Management Through Digitalization

Dong-E-E-Jiao is dedicated to implementing green and sustainable procurement practices that prioritize the selection of environmentally responsible suppliers. Throughout the procurement process, the Company encourages suppliers to adopt advanced technologies and utilize raw materials, products, and services that are energy-efficient, water-saving, and resource-conserving—all while promoting environmental protection and the principles of low-carbon living. In its equipment procurement endeavors, Dong-E-E-Jiao emphasizes the importance of considering the full life-cycle cost of equipment and strives to enhance its utilization.

The Company also plays a pivotal role in fostering sustainable development among its suppliers by communicating the significance of strategic partnerships and the importance of sustainable practices.

The Company actively promotes the sustainable development of its suppliers by emphasizing the importance of strategic partnerships and the principles of sustainability. Through a comprehensive evaluation process, it identifies and establishes strategic supplier relationships within key categories, such as red ginseng and Codonopsis pilosula, fostering the coordinated development of a more sustainable procurement supply chain. To align with the strategic goals of its procurement operations, the Company has launched the SRM (Supplier Relationship Management) integrated management system. This system supports a new control model for the procurement supply chain, enabling full life-cycle management of suppliers, procurement execution, collaborative management, and integrated oversight. By replacing subjective assessments with systematic and objective evaluations, the Company strengthens the connection between supplier management and procurement operations. This digitalization effectively enhances supply chain management, improves collaborative efficiency through more agile supply processes, and ultimately contributes to the competitiveness and value creation of the procurement supply chain.



Implementing Precautions and Establishing a Supply Chain Risk Prevention and Control System

Dong-E-E-Jiao is committed to the principles of sustainable development, proactively managing supply chain risks to create an independent, controllable, and secure traditional Chinese medicine industrial chain. The Company employs strategic category procurement, utilizing tailored procurement strategies that integrate both upstream and downstream elements of the Chinese herbal medicine supply chain. This approach helps build a professional, collaborative, and resilient supply system for Chinese herbal medicine.

For three essential materials—red ginseng, Codonopsis pilosula, and prepared rehmannia root—the Company develops comprehensive medicinal material files and tailored procurement strategies. These also include strategies for fostering supplier relationships and establishing pricing models. For strategic materials, we seek out high-quality suppliers that align with our scale, initiating strategic partnerships that promote mutually beneficial growth. For scarce materials, we implement a regular solicitation process, pre-arranging sample creation, machine testing, and stability testing to enhance efficiency. For leveraged materials, we focus on supplier solicitation and screening, evaluating suppliers' overall capabilities to ensure effective front-end management and improve supply reliability.



The Ceremony of Traceability of Authentic Medicinal Materials for Compound Donkey-hide Gelatin Syrup by Dong-E-E-Jiao, along with Signing Agreements with Strategic Suppliers of Chinese Herbal Medicines.

The Company has established a comprehensive supplier evaluation system that includes regular assessments. This evaluation process incorporates various methods such as discussions, quarterly reviews, and on-site audits to assess and track suppliers' execution capabilities, management skills, and innovation potential. By monitoring compliance and operational effectiveness, the Company aims to mitigate risks across the entire supply chain.

Empowering Partners to Build Sustainable Supply Chain Capabilities

Dong-E-E-Jiao operates with a long-term vision, aligning its goals closely with those of its suppliers. The Company firmly believes that its shared commitment to promoting public health is the foundation of their partnership. By fostering a symbiotic relationship, both parties can pursue their common objectives, ultimately driving the advancement of the pharmaceutical industry together.

The Company is dedicated to enhancing the quality of products and services provided by its suppliers while fostering open and friendly communication. Through strategic cooperation agreements and targeted training, we ensure that all suppliers fully understand and adhere to relevant business standards. We organize training sessions and communication activities that address challenges in our collaborative processes, share effective management practices, and conduct regular on-site audits. In addition, we promote our development philosophy along with a management approach centered on mutual benefit and win-win partnerships. This initiative empowers our suppliers to improve their quality management and sustainable development capabilities, ensuring that their quality and key performance indicators consistently align with our company's requirements. By working closely with our supplier partners, we strive for shared growth, open discussions about collaboration, and collective progress.

In 2024, we executed 32 training and communication activities for suppliers, totaling 104 hours of engagement, resulting in a supplier satisfaction rate exceeding 95%.

In 2024

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suppliers

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Communication and Training with Suppliers

Demonstrating Social Responsibility and Supporting Rural Revitalization

Dong-E-E-Jiao is dedicated to fulfilling its corporate social responsibility by actively engaging in various public welfare, charity, and environmental protection initiatives. We embrace the pressing responsibility of contributing to rural revitalization and promoting common prosperity. Leveraging our industry-specific strengths, we align with national strategies for coordinated regional development, responding to key initiatives aimed at fostering economic growth. Our commitment is reflected in our practical actions, which are designed to create significant social value and contribute to building a harmonious society.

Carrying out Volunteer Services and Demonstrating the Mission and Responsibility of a Central SOE

Dong-E-E-Jiao has always viewed corporate social responsibility as a core obligation and has actively promoted the development of public welfare initiatives. We continue to strengthen our Jiao Xiaoxing volunteer service brand, engaging in a variety of social welfare activities. These include collaborative efforts within the traditional Chinese medicine industry, high-quality development salons for this sector, the Sky Music Festival, the Village Dance event, and voluntary blood donations. As we grow and expand, we remain committed to serving the community, reflecting our values of service and social responsibility as a state-owned enterprise.

In 2024, we organized 13 volunteering activities, with over 300 participants contributing approximately 407 hours of service. Through these actions, we strive to create meaningful impact and spread hope within our communities.



Case Volunteer Support for the Village Dance Event

In August 2024, the Village Dance for the Colorful Earth - 2024 National Harmonious and Beautiful Village event kicked off at the Logistics Square of the Donkey-hide Gelatin Cultural Tourism Zone in Dong'e County. This vibrant Village Dance event successfully merged agriculture, culture, sports, tourism, and commerce, showcasing the dynamic synergy of Farmers' Sports +. The Company leveraged its volunteer public service capabilities to provide meaningful support for this event, reinforcing our commitment to corporate social responsibility and setting a strong example for others.



Event Highlights and Group Photo of Volunteers

Leveraging its unique business strengths, the Company has integrated resources to strengthen community ties and foster collaborative growth. Our mission is to promote the development of a harmonious, joyful, healthy, and inclusive community. In 2024, we focused on key initiatives to enhance people's livelihoods by offering free medical consultations, in-home care services, and caregiving activities. These efforts effectively transformed our strengths into a powerful force for improving well-being and elevating the quality of life for the community at large.

Team Providing Free Medical Consultations in the Community



Driving Upstream and Downstream Development of the Industrial Chain: Promoting Regional Coordination

Dong-E-E-Jiao is committed to playing a leading role in the traditional Chinese medicine industry chain. As we focus on enhancing our core business, we are also exploring innovative ecological models for industry advancement, contributing to both the healthy development of the industrial chain and the coordinated progress of our region.

Leveraging our industrial strengths, we have expanded into characteristic livestock breeding and traditional Chinese medicine cultivation. We are actively developing the Desertliving Cistanche and large-scale donkey breeding industries, establishing a stable and sustainable ecological system within our industrial chain. In addition to ensuring a steady supply of raw materials, these initiatives support rural revitalization, combat desertification, and strengthen ecological security. Taking advantage of Xinjiang's rich resources in livestock and traditional Chinese medicine, we are optimizing our raw material supply chain. Our efforts aim to enhance the development and sophistication of the traditional Chinese medicine sector while boosting the resilience and competitiveness of the entire industrial chain. The Company leverages the advantages of its industrial chain and local high-quality resources to promote the development of the sika deer industry. The Company creates replicable demonstration cases to foster collaborative innovation throughout the entire industrial chain.

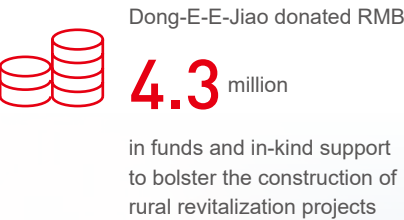
Dong-E-E-Jiao utilizes its brand, technology, and market strengths to facilitate coordinated development among all sectors of the industrial chain, thereby promoting regional employment and economic growth. Additionally, the Company is committed to continuously exploring new models and expanding its opportunities, energizing internal dynamics for business operations and economic advancement. This approach not only enhances the synergy between upstream and downstream sectors but also significantly contributes to coordinated regional development.

Developing a Distinctive Support Model to Advance Rural Revitalization Initiatives

Dong-E-E-Jiao remains committed to its mission of serving the community while responding to national priorities. The Company diligently implements the important directives of General Secretary Xi Jinping regarding rural revitalization, taking proactive steps to fulfill its responsibilities. By effectively connecting the achievements of poverty alleviation with ongoing rural revitalization efforts, Dong-E-E-Jiao is fostering sustainable development. The Company is deeply involved in the China Resources Healthy Villages public welfare initiative, organized by China Resources Pharmaceutical, and is dedicated to enhancing its impact. Dong-E-E-Jiao is creating a distinctive support model that can be accelerated and replicated across various regions.

In 2024, Dong-E-E-Jiao donated RMB 4.3 million in funds and in-kind support to bolster the construction of rural revitalization projects. These contributions are part of the Company's commitment to driving comprehensive development and improving the quality of life in rural areas, ultimately contributing to regional revitalization.

In 2024



Performance Highlights

Governance

Indicator	Indicator unit	2024 value	2023 value
Board meetings	/	9	9
Expected attendance on Board meetings	/	75	77
Actual attendance on Board meetings	/	75	77
Proposals considered by the Board	/	53	42
Supervisory Committee meetings	/	7	6
Proposals considered	/	20	15
Party Committee meetings	/	31	22
Proposals considered by Party Committee meetings	/	279	190
Party general branches	/	3	3
Party branches	/	25	17
Number of CPC members	/	498	428
Manager-targeted anti-corruption training sessions	/	8	6
Manager-targeted anti-corruption training participation	/	463	48
Manager-targeted anti-corruption training duration	Hours	13	13
Employee anti-corruption training sessions	/	16	10
Employee anti-corruption training participation	/	2,976	1,068
Employee anti-corruption training duration	Hours	13	18
Risk control and compliance training sessions	/	20	12
Risk control and compliance training participation	/	1,200	466
Risk control and compliance training duration	Hours	40	24
Audit training sessions	/	62	/
Audit training duration	Hours	463	/
Audit training participation	/	513	/
Number of special audits	/	9	9
Correction rate of special audits	/	100	100
Cybersecurity training sessions	/	24	13
Cybersecurity training duration	Hours	14	12
Cybersecurity training participation	/	3,217	2,348
Cybersecurity incidents	/	0	0
Expense into R&D of innovative technologies	RMB 10k	20,994	16,450
R&D expenditure to operating revenue	%	3.55	3.49

Indicator	Indicator unit	2024 value	2023 value
Number of R&D employees	/	338	323
Percentage of R&D personnel	%	8.25	8.78
R&D training sessions	/	46	20
R&D training participation	/	801	460
R&D training duration	Hours	98.5	45
Technological innovation achievements	/	11	18
Provincial or ministerial R&D projects which the Company participated in	/	10	6
Technological innovation projects in the year	/	107	84
Standards developed in the year	/	23	9
Including national standards	/	0	0
Industrial Standards	/	5	3
Group Standards	/	18	6
Total patents authorized by the end of the year	/	383	376
Including: inventions authorized	/	187	182
Utility models authorized	/	146	147
Industrial designs authorized	/	50	47
Patents authorized in the year	/	10	12
Including: inventions authorized	/	7	10
Utility models authorized	/	0	1
Industrial designs authorized	/	3	1
Patent applications in the year	/	24	2
Including: invention applications	/	15	2
Industrial designs applications	/	9	0

Environment

Indicator name	Indicator unit	2024 value	2023 value
Total greenhouse gas emission	tCO ₂ e	41,689.65	46,888.02
Direct greenhouse gas emissions (Scope 1)	tCO ₂ e	20,045.69	15,659.23
Indirect greenhouse gas emissions (Scope 2)	tCO ₂ e	21,643.96	31,228.79
Greenhouse gas emission intensity	tCO ₂ e/RM10k B value of output	0.06676	0.06745
Intensity of direct greenhouse gas emissions (Scope 1)	tCO ₂ e/ RMB 10k value of output	0.0321	0.0304
Intensity of indirect greenhouse gas emissions (Scope 2)	tCO ₂ e/ RMB 10k value of output	0.03466	0.0601
Diesel	L	23,972	21,919
Natural gas	Standard cubic meter	7,662,660	7,206,771
Purchased electricity	10 MWh	2,919.71	2,934.98

Indicator	Indicator unit	2024 value	2023 value
Purchased steam	GJ	73,636.45	24,602.18
Direct energy consumption	tce	9,991.15	9,395.95
Indirect energy consumption	tce	6,099.32	4,446.02
Total energy consumption	tce	16,090.47	13,841.97
Energy consumption intensity	tce/ RMB 10k	0.0258	0.0266
Renewable energy power generation	10 MWh	395.68	387.83
Percent of renewable energy sources	%	13.55	13.21
Total water consumption	10,000 tons	128.00	125.52
<i>Including ground water consumption</i>	10,000 tons	125.94	124.52
<i>Tap water consumption</i>	10,000 tons	2.06	0.996
Recycled water consumption	10,000 tons	96.15	88.68
Recycled water consumption	%	75.12	70.65
Water use intensity	Ton/ RMB 10k value of output	2.13	2.24
Production wastewater discharge	10,000 tons	90.89	82.73
Production wastewater treatment compliance	%	100	100
Volume of pollutants discharged in production wastewater	Ton	33.96	26.18
<i>Including: COD</i>	Ton	33.44	55.85
<i>NH3-N</i>	Ton	0.515	0.334
COD discharge intensity	mg/l	45.1	35.1
Hazardous waste generation	Ton	2,994.18	2,833.88
Waste recycling volume	Ton	2,697.18	2,563.88
General wastes	Ton	2,697.18	2,563.88
<i>Including: hair residue discharge</i>	Ton	409.63	378.58
<i>Herbal residue discharge</i>	Ton	1,806.72	1,181.70
<i>Sludge discharge</i>	Ton	480.84	573.60
<i>Domestic waste</i>	Ton	297	270
General waste discharge intensity	Ton/ RMB 10k	0.00479	0.00544
Hazardous waste generation	Ton	2.58	3.51
Hazardous waste discharge intensity	kg/ RMB 10k	0.00413	0.00675

Society

Indicator name	Indicator unit	2024 value	2023 value
Total employees	/	4,095	3,678
Employees turnover rate	%	5.87	10.41
New employees	/	653	322
Employee training sessions	/	128	198

Indicator name	Indicator unit	2024 value	2023 value
Employee training participation	/	3,122	4,095
Average training duration per employee	Hours	30.24	20.07
<i>Including: Average training duration per senior manager</i>	Hours	33.50	20.40
<i>Average training duration per middle manager</i>	Hours	74.75	45.47
<i>Average training duration per average employee</i>	Hours	28.25	24.04
Employee training expense	RMB 10k	651.59	340.14
Incidents resulting in personal injuries or fatalities	/	0	0
Work deaths	/	0	0
Lost workdays due to work injuries	Hours	0	0
Annual lost workdays due to work injury	Day	0	0
Campaigns to spot safety hazards	/	97	31
Correction rate of safety hazards	%	100	100
Safety emergency drills	/	34	18
Total safety emergency drill duration	Hours	29	16
Safety emergency drill participation	/	1,664	990
Product recalls	/	0	0
Product quality sampling inspections	/	19	24
Pass rate at market sampling inspection	%	100	100
Quality complaints per 1 million boxes	%	4.8067	6.0192
Product quality management training sessions	/	75	41
Product quality management training participation	/	1,678	935
Product quality management training duration	Hours	251.8	121.2
Customer satisfaction	%	94.5	93.4
Customer complaint ratio	%	0.06	0.08
Reduction of customer complaints	%	10	/
Rate of customer complaints resolved	%	100	100
Customer inquiries processed	10k	133	112
Positive feedback	Piece	131,058	/
Positive comment rate	%	96	/
Total suppliers	/	1,573	1,368

Appendix I: Index of Indicators

Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (Trial)

Dimension	SN	Topics	Section
Environment	1	Climate response	Responding to Climate Change and Enhancing Climate Resilience
	2	Pollutant discharge	Strict Emission Control for Clear Waters and Blue Skies
	3	Waste disposal	Strict Emission Control for Clear Waters and Blue Skies
	4	Ecosystem and biodiversity protection	Protecting Biological Resources and Maintaining Ecological Balance
	5	Environmental compliance management	Strengthening Environmental Management for Compliance
	6	Energy utilization	Proper Resource Management and Sustainable Development
	7	Water resources utilization	Proper Resource Management and Sustainable Development
	8	Circular economy	Proper Resource Management and Sustainable Development Promoting Green Operations and Practicing Sustainable Development
Society	9	Rural revitalization	Demonstrating Social Responsibility and Supporting Rural Revitalization
	10	Social contributions	Demonstrating Social Responsibility and Supporting Rural Revitalization
	11	Innovation	Topic Two: Intelligent Manufacturing Drives New Quality Productive Forces and Empowers the Development of Dong-E-E-Jiao
	12	Ethics of science and technology	/
	13	Supply chain security	Collaborating for Development and Building a Sustainable Supply Chain
	14	Equal treatment of SMEs	/
	15	Product and service safety and quality	Commitment to Quality and Strengthening Product Quality Responsibility Topic One: A Millennium of Donkey-hide Gelatin Charm: Preserving the Treasures of Traditional Chinese Medicine Culture
	16	Data security and customer privacy	Digital Empowerment: Innovation-Driven Development
	17	Employees	Caring with Purpose: Growing Together with Employees
Sustainability-related Governance	18	Due diligence	/
	19	Stakeholder engagement	Responsibility Governance Shared Value: Strengthening Market Value Management
	20	Anti-commercial Bribery and anti-corruption	Building Consensus and Driving Development through Party Building Collaborative Management: Upholding Compliance Standards
	21	Fair competition	Collaborative Management: Upholding Compliance Standards

GRI Sustainability Reporting Standards

Instructions: Dong-E-E-Jiao has reported the information referenced in this Index in accordance with the GRI Sustainability Reporting Standards for the period from January 2024 to December 2024.

Referenced GRI 1: GRI 1: Standards 2021

GRI Standard	Disclosure	Reported Section
GRI2: General Disclosures		
Organization Profile and Reporting Method		
2-1	Organization details	About Dong-E-E-Jiao
2-2	Entities included in the organization's sustainability reporting	About this Report
2-3	Reporting period, frequency and contact	About this Report
2-4	Restatements of information	/
2-5	External assurance	/
Activities and Workers		
2-6	Activities, value chain and other business relationships	About Dong-E-E-Jiao
2-7	Employees	Caring with Purpose: Growing Together with Employees
2-8	Workers who are not employees	/
Governance		
2-9	Governance structure and composition	Efficient Operations and Standardized Governance
2-10	Nomination and selection of the highest governance body	/
2-11	Chair of the highest governance body	Efficient Operations and Standardized Governance
2-12	Role of the highest governance body in overseeing the management of impacts	Efficient Operations and Standardized Governance
2-13	Delegation of responsibility for managing impacts	Efficient Operations and Standardized Governance
2-14	Role of the highest governance body in sustainability reporting	/
2-15	Conflicts of interest	/
2-16	Communication of critical concerns	Responsibility Governance
2-17	Collective knowledge of the highest governance body	Responsibility Governance
2-18	Evaluation of the performance of the highest governance body	
2-19	Remuneration policies	Caring with Purpose: Growing Together with Employees
2-20	Process to determine remuneration	Caring with Purpose: Growing Together with Employees
2-21	Annual total compensation ratio	/

GRI Standard	Disclosure	Reported Section
Strategy, Policy, and Practice		
2-22	Statement on sustainable development strategy	Strategy First: Building a Competitive Advantage
2-23	Policy commitments	/
2-24	Embedding policy commitments	/
2-25	Processes to remediate negative impacts	/
2-26	Mechanisms for seeking advice and raising concerns	/
2-27	Compliance with laws and regulations	Collaborative Management: Upholding Compliance Standards
2-28	Membership associations	/
Stakeholder Engagement		
2-29	Approach to stakeholder engagement	Responsibility Governance
2-30	Collective bargaining agreements	/
GRI 3: Material Topics		
3-1	Process to determine material topics	Responsibility Governance
3-2	List of material topics	Responsibility Governance
3-3	Management of material topics	Responsibility Governance
GRI 201: Economic Performance		
201-1	Direct economic value generated and distributed	About Dong-E-E-Jiao
201-2	Financial implications and other risks and opportunities due to climate change	Responding to Climate Change and Enhancing Climate Resilience
201-3	Defined benefit plan obligations and other retirement plans	Caring with Purpose: Growing Together with Employees
201-4	Financial assistance received from government	/
GRI 202: Market Presence		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	/
202-2	Proportion of senior management hired from the local community	/
GRI 203: Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	Demonstrating Social Responsibility and Supporting Rural Revitalization
203-2	Significant indirect economic impacts	/
GRI 204: Procurement practices		
204-1	Proportion of spending on local suppliers	/
GRI 205: Anti-corruption		
205-1	Operations assessed for risks related to corruption	/

GRI Standard	Disclosure	Reported Section
205-2	Communication and training about anti-corruption policies and procedures	Building Consensus and Driving Development through Party Building Collaborative Management: Upholding Compliance Standards
205-3	Confirmed incidents of corruption and actions taken	/
GRI 206: Anti-competitive Behaviour		
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	/
GRI 207: Tax		
207-1	Approach to tax	Collaborative Management: Upholding Compliance Standards
207-2	Tax governance, control, and risk management	Collaborative Management: Upholding Compliance Standards
207-3	Stakeholder engagement and management of concerns related to tax	/
GRI 301: Materials		
301-1	Materials used by weight or volume	Strict Emission Control for Clear Waters and Blue Skies
301-2	Recycled input materials used	/
301-3	Renewable products and their packaging materials	/
GRI 302: Energy		
302-1	Energy consumption within the organization	Responding to Climate Change and Enhancing Climate Resilience
302-2	Energy consumption outside the organization	/
302-3	Energy intensity	Responding to Climate Change and Enhancing Climate Resilience
302-4	Reduction of energy consumption	Responding to Climate Change and Enhancing Climate Resilience
302-5	Reductions in energy requirements of products and services	Proper Resource Management and Sustainable Development
GRI 303: Water and Effluents		
303-1	Interactions with water as a shared resource	Proper Resource Management and Sustainable Development
303-2	Management of water discharge-related impacts	Strict Emission Control for Clear Waters and Blue Skies
303-3	Water withdrawal	Proper Resource Management and Sustainable Development
303-4	Water discharge	Strict Emission Control for Clear Waters and Blue Skies
303-5	Water consumption	Proper Resource Management and Sustainable Development
GRI 304: Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	/
304-2	Significant impacts of activities, products and services on biodiversity	/
304-3	Habitats protected or restored	/

GRI Standard	Disclosure	Reported Section
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operation	/
GRI 305: Emissions		
305-1	Direct /Scope 1 GHG emissions	Responding to Climate Change and Enhancing Climate Resilience
305-2	Energy indirect /Scope 2 GHG emissions	Responding to Climate Change and Enhancing Climate Resilience
305-3	Other indirect /Scope 3 GHG emissions	/
305-4	Intensity of GHG emissions	Responding to Climate Change and Enhancing Climate Resilience
305-5	Reduction of GHG emissions	Responding to Climate Change and Enhancing Climate Resilience
305-6	Emissions of ozone-depleting substances /ODS	/
305-7	Nitrogen oxides /NO _x , Sulfur oxides /SO _x , and other significant air emissions	/
GRI 306: Waste		
306-1	Waste generation and significant waste-related impacts	/
306-2	Management of significant waste-related impacts	Strict Emission Control for Clear Waters and Blue Skies
306-3	Waste generated	Strict Emission Control for Clear Waters and Blue Skies
306-4	Waste diverted from disposal	Strict Emission Control for Clear Waters and Blue Skies
306-5	Waste directed to disposal	Strict Emission Control for Clear Waters and Blue Skies
GRI 308: Supplier Environmental Assessment		
308-1	New suppliers that were screened by using environmental criteria	Collaborating for Development and Building a Sustainable Supply Chain
308-2	Negative impacts of the supply chain on the environment and actions taken	/
GRI 401: Employment		
401-1	New employee hires and employee turnover	Caring with Purpose: Growing Together with Employees
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Caring with Purpose: Growing Together with Employees
401-3	Parental leave	Caring with Purpose: Growing Together with Employees
GRI 402: Labor/Management Relations		
402-1	The shortest notice periods regarding operational changes	/
GRI 403: Occupational Health and Safety		
403-1	Occupational health and safety management system	Caring with Purpose: Growing Together with Employees
403-2	Hazard identification, risk assessment, and incident investigation	Caring with Purpose: Growing Together with Employees
403-3	Occupational health services	Caring with Purpose: Growing Together with Employees

GRI Standard	Disclosure	Reported Section
403-4	Worker participation, consultation, and communication on occupational health and safety	/
403-5	Worker training on occupational health and safety	Caring with Purpose: Growing Together with Employees
403-6	Promotion of worker health	Caring with Purpose: Growing Together with Employees
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Caring with Purpose: Growing Together with Employees
GRI 404: Training and Education		
404-1	Average hours of training per year per employee	Caring with Purpose: Growing Together with Employees
404-2	Programs for upgrading employee skills and transition assistance programs	Caring with Purpose: Growing Together with Employees
404-3	Percentage of employees receiving regular performance and career development reviews	/
GRI 405: Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Caring with Purpose: Growing Together with Employees
405-2	Ratio of basic salary and remuneration of women to men	/
GRI 406: Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	/
GRI 407: Freedom of Association and Collective Bargaining		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	/
GRI 408: Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	/
GRI 409: Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	/
GRI 410: Security Practices		
410-1	Security personnel trained in human rights policies or procedures	/
GRI 411: Rights of Indigenous Peoples		
411-1	Incidents of violations involving rights of indigenous peoples	/
GRI 413: Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	/
413-2	Operations with significant actual and potential negative impacts on local communities	/
GRI 414: Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	Collaborating for Development and Building a Sustainable Supply Chain
414-2	Negative social impacts in the supply chain and actions taken	/

GRI Standard	Disclosure	Reported Section
GRI 415: Public Policy		
415-1	Political contributions	/
GRI 416: Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	Commitment to Quality and Strengthening Product Quality Responsibility
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Commitment to Quality and Strengthening Product Quality Responsibility
GRI 417: Marketing and Labelling		
417-1	Requirements for product and service information and labelling	Commitment to Quality and Strengthening Product Quality Responsibility
GRI 418: Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	/

Appendix II: Feedback Form

Respected readers:

Thank you for reading this Report. We appreciate and look forward to your feedback to provide more valuable information for you and stakeholders, and effectively advance our ESG management and practices to improve our level on ESG disclosures.

You information

Name: _____ Company: _____

Tel: _____ E-mail: _____

1. Your overall assessment of our ESG performance is:

☐ Excellent ☐ good ☐ average ☐ bad ☐ very bad

2. Your overall assessment of this report is:

☐ Excellent ☐ good ☐ average ☐ bad ☐ very bad

3. What do you think of our performance in communication with stakeholders?

☐ Excellent ☐ good ☐ average ☐ bad ☐ very bad

4. What do you think of our performance in green development?

☐ Excellent ☐ good ☐ average ☐ bad ☐ very bad

5. What do you think of our performance in social contributions?

☐ Excellent ☐ good ☐ average ☐ bad ☐ very bad

6. What do you think of our performance in information disclosure, data, indicator details, accuracy and completeness?

☐ Excellent ☐ good ☐ average ☐ bad ☐ very bad

7. What do you think of our performance in content arrangement and formant design?

☐ Excellent ☐ good ☐ average ☐ bad ☐ very bad

8. What are your opinions and suggestions for our ESG performance and this report?

Notes: Please enter “√” in corresponding “☐”.



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