

2024 Environmental, Social and Governance Report

INTCO Medical Technology Co., Ltd.

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About this Report



Introduction

This Report represents the fourth Environmental, Social, and Governance (ESG) Report issued by INTCO Medical Technology Co., Ltd. (hereinafter referred to as "INTCO Medical", "we", or "the Company"). It aims to provide an account of INTCO Medical's institutional development and performance across economic, environmental, social, and governance dimensions in 2024. The report objectively discloses INTCO Medical's management initiatives and achievements in sustainable development, addressing the expectations of stakeholders and the general public.

Reporting Scope

This Report primarily covers INTCO Medical Technology Co., Ltd. and its subsidiaries, and it will be separately described, if there are objects outside this scope. The report focuses on INTCO Medical's ESG management efforts and achievements from January 1st, 2024, to December 31st, 2024 (hereinafter referred to as the "reporting period" or "this year"). Certain information and data are also traced back to 2023 or earlier and may extend to 2025.

Basis of Reporting

This Report complies with the *Shenzhen Stock Exchange Social Responsibility Instructions to Listed Companies* and the *Self-Regulatory Guidelines No. 2 for Companies Listed on Shenzhen Stock Exchange – Standardized Operation of ChiNext-Listed Companies*. Additionally, this Report refers to the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange – Sustainability Report (For Trial Implementation)*, the *Self-Regulatory Guidelines No. 3 for Companies Listed on Shenzhen Stock Exchange – Preparation of Sustainability Report*, as well as the *GRI Sustainability Reporting Standards* (GRI Standards, 2021) issued by the Global Reporting Initiative (GRI). This Report also considers key issues highlighted by the United Nations Sustainable Development Goals (SDGs) and mainstream ESG ratings both domestically and internationally.

Data Source and Reliability Statement

The information and data disclosed in this Report are derived from the Company's statistical reports and official documents and have been reviewed by relevant departments. INTCO Medical assures that this Report contains no false or misleading statements and takes full responsibility for the authenticity, accuracy, and completeness of its contents. The monetary amounts herein are denoted in RMB.

Process of Preparation

This Report is prepared in accordance with a set of established procedures, including the formation of working groups, identification of key stakeholders, stakeholder communication, identification and ranking of material ESG issues, establishment of the indicator system, determination of disclosure boundaries, data collection and analysis, framework determination, report preparation and designing, report review by relevant departments and the senior management, and so on.

Confirmation and Approval

This report was reviewed and approved by the 4th Board of Directors at the 2nd meeting on April 23rd, 2025, after confirmation by the management.

Access

This independent ESG Report is available in both Simplified Chinese and English. To view online or download, please visit the official website of INTCO Medical <http://www.intcomedical.com.cn/>.

Contact Us

We highly value stakeholder and reader feedback, and welcome readers to feed back to us through the following contact information. Your suggestions and comments will help us further improve this Report and our ESG performance.

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Chairman's Message

The year 2024 marks the beginning of a new 30-year journey for INTCO Medical and serves as a pivotal year in the global sustainable development process. As a global leader in the medical consumables industry, we remain committed to our mission of "Global INTCO, Global Health". We drive industrial advancement through technological innovation, honor our environmental commitments through green initiatives, seize global opportunities through open collaboration, and uphold innovation and responsibility amidst the shifting tides of our era. With the fusion of human wisdom, we continue to meet the evolving health needs of humanity.

Engaging in Lean and Smart Production. Fueled by innovation, we continued to expand our efforts across three key sectors: medical consumables, rehabilitation equipment, and physiotherapy care. During the reporting period, our R&D investment amounted to RMB 398 million, focusing on innovative materials and new formulas to create products with core competitiveness. Aligned with the "Smart Manufacturing Upgrade" strategy, we actively integrated next-generation technologies such as automation and artificial intelligence into critical areas like intelligent testing and automated packaging, driving continuous improvements in efficiency and quality. Lean management remained the cornerstone of our operations, enabling us to foster improvement and innovation throughout the entire value chain of the product lifecycle. Furthermore, we have cultivated a company-wide culture of innovation, in a bid to deliver superior products and services to our customers.

Advancing Green and Sustainable Development. We actively confronted the pressing challenges of global climate change and firmly upheld our environmental responsibilities. As part of this effort, we continued to advance the development of a green manufacturing system, striving to increase energy efficiency while reducing carbon emissions through systematic measures like energy structure optimization and process upgrades. During the reporting period, our carbon emissions per glove decreased by 20.70% compared to the previous year. In addition, we introduced the green FSC-certified packaging solution, taking concrete steps to protect ecosystems and biodiversity. We regard pollution control as a critical responsibility, continuously advancing source-level treatment and innovating complete VOCs flue gas recovery technology. During the reporting period, the emission of wastewater, waste gas, and solid waste successfully met the standards, setting new benchmarks for green industry development. Those achievements demonstrate our wisdom and strength in steadily supporting the national "dual carbon" strategy.

Contributing to a Harmonious Society. Within a robust supply chain management framework, we strengthened our efforts in supplier ESG risk management, supply chain resilience building, and supplier capacity establishment, fostering the coordinated development of the entire supply chain. Following our values of "equality and inclusiveness", we actively engaged in inclusive health-care, including developing lightweight and intelligent mobility products, and launching initiatives such as the "INTCO Mobility Assistance Program", helping individuals with disabilities leave their homes and actively engage with society. We believe that talent is the driving force for our growth and innovation. We further strengthened our global talent development system, and created diverse platforms for employee development, unlocking the potential and creativity of every associate. We remain true to our original aspiration, actively fulfill our social responsibilities, and uphold the principle of "Advancing with Compassion, Walking with Kindness". We demonstrate the commitment of a corporate citizen, striving to bring more warmth and value to the broader community.

Establishing a Robust Governance Framework. We've established a "Three Committees and One Senior Management" modern governance structure and strengthened the independence and diversity of our Board of Directors, for the purpose of effectively safeguarding the rights and interests of our minority shareholders. With a "zero tolerance" stance against corruption, we have established a company-wide compliance management system, and enhanced requirements on employee conduct, building a robust defense against integrity risks. Our risk and internal control management system allows for effective identification and precise prevention of operational risks. To protect information security and privacy, we've enhanced our information security management system and infrastructure while implementing advanced customer privacy protection mechanisms. These efforts have formed a strong foundation for our sustainable development.

In 2025, we will remain steadfast in our commitment to sustainable development, actively aligning with national strategies and driving the advancement of a Healthy China initiative through high-quality growth. With the support of our supply chain partners, customers, and all sectors of society, we aim to deepen partnerships, create shared value, and embrace our responsibilities, making meaningful contributions to global health and well-being.



Frank Liu
Chairman for
Intco Medical

Our Business

As a globally leading provider of medical protective equipment and China's largest disposable glove manufacturer, INTCO Medical is a top 500 Chinese brand and manufacturing enterprise. Listed on the Shenzhen Stock Exchange's ChiNext Board under stock code 300677, the Company has continually demonstrated its commitment to adapting to the dynamic global environment and evolving market demands. Leveraging comprehensive production capabilities, superior-quality products, and dependable services, INTCO Medical employs a four-wheel drive strategy powered by capital, resources, technology, and marketing. Dedicated to practicing social responsibility, the Company delivers practical solutions and high-quality services to over 10,000 customers worldwide.

10+ R&D and production bases
120+ Countries
10,000+ Global Employees
10,000+ Global Clients



INTCO Medical specializes in the manufacturing and marketing of medical consumables, rehabilitation equipment, and physiotherapy care products. With a keen understanding of market trends, the Company is committed to continuously refining its products and services, anticipating and meeting customer needs, and driving steady growth in its core business areas. Its primary product offerings include disposable gloves, wheelchairs, hot and cold compresses, electrodes, and various other medical devices and consumables. In addition to strengthening the existing product portfolio, the Company actively seeks new growth opportunities across diverse channels. During the reporting period, the Company launched several new product development initiatives, introducing 24 innovative products to the market. Quality and safety remain at the forefront of our priorities, with products meeting stringent access requirements and certifications in major global markets, including the **U.S. FDA 510(k) certification**, **NSF food system certification**, **BRC consumer product system certification**, **Canadian CMDR certification**, and **EU CE certification**, among others.

New products in 2024



- Hyaluronic Acid Skincare Gloves

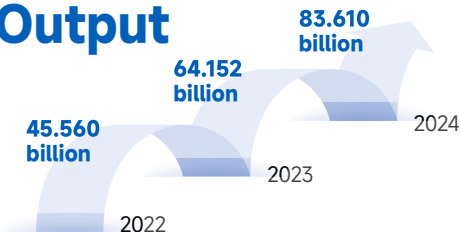


- STAR Electric Wheelchair



- Household Cleaning Products

Disposable Nitrile and PVC Gloves Production Output



Personal Protection

- Disposable Nitrile Gloves, Disposable PVC Gloves
- Isolation Gowns, Face Masks
- Non-washing Hand Sanitizer, Face Shields



Rehabilitation and Care

- Manual Wheelchairs, Power Wheelchairs
- Canes, Walkers
- Power Lift Chairs, Over Bed Tables



Other Products

- Cold/Hot Gel Beads, Instant Cold/Hot Packs, Cold Mats
- ECG Electrode
- Label Electrode



INTCO Medical always upholds its corporate spirit of “Honesty and Integrity, Diligence and Hardworking, Professionalism, Teamwork, and Customer Achievement”, fostering a culture where employees deeply understand customer needs and aspirations. Through effective communication and collaboration, the Company strives to build long-term, stable relationships with our clients, driving market share growth and ensuring sustainable profitability amid intense market competition. In addition, the Company is dedicated to the personal growth and well-being of our employees. The Company actively addresses the diverse needs of the communities in which the Company operates, taking the initiative in corporate social responsibility. Committed to fostering a warm and compassionate corporate culture, the Company creates lasting positive impacts through meaningful actions that benefit both employees and the broader community, contributing to harmonious development and shared prosperity.



Corporate Purpose

Meet Human Health Needs by the Achievement of Human Wisdom



Mission

Global INTCO, Global Health



Values

Love, Kindness, Truth

Spirit

Honesty and Integrity, Diligence and Hardworking, Professionalism, Teamwork, Customer Achievement

Responsi- bility to Employees

Maximize
each
employee's
potential



Responsi- bility to Team

Create a
positive
work
environ-
ment



Responsi- bility to Customers

Satisfy our
customers



Responsi- bility to Company

Develop
our busi-
ness



Responsi- bility to Society

Adhere
to ethical
behavior



Sustainability Footprint in 2024

Environmental (E)

Carbon emissions of 1pc glove

20.41_g decrease 20.70%
from the last year

Water consumption of 1pc glove

0.21_L decrease 11.02%
from the last year

Photovoltaic power generation

3,538,596.60_{kWh}

Total carbon emissions from
rehabilitation and physiotherapy
care products

0.58 10,000 tons of carbon
dioxide equivalent

Social (S)

Total employees

10,982 Person

R&D investment

3.98 RMB 100 million

Percentage of female employees

60.23 %

Employee training coverage rate

100 %

Percentage of female management

33.60 %

Average training hours per
employee

36.02 Hour

Governance (G)

Percentage of independent directors

42.86 %

Employees participating in
information and network security
training

1,898 Person-time

Percentage of female directors

42.86 %

Total hours of information and
network security training

34.50 Hour

Number of business ethics
and anti-corruption train-
ing sessions

5

Number of risk management
training sessions

5

SDG Efforts in 2024

INTCO Medical actively embraces its corporate citizenship responsibilities, aligning its efforts with the United Nations Sustainable Development Goals (SDGs) to enhance sustainable development practices and outcomes. The Company is committed to creating value for customers, shareholders, employees, society, and all stakeholders, while working tirelessly toward a shared vision of sustainable development for humanity.

SDGs	Related Chapters	
	Engaging in Inclusive Healthcare Supporting Charitable Contributions Driving Rural Revitalization	Protecting Employees' Rights and Interests Prioritizing Employee Care and Welfare
	Supporting Charitable Contributions	
	Fostering Innovation-Driven Development Ensuring Excellence in Product Quality Engaging in Inclusive Healthcare Supporting Charitable Contributions	Driving Rural Revitalization Prioritizing Employee Care and Welfare Promoting Occupational Health and Safety
	Strengthening Supplier Capacity Building Supporting Charitable Contributions Driving Rural Revitalization	Protecting Employees' Rights and Interests
	Protecting Employees' Rights and Interests Strengthening Corporate Governance	
	Environmental Compliance Management	
	Protecting Employees' Rights and Interests Facilitating Employee Development Prioritizing Employee Care and Welfare	

SDGs	Related Chapters	
	Fostering Innovation-Driven Development	
	Protecting Employees' Rights and Interests Engaging in Inclusive Healthcare Supporting Charitable Contributions	Driving Rural Revitalization
	Engaging in Inclusive Healthcare Driving Rural Revitalization	
	Ensuring Excellence in Product Quality Enhancing Customer Service Management Environmental Compliance Management Improving Supply Chain Management	Enhancing Supplier Risk Management Improving Supply Chain Resilience Strengthening Supplier Capacity Building Implementing Responsible Marketing Safeguarding Information Security
	Climate Change Tackling Environmental Compliance Management Practicing Green Operations	
	Environmental Compliance Management	
	Environmental Compliance Management	
	Strengthening Corporate Governance Ensuring Compliance in Business Operations Improving Risk Management System	

Awards and Honors in 2024

ESG Ratings and Certifications



**WIND Ratings
2024: A**



**MSCI ESG Ratings
2024: BBB**



**2024 EcoVadis
"COMMITTED" Badge**

**Worldwide Responsible Apparel
Production (WRAP) Certification**

**Business Social Compliance
Initiative (BSCI) Certification**

Comprehensive Awards

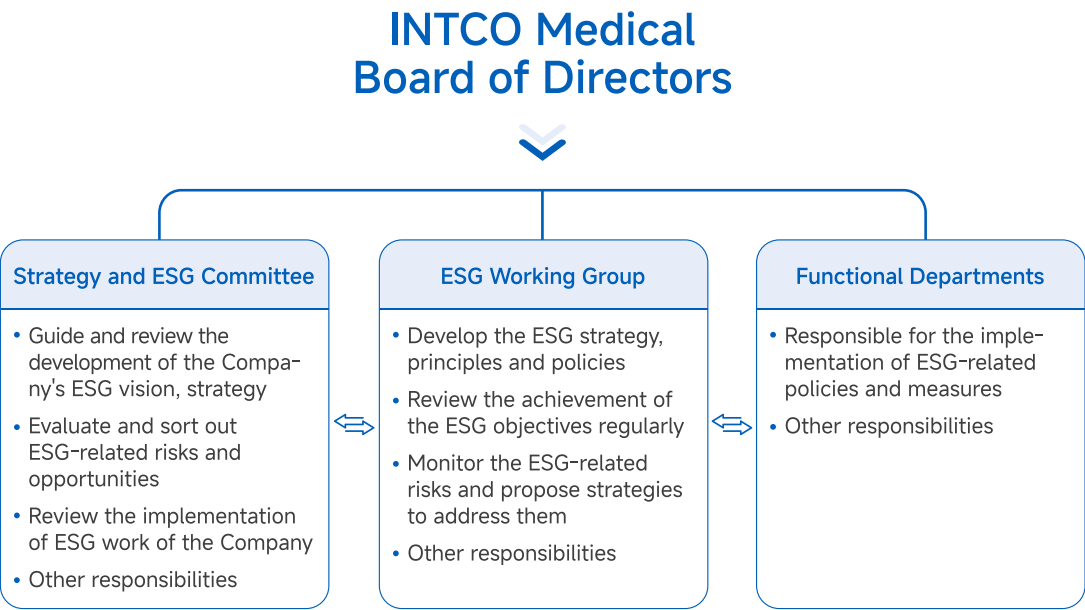
<p>2024 Excellent Private Enterprise in Anhui Province</p> <p>Anhui Federation of Industry and Commerce, Anhui Provincial Department of Industry and Information Technology, Anhui Provincial Market Supervision Bureau</p>	<p>2024 Top 200 Private Enterprises in Shandong Province</p> <p>Shandong Federation of Industry and Commerce, Shandong Development and Reform Commission, and other six departments</p>	<p>2024 Digital Transformation Benchmark Demonstration Enterprise in Huaibei City</p> <p>CPC Huaibei Municipal Committee, Huaibei Municipal People's Government</p>	<p>Enterprise with Outstanding Contribution to Stable Economic Growth in 2024</p> <p>CPC Zibo Municipal Committee, Zibo Municipal People's Government</p>	<p>2024 Excellent Private Enterprise in Huaibei City</p> <p>Huaibei Municipal Private Economy Development Leading Group Office</p>	<p>2024 Top 20 Taxpaying Industrial Enterprises in Huaibei City</p> <p>CPC Huaibei Municipal Committee, Huaibei Municipal People's Government</p>	<p>Governance Model Among Shandong Companies Listed on A-share</p> <p>Zibo Economic Development Promotion Association</p>
<p>Top 50 "Little Giant" Enterprises</p> <p>International High-Tech Research Institute</p>	<p>"Entrepreneur Leadership Award" at the 7th Cailian Press Investment Annual Conference</p> <p>Cailian Press</p>	<p>2024 Forbes China Top 30 Go-International Brands</p> <p>Forbes China and Fosmos Global</p>	<p>Top 50 Medical Device Companies by Sales Revenue</p> <p>Taishan Medical Forum Organizing Committee</p>	<p>2024 Golden Bull Award for New Quality Enterprises</p> <p>China Securities Journal</p>	<p>Top 100 Most Popular Listed Companies in 2024</p> <p>Hithink RoyalFlush</p>	<p>2024 Top 10 Competitive Technology Companies</p> <p>ChinaTimes</p>

ESG Awards

<p>A-share Medical Device Companies ESG TOP 20</p> <p>China Medical Device Industry Association ESG Special Working Group</p>	<p>2024 ESG Value Delivery Award for Listed Companies</p> <p>China Track and ESG Sustainable Development Conference</p>	<p>2024 Golden Antelope Award for Pioneer Enterprises in ESG Innovation</p> <p>Time Weekly, Time Finance APP, Time ESG and High-Quality Development Research Institute</p>	<p>Bloomberg Green ESG 50 List — Bloomberg Green ESG-Projects</p> <p>Business Weekly, Bloomberg Green</p>	<p>The 2nd Guoxin Cup Golden Bull Award ESG Governance Top 20</p> <p>China Securities Journal, China Reform Holdings Corporation</p>	<p>2024 Climate Lighthouse Manufacturing Pilot Award</p> <p>Shanghai Climate Week</p>	<p>"ESG Pioneer 60" ESG Exploration Individual Award</p> <p>Shanghai United Media Group Jiemian News</p>
<p>2024 Securities Market Weekly ESG Golden Dawn Award</p> <p>Capital Week</p>	<p>2024 Yins Finance Awards — Outstanding ESG Performance Award</p> <p>Yins Finance</p>	<p>2024 Top 100 Shandong Private Enterprises in Creating Jobs</p> <p>Shandong Federation of Industry and Commerce, Shandong Development and Reform Commission, Development of Science & Technology of Shandong Province, and other five departments</p>	<p>Comprehensive Award for High-quality Development — Excellent Enterprise in Technological Innovation</p> <p>Zhenjiang Economic and Technological Development Zone, Jiangsu Province</p>	<p>Qingzhou All-Staff Innovation Enterprise</p> <p>Qingzhou Federation of Trade Unions, Shandong Province</p>	<p>Global Zero Carbon City Practice Pioneer Award — Gold Level</p> <p>Global Zero Carbon City Innovation Model Award Selection Committee</p>	<p>2024 Cailian Press Zhiyun Awards — Social Responsibility Pioneer Enterprise Award</p> <p>Cailian Press</p>
<p>2024 China's Outstanding Employer</p> <p>51job</p>	<p>Top 50 Employers Contributing to Employment in China</p> <p>WUBA and Xinhuanet</p>					

ESG Governance

INTCO Medical remains committed to integrating sustainable development principles into corporate governance, with a strong focus on ESG performance. The Company proactively assumes social responsibility to address global challenges posed by climate change, health, and poverty. To strengthen its ESG efforts, the Company has established a comprehensive ESG governance framework in alignment with the *Working System of the Special Committee of the Board of Directors*. The framework includes a Strategy and ESG Committee (referred to as the “ESG Committee”) under the Board of Directors, tasked with embedding ESG principles into the management of business departments and core processes. Under the Board’s leadership, the ESG Committee regularly reviews and provides strategic direction on ESG initiatives and oversees their implementation. An ESG Working Group has been set up to develop ESG principles and policies, while relevant functional departments are responsible for enforcing these policies and executing associated measures. During the reporting period, the Company convened a meeting of the Strategy and ESG Committee to review and approve the *INTCO Medical 2023 Environmental, Social, and Governance Report*.



Stakeholder Engagement

INTCO Medical actively listens to and respond to the expectations and demands of various stakeholder groups, and has established diversified communication channels and efficient feedback mechanisms to ensure positive interactions with various stakeholders. This helps continuously improve the Company's ESG governance and enhances joint efforts towards sustainable development. The Company identifies our key stakeholders as governments and regulators, shareholders and investors, customers and consumers, employees, distributors and suppliers, the public and communities, media, and other partners.

Stakeholder Groups	Issue of Concern	Way of Communication & Response
Government & Regulators	<ul style="list-style-type: none"> Corporate governance Business ethics and anti-corruption Pollutant emission management Community building and social welfare 	<ul style="list-style-type: none"> Information disclosure Reception and research Files exchanges Policy enforcement
Shareholders & Investors	<ul style="list-style-type: none"> Corporate governance Sound operation R&D and innovation 	<ul style="list-style-type: none"> General shareholders' meeting Information disclosure Roadshows
Customers & Consumers	<ul style="list-style-type: none"> Customer privacy and information security Product safety and quality Responsible marketing Market expansion and development 	<ul style="list-style-type: none"> Customer service hotline Online communication (App/Website) Customer satisfaction surveys
Employees	<ul style="list-style-type: none"> Staff training and development Employee health and safety Employee recruitment and rights protection Employee compensation and benefits Human rights respect 	<ul style="list-style-type: none"> Staff meeting Employee activities Employee training
Distributors & Suppliers	<ul style="list-style-type: none"> Business ethics and anti-corruption Supply chain sustainability management 	<ul style="list-style-type: none"> Distributors/suppliers conference Distributors/suppliers training Evaluation of suppliers

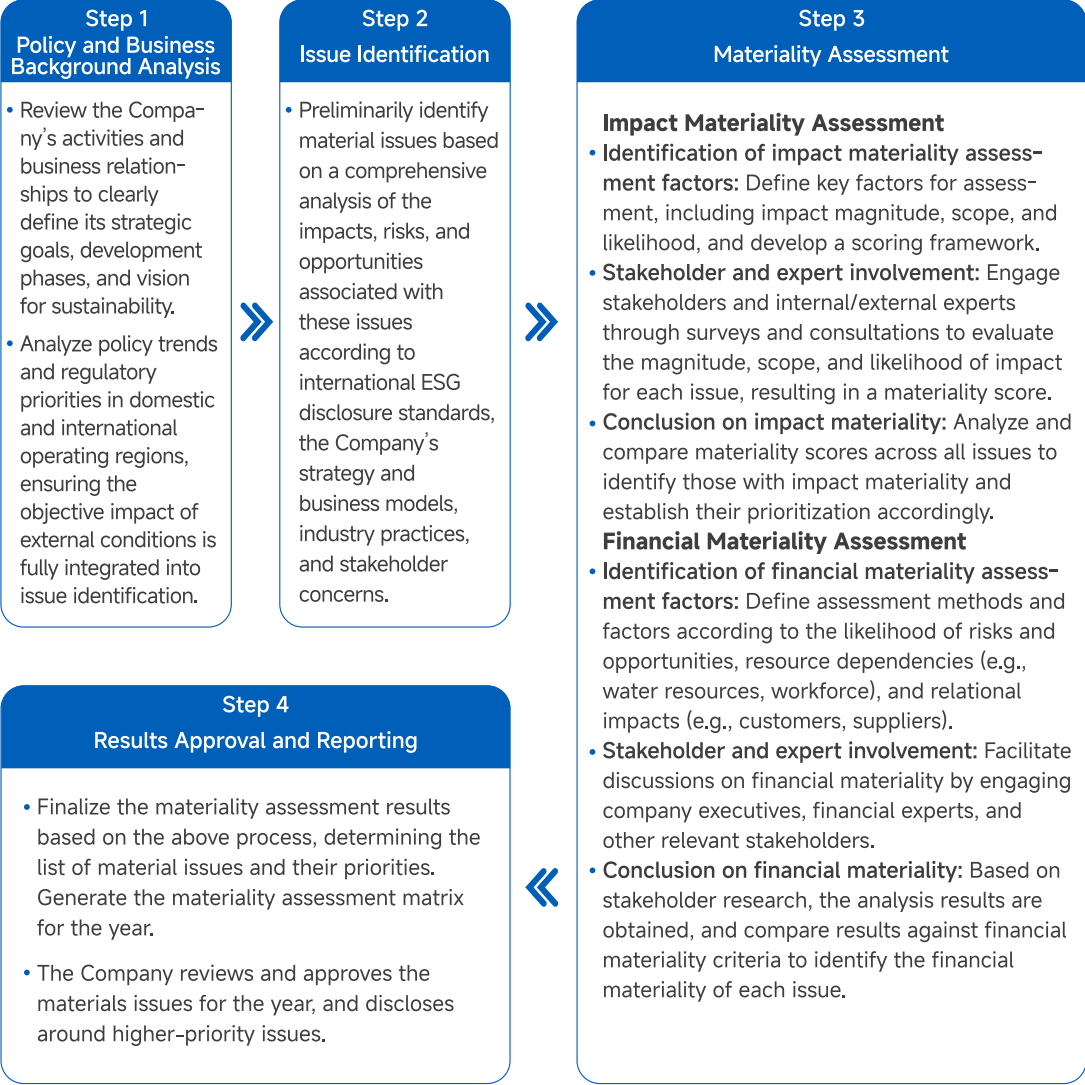
Stakeholder Groups	Issue of Concern	Way of Communication & Response
Public & Community	<ul style="list-style-type: none"> Community building and social welfare Environmental Protection 	<ul style="list-style-type: none"> Community activities Welfare programs
Media	<ul style="list-style-type: none"> Sound operation Responsible marketing Market expansion and development 	<ul style="list-style-type: none"> Conferences Press releases Interviews
Other Partners	<ul style="list-style-type: none"> R&D innovation 	<ul style="list-style-type: none"> Industry forums Communication and interactions

Management of Material Issues

Management of material issues is a critical tool for enterprises to enhance ESG governance, develop strategic ESG plans, identify external challenges and sustainability opportunities, and improve the quality of information disclosure. In 2024, referring to the Shenzhen Stock Exchange's *Guidelines No. 17 of Self-regulation of Listed Companies on the Shenzhen Stock Exchange – Sustainability Report (For Trial Implementation)*, the *GRI Standards (2021)*, and other emerging domestic and international sustainability disclosure standards, the Company identified and finalized 28 core material issues. This Report highlights INTCO Medical's performance on these material ESG issues, to strengthen the transparency and effectiveness of the Company's ESG management efforts.

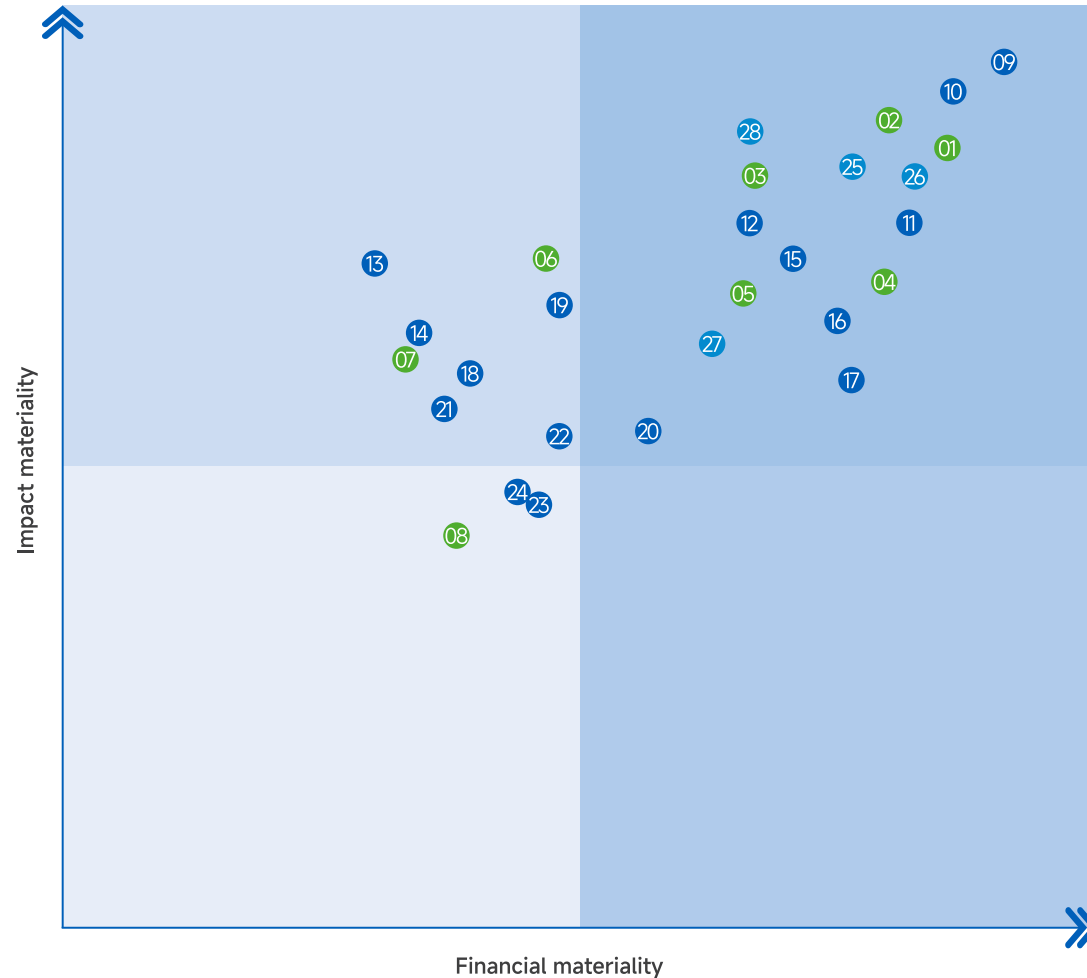


Materiality Assessment Process



Identification of Material Issues

Based on the above assessment results, the Company has identified 17 issues with financial and impact materiality. The materiality issue matrix is shown below.



Environmental:

- 01. Climate change tackling
- 02. Environmental compliance management
- 03. Pollutant discharge
- 04. Circular economy
- 05. Energy usage
- 06. Waste disposal
- 07. Usage of water resources
- 08. Ecosystem and biodiversity protection

Social:

- 09. Product safety and quality
- 10. Customer service
- 11. Innovation-driven
- 12. Responsible marketing
- 13. Respect for human rights
- 14. Diversity and equal opportunities
- 15. Employee occupational health and safety
- 16. Employee training and development
- 17. Employee recruitment and rights protection
- 18. Employee compensation and benefits
- 19. Inclusive healthcare
- 20. Sustainable supply chain
- 21. Data security and customer privacy protection
- 22. Market expansion and development
- 23. Rural revitalization
- 24. Contributions to the society

Governance:

- 25. Corporate governance
- 26. Sound operations
- 27. Business ethics and anti-corruption
- 28. Communications with stakeholders

Analysis of Material Issues

During the reporting period, the Company identified and evaluated sustainability-related risks and opportunities in alignment with domestic and international ESG disclosure guidelines, assessed their potential material impacts on the Company, and outlined the corresponding timeframes. These timeframes were categorized as short-term (1–3 years), medium-term (3–5 years), and long-term (beyond 5 years).

The time range is divided into ►

Short-term
(1–3 years)

Medium-term
(3–5 years)

Long-term
(beyond 5 years)

Analysis of Financially Material Issues

Material Issues	Impact Cycle	Impact Scope				Impact Type	Type of Risks and/or Opportunities	Description of Risks and/or Opportunities	Management Focus
		Upstream Value Chain	Business Operations	Downstream Value Chain	Community				
Climate change tackling	Medium and long term	●	●	●	●	Actual positive impact Potential negative impact	Risks and opportunities	<ul style="list-style-type: none"> Extreme weather events (e.g., floods, typhoons) affect production facilities and supply chain stability, leading to operational disruptions; Application of clean technology and energy helps improve the efficiency of the entire manufacturing process, conserving energy while reducing the Company's carbon footprint; Developing low-carbon products meets the market demand for environmentally friendly products, enhancing the Company's competitiveness. 	Develop and publish a carbon neutrality roadmap and set clear emission reduction targets .
Environmental compliance management	Short, medium and long term	●	●	●	●	Actual positive impact Potential negative impact	Risks and opportunities	<ul style="list-style-type: none"> Failure to promptly adapt to increasingly stringent environmental regulations leads to fines or operational restrictions. Efficient resource utilization and waste reduction can reduce operating costs. 	Establish a comprehensive environmental compliance management system, and review and update policies regularly .
Energy usage	Short, medium and long term	●	●			Actual positive impact Potential negative impact	Risks and opportunities	<ul style="list-style-type: none"> Energy-intensive production is highly sensitive to energy prices, which means price fluctuations will significantly drive up production costs, impacting profitability. Adopting green production models helps reduce operating costs. Catering to both domestic and international market demands improves brand image. 	Increase the proportion of renewable energy and improve energy efficiency.
Circular economy	Medium and long term	●	●	●		Actual positive impact Potential positive impact	Opportunities	<ul style="list-style-type: none"> Transitioning to a circular economy entails significant upfront investment costs. Building a closed-loop recycling system to promote material recycling can reduce raw material procurement costs. 	Promote the R&D of environmentally friendly materials, increase the use of recyclable and degradable materials in products, and optimize production processes to reduce resource waste.

Material Issues	Impact Cycle	Impact Scope				Impact Type	Type of Risks and/or Opportunities	Description of Risks and/or Opportunities	Management Focus
		Upstream Value Chain	Business Operations	Downstream Value Chain	Community				
Innovation-driven	Short, medium and long term	●	●	●		Actual positive impact Potential positive impact	Opportunities	<ul style="list-style-type: none"> Product system innovation improves production efficiency, enabling the Company to meet global needs, while enhancing its brand value. 	Strengthen cooperation with research institutions, universities and industry partners, build an open innovation platform, and promote the commercialization of research outcomes.
Product safety and quality	Short, medium and long term	●	●	●	●	Actual positive impact Potential negative impact	Risks and opportunities	<ul style="list-style-type: none"> Product quality issues can result in recalls, legal disputes, reputational damage, and loss of market share. Enhanced customer trust can solidify the Company's industry leadership, and boost its recognition in the capital market. 	Strictly follow international quality management standards, strengthen quality control of the entire process from raw material procurement to delivery, and establish a complete product traceability and recall mechanism to ensure rapid response to quality issues.
Pollutant discharge	Short and medium term		●		●	Actual positive impact Potential negative impact	Risks and opportunities	<ul style="list-style-type: none"> Excessive pollutant emissions can result in fines or operational restrictions. Governments may incentivize the Company to adopt environmentally friendly practices through subsidies, tax benefits, or low-interest loans. Pollution control efforts encourage the Company to develop new technologies, potentially creating a competitive advantage. 	Develop innovative clean technologies to promote source reduction, and seek subsidies, tax incentives or low-interest loans from the government and financial institutions.
Responsible marketing	Short, medium and long term		●	●		Actual positive impact Potential negative impact	Risks and opportunities	<ul style="list-style-type: none"> Responsible marketing may require higher investment; Misalignment between responsible marketing and actual behavior can harm brand reputation. Responsible marketing fosters a corporate image of integrity and reliability, earning the trust of consumers. 	Establish and improve a responsible marketing system, and conduct responsible marketing training.

Material Issues	Impact Cycle	Impact Scope				Impact Type	Type of Risks and/or Opportunities	Description of Risks and/or Opportunities	Management Focus
		Upstream Value Chain	Business Operations	Downstream Value Chain	Community				
Corporate governance	Short, medium and long term	●	●	●		Actual positive impact Potential negative impact	Risks and opportunities	<ul style="list-style-type: none"> Conflicts of interest between management, shareholders, employees, or other stakeholders can hinder the long-term growth of a business. Strong corporate governance ensures transparent and well-informed decision-making. Attracting more investors helps enhance corporate valuation. 	Continue to improve the structure and responsibilities of the Board of Directors, enhance transparency of information disclosure, and protect the rights and interests of shareholders.
Employee recruitment and rights protection	Medium and long term	●	●			Actual positive impact Potential positive impact	Opportunities	<ul style="list-style-type: none"> Fostering a diverse and inclusive corporate culture promotes innovation, enhances team collaboration, and drives shared growth for both a business and its employees. 	Optimize the talent introduction mechanism, strengthen school-enterprise cooperation, attract top-tier R&D and management talent, and effectively protect the rights and interests of employees.
Employee development and training	Medium and long term	●	●			Actual positive impact Potential positive impact	Opportunities	<ul style="list-style-type: none"> Strong core competitiveness and royal employees can reduce recruitment and training costs while creating a positive corporate culture. 	Develop a comprehensive, multi-level employee training system to support career growth at every stage.
Communications with stakeholders	Short, medium and long term	●	●	●	●	Actual positive impact Potential negative impact	Risks and opportunities	<ul style="list-style-type: none"> Poor communication can result in negative public opinion and harm brand value. Lack of transparency can create a crisis of trust. Transparent and timely communication helps the Company build trust with stakeholders, foster long-term cooperation, enhance corporate reputation, and gather valuable feedback to improve decision-making and strategy. 	Establish open communication channels with stakeholders, actively incorporate their feedback and suggestions, and ensure timely responses.

Material Issues	Impact Cycle	Impact Scope				Impact Type	Type of Risks and/or Opportunities	Description of Risks and/or Opportunities	Management Focus
		Upstream Value Chain	Business Operations	Downstream Value Chain	Community				
Employee occupational health and safety	Short, medium and long term	●	●			Actual positive impact Potential negative impact	Risks and opportunities	<ul style="list-style-type: none"> Inadequate management of safety risks can result in workplace accidents, legal action, and harm to brand reputation. Minimizing compensation costs and downtime from work-related injuries can enhance employee safety and job satisfaction. 	Formulate and implement comprehensive occupational health and safety policies, and conduct regular risk assessments, screening and management, ensuring a safe working environment for employees.
Customer service	Short, medium and long term		●	●	●	Actual positive impact Potential negative impact	Risks and opportunities	<ul style="list-style-type: none"> Failing to address customer needs, resolve complaints, or deliver high-quality after-sales support promptly can lead to decreased customer satisfaction, damage to brand reputation, and loss of market share. Strengthening customer loyalty and satisfaction boosts repurchase rates and promotes positive word-of-mouth. 	Develop a comprehensive customer communication channel and feedback mechanism to regularly gather customer opinions and suggestions, enabling continuous improvement of products and services.
Business ethics and anti-corruption	Short, medium and long term	●	●	●		Actual positive impact Potential negative impact	Risks and opportunities	<ul style="list-style-type: none"> Violations of business ethics or involvement in corruption can result in substantial fines and criminal penalties, erode public and consumer trust in the Company, harm brand image, and cause direct economic losses. By conducting anti-corruption and ethical audits, businesses can build a more reliable supply chain. Adhering to business ethics and anti-corruption practices helps establish a reputation for integrity and supports long-term sustainable development. 	Implement a robust compliance system along with an effective integrity prevention and control framework. Establish clear reporting and complaint channels while enhancing whistleblower protection. Promote integrity training, conduct thorough supplier reviews, and implement regular assessments to ensure ongoing accountability and improvement.
Sound operation	Short, medium and long term	●	●	●		Actual positive impact Potential negative impact	Risks and opportunities	<ul style="list-style-type: none"> Engaging in illegal operations can result in a strained capital chain, production delays, and weakened customer relationships, ultimately impacting the Company's overall competitiveness and market position. Strengthening risk resilience, adapting swiftly to market changes, capitalizing on emerging market and product opportunities, and enhancing corporate credibility are essential for long-term success. 	Strengthen internal control and compliance management, and ensure the transparency and compliance of operational processes, enhancing the Company's ability to maintain stable operations.

Material Issues	Impact Cycle	Impact Scope				Impact Type	Type of Risks and/or Opportunities	Description of Risks and/or Opportunities	Management Focus
		Upstream Value Chain	Business Operations	Downstream Value Chain	Community				
Sustainable supply chain	Short, medium and long term	●	●	●		Actual positive impact Potential negative impact	Risks and opportunities	<ul style="list-style-type: none">Enhancing supplier ESG risk management and collaborating with high-performing suppliers can mitigate operational risks stemming from violations of environmental and labor laws, while also strengthening supply chain resilience.Meeting downstream customer demands for establishing a sustainable supply chain can open up new market opportunities and drive business growth.Failing to identify and address suppliers' ESG risks may lead to missed collaboration opportunities due to inadequate ESG capabilities, potentially impacting business continuity.	Enhance supplier ESG risk management and support suppliers with limited ESG capabilities in improving their performance.

Topic 1

Trailblazer in Innovation

INTCO Medical is driven by the vision of “serve human health needs with the crystallization of human wisdom”. Empowered by technological innovation, the Company strives to enhance R&D capabilities and strengthen product safety and quality management, in a bid to deliver high-quality, safe, and reliable products and services for the customers.

Fostering Innovation-Driven Development

INTCO Medical has established a robust R&D innovation framework, consistently expanding R&D investments and accelerating the commercialization of research achievements.

As of the end of 2024 ▶

the company employed

1,202 R&D professionals

representing

10.95 % of the total workforce

During the reporting period ▶

The company's R&D investment arriving

398 million

Building an Innovative Product System

The company has developed a comprehensive product system categorized by business segments, supported by nine project teams responsible for the R&D of glove and non-glove products. the Company adopts a differentiated strategic approach, placing its own brands at the center of domestic marketing efforts. Additionally, 24 new products were successfully introduced, while five new channels — spanning food processing, retail, experimental pharmaceuticals, cleanroom electronics laboratories, and e-commerce — were opened to enhance market coverage further. In international markets, the Company emphasizes ultra-lightweight gloves and gloves using the SafeDon™ dispensing system, which are recognized for their exceptional performance, cost-effectiveness, and environmentally friendly attributes. This has contributed to a notable increase in orders compared to 2023.

During the reporting period ▶

55 new products were accessible

representing a remarkable year-on-year increase of

197 % compared to 2023



Product performance R&D: domestic sales

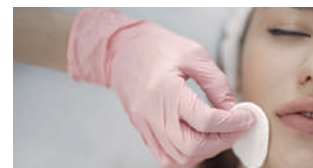
Synguard G3 Household Nitrile Gloves

Designed for comfort, these gloves are packaged for easy access, making them highly convenient for use in complex household tasks such as cooking and cleaning in the kitchen.



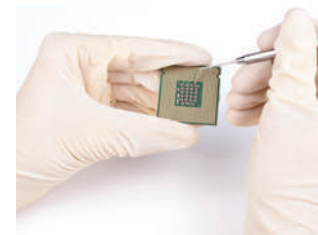
Skincare Gloves

Infused with skincare ingredients like hyaluronic acid and silk protein, these nitrile gloves feature a refreshing marine fragrance. They meet food contact safety standards while providing a protective barrier for hands, alongside a soothing, moisturizing, and repairing effect on the skin.



Cleanroom Gloves

Specifically designed to meet stringent ISO Class 1000/Class 100 cleanroom requirements, these gloves are ideal for the manufacturing of electronics, PV products, chips, and drugs.



Product performance R&D: export sales

European Standard Low-Weight Nitrile Gloves

Through rigorous experiments and pilot plant tests, these lightweight nitrile gloves have been engineered to meet the European standard requirements for tensile strength.



Biodegradable Nitrile Gloves

Formulated with catalytic agents to facilitate effective degradation in anaerobic biological environments, these nitrile gloves represent a sustainable breakthrough in disposables. The product has successfully obtained the **Green Leaf** certification and is steadily advancing toward pilot production.



Synmax Gloves for Wet Hands

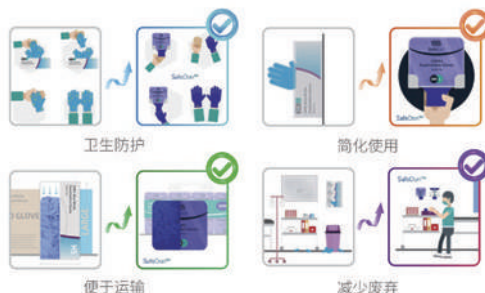
These gloves ensure smooth donning with wet hands.



Product performance R&D: export sales

SafeDon™

The SafeDon™ **sanitary system** is the world's first disposable glove distribution system designed to dispense gloves individually from the bottom of the box. Compared to traditional systems, it offers significant advantages—being healthier, faster, more compact, eco-friendly, and cost-effective. During the reporting period, the Company actively promoted the application of the SafeDon™ patented product, achieving remarkable results: a **96%** reduction in cross-contamination risk, a **10%** decrease in glove waste, a **25%** reduction in transportation and storage costs, and a **50%** improvement in donning and preparation efficiency.



The Company remains steadfast in its commitment to sustainable development. The innovative product, Syntex™ Synthetic Latex Gloves, is expected to hit the market by 2025, an effort to reduce the glove industry's reliance on natural rubber plantations, helping to mitigate critical issues such as deforestation and loss of biodiversity.

SYNTEX™ SYNTHETIC LATEX GLOVES

★★★★★

Synthetic Latex is an exclusive innovative formula developed by INTCO MEDICAL





Minimal Allergenicity
NO sulphur, NO natural latex protein, reducing the allergy risk of natural latex gloves.



Superior Protection ONE FOR ALL
Exceptional puncture and chemical resistance, ideal for medical and industrial use.



Revolutionary Ultra-soft Formula
Elongation 650%+ (ASTM D6319).



Guard Ecology & Ensure Supply
Unlike natural latex, Syntex is outside EUDR scope and exempt from EUDR requirements.



High-elastic Comfort
Highly elastic material fits hands well, reducing fatigue.

Strengthening Communication with Partners

The Company actively participated in both domestic and international industry exhibitions, engaging in in-depth dialogues and strategic collaborations with global partners. Through these efforts, the Company has showcased industry-leading manufacturing capabilities and innovative drive, further strengthening customer trust and enhancing brand value. During the reporting period, the Company expended its presence by traveling to Germany, the Netherlands, Guangzhou, Shanghai, and other key locations, injecting significant momentum into its sustained growth in the global market. In November 2024, INTCO Medical appeared at the MEDICA 2024 Medical Exhibition in Germany. In November 2024, INTCO Medical showcased its outstanding innovative products and forward-looking technologies at the third phase of the 136th Canton Fair, demonstrating to the world the strong strength and unlimited potential of Chinese manufacturing.



In November 2024, INTCO Medical appeared at the MEDICA 2024 Medical Exhibition in Germany

INTCO Medical appeared at the third phase of the 136th Canton Fair

Protecting Intellectual Property Rights

The Company actively collaborates with domestic and international peers in patent development, fostering a more dynamic innovation ecosystem and contributing significantly to the industry's technological advancement and transformation. Committed to intellectual property protection, the Company has implemented a comprehensive intellectual property management system that spans the entire process from R&D to production.

During the reporting period ▶

The Company filed
43 patent applications

secured **33** new patent approvals

and achieved a cumulative total of
270 authorized patents



Leading Technological Development

Promoting Lean Production

INTCO Medical is dedicated to driving lean production, continuous improvement, and innovation across its entire production and operational processes. The Company has established **a quality improvement and innovation reward mechanism** and organizes monthly “Improvement Star” selection activities to recognize and reward employees who contribute effective innovation suggestions. This fosters an inclusive culture of innovation and encourages active participation from all employees.

In 2024, the Company refined the review rules for the quality improvement and innovation reward mechanism, enhancing the transparency, standardization, and accuracy of the evaluation process. These updates ensure fairness in reviews and promote long-term project sustainability.

During the reporting period ▶

Huaibei production base received nearly **6,000**
voluntary improvement proposals from employees

with cumulative benefits from these innovation efforts exceeding RMB **110** million.



Case: Zhenjiang Production Base Introduces OPE Model to Increase Output

Zhenjiang production base incorporated the Overall Production Efficiency (OPE) model, a comprehensive production efficiency management system, into its PEC production process in the assembly workshop. By thoroughly evaluating and managing factors such as standard working hours for products, input speed, the number of workers involved, and defective rates, the base is able to pinpoint critical production challenges and their root causes. This approach effectively facilitated improvement activities across the Company’s production operation systems and departments within the product life cycle value chain. It also helps foster a culture of lean improvement among all employees while enhancing their awareness of full-process customer service. The OPE model has successfully increased the total output of the assembly workshop by 15% year-on-year.



Case: Huaibei Production Base Holds a Lean Production Salon, Enhancing its Industry Influence

In 2024, Huaibei production base successfully hosted its inaugural “Lean Operation Management System and Benchmark Factory Practice Sharing” salon. The gathering brought together over 140 participants, including leaders from relevant departments of the Huaibei municipal and county governments, as well as executives from both local and out-of-town companies. The event fostered in-depth discussions on the development and implementation of the lean operation management system, facilitating valuable exchanges of industry experience. Moreover, the salon further enhanced the Company’s brand image and influence, solidifying the Huaibei production base’s benchmark status within the industry.



Deepening Intelligent Transformation

The Company actively advances the construction of automated factories, with independently designed production processes and state-of-the-art disposable glove production facilities integrating the precise Distributed Control System (DCS). Notably, with the commissioning of Jiangxi production base, the Company has introduced a third-generation fully automated nitrile glove (pair) mold production line, backed by proprietary intellectual property rights. This innovative production line boasts higher efficiency and lower energy consumption, enhancing operational effectiveness while significantly reducing carbon emissions associated with the manufacturing process. Currently, the length of the standard nitrile glove production line exceeds 1.6 kilometers. The DCS precisely regulates the production process based on real-time temperature, humidity conditions at the production site, and the operational status of the production line. Furthermore, the automated batching system provides precise control over ingredient dosing and glove thickness, ensuring exceptional product quality consistency and stability.

During the reporting period ▶

the Company's yield rate for glove products remained consistently above **99%**

Case: Huaibei Production Base Actively Promotes Automated Intelligent Control

In 2024, Huaibei production base implemented an advanced online pH meter intelligent control system, enabling automated integrated control of liquid levels and pH values through a Distributed Control System (DCS). This innovation significantly enhanced the automation and precision of the alkali feeding process in the circulating tank of the batching workshop. Additionally, a new program monitoring screen was introduced, greatly improving the visualization and accuracy of operations. Following these upgrades, the nitrile workshop achieved an annual reduction of 2,320.48 tons of alkali solution consumption. The advancements effectively eliminated the uncertainty and inconsistencies associated with traditional manual test paper testing and manual operations, increasing efficiency while reducing costs.

Case: Kaize Latex Production Base Achieves Remarkable Progress in Automation Transformation

Kaize latex production introduced cutting-edge automation control systems such as the Distributed Control System (DCS) and the Safety Instrumented System (SIS), advancing its intelligent upgrade through comprehensive technical transformation of its production lines. The transformation focuses on critical aspects including feeding accuracy, temperature control precision, and enhanced safety management. Through the deployment of intelligent equipment—such as the automated feeding system, intelligent start-stop mechanism, and precise temperature control system—the base has constructed a fully integrated automated production system. This upgrade has substantially improved the standardization, stability, and safety of production processes, effectively mitigating safety risks while eliminating quality fluctuations caused by human errors.

Post-transformation results show ▶

a reduction in production process time from **16** hours to **14** hours

an efficiency boost of over **12%**

Cooperating with Academic Institutions

The Company attaches great importance to technological innovation and talent development, and has been actively cooperating with academic institutions. The Company has established extensive partnerships with institutions such as Hefei University of Technology, Anhui University of Technology, Anhui Normal University, and Xuzhou College of Industrial Technology to jointly build cooperation platforms for R&D, technological advancements, and talent training. These collaborative efforts have effectively transformed cutting-edge scientific discoveries into tangible productivity, successfully driving technical innovation.



Case: Academia-Enterprise Cooperation Promotes the Commercialization of Technological Advancements in National Ceramic New Materials

INTCO Medical has established a comprehensive strategic partnership with Shaanxi University of Science and Technology, aiming to address industry demands, enhance teaching quality and research capabilities, and foster innovation. By integrating resources, the collaboration accelerates the development of a technology innovation system that is enterprise-led, market-oriented, and academia-supported. This partnership strengthens the integration of teaching, production, and research resources while advancing cross-disciplinary cooperation. It prioritizes key research initiatives and focuses on cultivating highly-skilled, innovative talent. The collaboration drives the commercialization of technological advancements in national ceramic new materials, achieving a win-win outcome for academia, industry, and society.

"We highly value our communication and collaboration with Tsinghua University's Chemical Engineering Practice Team. This partnership represents more than just the integration of academics and practical experience—it is a process of mutual exploration and innovation."

——Yu Haisheng, Deputy General Manager of INTCO Medical



Case: INTCO Medical Collaborates With Tsinghua University in Chemical Engineering Practice

In August 2024, INTCO Medical partnered with Tsinghua University to launch a four-week undergraduate chemical engineering practice program, marking a new milestone in university-enterprise collaboration. The program offers opportunities for hands-on workshop experience as well as seminars focused on professional discussions, problem analysis, and constructive feedback. By seamlessly combining theoretical knowledge with real-world applications, the event has significantly enhanced the students' professional skills and practical expertise. At the concluding session, the students presented innovative suggestions for optimizing the Company's production processes, infusing fresh perspectives and academic insights into technological advancements and efficiency improvements. This program not only provided the students with a valuable platform to gain practical experience and advance their professional development but also brought cutting-edge academic ideas and creative energy to the Company. This initiative stands as another successful example of our commitment to deepening cooperation with academic institutions.

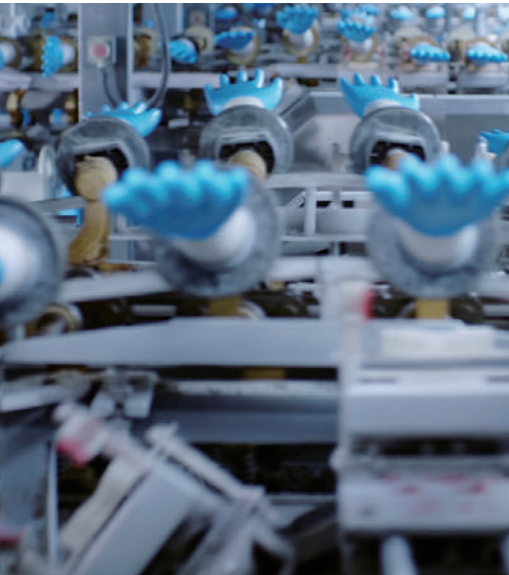


INTCO Medical partners with Tsinghua University to launch a medical practice program



Ensuring Excellence in Product Quality

INTCO Medical believes that quality is the cornerstone of enterprise growth, regarding product safety and quality as the lifeblood of operations. The Company strictly abides by product safety and quality regulations, consistently advancing quality management practices. By rigorously implementing superior quality standards across production, R&D, and service, the Company ensures the delivery of exceptional products and services.



Quality Management System

The Company strictly abides by the *Law of the People's Republic of China on Product Quality*, the *Regulations for Supervision and Administration of Medical Devices*, the *EU Medical Device Regulation (MDR)*, the *US Federal Food, Drug, and Cosmetic Act (FD&C Act)*, *Canada's Medical Devices Regulations SOR-98-282 (CMDR)*, and other competent laws and regulations, and has obtained quality management system certifications such as ISO 9001 and ISO 13485.

The Company has developed a comprehensive organizational structure for quality management, and has set annual quality objectives in line with the principle of "Safety Guaranteed, Quality Certified; Caring for Health, Serving You". Furthermore, the Company has established a four-level quality management documentation hierarchy, with *quality manuals* as the programmatic guideline at the first level, procedure documents—such as the *Record Control Procedure*, the *Document Control Procedure*, the *Management Review Control Procedure*, and the *Non-conforming Product Control Procedure*—as implementation documents at the second level, followed by standards documents at the third level, and records at the last level. During the reporting period, the Company revised the *Engineering Change Control Procedure*, and the *Document Control Procedure*, providing better guidance for quality management.



Product Certification

The U.S. Food and Drug Administration Premarket Notifications FDA 510(k)

Production Base

Shandong Qingzhou production base
 Shandong Linzi production base
 Anhui Huaibei production base
 Jiangsu Zhenjiang production base
 Jiangxi Jiujiang production base
 Anhui Anqing production base

Product Certification

EU CE Marking

Production Base

Shandong Qingzhou production base
 Anhui Huaibei production base
 Jiangsu Zhenjiang production base
 Jiangxi Jiujiang production base
 Shanghai Fengxian ECG Electrodes production base
 Anhui Anqing production base

Quality Management System Certification	Production Base
ISO 9001 Quality Management System	Shandong Qingzhou production base Shandong Linzi production base Anhui Huaibei production base Anhui Kaize Latex production base Jiangxi Jiujiang production base
ISO 13485 Medical devices — Quality management systems	Shandong Qingzhou production base Shandong Linzi production base Anhui Huaibei production base Anhui Kaize Latex production base Jiangxi Jiujiang production base Jiangsu Zhenjiang production base Shanghai Fengxian ECG Electrodes production base
Medical Device Single Audit Program (MDSAP) Quality System Audit	Shandong Qingzhou production base Anhui Huaibei production base Shanghai Fengxian ECG Electrodes production base
British Retail Consortium (BRC) Global Standards for Consumer Goods	Shandong Qingzhou production base Anhui Huaibei production base Jiangxi Jiujiang production base

Strict Product Quality Control

Raw Material Quality

The Company adheres strictly to relevant national and local standards and has developed the *Raw Material Inspection Operation Guide* to clearly define standard requirements, including inspection items, inspection frequency, sampling plans, acceptance standards, and criteria. Additionally, the Company has formulated internal process documents such as the *Nitrile Raw Material Inspection Standard* and the *PVC Powder Inspection Operation Guide* to ensure the effective management and quality control of key raw materials like nitrile latex and PVC powder used in production. During the reporting period, the Company conducted several key testing projects, including the plasticizer flash point testing, JNJ distillation testing, and CaZn stability testing. These efforts ensure the Company comprehensively understands the performance, composition, safety, and other characteristics of raw materials, thereby effectively safeguarding product quality and safety performance.

Production Process Quality

The Company has formulated documents such as the *Physical Property Inspection Operation Guide* to conduct quality inspection on products before warehousing, the *Pinhole Test Operation Guide*, and the *Process Inspection Operation Guide* to comprehensively standardize the production process inspection across physical properties, appearance and other related aspects of products. Problems found are promptly reported to the quality management department for correction and improvement.

Product Packaging and Delivery Quality

The Company carries out strict product packaging and delivery quality control. This includes formulating the *Packaging Inspection Operation Guide* for the quality inspection of inbound products, and the *Outgoing Quality Inspection Operation Guide* for comprehensive inspection on product quality, packaging and other information. Moreover, random inspections and re-inspections are conducted on medical-grade products to ensure that product quality meets corresponding standards.

Product Recall Management

The Company has formulated the *Medical Device Recall Management Measures* and established a product recall team headed by the Deputy General Manager to comprehensively lead, organize and manage product recall investigations and evaluations. Based on product recall management procedures established, the team monitors and reports adverse events, issues and implements advisory notices, and recalls substandard products, promptly eliminating or reducing adverse effects. Simulated recall drills are conducted every year to ensure that the recall procedures can be initiated quickly and efficiently in emergency situations.

During the reporting period ▶ the Company **did not have** any product recall incidents.

Product recall process



Investigate and evaluate medical device defects



Announce product recall information



Report to relevant food and drug regulatory authorities



Initiate a product recall



Recall unsafe products



Handle recalled products



Report to relevant departments after completing the recall

Intelligent Quality Management

Digital technology is applied to ensure quality control across the entire production life cycle, achieving real-time, comprehensive and precise digital quality management.

Quality Management System (QMS)

The OMS system provides comprehensive coverage of production modules, including incoming material inspection, process inspection, finished product inspection, and non-conformance handling. It enables data collection throughout the quality inspection process, ensuring accurate, timely, and traceable quality control.

A new visual dashboard has been introduced for quality inspection, featuring real-time updates of inspection data and prompt responses to abnormal quality readings. This enhancement supports full life cycle management of product quality with fully traceable sources and destinations.

The incoming material inspection and process inspection workflows have been optimized to incorporate data entry and export data query functionalities, significantly improving report accuracy. Additionally, the Out-of-Box Audit (OBA) process has been introduced to enhance overall quality inspection procedures.

Integration with third-party systems ensures test results are pushed in real time, further streamlining the quality inspection process.

Manufacturing Execution System (MES)

The MES encompasses modules for managing raw materials, finished products, production inputs, workshop planning, abnormality handling, and other key aspects of the production base.

The MES integrates with the Advanced Planning and Scheduling (APS) system to facilitate workshop execution of production tasks.

The MES also connects with the Distributed Control System (DCS) to integrate production process parameter data, as well as with the Operational Management System (OMS) to incorporate quality inspection data, enabling product lifecycle traceability.

The Company actively adopts advanced technologies and equipment to enhance the efficiency of product quality management. By leveraging visual monitoring technology, **100%** of gloves on the production line are inspected, ensuring defective products are automatically identified and eliminated to maintain high product quality. To address challenges such as insufficient counting machines or omissions by packaging machines, a weighing platform has been added at the back end of the packaging process. This platform measures the weight of each box of gloves, ensuring correct number of gloves. Additionally, an automated glove sampling machine has been introduced to replace traditional manual sampling methods. This system enables fixed-interval sampling to ensure broader and more representative sampling, significantly improving detection efficiency and accuracy.



Visual inspection equipment



Weighing equipment



Glove sampling machine

Quality Culture Development

The Company places a strong emphasis on building a quality-oriented culture. This includes developing comprehensive annual and monthly training programs for capability, skill, and awareness enhancement. Training effectiveness is evaluated through **examinations, practical assessments, and performance reviews**. Additionally, regular quality improvement seminars are conducted to encourage employees to share suggestions for enhancing quality.

During the reporting period ▶

the Company conducted **545** quality training sessions involving **1,310** employees
with an average training time of **36.50** hours per person

During the reporting period ▶

over **50** of quality improvements were successfully completed

resulting in an annualized profit exceeding RMB **2** million

These efforts have significantly enhanced product quality and service levels.



Product Safety Management

The Company places a strong emphasis on product safety management, ensuring rigorous compliance with international and domestic standards. Products are submitted to accredited third-party testing agencies for evaluations. International standards adopted include the EU's *Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH)*, and *Restriction of Hazardous Substances (RoHS)*. Moreover, the *GB 15979 Hygienic Standard for Disposable Sanitary Products* is applied for microbiological testing. The *GB 4806.7 National Food Safety Standard - Plastic Materials and Products for Food Contact* is used for product detection. The *ISO 10993 Biological Evaluation of Medical Devices* is adopted for biocompatibility tests that cover in vitro cytotoxicity, skin sensitization, and sidelight analysis. Test reports are issued by agencies as quality evidence.

The Material Safety Data Sheet (MSDS) is provided to customers together with products. In addition, the inner packing prominently displays key information such as performance characteristics, main ingredients, application scope, contraindications, precautions, warnings, and usage instructions. To further emphasize safe usage, the "disposable" icon is printed on both the inner and outer packaging, effectively preventing potential health risks associated with repeated use.



New employee
training

Quality awareness training was conducted for all new employees, achieving a 100% coverage rate. This training established a solid foundation in quality management, preparing them for future responsibilities across various positions.



Existing employee
training

Regular quality training and education sessions were provided to employees to enhance their quality awareness and operational skills. These efforts ensure that employees consistently follow established quality standards.



On-site training at Huaibei production base



"Quality Month" activity at Huaibei production base

Enhancing Customer Service Management

INTCO Medical is committed to establishing long-term trusting relationships with customers, so as to continuously improve customer experience and customer service quality based on a deep understanding of customer needs.

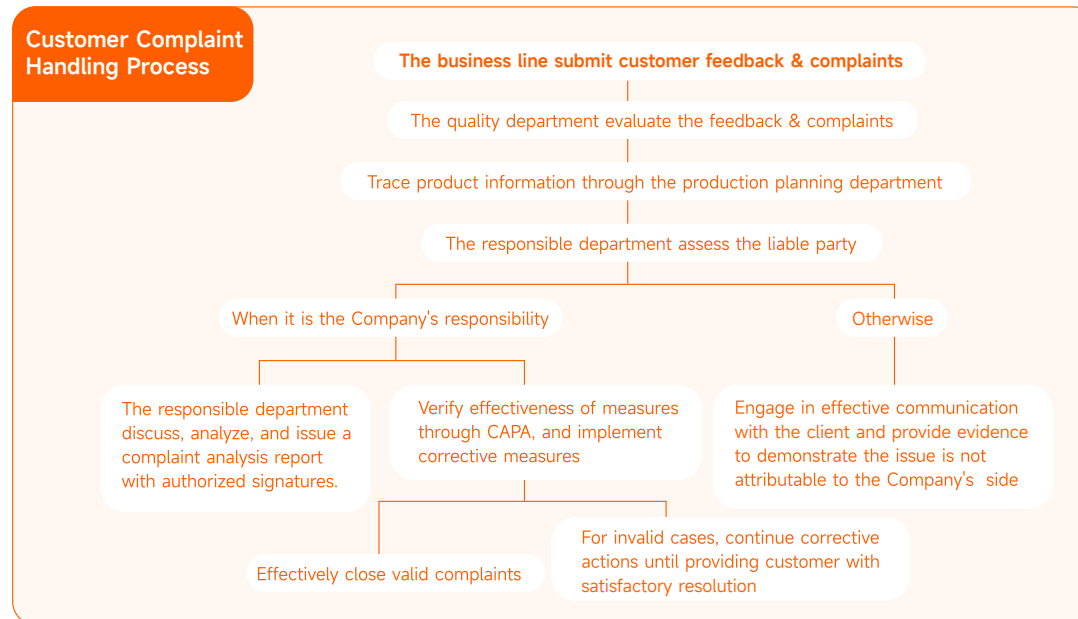
Customer Service Management

The Company has established a comprehensive customer relationship management system, supported by institutional documents such as the *Customer Service Center Specifications and Procedures*, and a standardized customer need response mechanism. To enhance cooperation and communication with customers, the Company has introduced diverse interaction channels, including video calls, on-site visits, and factory tours. Additionally, the 400 service hotline and dedicated service mailbox have been launched as key communication platforms between the Company and its customers. Furthermore, a return visit management mechanism is introduced to provide end-to-end customer service aimed at continuously improving customer satisfaction.

Customer Complaint Management

The Company has established and implemented the *Customer Evaluation, Complaint, and Feedback Handling Mechanism* to continuously enhance customer feedback and complaint management. Both online and offline complaint channels have been made accessible and widely publicized through our official website, product packaging, and other platforms. In 2024, the Company revised the *Customer Service Control Procedure* to further optimize the customer complaint handling process, ensuring timely responses and efficient resolutions.

During the reporting period ▶ the Company received **1,521** product complaints
and achieved a complaint resolution rate of **91.60%**



Customer Satisfaction Management

The Company places a high priority on customer satisfaction and have implemented a comprehensive, multi-dimensional customer experience monitoring system. To support this, the Company has established the *Customer Satisfaction and Feedback Control Procedure* and conducts customer satisfaction surveys across various channels. These surveys evaluate multiple dimensions, including product quality, delivery timeliness, and customer service performance. By adopting a closed-loop management mechanism of “collection - analysis - improvement - feedback”, the Company ensures that customer pain points are accurately identified, service gaps are addressed promptly, and overall customer experience is continuously enhanced.

During the reporting period ▶
the Company achieved a customer satisfaction rate of **85.71%** on domestic sales channels
93% on e-commerce platforms
and **85.23%** among international customers

Topic 2

Forerunner in Green Ecology

Green serves as the defining backdrop for high-quality development. In recent years, INTCO Medical has actively embraced China's "dual carbon" strategy, adhering to the principles of environmental protection, health, safety, energy efficiency, and lean development. The Company has consistently advanced innovation and application in green technologies, enhanced its climate governance capabilities, and committed to sustainable and low-carbon operations. Through these efforts, the Company continues to make meaningful contributions to environmental protection and sustainable development.

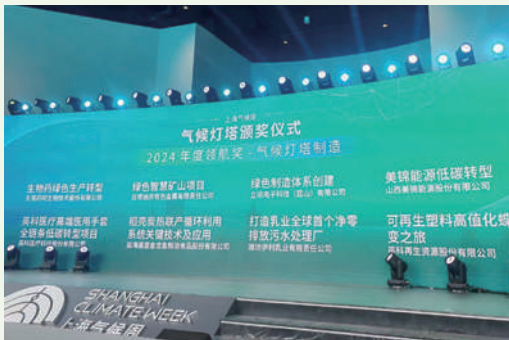
Climate Change Tackling

INTCO Medical places sustainable development at the core of its corporate strategy, demonstrating a strong alignment with the Paris Agreement and China's "dual carbon" strategy. By implementing a robust ESG management system, the Company seamlessly integrates climate change considerations into development strategy, production processes, and operations. The Company prioritizes green technology innovation, clean energy alternatives, and energy efficiency initiatives, and has established a comprehensive water resource recycling system. These efforts have effectively and comprehensively advanced its low-carbon production process.

Case | INTCO Medical Wins "2024 Climate Lighthouse Manufacturing Pilot Award"

In April 2024, coinciding with World Earth Day, the highly anticipated Shanghai Climate Week 2024 commenced with great fanfare. INTCO Medical was honored to be shortlisted for Shanghai Climate Week for its innovative project, **"Full-Chain Low-Carbon Transformation of High-End Medical Gloves"**, and was awarded the prestigious **2024 Climate Lighthouse Manufacturing Pilot Award**. This recognition highlights INTCO Medical's significant efforts and accomplishments in the field of sustainable development.

Shanghai Climate Week 2024 followed the principle of "Chinese Action, Asian Voice, Global Standard", aiming to foster broad social participation in China's commitment to achieving its "dual carbon" goals. The event served as a platform to showcase China's proactive actions to combat climate change, amplify Asia's voice in green transformation, promote international collaboration in climate initiatives, and influence the development of global climate governance standards. As the world's leading disposable glove manufacturer and China's top player in the industry, INTCO Medical embraced this initiative wholeheartedly. The Company remains committed to embedding low-carbon and environmentally conscious practices into its business operations, contributing to both global sustainable development.



Shanghai Climate Week 2024

Greenhouse Gas Emissions

The Company remains committed to its carbon neutrality action plan, aiming to reduce carbon emissions per glove by 25% by 2030 (using 2022 as the baseline) and achieve carbon neutrality across operations by 2050.

During the reporting period, the Company made significant progress in researching and planning carbon neutrality pathways and timelines, developing scientific emission reduction strategies, and optimizing production and operational processes. Particularly, the Company has prioritized key initiatives such as the adoption and utilization of renewable energy, the R&D of energy-efficient and emission-reduction technologies, and the implementation of innovative carbon reduction programs. These practical measures underscore its dedication to reducing greenhouse gas emissions and advancing climate governance objectives.

Aiming to reduce carbon emissions of

1pc glove by **25%** by 2030
(using 2022 as the baseline)

Environmental Compliance Management

INTCO Medical rigorously adheres to environmental protection principles and policies at all levels through

out its production and operations. In addition, the Company has made progress in improving its environmental compliance management system, fostering a strong culture of compliance awareness, and ensuring the effective implementation of comprehensive environmental protection measures. By adopting systematic and standardized environmental compliance management practices, the Company has effectively mitigated the environmental risks associated with operations.

Environmental Management System

The Company strictly complies with the *Environmental Protection Law of the People's Republic of China*, the *Law of People's Republic of China on Environmental Impact Appraisal*, the *Energy Conservation Law of the People's Republic of China*, and other applicable national and regional regulations and laws. Upholding the environmental policy of "prioritizing protection, emphasizing prevention, and embracing comprehensive management", and the supervision principles of "all-staff participation, whole-process oversight, holistic management, and round-the-clock

The Company has formulated

36 institutional documents, including the *Environmental Protection Facilities Operation Management System*, and the *Environmental Protection Management System*, among others.

vigilance”, the Company has optimized its environmental governance institutional framework. Moreover, the Company has incorporated environmental management into its corporate development strategy to continuously refine and enhance our environmental management practices. These efforts ensure the achievement of its long-term goals in environmental protection, pollution prevention, and the ongoing improvement of environmental performance.

The Company has also enhanced our environmental management organizational structure. The General Manager, as the primary person responsible for environmental management, oversees the development of environmental management systems and supervises the implementation of environmental operating procedures. An Environmental Protection Leadership Group has been established to direct, manage, and monitor our environmental performance. The leadership group convenes quarterly meetings to review environmental protection progress and address major environmental issues. Each production base has established a dedicated Safety and Environmental Protection Department, responsible for managing the environmental protection activities at individual factories. In addition, The Company has implemented the *Environmental Protection Target Assessment System*, which integrates environmental management into employee performance evaluations. Entities and individuals with exceptional performance in environmental protection are duly recognized and commended. For departments that experience major or severe environmental responsibility incidents, a “one-vote veto” system is enforced. Under this policy, the department and its head are disqualified from the annual evaluation, and relevant leaders are held accountable for their actions or negligence.

General Manager of INTCO Medical Technology Co., Ltd.

Environmental Protection Leadership Group

Safety and Environmental
Protection Department of
Jiangxi Production Base

Safety and Environmental
Protection Department of
Anhui Production Base

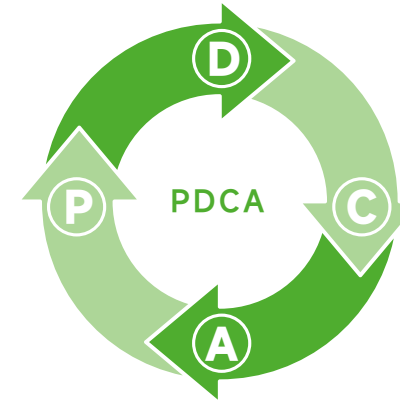
Safety and Environmental
Protection Department of
Shandong Production Base

Safety and Environmental Protection
Department of Zhenjiang R&D and
Production Base

Safety and Environmental Protection
Department of Kaize Latex Production
Base

Environmental Protection Leadership Group Structure

The Company adheres rigorously to the PDCA (Plan-Do-Check-Act) cycle, ensuring continuous evaluation, feedback, and timely adjustments to environmental management mechanisms. This approach drives its ongoing improvements in environmental protection and sustainable development.



Plan

Analyze the Company’s dynamics and formulate annual environmental plans through environmental meetings.

Check

Conduct inspections from time to time.
Conduct regular meetings to hear reports on environmental work and study on major issues.

Do

Implement environmental activities and measures based on the environmental plans.

Action

Evaluate and assess the fulfillment of environmental objectives.
Make proposals for improvement and implement preventive measures.

Get ISO 14001 Environmental Management System Certification production

Huaibei production base

Qingzhou production base

Kaize latex production base

Jiangxi production base



ISO 14001 Certification

Environmental Risk Investigation

The Company has developed and implemented the *Environmental Inspection Management System* and the *Environmental Hazard Management System*, establishing and refining a robust long-term mechanism for identifying and managing environmental risks. Regularly, comprehensive investigations and risk management activities are conducted across production and operations to ensure environmental safety. Utilizing a hazard classification management model, the Company creates differentiated rectification plans based on the severity of each hazard. These plans clearly define rectification timelines and assign responsibility to specific parties. Once corrective actions are completed, timely reviews and acceptance processes are conducted to ensure all hazards are effectively addressed. By proactively managing risks at the source, the Company prevents and control environmental threats, ensuring environmental safety and stability.

Environmental Risk Emergency Management

The Company places a high priority on environmental risk emergency management. The Company thoroughly identifies potential environmental risks, including major hazards, sources of environmental risks, and risk-related substances. Additionally, the Company collects and assesses information on environmental risk receptors in the surrounding areas, analyze potential scenarios and consequences of unforeseen environmental incidents, and evaluate gaps in existing risk prevention, control measures, and emergency response

protocols. This comprehensive approach ensures a clear understanding of the risk levels associated with environmental emergencies.

The Company has developed the *Emergency Plan for Sudden Environmental Events* in line with the requirements of the *Administrative Measures for the Recording of Emergency Plans for Sudden Environmental Events in Enterprises and Institutions (Trial)*. This plan outlines the structure and responsibilities of the emergency response organization and categorizes emergency response into three levels: general sudden environmental events, major sudden environmental events, and serious sudden environmental events. For each level, specific mechanisms for prevention, early warning, information reporting, and notification are established, along with corresponding emergency response measures. Furthermore, detailed emergency disposal plans have been created to address special scenarios such as hazardous chemical leaks, fires, loss of hazardous waste, abnormal wastewater discharge, and soil or groundwater pollution incidents.

In addition, the Company regularly conducts emergency drills to simulate accident scenarios, enabling employees to develop and refine their emergency response skills. These drills effectively enhance response efficiency and rescue capabilities, ensuring timely and high-quality action when addressing various environmental risks and emergencies.

During the reporting period ▶

the Company **did not experience** any major sudden environmental events.



Case I Huaibei Production Base Conducts Chlorine Gas Leakage Emergency Drill

In January 2024, Huaibei production base carried out a simulated chlorine gas leakage emergency drill to comprehensively enhance employees' capabilities in managing sudden environmental incidents. The drill was designed to replicate real-world accident scenarios, allowing participants to respond rapidly and effectively to the simulated emergency. During the exercise, participants swiftly arrived at the accident site, accurately identified the liquid chlorine leakage point, analyzed its cause, and efficiently implemented measures for leak containment and elimination. Simultaneously, they quickly established a warning zone to ensure the safety of the surrounding areas. The drill served as a critical test of the operability of the emergency response plan while substantially improving the collaborative efficiency of the emergency team. It also strengthened the rescue personnel's proficiency in using professional equipment, further enhancing the speed and effectiveness of emergency response operations. Overall, the exercise laid a strong foundation for ensuring the Company's environmental safety.



Chlorine gas leak emergency drill

Environmental Protection Capacity Building

The Company has established an *Environmental Protection Training and Education Management System*. Training plans are developed every year according to training needs identified through questionnaire surveys. Additionally, tiered and categorized training programs are designed to address the specific needs of various groups, including managers, employees, new hires, contractors, and external personnel.



Management Personnel	<ul style="list-style-type: none"> The Company's responsible leaders and environmental management personnel are required to undergo specialized training and education in environmental protection. Their knowledge and management capabilities must be evaluated by the relevant environmental regulatory authorities. Only after successfully passing the assessment and obtaining an environmental protection qualification certificate are they authorized to assume their roles. Additionally, they are required to participate in annual environmental protection retraining programs.
Existing Employees	<ul style="list-style-type: none"> Personnel engaged in specialized operations and those operating special equipment must obtain the necessary special operations certificates and special equipment operation qualification certificates prior to starting work. Additionally, these certifications are subject to regular review. Before the implementation of new processes, technologies, equipment, or products, relevant personnel must undergo specialized training and may only assume their roles after successfully passing the required assessments.
New Employees	<ul style="list-style-type: none"> New employees must complete environmental protection training and education and may only begin their duties after successfully passing the required assessment.
Contractors and External Personnel	<ul style="list-style-type: none"> Before contractors enter the construction site, they must undergo environmental protection training specific to construction workers. Company certification will be issued upon passing the assessment. For external visitors, environmental protection training and explanations will be provided prior to the commencement of their activities.

Energy Usage

Energy Management System

The Company strictly complies with the *Energy Conservation Law of the People's Republic of China* and has established internal management standards such as the *Energy Review Control Procedure*, the *Energy Target Index Management Implementation Plan Control Procedure*, and the *Energy Capacity Training and Awareness Control Procedure*. These measures aim to continuously enhance its energy management practices and improve energy efficiency. As part of its commitment to energy conservation and emission reduction, the Company has set clear energy management goals.

The Company plans to reduce energy consumption—specifically coal and electricity usage—per unit across the entire base by **5%** by 2025 compared to current levels.

Moreover, the Company has established a Lean Energy Management Office to analyze and monitor the consumption data of major energy sources, including coal, electricity, natural gas, gasoline, and diesel, across each factory workshop. This office is tasked with developing efficient energy management strategies and implementation plans, and making regular, targeted adjustments to ensure these strategies are executed effectively. By doing so, the Company aims to promote energy conservation and emission reduction in a systematic and orderly manner.



Efficient Use of Energy

- **Optimize Heating Structure:** Huaibei production base upgraded boiler equipment to maximize waste heat utilization, and has enhanced steam production and efficiency, and optimized the workshop heating system, thereby reducing overall energy consumption.
- **Conduct Gas Leakage Inspections:** Workshops at Huaibei production base actively carried out gas leakage inspections, effectively minimizing the power consumption of air compressors.
- **Conduct Oven Door Sealing Inspections:** Huaibei production base conducted thorough inspections and repairs of oven door seals to minimize heat loss and reduce overall energy consumption in workshops.
- **Replace and Renovate Heating Panels:** Huaibei production base undertakes the replacement and renovation of workshop heating panels, boosting the utilization of waste heat from hot water and further reducing energy consumption within the facility.
- **Implement Peak-cut Control:** Huaibei production base implemented peak-up power control, along with energy-saving improvement activities engaging all employees. Daily electricity consumption and prices during peak, off-peak, and valley periods are collected and converted into a chart to remind employees the importance of saving electricity.
- **Upgrade Motors:** At Huaibei production base, the mixing motor of the batching tank in the nitrile workshop was automated with an advanced control program. This enables the motor to adjust operation autonomously based on real-time liquid level measurements, stopping immediately when the liquid level is low to protect the motor. These upgrades have resulted in annual electricity savings of **766,800 kWh**.
- **Waste Heat Utilization System:** Zibo production base designed an innovative waste heat utilization system. Part of the condensed water is repurposed to heat the factory through a water heat exchanger, while the remainder passes through a flash tank, where high-temperature steam is separated and directed to VOC systems for nitrogen heating and workshop hot air supply. This multi-function approach has significantly improved steam heat utilization efficiency. The system achieves steam savings of up to **4,614 kg** per hour.



A thermal imager is used to check oven door tightness

Application of Alternative Energy Sources

- Zhenjiang production base successfully implemented a distributed photovoltaic project capable of generating **653,000 kWh** of electricity annually. This initiative significantly reduces reliance on traditional energy sources, showcasing a successful application of clean energy technology.
- In 2024, Huaibei production base in Anhui Province commenced construction of wind power infrastructure. The wind power equipment is expected to be fully operational by 2025, marking another innovative step in the Company's exploration and implementation of clean energy technologies.



Distributed photovoltaic power generation system at
Zhenjiang production base



Wind power generation system at
Huaibei production base

Updating of Production Processes

- **Inverter Frequency Control:** Huaibei production base optimized the production process in the nitrile workshop by adjusting the frequency of the thermal oil pump and skid. This initiative has successfully reduced the average monthly electricity consumption of the nitrile workshop by **80,000 kWh**.
- **Temperature Optimization:** Through production process improvements, Huaibei production base lowered the temperature settings for ovens and water tanks used in product vulcanization, achieving energy savings and reduced consumption. Specifically, the PVC workshop's main oven temperature was reduced from **210 °C** to approximately **175 °C**, further enhancing energy efficiency.

Equipment Replacement

- **Air Conditioning Motor and Impeller Upgrade:** Huaibei production base upgraded the air conditioning motors in the remolding room and nitrile distribution room to energy-efficient permanent magnet motors. Additionally, the impellers were replaced with advanced bionic impellers. By enabling frequency conversion functionality, this transformation not only reduces hardware power consumption by **40.90%** but also achieves an energy-saving rate of over **60%**, cutting daily power consumption by **4,000 kWh**.
- **Fan Replacement:** Jiangxi production base replaced the traditional boiler bag fan with an advanced magnetic levitation fan, leading to energy savings of **240 kWh** per day—equivalent to approximately **1 million kWh** per year.
- **Thermal Oil Pump Impeller Modification:** At Huaibei production base, the thermal oil pump impellers were resized and optimized, resulting in electricity savings of **257 kWh** per hour.



Magnetic levitation fan



Thermal oil pump impeller

Intelligent Energy Management

The Company has implemented a comprehensive, real-time intelligent energy management network to enable precise control and real-time monitoring of energy consumption across the entire production process. Moreover, the Company has developed scientific energy-saving plans to effectively reduce energy consumption and carbon emissions during production, laying a solid foundation for building a modern, green, and low-carbon manufacturing system.

- **Data Collection:** Sensors installed at key locations gather data on parameters such as current, voltage, and temperature.
- **Data Transmission:** The data collected is transmitted to a centralized monitoring center via a wireless network.
- **Real-Time Monitoring and Analysis:** The monitoring center analyzes the data in real time, enabling adjustments to equipment operating parameters or scheduling maintenance based on energy consumption analysis results.



Intelligent Energy Management System

Usage of water resources

Water Use Management

The Company has significant emphasis on the sustainable use of water resources, strictly adhering to the *Water Law of the People's Republic of China* and relevant local laws and regulations. To this end, a robust water resource management system has been established. The Company's primary water sources include municipal water supplies, groundwater, and surface water. Water consumption is primarily concentrated in the production of core product—nitrile gloves—which involves processes such as hand mold cleaning, raw material mixing, and other processes.

To ensure the efficient use of water, the Company has conducted a comprehensive assessment of water usage, identifying key challenges and bottlenecks. Quantifiable water reduction goals have been set. During the reporting period, the Company's total water consumption was 17.8596 million cubic meters, of which 234,900 cubic meters constituted recycled water, a reuse rate of 1.32%.

The Company set a target to reduce water consumption per unit across all facilities by

5% by 2025 compared to current levels

To maximize water efficiency, the Company has implemented an intelligent water monitoring

system, enabling real-time data collection, analysis, and optimization. Additionally, the Company continues to actively explore innovative methods to improve water use efficiency and diversify water sourcing. These efforts contribute to reducing water consumption at its source and alleviating pressure on global water resources.

Improving Water Efficiency

- **Reducing Water Evaporation:** Huaibei Kaize equipped its circulating water fan with an automatic frequency adjustment system that responds to temperature changes. This innovation minimizes circulating water evaporation and reduces the discharge of replacement water.
- **Enhancing Water Use Efficiency:** Huaibei Kaize monitors the operational efficiency of its water system and has optimized the reclaimed water membrane washing process to increase water reclamation efficiency.

Diversifying Water Resources

- **Recycled Water Reuse:** Huaibei production base reclaims water discharged from key processes, including roller brush cleaning, post-rinsing, and leaching. After undergoing pre-treatment and deep treatment, the recycled water is reused, with a maximum daily volume of **6,000 cubic meters**.



Recycled water reuse equipment

- **Cooling Water Recycling:** Tested water in Huaibei production base is returned to the cooling tower for reuse. This recycling action enhances water resource utilization efficiency and contributes to significant water savings.

The Company has developed comprehensive emergency response plans to address various water supply crises, including water source contamination and equipment failures. These plans clearly define emergency response procedures, assign responsibilities, and outline the storage and deployment of rescue materials. A professional emergency repair team is dedicated to the maintenance and repair of water supply facilities. Regular training sessions and drills are conducted to enhance preparedness and operational efficiency.

Wastewater Management

The Company strictly complies with the *Water Pollution Prevention and Control Law of the People's Republic of China* as well as other applicable national laws, regulations, and standards. The Company has established wastewater discharge management systems based on the principles of "rainwater and sewage separation, clean and dirty water separation, and quality-based tiered treatment". Wastewater is treated according to its quality, classification, and grading, adhering to stringent monitoring protocols. These efforts ensure that all water quality parameters consistently meet regulatory standards before discharge.

During the reporting period ▶

the Company achieved a **100%** compliance rate for external wastewater discharges



Sewage treatment facilities

Wastewater from hand model production

- Regulating tank
- High-efficiency denitrification reactor
- Contact oxidation tank
- Sedimentation tank



Equipment and workshop cleaning wastewater

- Flocculation and sedimentation



Circulating cooling water, initial rainwater

- Flocculation and sedimentation



Wastewater from waste gas treatment

- Chlorine washing wastewater is treated using an integrated dechlorination reactor



Mixed wastewater in regulating tank

- Regulating tank
- High-efficiency denitrification reactor
- Contact oxidation tank
- Sedimentation tank



Wastewater treatment measures

Circular Economy

Committed to advancing the circular economy, the Company has been actively exploring innovative solutions for resource recycling and efficient utilization in packaging materials. By increasing recycling rates and reducing reliance on disposable materials, the Company strives to promote a more sustainable operating model. During the reporting period, the Company implemented the initiative to replace traditional paper boxes with durable plastic turnover baskets, significantly extending the lifespan of packaging materials. The Company also repurposed scrapped orders and recycled outer boxes for storing semi-finished products, effectively “turning waste into treasure” as part of its resource recycling efforts.

During the reporting period ▶

packaging design was optimized by transitioning from a single-piece structure to a two-piece design, reducing paper

usage by approximately **80%**



Case | Biodegradable Gloves in Eco-friendly Bags

The Company has introduced biodegradable gloves packaged in eco-friendly bags, utilizing a water-based emulsion coating instead of traditional plastic lamination. This innovative approach allows the gloves to retain heat-sealing properties without relying on plastic film. The product boasts significant advantages in biodegradability, recyclability, and renewability, embodying the Company’s commitment to circular economy principles. During the MEDICA exhibition in Germany, the biodegradable gloves earned unanimous praise from customers, showcasing an innovative solution for advancing green transformation within the medical consumables industry.



Biodegradable gloves in eco-friendly bags



Case | Promoting Eco-friendly Cowhide Watermark Packaging

The Company has adopted eco-friendly cowhide watermark boxed to replace traditional whiteboard outer boxes for its own-brand products in Greater China.

As of the end of 2024 ▶

the initiative had optimized packaging for **67** types of products

using over **1.9** million eco-friendly boxes

and saving over RMB **2** million



Whiteboard outer boxes are replaced with more eco-friendly cowhide watermark boxes



Ecosystem and Biodiversity Protection

The Company places strong emphasis on ecosystem and biodiversity protection. To this end, the Company actively fosters partnerships with suppliers holding the Forest Stewardship Council (FSC) certification and continues to expand the use of FSC-certified packaging materials, contributing to an eco-friendly industry chain and driving the green transformation of the sector. During the reporting period, the Company introduced products with FSC-certified packaging.

During the reporting period ▶

over **11.1** million products featured
FSC-certified packaging materials
representing a year-on-year growth of

77.73% compared to 2023

Emissions and Waste Management

Waste Management

In line with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, and other relevant laws and regulations, the Company continuously enhances the waste management system and implement comprehensive life-cycle waste management, encompassing production, classification, storage, transportation, and disposal. In addition, the Company promotes the recycling of waste, reducing resource wastage and minimizing environmental impact.

General Solid Waste Management

The Company's solid waste primarily originates from collected dust, coal slag, discarded hand molds, defective products, latex tank sediment, and sludge from wastewater treatment—generated during the glove production process. Adhering to the solid waste management principles of “reduction, recycling, and harmless treatment”, the Company has established solid waste reduction targets to decrease the generation of general solid waste, enhance classification and recovery rates, and promote resource recycling. Moreover, the Company has developed and implemented policies such as the *General Solid Waste Temporary Storage Room Management System* to facilitate the classification,

collection, and storage of general solid waste. Unauthorized dumping, stacking, discarding, or scattering of waste is strictly prohibited. Additionally, the Company actively promotes source reduction by designing degradable and recyclable products, minimizing the generation of solid waste.

Hazardous Waste Management

The Company's hazardous waste primarily includes inner packaging materials of raw and auxiliary materials, waste oil, and spent denitrification catalysts. Adhering to the *Standard for Pollution Control on Hazardous Waste Storage (GB 18597-2023)*, the Company has established comprehensive systems for managing hazardous waste. These include the *Hazardous Waste Pollution Prevention and Control Responsibility System*, the *Hazardous Waste Management Responsibility System*, the *Hazardous Waste Labeling Management System*, and the *Hazardous Waste Storage and Transportation Management System*, among others. Hazardous waste is classified and managed according to its unique characteristics and associated risks, with full-process oversight encompassing collection, storage, transfer, utilization, and disposal.

Dedicated hazardous waste storage facilities have been set up to ensure that risks such as leakage or diffusion are completely eliminated during storage. For transportation, the Company employs qualified third-party entities to handle hazardous waste transfer and regularly inspect transportation vehicles to ensure packaging and encapsulation comply with regulatory standards. Furthermore, the Company entrusts qualified third-party entities with the eco-safe disposal of hazardous waste, ensuring environmental safety.

Waste Gas Management

Air pollution management serves as a core component of the Company's green development strategy. By strictly adhering to the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution* and other relevant laws, regulations, and guidelines, the Company employs innovative technologies and rigorous management practices to comprehensively control waste gas, actively contributing to the protection of air quality.

The primary sources of the Company's production-related waste gas include industrial waste gas generated during the manufacturing of nitrile and PVC gloves, as well as waste gas from boiler operations. Major pollutants include particulate matter, sulfur dioxide (SO₂), nitrogen oxides (NO_x), and non-methane hydrocarbons.

The Company utilizes closed, integrated production equipment to effectively control unorganized waste gas emissions at their source. Advanced pollution control facilities have been constructed to classify, collect, and treat waste gas generated during production. These centralized treatment systems ensure that all emissions are fully compliant with regulatory standards. In addition, the Company conducts regular monitoring of waste gas emissions to ensure that emission concentrations and total outputs are compliant with national standards.

During the reporting period ▶

the Company's waste gas compliance rate

was an exemplary **100%**



VOC recovery equipment

Waste Gas Management Measures

Waste gas from nitrile glove production	Waste gas from PVC gloves production	Boiler exhaust gas	Dust from ash silo and lime powder silo	Waste gas from sewage treatment
<ul style="list-style-type: none">• Bag dust removal• Secondary alkali spraying• Secondary water spraying• Alkali spraying + zeolite wheel adsorption concentration + catalytic combustion	<ul style="list-style-type: none">• Bag dust removal• Condensation + electrostatic adsorption• Cooling + electrostatic adsorption• Vacuum distillation• Condensate recovery	<ul style="list-style-type: none">• Low nitrogen cycling• SCR desulfurization• Bag dust removal• Limestone-gypsum desulfurization	<ul style="list-style-type: none">• Bag dust removal	<ul style="list-style-type: none">• Exhaust gas collection under wind-induced slight negative pressure• Alkali adsorption• Biofiltration

Practicing Green Operations

INTCO Medical has deeply integrated green and low-carbon concepts into the planning and operation of its production bases. This includes innovating green operation practices, applying energy-saving and consumption-reducing technologies, and creating a comprehensive low-carbon operation system to help the Company achieve green development.



Paperless Office	<ul style="list-style-type: none"> The Company actively advocates for paperless operations by requiring employees to use IC cards for offline printing, and strictly controlling the number of prints, thereby minimizing paper waste.
Green Travel	<ul style="list-style-type: none"> The Company greatly encourages green travel to reduce greenhouse gas emissions from operational transportation. As of the end of 2024, the Company had deployed a total of 12 new energy shuttle buses and installed 32 charging piles. Additionally, the Company has further optimized shuttle bus routes to reduce empty vehicle trips, minimizing vehicle exhaust emissions. The Company has equipped departments frequently working across locations with shared electric vehicles and bicycles. Moreover, non-motorized vehicle parking areas are scientifically planned at key building nodes to ensure convenience and safety for parking. All vehicles currently in operation meet the stringent National VI A/B emission standards.
Smart Restaurant	<ul style="list-style-type: none"> The Company has established smart restaurants equipped with advanced food-weighing systems, significantly decreasing food waste. During the reporting period, kitchen waste was reduced by 70% year-on-year.



Card-swiping printer



Smart restaurant



EV charging pile



New energy shuttle bus



Shared electric vehicles and bicycles

Developing Green Logistics

INTCO Medical actively embraces China's low-carbon and environmental protection policies by strictly adhering to vehicle emission standards and promoting a green transformation across its transportation processes. Within the factory zones, the Company has been progressively upgrading equipment such as forklifts, trailers, and automated guided vehicles, replacing traditional energy sources with clean energy to minimize carbon emissions at their origin. All vehicles currently in operation meet the stringent National VI A/B emission standards.

For external transportation, the Company enforces strict environmental management measures. In land transportation, heavy-duty cargo vehicles below the National IV standards are prohibited from transportation activities. Additionally, the Company has optimized transportation methods, prioritizing inland river transport and sea-rail transport, significantly reducing both transportation costs and greenhouse gas emissions. Notably, Shandong base commenced sea-rail transport in October 2024. For European export logistics, the Company prioritizes the use of LNG-powered cargo ships, further reducing the carbon emission intensity across the enterprise value chain.

Inland waterway transport

- Some goods are first transported to Shanghai Port via inland waterway routes within China, followed by overseas shipment by sea. By utilizing inland waterway transportation, each standard container travels **578 kilometers** less compared to road transport, effectively easing road traffic congestion and lowering greenhouse gas emissions.

Sea-rail transport

Factory loading → Changzhou Station → Luchao Station → Yangshan Port → Export by sea

- The above sea-rail transport routes reduce transportation cost per standard container compared to road transportation, while reducing carbon footprint and greenhouse gas emissions during transportation.

Leveraging the geographical advantages of the Company's domestic production bases, the Company has optimized transportation routes to ports, reducing transportation carbon emissions. For the import and export of raw materials, priority is given to shipping from nearby ports to minimize reliance on land transportation. For domestic sales, the Company is advancing the development of a regional distribution system. By optimizing loading capacities and integrating bulk transportation, the Company has successfully reduced both the number of trips and transportation distances, fostering the creation of a green logistics system.

During the reporting period ▶

the Company actively promotes the adoption of clean energy vehicles, increasing the share of LNG vehicles among suppliers

to **35%**

the proportion of inland river transportation has reached

50% and **67%**

at Anhui and Jiangxi bases, respectively, while sea-rail transport accounts for

30% and **17%**.

During the reporting period ▶

the average transportation distance was reduced by approximately **215 kilometers**, contributing to a significant decrease in carbon emissions.

regional shipments from the three major production bases accounted for **50%**

of total shipments, with plans to increase this ratio to **80%** by 2025

Performance in Raw Material Imports and Product Exports

Raw material imports and product exports

- Shandong factory ships products via the nearby Weifang Port, reducing the land transportation distance by **150 kilometers** compared to the general mode.
- Jiangxi factory sources raw materials from the nearby Hongguang Port, reducing the land transportation distance by **65 kilometers** compared to the general mode.

01

Practitioner of Responsible Purchasing

INTCO Medical firmly believes that a stable and sustainable supply chain is strategically essential for high-quality development. The Company actively implements responsible purchasing by strengthening dynamic supplier management, highlighting procurement oversight and evaluation, standardizing supplier behavior, and encouraging suppliers to enhance social and environmental performance. These efforts have contributed to building a sustainable supply chain ecosystem.

Improving Supply Chain Management

INTCO Medical has enhanced its supplier management framework by implementing comprehensive internal policies, including the *Supplier Management Procedure* and the *Procedure for Formulating and Managing Procurement Strategies*. These policies establish clear and structured process requirements for suppliers at every stage, from onboarding and evaluation to exit. Furthermore, the Company has upgraded its Supplier Relationship Management (SRM) System, streamlining critical processes such as supplier certification, updates, and performance evaluations. These advancements have greatly improved transparency and efficiency in supplier management, allowing the Company to proactively identify and mitigate potential risks while reinforcing supply chain stability and promoting sustainable development practices.

Supplier Selection and Review

- Based on the *Enterprise Risk Assessment Form*, the Company evaluates suppliers' risk exposure and access qualification through due diligence and field research.
- Suppliers are comprehensively evaluated on qualifications, capabilities, and quality. They are required to meet industry standards such as ISO 9001, ISO 13485, and 21CFR: QSR820, which are relevant to medical devices. Written and on-site investigations, including system audits, are conducted to ensure compliance. For critical suppliers—such as those providing key raw materials, hand models, and box manufacturing—the Company mandates the signing of a *Quality Agreement*, which includes supplier self-declarations to confirm that the provided materials comply with relevant regulatory requirements. Qualified suppliers that meet these standards are added to the List of Approved Suppliers.
- The ESG performance of suppliers is also assessed, focusing on areas like environmental management and employee rights protection. Under similar conditions, preference is given to suppliers with outstanding ESG performance.

Supplier Performance Evaluation

- Based on the Supplier Performance Evaluation System, suppliers are assessed across multiple dimensions, including delivery performance, product quality, quality management system operation, pricing, service quality, environmental protection, and social responsibility. Relevant departments conduct quarterly evaluations of suppliers and perform annual performance reviews to compile the *Supplier Annual Evaluation Form*. These evaluation results guide decisions on the management methods and intensity for products, services, and suppliers.
- Multi-dimensional data analysis tools are integrated into the BI platform to achieve scientific and comprehensive assessment of suppliers' core indicators, significantly enhancing the accuracy and efficiency of supplier evaluations.
- Comprehensive inspections and survey ratings were carried out for **2,560** key suppliers of raw materials, infrastructure, and production line equipment. These reviews encompassed areas such as business qualifications, production capabilities, and actual performance, with a coverage rate of **65%**.

During the reporting period ▶

Comprehensive inspections and survey

ratings were carried out for **2,560**

key suppliers of raw materials,

with a coverage rate of **65%**



TQRDCES performance evaluation

Supplier Retention and Elimination

As of the end of 2024 ▶

the Company had **3,900** A-level suppliers,

30 B-level suppliers, and **9** C-level suppliers.

During the reporting period ▶

1,100 suppliers (accounting for **28%**)

received support with implementing

improvement plans, while cooperation with **160** suppliers was terminated.

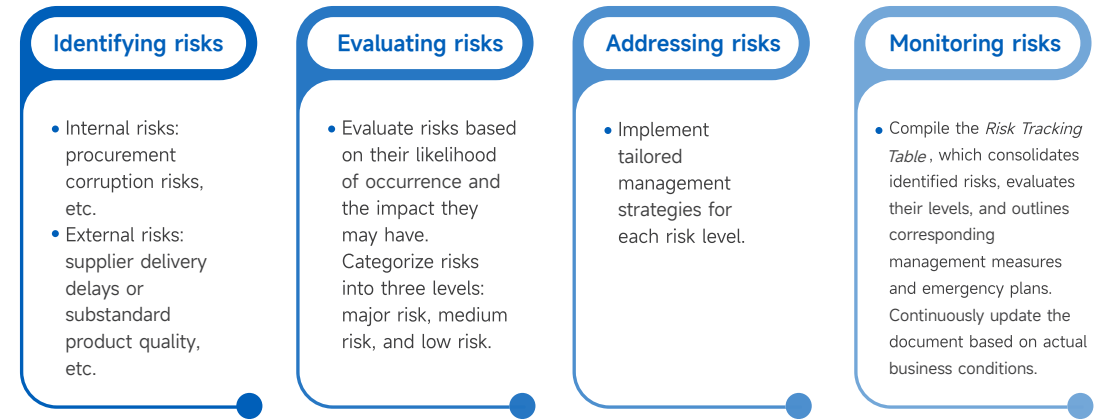
Supplier Selection and Review

- The Company has enhanced communication with suppliers by establishing multiple channels for engagement. This allows us to promptly identify, coordinate, and address challenges in the procurement process. By fostering multi-faceted and in-depth collaborative relationships, the Company aims to unlock new opportunities for cooperation and achieve sustainable, mutually beneficial outcomes.



Enhancing Supplier Risk Management

INTCO Medical has introduced the *Formulation and Management of Procurement Strategy Process*, which outlines a clear mechanism for identifying, assessing, and categorizing internal and external risks within the procurement and supply chain process. The Company implements targeted and differentiated management strategies to promptly address and mitigate these risks. Additionally, the Company has established comprehensive risk control measures and emergency response plans, supported by a *Risk Tracking Table*. Through real-time tracking and monitoring, these measures further reduce potential risks in the procurement and supply process, ensuring the legality, compliance, and efficient operation of the entire procurement framework.



Supplier Risk Management Process

The Company has enhanced supplier ESG risk management by establishing a *Sustainable Procurement Policy*. This policy includes ESG risk identification across the supply chain and integrates these factors into supply chain management to ensure suppliers comply with the Company's standards regarding environmental protection, employee rights, and business ethics. In addition, the Company provides regular training on sustainable procurement for employees and encourage their active participation in decision-making processes related to procurement. The environmental and social impacts of procurement activities are evaluated annually to minimize their negative effects.

Supplier ESG Risk Levels		Countermeasures
Business	<ul style="list-style-type: none"> Quality risk Security risk Business continuity risk 	<ul style="list-style-type: none"> Conduct quality system audits; Sign the <i>Quality Agreement</i> ; Carry out localized procurement and optimize procurement layout; Implement diversified procurement strategies.
Environmental	<ul style="list-style-type: none"> Environmental compliance risk 	<ul style="list-style-type: none"> Investigate suppliers' ISO 14000 environmental management system qualifications and give priority to suppliers with relevant qualifications; Suppliers are required to comply with applicable environmental protection laws and regulations at each of INTCO Medical's bases.
Social	<ul style="list-style-type: none"> Employee rights risk Occupational health and safety risk 	<ul style="list-style-type: none"> Suppliers are strictly prohibited from employing child labor or forced labor. They must safeguard employee rights, including compliance with regulations on working hours, promoting equality, respecting freedom of association, and enabling collective bargaining. Suppliers are required to implement a robust occupational health and safety management system. This includes addressing factory fire prevention, managing hazardous chemicals, ensuring employee protection measures, establishing emergency response protocols, and providing occupational health and safety insurance for employees. Suppliers must enter into employment contracts with all employees in full compliance with local legal requirements.
Governance	<ul style="list-style-type: none"> Business ethics risk 	<ul style="list-style-type: none"> The Company has formulated an <i>Anti-Bribery Management System</i>, requiring suppliers, service providers and contractors with whom the Company has business dealings to regulate their business conduct and sign an Anti-Bribery Commitment.

Improving Supply Chain Resilience

Supply chain security serves as a critical foundation for the sustainable growth of an enterprise. The Company is dedicated to enhancing supply chain security management capabilities, proactively addressing factors that could pose risks to supply stability and quality. By ensuring a reliable resource supply and bolstering operational resilience, the Company safeguards its business continuity and provide a robust foundation for long-term development.

Localized Procurement Strategy	The Company advocates for localized procurement across its production bases nationwide, encompassing key categories such as raw materials, packaging materials, hand models, and machine components. This approach not only supports local economic growth but also reduces logistical costs and enhances the efficiency of its supply chain response.
Diversified Procurement Strategy	The Company embraces a diversified procurement strategy by actively expanding its supplier base and sourcing materials from a wide range of providers. This strengthens its supply network, ensures resource diversity, and continuously enhances supply chain resilience.



Strengthening Supplier Capacity Building

INTCO Medical remains committed to understanding the needs and technological strengths of its suppliers, driving overall supply chain capabilities through technological empowerment and resource collaboration. The Company regularly organizes tailored training sessions, provides technical guidance, and conducts on-site exchanges focused on key areas such as production safety, process optimization, and quality management enhancement. Leveraging online collaborative platforms alongside in-person visits, the Company fosters two-way communication to build a resilient, secure, and transparent supply chain ecosystem, contributing to the high-quality development of the industry.

During the reporting period ▶

conducted **198** training sessions with active participation from **1,800** suppliers;
hosted **268** technical seminars, engaging **780** suppliers in meaningful collaboration

Quality Improvement Training	<ul style="list-style-type: none">The Company places significant emphasis on product quality and promptly conduct specialized communication and training sessions for suppliers of non-conforming products. The Company assists these suppliers in formulating and implementing quality improvement plans, thereby enhancing their quality awareness and overall management capabilities.
Standard Training	<ul style="list-style-type: none">The Company organizes targeted training sessions on audit standards and operational specifications for inspecting raw materials upon arrival. These sessions help suppliers gain a thorough understanding of the Company's quality requirements and implementation guidelines, enabling them to enhance supply quality and strengthen compliance awareness.
Technical Seminars	<ul style="list-style-type: none">The Company focuses on improving suppliers' production efficiency and product qualification rates, providing on-site guidance to selected suppliers.In alignment with evolving customer and market demands, the Company holds technical seminars with supplier teams. These seminars address key challenges in new product development and foster in-depth discussions on technological innovation, process optimization, and market needs. This collaborative approach aims to create more competitive products.

02

Guardian of a Better Life

INTCO Medical is dedicated to making medical resources more equitable and accessible. This includes developing diversified rehabilitation equipment products and donating wheelchair to individuals with disabilities to improve their quality of life. Guided by the values of “Love, Kindness, Truth”, the Company has co-founded the INTCO Foundation in partnership with INTCO Recycling in 2020. This foundation is committed to advancing social welfare and fully embracing the concept of social responsibility.

Engaging in Inclusive Healthcare

INTCO Medical actively supports the national “Healthy China initiative” strategy by strategically advancing the rehabilitation industry. The Company focuses on enhancing product accessibility, fostering the development of inclusive healthcare, and providing a happy, convenient, and high-quality life for the elderly and individuals with limited mobility.

Innovative Rehabilitation Products

The Company has developed a comprehensive plan for the rehabilitation equipment industry, continuously introducing a diverse range of rehabilitation products. These include electric wheelchairs, manual wheelchairs, walkers, canes, and medical bedside tables, providing mobility solutions for individuals with physical disabilities, the elderly, and those with limited mobility. The company is committed to innovation, consistently increasing R&D investments to drive the development of new wheelchair products. Efforts are also underway to upgrade and modernize existing production lines, enhancing the market competitiveness of our rehabilitation products and meeting the personalized needs of customers seeking intelligent and premium-quality rehabilitation products. To further advance the rehabilitation equipment business, the Company has entered a strategic partnership with the Zhenjiang Economic and Technological Development Zone. This collaboration aims to jointly develop the INTCO Intelligent Rehabilitation Equipment Industrial Park, contributing to the development of the rehabilitation ecosystem.

As of the end of 2024 ▶

the Company had an annual production capacity of

1 million manual wheelchairs
and **40,000**

electric wheelchairs.



ECO



E-LITE



YK7410



YK7210



GEMINI



YK9055 K5



YK7050



Y402

Diversified rehabilitation products



Case: Electric Wheelchair STAR – Delivering Comfort and Practicality

The STAR electric wheelchair features a multi-angle adjustable backrest and a seat tilt function, catering to various user needs while ensuring optimal comfort. Equipped with an advanced intelligent seat system and a Dynamic/PG controller, the wheelchair is simple, intuitive to operate, and prioritizes user safety. Additionally, its large-capacity battery delivers an impressive range of **30 to 45 kilometers**, fully addressing the daily travel requirements of users.



STAR electric wheelchair

Assisting Barrier-Free Living

The INTCO Medical Foundation initiated the INTCO Mobility Assistance Program—a series of projects designed to empower individuals with disabilities by providing wheelchairs that enable them to leave their homes and actively engage with society. These efforts aim to enhance their quality of life while fostering the development of a more inclusive, equitable, and compassionate society.

Case: Caring for the Elderly – INTCO Medical Donates Wheelchairs to Yan Chai Hospital in Hong Kong

In July 2024, INTCO Medical, in collaboration with INTCO Foundation, organized a heartfelt charity donation event Yan Chai Hospital Chinachem Care & Attention Home in Hong Kong. The initiative aimed to support elderly residents by improving their mobility and travel conditions within the nursing home. During the event, INTCO Medical donated **203** premium-quality wheelchairs to more than 200 elderly residents, with an average age of over 90. This meaningful contribution significantly enhanced their mobility and comfort, reflecting care, respect, and compassion for the elderly. This donation exemplifies INTCO Medical's and the Foundation's enduring commitment to supporting vulnerable groups and promoting a culture of "Love, Kindness, Truth".



Wheelchairs are donated to Yan Chai Hospital in Hong Kong

Case : INTCO Foundation Supports the "Care is Being There" Elderly Care Project in Shanghai

In October 2024, to celebrate the Double Ninth Festival, the "Care is Being There" Elderly Care Project, initiated by the Shanghai Private Enterprise Public Welfare Foundation Alliance, held a meaningful donation ceremony at the Tangdong Residents Committee in Tangqiao Street, Pudong New Area, and the Xinfukangli Residents Committee in Shimen 2nd Road Street, Jing'an District.

As a co-sponsor of the initiative, INTCO Foundation donated **100** wheelchairs to benefit elderly residents across five communities. This contribution not only enhanced the mobility and convenience of the elderly, but also encouraged more active participation in community life. This charitable act effectively addressed societal concerns surrounding elderly care and demonstrated a heartfelt commitment to improving the quality of life for senior residents in assisted communities.



"Care is Being There" Shanghai Elderly Care Project

Implementing Responsible Marketing

INTCO Medical upholds the principles of integrity and transparency, strictly adhering to all applicable laws and regulations while fostering responsible and compliant sales practices. The Company actively integrates sustainable development goals with marketing strategies to create long-term value for customers. INTCO Medical complies with national and regional legal frameworks such as the *Advertising Law of the People's Republic of China*, the US's *Federal Trade Commission Act* and *The Truth in Advertising Act*, and the EU's *General Data Protection Regulation*.

The Company has developed and revised the *Marketing Management System* and the *Sales Behavior Standard Management System*. These systems incorporate marketing activities into internal control reviews and establish comprehensive compliance procedures to evaluate promotional materials—including text, images, and videos—for accuracy, standardization, and compliance. Additionally, the Company has standardized product marketing processes across various e-commerce platforms. Key parameters such as compliance behavior, professional discipline are embedded into individual and team performance assessments, creating a long-term framework to guide employees in embodying responsible marketing principles.

The Company also prioritizes ongoing education by inviting industry experts and professional third-party organizations to deliver specialized training on responsible marketing for sales teams. A hybrid training model that combines online and offline sessions is adopted, systematically imparting industry insights, product knowledge, and best practices in responsible marketing to sales associates. This approach ensures professional and standardized sales communication, and reinforce the implementation of responsible marketing behaviors.

Supporting Charitable Contributions

INTCO Medical strictly adheres to the *Charity Law of the People's Republic of China* and the *Trust Law of the People's Republic of China* and has developed internal frameworks such as the *Foreign Donation and Sponsorship Management System* and the *Charter of INTCO Foundation* to guide its philanthropic efforts effectively. Through initiatives like "INTCO Charitable Travel" and "Shanghai-Yunnan Partnership in Rural Revitalization", The Company has actively supported various social causes, including poverty alleviation, community development, education assistance, and disaster relief.

During the reporting period,
the Company donated a total of
RMB 2.82 million,
reflecting its commitment to driving
sustainable societal progress through
tangible actions.

Supporting the Growth of Young People and Children

The Company is deeply dedicated to fostering the holistic development of young people and children, striving to empower the next generation through a diverse range of public welfare initiatives. The company has systematically implemented a range of programs to promote the physical and mental health of young people and children, and ensure their access to quality education.

Case: Promoting Sports Development-INTCO Medical Sponsors the 2024 "INTCO Cup" Fencing Invitational Tournament

In August 2024, the highly anticipated "INTCO Cup" Fencing Invitational Tournament, sponsored by INTCO Medical, was successfully held at the Yunfan Gymnasium of Zibo Huantai Experimental School in Zibo. The event brought together over **300** outstanding young fencers from across the country. Designed to promote the healthy development of youth and the advancement of sports, this tournament served as both a platform for young athletes to showcase their skills and challenge themselves, and as a meaningful avenue to promote the spirit of sportsmanship. It also reflected the values of public welfare. Through this sponsorship initiative, INTCO Medical is dedicated to fostering the growth of young people, advancing sports development, nurturing future sports talents, and inspiring society with the positive energy of youth.



2024 "INTCO Cup" Fencing Invitational Tournament (Zibo Station)

Case: INTCO Medical Supports "The Chorus" in Dabie Mountains to Shine Again on the National Stage

In August 2024, the "Singing in the New Era" 13th China Chorus Association Charming Campus Chorus Exhibition concluded in Hangzhou, Zhejiang Province. Among the standout performers, the Anhui Jinzhai Red Azalea Countryside Youth Choir—supported by INTCO Medical and INTCO Recycle—secured the second prize in the primary school group chorus.

The Choir's remarkable achievement on the national stage represents not only a significant honor for the young performers but also a powerful testament to INTCO's success in preserving rural cultural heritage and supporting educational development through its public welfare initiatives. Through this meaningful project, INTCO Medical has provided rural children with a platform to showcase their talents, allowing them to express their love and dreams through the beauty of singing.



Red Azalea Countryside Youth Choir

Contributing to Community Development

The Company actively engages in community welfare initiatives, prioritizing the physical and mental well-being of individuals in society. The Company is dedicated to fostering a robust social support network that promotes a healthy, harmonious environment grounded in inclusiveness and humanistic care.

Case: INTCO Medical Supports the Zibo Qisheng Lake Free Blood Donation-Themed Brisk Walking Event

In September 2024, the Health Commission of Zibo City, in collaboration with Zibo Radio and Television Station, organized the “Love Zibo, Walk Together” brisk walking event around the Qisheng Lake, centered on the theme of free blood donation. As a co-organizer, INTCO Medical demonstrated its strong commitment to health and community welfare initiatives. The event drew over 150 participants, and INTCO Medical actively contributed by providing health gift packages to enhance public awareness about health protection and promote healthy living concepts. On-site, we cheered for participants and advocated for a wholesome lifestyle alongside local citizens.



Brisk walking around Qisheng Lake

Case: INTCO Medical Launches the “Love Meal” Service, Showcasing Warmth Through Action

In December 2024, INTCO Medical introduced the “Love Meal” service at its production bases nationwide, extending care and warmth to external workers, such as loading and unloading drivers. Since its launch, the “Love Meal” initiative has been warmly received by drivers. Upon arrival at a factory, each driver is provided with a thoughtfully designed meal coupon, which they can redeem for a complimentary meal in the factory’s restaurant. These meals are not only diverse and nutritionally balanced but also tailored to suit drivers’ dietary habits and health needs. This thoughtful gesture ensures that drivers can feel the Company’s genuine care and support after their hard day’s work.



External workers are enjoying their love meals

“This heartfelt meal not only fulfills our physical needs but also makes us feel truly valued and cared for.”

—A driver

Caring for Vulnerable Groups

The Company always cares about vulnerable groups. Through public welfare projects such as material and monetary donations, the Company provides practical help to special groups such as the elderly, children in difficult circumstances, and the disabled, conveying warmth and hope with actions.

Case: Cold Weather, Warm Hearts – INTCO Medical Supports Winter Charity Event

In December 2024, Tiychang Street in Zhangdian District, Zibo City, collaborated with various community supporters to launch the “Warmth for the Elderly in Winter” charity initiative. This event aimed to provide warmth and care to **667** vulnerable individuals within the community, including elderly people living alone, low-income households, and children facing difficult circumstances, by sewing cotton-padded clothes and delivering practical assistance.

INTCO Medical donated **RMB 30,000** to support the event. Together with the organizer, the Company helped procure essential materials such as cloth, cotton, and thread. Volunteers actively participated in sewing the clothes, infusing each stitch with heartfelt care and love. Once completed, the cotton-padded garments were promptly distributed to the families in need, ensuring they felt society’s warmth and compassion even in the harsh winter months.



INTCO Medical makes a donation



Volunteers are sewing cotton-padded garments

Driving Rural Revitalization

INTCO Medical has been actively advancing the national rural revitalization strategy, leveraging its resources and expertise to support rural development and contribute to the shared goal of achieving common prosperity. In 2024, the Company invested RMB 0.17 million in rural revitalization, benefiting over 1,200 individuals.

Case: Lover Empowers Rural Revitalization — INTCO Medical Donates Supplies to Chuantai Hope Primary School in Wangfen Town

As part of its commitment to social responsibility and the advancement of rural education, INTCO Medical donated a collection of school supplies and essential materials to Chuantai Hope Primary School in Wangfen Town, Qingzhou City, Shandong Province, in celebration of the 2024 International Children’s Day. This initiative aimed to convey care and hope to the students.

INTCO Medical provided textbooks, stationery, backpacks, and other educational resources to the school, significantly easing the institution’s resource constraints. These contributions created a more supportive environment for the children, instilling hope for their future academic journey. This initiative demonstrated INTCO Medical’s unwavering commitment to nurturing rural education. By combining “material support” with “emotional care”, the Company enriched the meaning and scope of its corporate social responsibility efforts.



INTCO Medical donates supplies to Shandong Chuantai Hope Primary School

Case: INTCO Foundation Supports Health and Education Development in Nanjian County, Yunnan

In November 2024, the INTCO Foundation, in partnership with the Shanghai Hangzhou Bay Economic Development Zone, carried out research and charitable donation activities in Nanjian County, Dali City, Yunnan Province. This initiative marked another significant milestone under the INTCO Mobility Program, aimed at advancing rural health and education while improving mobility and quality of life for those in remote areas and individuals with disabilities.

As part of the event, the INTCO Foundation donated wheelchairs and walkers to the Nanjian County Health Commission. These contributions directly benefited **4** major hospitals, **7** rural health centers, and **80** village clinics, offering essential walking support to individuals with mobility challenges. The initiative enabled these individuals to leave their homes and better integrate into society.

In addition, foundation staff conducted extensive field research in local villages and schools, gaining firsthand insights into the region’s needs. Based on their findings, the foundation plans to launch a “One-to-One Student Aid” program, offering long-term financial assistance to underprivileged students in Nanjian County to improve their educational opportunities. This project will eventually expand across Yunnan and into other impoverished regions, delivering hope and support to even more underserved communities. Through these meaningful efforts, the Foundation continues its mission of spreading warmth and fostering sustainable social progress.



INTCO Medical assists the health and education development of Nanjian County, Yunnan

03 Advocate of People-oriented Development

At INTCO Medical, the Company considers its people to be the cornerstone of its growth and success. The Company is committed to fostering a fair, inclusive, and human-rights-focused work environment, ensuring equal opportunities for all employees. The Company's dedication extends to continuously enhancing its compensation and benefits systems, establishing clear and rewarding career development paths, and safeguarding the occupational health and safety of employees. By doing so, the Company empowers its employees with the resources and opportunities to achieve their personal aspirations and career goals.

Protecting Employees' Rights and Interests

INTCO Medical is dedicated to safeguarding the legitimate rights and interests of every employee. Its robust employee development programs and comprehensive training system empower employees to reach their full potential.

Respecting and Protecting Human Rights

The Company strictly complies with the *Labour Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other relevant laws and regulations. The Company is committed to eliminating any form of human rights violations and upholding principles of fair, equitable, and non-discriminatory employment practices. By implementing a scientific, democratic decision-making and management mechanism, the Company strives to cultivate a harmonious, stable, and healthy labor relationship.



Employee Rights Protection

The Company is committed to fostering harmonious labor relations and prioritize the protection of human rights across key areas, including employment, remuneration, and workplace practices. The Company has established and implemented clear anti-discrimination policies to eliminate any form of discrimination based on gender, age, ethnicity, race, place of origin, religious beliefs, physical condition, and other factors. Regular reviews and updates to human rights policies are conducted to ensure alignment with international standards, and the Company actively encourages suppliers and external partners to adhere to these policies as well.

Adhering to the principle of "voluntariness", the Company signs labor contracts with all employees, clearly defining key terms such as working hours, rest and vacation periods, and labor remuneration to safeguard employees' legal rights and interests. In addition, the Company strictly prohibits illegal activities such as forced labor and child labor and has established a dedicated supervision team to conduct regular compliance reviews, promptly identifying and addressing any labor-related concerns.

During the reporting period ▶

the Company achieved a **100%** labor contract signing rate
with **no incidents** of child labor or forced labor reported.

Diversity and Equal Opportunity

The Company embraces the accelerating pace of globalization by developing and rigorously implementing the Diversity, Equity, and Inclusion (DEI) policy. The Company continually expands recruitment channels to build a diverse talent pool with cross-cultural management capabilities and an international perspective. In line with local laws and regulations, the Company ensures a fair, just, inclusive, and sustainable talent selection system during the recruitment process.

As of the end of 2024, the Company had a total of 10,982 regular employees, including 6,614 female employees, representing 60.23% of the workforce; the Company had 228 female employees in STEM-related positions¹. Among the Company's employees, 120 are individuals with disabilities, and 162 belong to ethnic minority groups. Women occupy 33.60% of management roles—including junior, mid-level, and senior management positions—with 22.70% of senior management roles, and 35.30% of revenue-generating management positions (such as sales). During the reporting period, the Company conducted 166 competitive recruitment activities and recruited 644 new employees.

¹STEM-related jobs refer to positions that require knowledge related to science, technology, engineering or mathematics in daily work.

During the reporting period ▶

among the Company's employees, **120** are individuals with disabilities

women occupy **33.60%** of management roles—including junior, mid-level, and senior management positions

with **22.70%** of senior management roles

the Company had **228** female employees in STEM-related positions

and **35.30%** of revenue-generating management positions (such as sales)

Diversified Recruitment Channels	
Internal Competition	The Company's internal competition system allows fair, just, transparent and open internal talent selection at every stage, from issuing competition notices, organizing and conducting assessments, scoring candidates, to announcing results. This ensures an optimal alignment between individuals' capabilities and job requirements while fostering the development of a talented team characterized by moral integrity, exceptional professional skills, and high growth potential.
Off-campus Recruitment	Recruitment information is transparently published through multiple channels, including the official website, leading recruitment platforms, and social media outlets. Comprehensive details such as job responsibilities, requirements, qualifications, salary, and benefits are clearly outlined to provide candidates with a thorough understanding of the available opportunities. This approach enhances compatibility between applicants and roles.
Campus Recruitment	The Company continues to strengthen partnerships with academic institutions by jointly building training bases and launching training programs. These efforts aim to nurture high-quality, highly skilled emerging talent, providing them with a solid foundation for professional development.

Employee Communication and Engagement

The Company maintains a distinctive democratic and centralized decision-making management approach, fostering a two-way communication system between employees, non-management and management, as well as superiors and subordinates. Employees are encouraged to actively safeguard their rights and interests. To ensure efficient communication, the Company consistently opens diverse channels, conduct quarterly employee representative conferences, and organize special employee engagement activities as needed. The Company facilitates multi-channel dialogues with senior leaders and relevant departments on core topics such as performance appraisal, career development, and workplace fairness—key areas of concern for employees. In addition, the Company invites employees to provide constructive suggestions and innovative proposals related to business operations, management practices, and technology improvements. To further enhance this communication system, the Company has established a Suggestion Box Review Committee and an Improvement and Innovation Committee to systematically and compliantly address employee feedback. Appropriate rewards are given to employees once their recommendations are adopted.

The Company has implemented a robust employee complaint mechanism accompanied by a comprehensive feedback process to ensure that all types of complaints are addressed promptly and effectively. Additionally, the Company is committed to upholding strict confidentiality throughout the entire complaint process, fostering an environment that is fair, impartial, secure, and supportive of open and uninhibited expression.

Employee Communication Channels	
Formal Communication Channels	Informal Communication Channels
Dialogue between management and employees Internal email system Employee suggestion box Employee representatives Workers' congress Internal control contacts	Team dinners and events Internal social platforms Regular seminars Face-to-face communication Telephone and video conferences Written communication

Compensation and Benefits

Compensation Management and Performance Appraisal

In line with national laws and regulations, and by reference to market dynamics and industry trends, the Company has built a differentiated compensation management system based on the principle of “position-based compensation”. Employees' annual total compensation comprises basic salary, performance-based pay, improvement and innovation bonuses, benefits, and year-end bonuses. By establishing a compensation growth and profit-sharing mechanism, the Company links corporate operational performance to employees' personal contributions, creating a scientific, fair, and efficient compensation model that fully inspires employees' creativity and enthusiasm for their work. Additionally, the Company has developed a position-based compensation adjustment mechanism with a reasonable structure and clear processes, to provide employees with competitive compensation and growth opportunities. During the reporting period, the Company paid compensation in full and on time and implemented a range of multi-faceted incentive programs, including merit-based evaluations, a performance bonus distribution plan, and an equity incentive mechanism, further enhancing our ability to attract and retain top talent.

In terms of performance appraisal, the Company remains committed to the principles of “fairness, transparency, and equity”. The Company has established a scientific and comprehensive performance management system, complete with clear policies and guidelines applicable to all employees. Monthly and annual appraisal mechanisms have been tailored to the characteristics of specific positions and job requirements, with evaluations conducted across multiple dimensions, including individual performance and core competencies. The Company strictly standardizes the appraisal methods, explicitly define the appraisal process, and ensure the transparent disclosure of results. A well-defined feedback and complaint mechanism has been implemented to ensure that performance management practices meet both practical needs and feasibility requirements.

Performance Appraisal Process	
Appraisal Plan Formulation	Department heads design targeted appraisal plans and define assessment indicators based on job requirements, role-specific characteristics, and real-world work conditions.
Implementation of the Appraisal Process	<p>Appraisal factors include employees' work plans, work priorities, and target completion status during the appraisal period. The self-evaluation & scoring and 360-degree evaluation & scoring are conducted according to established appraisal standards.</p> <ul style="list-style-type: none">• Performance Self-Evaluation & Scoring: Employees complete online work summaries and conduct self-evaluations based on their personal qualities and work performance.• 360-Degree Evaluation & Scoring: Supervisors, peers, and subordinates evaluate and score the employee's work performance comprehensively, ensuring the objectivity, fairness, and effectiveness of the appraisal process.
Appraisal Result Feedback	<p>Relevant departments and responsible individuals rigorously review and verify the appraisal results to ensure the accuracy and fairness of the scores.</p> <p>Based on the final verified results, the direct supervisors engage in one-on-one interviews with their direct subordinates. These discussions provide a comprehensive review of goal achievement and job performance during the appraisal period while identifying areas for improvement and clarifying future work priorities.</p>
Complaint Mechanism	An online complaint channel is available. Complaints are investigated in a timely manner to ensure that feedback is provided to the complainant within a specified time frame.

Employee Benefits

The Company strictly adheres to national and local policies and regulations, ensuring timely and full payment of social insurance and housing provident funds for all employees. Coverage includes pension, medical insurance, work injury insurance, maternity benefits, and unemployment insurance, fully safeguarding employees' basic rights and interests. Additionally, the Company offers a comprehensive and diverse benefits system, including paid vacations, flexible working hours, overtime subsidies, and more, demonstrating genuine care for employees.

For female employees, the Company emphasizes equality by stipulating in the *Employee Handbook* that men and women receive equal pay for equal work. The handbook also outlines various rights protection measures and welfare policies specific to women. The Company organizes regular health initiatives, such as screenings for cervical and breast cancer and physical examinations, and provide paid maternity leave, maternity check-up leave, breastfeeding leave, and childcare leave. To further support female employees, the Company has established baby care rooms to foster a warm and inclusive working environment, helping women achieve a healthy balance between work and personal life.

Facilitating Employee Development

Smoothing Career Development Channels

INTCO Medical places a high priority on cultivating internal talent by establishing and refining a robust talent development system, offering employees abundant opportunities for career growth. To that end, the Company has developed the *Post Promotion Management Process* and *Internal Transfer Management Process*, adhering to the management principles of a job grade system. The Company has built a dual-track employee development framework encompassing both "management development" and "skill development" pathways. This comprehensive promotion mechanism is performance-driven and focuses on professional excellence. It emphasizes alignment with corporate values while integrating scientific, objective, and measurable promotion criteria. Through continuous improvements to process transparency, the system effectively addresses the diverse development needs of employees across different levels. Additionally, the Company conducts career development assessments for all employees and implements a coach system to provide tailored, strategic guidance. This approach helps employees map out clear career growth paths and equips them with the necessary support to realize their potential and professional value.

Career Development Sequences	Production sequence
	Sales sequence
	R&D Sequence
	Functional Management Sequence

Management Principles of the Job Grade System	
Fair	All employees have equal opportunities for promotion based on their performance and capabilities.
Transparent	The job grade system and promotion standards are openly communicated. Employees have a clear understanding of their current job grade, as well as the conditions and pathways for promotion.
Incentive	Job grades are aligned with incentives, motivating employees to enhance performance and skills through training, job transfers, promotions, and other developmental opportunities.
Iterative	The job grade system is regularly reviewed and updated to align with the organization's strategic goals and evolving business needs.

Diverse Career Development Management Measures	
Implementing both the “Competition” and “Horse Racing” Mechanisms	<ul style="list-style-type: none"> Continuously refine the “competition” and “horse racing” mechanisms to ensure fair and equitable career opportunities for all employees. Encourage employees to actively pursue better career development prospects through their efforts and job performance, fostering steady improvement in the overall capabilities of the corporate team.
Regularly optimizing the Career Development System	<ul style="list-style-type: none"> Conduct regular evaluations and optimizations of the talent recruitment processes, job grade system, mentorship programs, and more. This includes refining job characteristics, required skills, and career development pathways for each position, while providing employees with clear career advancement guidance. During the reporting period, the Company reviewed job descriptions across all departments, clearly outlining competency requirements for different positions and providing employees with a better understanding of their career progression pathways and promotion criteria.
Building a Digital Human Resources Management System	<ul style="list-style-type: none"> Introduce state-of-the-art digital management tools and technologies to optimize human resource systems, streamline data integration, and standardize processing workflows. Prioritize the development of employees’ digital skills and competencies to keep pace with technological advancements, enabling broader career development opportunities.

Employee Training and Development

The Company places strong emphasis on building a robust employee training system. To this end, the Company has developed comprehensive resources such as the *Training Management System* and *Department Training Plan*, tailored to address diverse training needs across different scenarios, departments, and positions. By enriching specialized course offerings, establishing an intelligent learning platform, and combining online and offline learning approaches, the Company effectively enhances the overall professional capabilities of employees.

In 2024, the Company further advanced its three-level training system, providing employees with a holistic and multidimensional training framework. This system encompasses curricula focused on leadership development, professional skills enhancement, and general knowledge literacy. Additionally, the Company actively promoted training certifications, encouraging employees to pursue apprenticeship qualifications and relevant professional certifications.

During the reporting period ▶
the Company's training coverage rate reached
100 % and total training expenditure
amounted to RMB **1.4914** million

New Employees	Integrate into corporate culture and master basic skills.
Frontline Employees	Improve professional skills and cultivate job competency.
Middle Management	Strengthen management capabilities to drive team performance.
Senior Management	Improve strategic thinking and leadership to lead corporate development.

Three-Level Training System		
Level 1 Training	Senior Leadership Training	<p>“Zhenghe Island” Growth Pilot School: Focused on cognitive enhancement and practical problem-solving, this program uses corporate case studies as its core teaching method. Through a combination of on-site case analysis and online learning modules, the program aims to develop professional expertise while fostering an exceptional leadership team and strengthening overall team cohesion.</p> <p>International CEO Course: In collaboration with renowned senior consultants in business innovation, this program offers advanced business management tools like the Business Model Canvas. Tailored for middle and senior managers, it aims to broaden participants’ strategic vision and boost their business innovation capabilities.</p>
Level 2 Training	General Skills Training	<p>Marketing Iron Army Program: Designed for sales teams, this program features practical courses led by professional instructors. It focuses on enhancing negotiation skills in business scenarios while helping participants develop a sharper understanding of customer needs.</p>
	New Employee Orientation Training	<p>“INTCO YOUNG” Training Program: Tailored for fresh graduates, this comprehensive program combines diverse training methods, including centralized training at the Group, hands-on experience at various bases, cross-department rotation, and personalized “one-on-one” coaching within departments. Additionally, participants benefit from an exclusive learning platform and resource library designed to enhance their professional skills, workplace competence, and smooth their transition from campus to corporate roles.</p>
Level 3 Training	Professional Competency Training	<p>A standardized, centralized training program designed to quickly develop frontline employee competency has been established at production bases such as Huaibei, Jiangxi, and Zhenjiang. The training covers the lean workshop standardized management system, production KPI management system, 5S on-site management, product quality management, etc., effectively improving the professional skills of front-line employees.</p>
ESG Training	During the reporting period, the Company conducted a series of ESG-themed training sessions covering human rights, anti-discrimination, workplace safety, business ethics, social responsibility, among others.	

Case | International CEO Training Course - Empowering Managers Through Business Model Innovation

In December 2024, the Company organized an exclusive CEO training course aimed at enhancing the strategic thinking and innovation capabilities of middle and senior management. The training focused on the globally recognized business management tool—the Business Model Canvas—to deepen managers' understanding of the Company's operational framework. This initiative effectively fostered collaboration, creativity, and teamwork, injecting renewed energy into the Company's sustainable growth.



International CEO Training Course



Case | 2024 "INTCO YOUNG" Training Camp Officially Kicks off

In July 2024, the "INTCO YOUNG" training camp officially launched in Zibo, Shandong. Over **400** college students from across the country came together to participate in a six-day immersive growth journey. The program was designed to accelerate their transition from academic thinking to a professional mindset, laying a strong foundation for their future career paths while contributing fresh talent to the sustainable development of the Company.



2024 "INTCO YOUNG" Training Camp

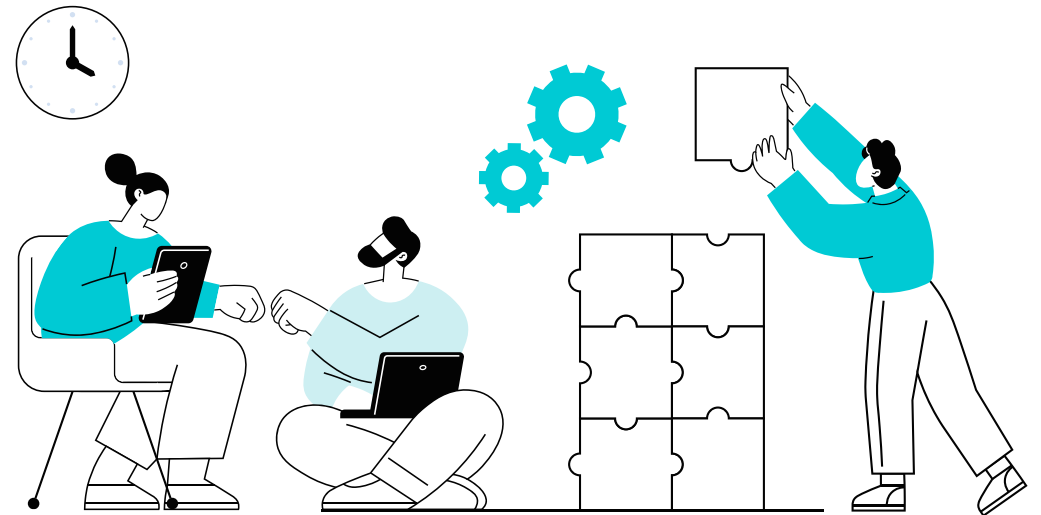


Case | Marketing Iron Army Program - Strengthening Business Negotiation Skills

To further enhance the sales team's negotiation and customer communication skills, the Company invited renowned external lecturers to conduct hands-on training in business scenario negotiations in December 2024. Through immersive, interactive sessions, participants gained practical strategies for conducting efficient negotiations while sharpening their ability to understand customer needs and improve negotiation outcomes effectively.



Marketing Iron Army Program



Prioritizing Employee Care and Welfare

INTCO Medical is dedicated to fostering a warm and inclusive workplace environment. During the reporting period, the Company continued the Employee Care Program, organizing diverse care initiatives aimed at ensuring every employee feels respected, valued, and supported in building a happy, thriving workplace.

Respecting and Supporting Employees

The Company places great emphasis on caring for specific groups, offering targeted benefits to ethnic minority employees while respecting their cultural beliefs. The Company also provides home leave for employees who have been stationed in overseas offices for extended periods. For employees facing difficulties, the Company has established a mutual aid foundation and regularly organize assistance activities for individuals dealing with serious illnesses or significant family burdens. Concurrently, the Company continues to enhance supporting facilities, including dormitories, canteens, and shuttle buses, while offering personalized accommodation options and commuting services to ensure robust support for employees' work and personal lives.

Enriching Employees' Lives

In 2024, the Company actively organized a variety of holiday-themed activities, such as celebrations for Teachers' Day, Children's Day, Christmas, Mid-Autumn Festival, Women's Day, and more. Additionally, the Company hosted diverse team-building events, including the "Three Regions" basketball game, the "INTCO YOUNG" basketball game, annual conferences at bases, employee anniversary celebrations, and both domestic and international travel opportunities. To further enrich employees' daily lives, the Company offered activities such as yoga and badminton classes, Saturday afternoon tea sessions, and movie outings, effectively enhancing the sense of fulfillment, happiness, and belonging for every employee.

During the reporting period ▶

the Company successfully organized **50** overseas travel groups and **8** domestic travel groups. Furthermore, each base held collective team-building activities for employees at least **once a month**.



Case I Huabei Production Base Conducts Emergency Drill on Mechanical Injuries

On June 1, 2024, INTCO Medical hosted its annual Parent-Child Day event across all major bases. This special day invited employees' children to their parents' daily working environment, giving them an opportunity to understand the for our employees while strengthening family connections. To make the day memorable, the Company organized engaging parent-child games, took family photos for each family, and provided an array of delicious desserts and thoughtfully prepared gifts. These heartfelt efforts helped create lasting memories of Children's Day for employees and their families.

Over the years, INTCO Medical has shown a steadfast commitment to hosting Parent-Child Day activities. This tradition reflects our core value of prioritizing family harmony and affection, offering warmth and support to every employee.



The third Parent-Child Day event ended successfully



Employees anniversary event



Basketball game in three regions



Domestic travel



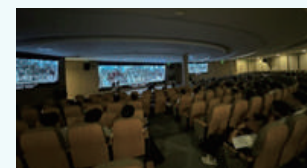
Annual conference



Christmas holiday greeting



Foreign travel



Saturday movie outing



Team-building activity

Promoting Occupational Health and Safety

INTCO Medical prioritizes the health and safety of employees above all else. The Company has established and continuously enhanced a comprehensive safety management system that encompasses all employees, reinforcing the foundation of safety management. By providing a healthy, safe, and comfortable working environment, the Company is committed to continuously improving its standards for occupational health and safety.

Safety Management System

The Company upholds the safety management policy of “Safety First, Prevention Foremost, Comprehensive Management” and strictly complies with the *Law of the People’s Republic of China on Work Safety*, the *Fire Protection Law of the People’s Republic of China*, the *Regulations on Emergency Response to Production Safety Incidents*, and other relevant laws and regulations. Moreover, the Company has developed and continuously

refined key internal management systems, including the *Work Safety Management System*, the *Safety Risk Assessment Management System*, the *Production Facility and Equipment Safety Management System*, and the *External Contract or Safety Management Agreement*. These systems provide a strong institutional foundation to further enhance and advance our safety management framework.

To effectively lead safety initiatives, the Company has established a safety production leadership group headed by the General Manager, supported by department heads working collaboratively to drive safety management. Following the principle of “Whoever Is in Charge Is Responsible,” the Company has implemented a tiered mechanism to ensure the enforcement of production safety responsibilities across all organizational levels. The Chief



Safety Officer develops a comprehensive safety work plan, while the Department of Safety and Environmental Protection oversees its implementation and ensures compliance. The First Safety Principal of each department is tasked with taking timely and effective actions to guarantee the execution of safety production measures. Furthermore, departments at all levels are required to sign a *Safety Production Target Responsibility Letter*, clearly defining safety responsibilities and ensuring the achievement of the Company’s safety production goals.



INTCO Medical Safety Management System

Certification	Certified Base	Certificate Picture
ISO 45001 Occupational Health and Safety Management System Certification	Qingzhou production base	
	Huaibei production base	
	Anhui Kaize production base	
	Jiangxi Jiujiang production base	

Contractor Safety

The Company has developed and continuously improved the *Contractor Safety Management System* and the *Regulations on Construction Site Management*, providing clear safety production rules and operating procedures. These measures aim to effectively prevent and reduce accidents involving contractors. As of the end of 2024, the Company had successfully met all safety production goals, with zero work-related fatalities among contractors.



Safety training for contractors

Safety Culture

The Company is committed to fostering a strong safety culture by continuously enhancing safety training and education for all employees. The Company has established systems such as the *Safety Training and Education Management System* and the *Special Operations Personnel Management System*, creating a hierarchical, high-frequency, and customized safety training framework that encompasses all employees. This framework focuses on cultivating employees' safety awareness and practical skills in areas such as production safety responsibilities, use of personal protective equipment, special operations, and first aid. Furthermore, the Company actively implements the Kiken Yochi Training (KYT) program, equipping operating teams with safety knowledge and response capabilities in hazard prediction, analysis, control, and response, effectively mitigating the risk of work-related accidents.

During the reporting period ▶

the Company conducted over
3,600 KYT activities,

benefiting more than
18,000 person-time.

Trainees	Training Content
Management Personnel	Training content includes production safety policies and guidelines, relevant laws, regulations, and compliance requirements, as well as advanced production safety management practices from both domestic and international perspectives. The training also covers the analysis of emergency rescue cases and the preparation of emergency response plans.
New Employees	Safety education and training are conducted at the company, workshop, and team levels. Topics include employee rights and responsibilities regarding production safety, identification of workplace environmental conditions and hazardous factors, analysis of typical accident cases, and emergency response measures.
Specialty-trained Personnel	Specialized training and assessment for the operation of specific equipment are mandatory. Independent operation of such equipment is permitted only after obtaining the required operation qualification certificate.
External Personnel	Level-2 safety training is provided, focusing on the process characteristics and precautionary measures for handling hazardous materials, as well as developing emergency response and rescue capabilities.

Security Risk Identification and Response

In line with the safety production policy of “Safety First, Prevention Foremost, Comprehensive Management”, the Company continuously strengthens and improves the safety risk management system to effectively enhance employees’ risk identification and response capabilities, providing a solid foundation for safe and sustainable development.

Safety Risk Identification and Hidden Danger Investigation

The Company continues to enhance its ability to identify safety risks by establishing internal systems such as the *Risk Assessment Management System* and the *Safety Hazard Management System*. These systems reinforce the dual-prevention mechanism for safety risk classification management and hidden danger investigation, promoting standardized, streamlined, and efficient identification, and effective prevention and mitigation of significant safety risks.

To ensure effective management of potential hazards, the Company has built a comprehensive hidden danger management model comprising identification, monitoring, rectification, and treatment measures, followed by re-inspection and acceptance. Regular safety and special inspections focus on high-risk areas, such as critical equipment and hazardous workplaces, to assess and monitor potential accident risks. Identified safety hazards are categorized and archived based on their severity, with clearly defined responsibilities, rectification measures, and deadlines for treatment. Supervision, evaluation, and regular re-inspections are conducted to guarantee the thorough resolution of all hidden dangers in the production process. For major accident hazards, the Company has implemented the *Major Safety Hidden Danger Inspection Management System*, which establishes stricter inspection protocols and rectification mechanisms to effectively prevent serious accidents.

During the reporting period, the Company instituted a robust daily inspection system, deploying dedicated personnel to inspect critical equipment on a regular basis. Detailed maintenance plans were developed to ensure the safety and stability of production operations. Clear and visible safety instructions and warning signs were installed around equipment and key operational areas to prevent employee errors and unauthorized operations. Additionally, the Company enlisted third-party professional institutions to conduct comprehensive safety audits. Based on their findings, the Company undertook a series of safety improvement measures, including equipment upgrades, the standardization of operating procedures, and enhanced employee training programs. These efforts aim to minimize equipment-related hazards and ensure safe production practices.

Emergency Management

The Company adheres strictly to the *Management Measures for Emergency Plans for Production Safety Incidents* and related regulations and have established the *Emergency Rescue Management System* to create a robust emergency management framework based on hierarchical analysis and clearly defined responsibilities. By coordinating efforts across all functional departments, the Company ensures a swift and efficient response to abnormal warnings.

Detailed emergency plans have been formulated to address various potential emergencies, supported by a comprehensive response mechanism spanning the entire lifecycle of such events. This system ensures that accidents are promptly detected, reported, and effectively managed, safeguarding equipment, property, and employee lives.

In addition, the Company prioritizes the development of specialized skills within the emergency response team. At the start of each year, the Company prepare an Emergency Drill Plan that focuses on accident prevention and response. At least one comprehensive emergency drill, specialized emergency drill, or on-site disposal drill is conducted annually. These drills are designed to strengthen employees’ self-rescue capabilities and enhance their rescue skills, ensuring readiness to handle a wide range of emergency scenarios.



Case I Huaibei Production Base Conducts Emergency Drill on Mechanical Injuries

In September 2024, to further enhance employee safety awareness and improve emergency response skills, Huaibei production base organized a comprehensive emergency drill focused on mechanical injuries. The drill fully simulated a scenario where packers encountered mechanical injuries and was conducted in strict accordance with its emergency response plan. The exercise included key components such as accident reporting, emergency response, evacuation, on-site rescue, and post-incident analysis. Following the drill, a summary review meeting was held to evaluate its performance and propose improvement measures for future drills. This mechanical injury emergency drill effectively tested our safety emergency management mechanisms while significantly improving employees’ professional competence and response capabilities in handling emergencies.



Emergency drill focused on mechanical injuries

Hazardous Chemicals Management

The Company consistently strengthens safety management practices for hazardous chemicals, strictly adhering to the *Law of the People’s Republic of China on Work Safety*, the *Regulations on the Safety Management of Hazardous Chemicals*, and other relevant laws and regulations. Based on specific operational needs, the Company has developed comprehensive management documents, including the *Safety Management System for Hazardous Chemicals* and the *Safety Management System for Highly Toxic Chemicals*. These documents define clear management requirements and operational standards for critical processes such as the storage, transportation, and disposal of hazardous chemicals within the scope of business activities. To minimize risks, the Company conducts thorough risk assessments of hazardous chemical use during production processes. Based on the assessment results, feasible alternatives are identified, and material consumption is reduced through process optimization, ensuring operational stability and long-term sustainability.

Hazardous Chemicals Management System	
Storage	<p>Special Storage Areas: Hazardous chemicals must be stored in designated warehouses or facilities specifically designed for their storage. These locations must prominently display identification signs or notices that clearly indicate the physical and chemical properties of the substances along with precautions for fire prevention, explosion prevention, firefighting procedures, storage and transportation guidelines, and emergency response measures.</p> <p>Daily Operation and Maintenance: Personnel responsible for hazardous chemical management must perform comprehensive inspections at least once a month. All inspection results must be meticulously recorded, and any issues identified must be promptly addressed through timely repairs.</p>
Transportation	<p>Certification and Qualification: The transportation of hazardous chemicals must be handled exclusively by certified and qualified entities. Entrusting transportation to unqualified individuals or organizations is strictly prohibited.</p> <p>Safety Signs: Transport vehicles must display appropriate hazard signs and safety boards and be equipped with satellite positioning systems to ensure safe and secure transportation.</p>
Treatment and Disposal	<p>Strengthened Management: Hazardous waste and residues generated during production processes must be strictly controlled and managed. It is prohibited to mix hazardous substances with general garbage or household waste, or to discharge leaked or contaminated chemicals on-site.</p> <p>Compliance Disposal: Hazardous waste, including waste acid, waste alkali, and waste batteries, must be disposed of through certified professional agencies with the necessary qualifications.</p>

The Company has established clear processes and defined responsibilities for responding to incidents such as hazardous chemical leaks or explosions. Regular emergency drills are conducted to simulate such scenarios, ensuring readiness to manage emergencies effectively. Additionally, the Company maintains close collaboration with local fire protection, environmental protection, and emergency management agencies to guarantee timely access to professional external assistance if accidents occur.

The Company has also developed a *Safety Technical Manual for Hazardous Chemicals* that mandates employees to understand chemical hazards and follow strict operating procedures. Furthermore, a structured employee training program has been implemented, focusing on key areas such as chemical hazard awareness, emergency response protocols, and rescue techniques. This training helps employees improve their safety awareness and gain a systematic understanding of hazardous chemical management. To encourage engagement, the results of employee training assessments are directly linked to performance evaluations and career development opportunities. This approach effectively motivates employees to engage in production safety.



Case I Huaibei Kaize Latex Production Base Supports 2024 Huaibei Hazardous Chemical Safety and Environmental Emergency Drill

In June 2024, Anhui Kaize collaborated with the Huaibei Emergency Management Bureau, the Huaibei Municipal Bureau of Ecology and Environment, and other departments to conduct the 2024 Huaibei Hazardous Chemical Safety Incident and Sudden Environmental Emergency Drill. Under the unified coordination of the emergency command organization, **eight** specialized rescue teams worked in synergy to execute the drill. The exercise encompassed a full range of procedures, including accident occurrence and information reporting, activation of the emergency response plan, coordinated emergency disposal, termination of the emergency, and post-incident recovery. The drill successfully neutralized accident risks and ensured the rapid resumption of production operations. This initiative significantly enhanced the emergency response and coordination capabilities of employees and on-site personnel, particularly in handling hazardous chemical leaks and related environmental incidents.



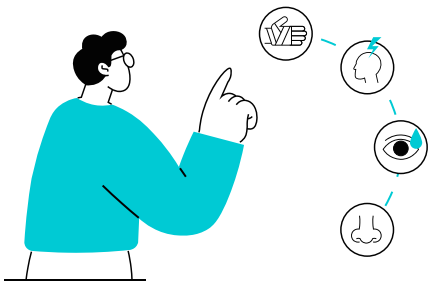
Emergency drill site

Protecting Employee Health

Occupational Health

The Company strictly complies with all applicable laws and regulations, including the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and the *Management Standards for Personal Protective Equipment*. Moreover, the Company has established and continuously refined internal systems, such as the *Occupational Health Management System* and the *Occupational Hygiene Management System*, with a commitment to effectively preventing, controlling, and eliminating occupational hazards while ensuring workplace safety and employees' physical health.

Recognizing the importance of preventing potential occupational hazards, the Company strictly enforces limits on the use of toxic and hazardous materials during production processes. Proactive measures are taken to minimize employees' exposure to occupational risks, including regular monitoring of occupational hazard factors, maintaining thorough occupational health records, optimizing processes and equipment, and adopting advanced technologies.



Furthermore, the Company incorporates workplace risks and potential health hazards associated with occupational diseases into an overall safety hazard management plan, implementing comprehensive protective measures across all operations.

In addition, the Company fulfills legal obligation to provide insurance coverage for employees and offer periodic occupational health examinations for those exposed to potential health risks. The Company also promotes awareness of key health-related topics such as chronic disease prevention, emergency medical care, and on-site rescue techniques, ensuring employees are well-informed and protected.

During the reporting period ▶

the Company paid

RMB **3.9750** million
in work-related injury insurance for employees,
with a coverage rate of **100 %**

Mental Health

The Company is committed to supporting the mental health of employees. Specifically, the Company has established individualized mental health files, launched a psychological counseling hotline, and set up a dedicated psychological counseling room to provide accessible support. Additionally, the Company organizes diverse activities, including mental health awareness campaigns and training sessions, to empower employees with the knowledge and tools needed to cultivate a positive and healthy mindset.

Digital Safety Management

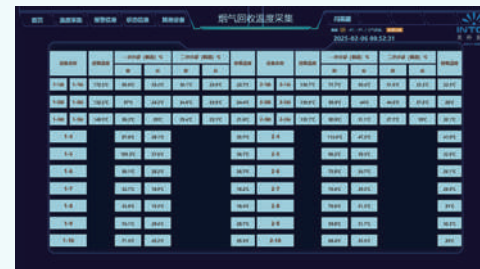
The Company actively advances digital safety management practices by leveraging intelligent information platforms, Internet of Things (IoT) perception networks, and real-time monitoring systems. Through these technologies, the Company achieves comprehensive digital management and control across the entire production process, from raw material handling to equipment operation. The digital management system is equipped with such core functionalities as intelligent identification of hidden dangers, risk-warning notifications, and end-to-end tracking of corrective measures. These functions significantly enhance the precision of hazard detection, optimize emergency response mechanisms, and reduce labor costs, comprehensively promoting the Company's digital safety management transition.



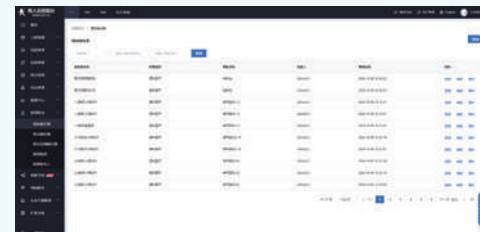
Case I Zibo Production Base Introduces "Youren Cloud" Platform for Intelligent Flue Gas Recovery Equipment Management

Zibo production innovatively implemented the "Youren Cloud" intelligent management platform to establish a new standard of safe production. Leveraging advanced Internet of Things (IoT) technology and big data analytics, the platform provides a comprehensive intelligent monitoring system for flue gas recovery equipment. The system provides real-time insights into equipment operation and facilitates intelligent analysis. When abnormal fluctuations are detected in monitoring data, the platform automatically activates an early warning mechanism. Using intelligent algorithms, it pinpoints the exact source of the fault and promptly distributes warnings to relevant personnel. This ensures that potential safety hazards are swiftly identified and addressed, significantly enhancing risk response efficiency.

Moreover, the platform integrates a cutting-edge remote-control system to oversee critical safety devices, such as fire dampers, with remarkable precision. In the event of a fire, the platform can autonomously activate emergency protocols and remotely manage fire-fighting facilities. This innovation minimizes emergency response time while maximizing protection for personnel, equipment, and property, building a robust, intelligent product safety defense system.



Temperature monitoring interface



Alarm trigger interface

04 Champion of Steady Development

INTCO Medical continues to enhance its corporate governance by standardizing its “Three Committees and One Senior Management” governance structure composed of the shareholders’ meeting, Board of Directors, Board of Supervisors, and senior management, ensuring the effective protection of shareholders’ legitimate rights and interests. The Company places strong emphasis on anti-bribery and anti-corruption measures, building a robust defense against corruption risks. Additionally, the Company has established a comprehensive risk management system, strengthened information security protocols, and laid a solid foundation for stable and sustainable operations.

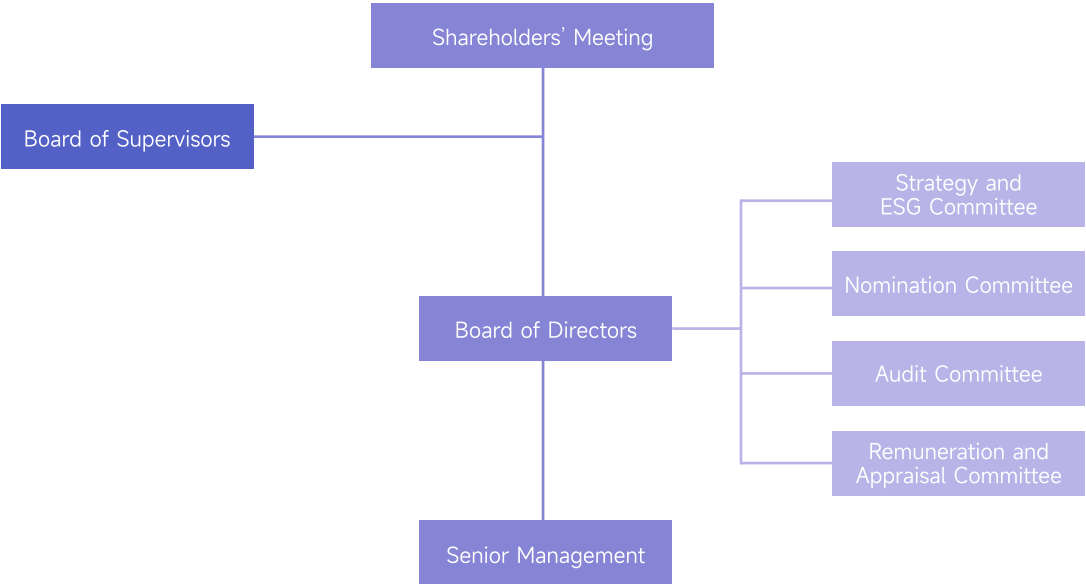
Strengthening Corporate Governance

INTCO Medical has established and continuously refined its corporate governance framework, leveraging the core functions of the Board of Directors to safeguard investors' legitimate rights and interests while steadily improving the standard of corporate governance.



Corporate Governance

The Company strictly complies the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, the *Rules Governing the Listing Shares on the ChiNext Market of Shenzhen Stock Exchange*, the *Measures for the Administration of Independent Directors of Listed Companies*, and other relevant laws, regulations, and regulatory requirements. Adhering to these directives, the Company has formulated the *Articles of Association*, refined the "Three Committees and One Senior Management" governance structure, and delineated the duties of various governance entities in alignment with the *Articles of Association* and their assigned responsibilities. This approach ensures coordinated and efficient decision-making, execution, and supervisory mechanism. The Board of Directors operates through four specialized committees: the Strategy and ESG Committee, the Nomination Committee, the Audit Committee, and the Remuneration and Appraisal Committee. These committees collaborate to deepen their expertise, offering scientifically grounded and tailored recommendations to support the board's governance efforts and strengthen the Company's capacity for sustainable development.



INTCO Medical's corporate governance structure

All directors of the Company strictly comply with the relevant provisions of the *Self-Regulatory Guidelines No. 2 for Companies Listed on Shenzhen Stock Exchange – Regulated Operation of ChiNext-Listed Companies*, and the *Rules of Procedure for Board Meetings* in the performance of their duties. They actively participate in shareholders' meetings, board meetings, and specialized committee meetings of the board, ensuring regular and punctual attendance. During the reporting period, the Company convened 5 shareholders' meetings, during which 19 proposals were reviewed. Additionally, 9 board meetings were held to deliberate on 33 proposals, and 10 specialized committee meetings were conducted to deliberate 23 proposals.

During the reporting period ▶

the Company convened **5** shareholders' meetings during which

19 proposals were reviewed

9 board meetings were held to deliberate on

33 proposals

10 specialized committee meetings were conducted to deliberate

23 proposals

Specialized Committees	Performance of Duties
Strategy and ESG Committee	One meeting was held to review and approve the <i>Proposal on INTCO Medical 2023 ESG Report</i> .
Nomination Committee	One meeting was convened to review and approve the <i>Proposal on the Appointment of the Board Secretary of INTCO Medical</i> .
Audit Committee	Six meetings were held to review and approve key proposals, including the <i>Proposal on the 2023 Annual Report and its Summary</i> and the <i>Proposal on the 2023 Internal Control Self-Assessment Report</i> .
Remuneration and Appraisal Committee	Two meetings were held to review and approve proposals, including the <i>Proposal on the Performance Appraisal of the Directors, Supervisors, and Senior Management in 2023 and the Remuneration Plan for 2024</i> .

Board Independence and Diversity

The Company regards the diversity and professionalism of the board as key factors in protecting shareholder interests and driving the Company's development. When nominating and appointing board members, the Company takes a comprehensive approach, considering the diversity of candidates across factors such as gender, age, culture, professional expertise, and work experience. By incorporating a range of decision-making perspectives and governance insights, the Company aims to foster the Company's growth and sustainability. As of the end of 2024, the Company's board consists of seven members, including three female directors, representing 42.86% of the board. Each of our current directors possesses extensive knowledge and professional experience in areas such as the disposable gloves industry, medical devices, business, law, finance, and risk management, ensuring that the Company's development is guided by diverse perspectives.

As of the end of 2024 ▶

the Company's board consists of **7** members

including **3** female directors

representing **42.86** % of the board

The Company has also established the *Independent Director* which stipulate that independent Work Rules, which stipulate that independent directors may, in principle, serve as independent directors in no more than three domestic listed companies, including INTCO Medical. This ensures they can efficiently fulfill their responsibilities, actively participate in meetings, and provide independent, objective, and constructive opinions and suggestions to support decision-making and the execution of company matters. As of the end of 2024, the Company's board includes three independent directors, accounting for 42.86% of the total. Furthermore, each of our specialized committees—the Nomination Committee, Audit Committee, and Remuneration and Appraisal Committee—is convened by an independent director.

As of the end of 2024 ▶

the Company's board includes

3 independent

representing

42.86 % of the board

During the reporting period ▶

1 meeting was held by Strategy and ESG Committee

6 meetings were held by Nomination Committee

1 meeting was held by Audit Committee

2 meetings were held by Remuneration and Appraisal Committee

Protection of Shareholders’ Rights and Interests

The Company deeply respects and actively safeguard the legitimate rights and interests of its investors. To strengthen these protections, The Company has revised its *Market Value Management System*, ensuring the rights of minority shareholders are effectively upheld, particularly in profit distribution plans and significant related transactions. The Company continually strives to enhance investor relations management by establishing clear and efficient communication channels with the capital market. Through various initiatives, the Company maintains transparent and meaningful engagement with investors. These efforts include hosting institutional investor exchanges, performance briefings, and creating interactive platforms such as telephone hotlines, dedicated mailboxes, and other accessible channels, allowing us to fully absorb and consider investor feedback. During the reporting period, the Company hosted and participated in two performance briefings, attended 30 offline brokerage strategy meetings, conducted 112 one-on-one institutional anti-roadshow exchanges, and responded to over 1,500 investor hotline inquiries.

During the reporting period ▶

the Company hosted and participated in

2 performance briefings

attended

30 offline brokerage strategy meetings

conducted

112 one-on-one institutional anti-roadshow exchanges

responded to over

1,500 investor hotline inquiries

Strengthening Information Disclosure

The Company places a strong emphasis on information disclosure, strictly adhering to the *Measures for the Administration of Information Disclosure by Listed Companies*, the *Self-Regulatory Guidelines No. 2 for Companies Listed on Shenzhen Stock Exchange ChiNext Board – Announcement Format*, and other relevant regulations. In compliance with the *Information Disclosure Management System of INTCO Medical* and associated requirements, the Company has established official disclosure channels, including *Securities Times*, *Securities Daily*, *China Securities Journal*, *Shanghai Securities News*, and *Cninfo*. The Company ensures that all disclosed information is truthful, accurate, complete, timely, and fair, while continuously enhancing the effectiveness and relevance of the Company's disclosures, actively responding to the concerns of external stakeholders.



Ensuring Compliance in Business Operations

INTCO Medical prioritizes compliance in all aspects of its operations. The Company conscientiously adheres to national laws, regulations, and regulatory requirements, and uphold business conduct standards throughout its activities. By continuously refining its compliance management system, optimizing operational mechanisms, and strengthening compliance training and education, the Company is committed to building a compliant and sustainable corporate development framework.



Enhancing Compliance Management

The Company strictly abides by the *Company Law of the People's Republic of China* and other relevant laws and regulations and has developed institutional documents such as the *Anti-Bribery Management System* and the *Anti-Money Laundering and Anti-Terrorist Financing Management System*. These documents provide clear business ethics and behavioral guidelines for employees in key roles and positions, offering strong institutional support for fostering a reliable, transparent, and ethical business environment.

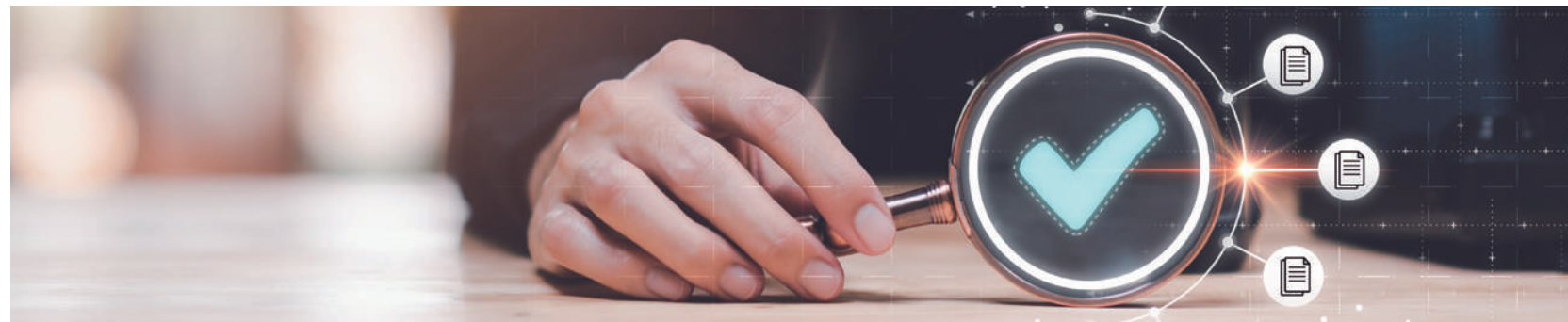
The Company remains committed to optimizing its anti-commercial bribery and anti-corruption management systems. The Audit Committee of the Board of Directors takes the lead in setting strategy and making decisions on these efforts, while the Internal Control Department handles day-to-day anti-bribery and anti-corruption initiatives. The Internal Control Department submits quarterly reports to the Audit Committee, and any incidences of fraud or violations prompt an immediate investigation. An investigation report is then prepared and presented to the Board of Directors for action and accountability enforcement. the Company maintains a “zero tolerance” stance toward corruption, creating a strong integrity framework to protect our operations. During the reporting period, the Company did not encounter any incidents of corruption or bribery.

During the reporting period ▶

the Company **did not encounter** any incidents of corruption or bribery

Regulating Employee Behavior

The Company has consistently prioritized the management of employee behavior, establishing clear guidelines to ensure adherence to core business ethics. The Company's *Employee Handbooke* serves as a comprehensive framework that defines behavioral norms and implementation standards across critical areas, including external business partnerships, sensitive transactions, fair competition, and information security. Additionally, the Company requires employees to sign a *Commitment to Integrity and Self-Discipline*, linking its ethical conduct directly to performance evaluations. This approach effectively mitigates business ethics risks, enhances compliance management, and fosters a corporate culture grounded in integrity and self-discipline. By doing so, the Company provides a strong foundation for ensuring the stability and compliance of the Company's business operations.



Developing a Culture of Integrity

The Company actively promotes a culture of integrity by emphasizing work discipline and anti-corruption behavioral norms to employees and suppliers. This is achieved through a variety of initiatives, including violation case study, regular business ethics compliance examinations, and distributing ethics compliance hotline cards. These efforts serve to strictly prevent instances of corruption, bribery, and fraud, continuing to cultivate a clean and principled business environment. During the reporting period, the Company conducted five business ethics and anti-corruption training sessions, with participation exceeding 1,000 individuals.

Reporting and Protection of Whistleblowers

The Company has established the *Anti-Fraud, Reporting and Complaint Management System* to ensure a standardized process for reporting, investigating, handling, and enforcing accountability for violations of business ethics. Multiple reporting channels, including complaint hotline, email, and mailed letters, are accessible to all employees. Upon receiving a report, the Company promptly conducts investigations and ensure that related matters are handled appropriately and fairly. In cases where fraud or misconduct is verified, employees who make significant contributions in uncovering such incidents are duly rewarded for their efforts.

The Company places a high priority on the protection of whistleblowers. This includes strictly prohibiting any form of retaliation, discrimination, or hostile behavior toward whistleblowers, and implementing strong safeguards to ensure their security. Specific measures include maintaining strict confidentiality of the whistleblower's identity, contact information, and the content of the report throughout the verification process. Additionally, the Company takes steps to protect the personal and property safety of whistleblowers, ensuring they are shielded from any adverse consequences stemming from their actions.



Case | INTCO Medical Conducts Anti-Corruption and Compliance Training Across Multiple Locations

To cultivate and strengthen employees' awareness of anti-corruption and compliance, INTCO Medical successfully organized themed education and training sessions on anti-corruption and regulatory compliance across multiple locations—such as Jiangxi, Huaibei, Anqing, Thanh Hoa (Vietnam), and Quang Ninh (Vietnam)—during the reporting period. The training adopted an integrated “theory + scenario” approach, with content including an in-depth interpretation of relevant laws and regulations, key aspects of ethical business practices, identification of risks related to illegal operations, reporting channels, and acceptance procedures. Additionally, the sessions incorporated analysis and discussion of typical cases investigated and addressed by the Company in recent years. This comprehensive approach effectively promoted an understanding of the anti-corruption framework and compliance skills among participants. As a result, the trainees gained heightened compliance awareness and improved risk prevention capabilities, laying a solid foundation for the Company's commitment to fostering a clean and ethical business environment. To further reinforce the implementation of the Company's integrity culture, participants actively signed the *Commitment to Integrity and Self-Discipline* after completing the training.



Anti-corruption training



Improving Risk Management System

INTCO Medical places great importance on the various risks encountered during its development and is committed to continuously enhancing our comprehensive risk management system. Through measures such as reinforcing the foundation of risk management, improving risk management measures, strengthening risk mitigation capabilities, and laying a strong groundwork, the Company ensures stable and sustainable operations.



Strengthening Risk Management

By rigorously adhering to regulatory requirements, continually refining the risk management system, and conducting thorough risk assessments, the Company has significantly enhanced the Company's overall risk prevention capabilities.

Risk Management Organizational Structure

The Company strives to optimize a multi-level, comprehensive, and top-down risk management organizational structure. This ensures a closed-loop management system where the Board of Directors makes strategic decisions, the management team takes responsibility for implementation, and functional departments collaborate to execute risk management initiatives. By systematically advancing risk identification, assessment, monitoring, and response efforts, the Company ensures that risk management is embedded in every aspect of its operations. This approach not only improves operational efficiency and risk prevention capabilities but also provides a robust foundation for the Company's steady growth.

Risk Management Organizational Structure	
Board of Directors	<ul style="list-style-type: none"> Review risk assessment reports submitted by the management; Make decisions on major issues related to risk management.
Management	<ul style="list-style-type: none"> Review the work responsibilities of functional departments in risk management; Approve risk response plans; Review risk management reports and submit them to the Board of Directors for review.
Internal Control Department	<ul style="list-style-type: none"> Establish a risk assessment team, formulate risk assessment plans, and develop risk assessment reports; Review risk lists and emergency response plans.
Functional Departments	<ul style="list-style-type: none"> Regularly carry out risk identification, assessment and monitoring activities; Implement specific risk response measures based on approved response plans; Conclude departments' annual risk management performance.



Risk Management Policies and Systems

The Company has established comprehensive management documents, including the *Risk Assessment Management System*, the *Internal Audit Management System*, and the *Internal Control Evaluation Management System*. These were developed in alignment with regulatory requirements and tailored to the Company's specific needs, enabling us to implement penetrating, full-coverage risk management.

Risk Management Mechanism

The Company continuously enhances its comprehensive risk management mechanism, conducting at least one company-wide risk assessment per year. This process defines risk control objectives and focuses on identifying and analyzing potential risks in key areas such as strategy, finance, market, operations, and legal compliance. Based on the results of these assessments, the Company prepares targeted risk response plans and formulates specific prevention and control measures. Relevant functional departments regularly or ad-hoc review the implementation and corrective actions of these measures, ensuring a dynamic and effective approach to risk prevention and control.

Risk Management Capacity Building

The Company prioritizes cultivating employees' awareness and capabilities in risk prevention and control. Through diverse training initiatives, the Company enhances employees' ability to identify risks and effectively respond to them, safeguarding its long-term development and stable operations. During the reporting period, the Company conducted five risk management training sessions, with the participation of approximately 1,000 employees.

Strengthening Internal Control

The Company has established a robust internal control management system. The Audit Committee of the Board of Directors evaluates the effectiveness of internal controls, as well as supervising the development and execution of internal audit rules. Operating independently under the guidance of the Audit Committee, the Internal Control Department is responsible for executing internal audits. It produces comprehensive internal audit reports, drafts rectification plans to address audit issues, monitors the status of these rectifications, and provides updates to the management, while also reporting directly to the Audit Committee.

The Company strictly adheres to *the Basic Standards for Enterprise Internal Control* and other documents, and has developed the *Internal Audit Management System* to evaluate the effectiveness of internal controls and risk management processes. When internal control deficiencies are identified during the review process, the Company requires relevant departments to establish detailed rectification measures with clear timelines. Follow-up reviews are conducted to ensure the implementation of corrective actions, allowing for consistent oversight and accountability.

In addition, the Company has implemented an Audit Avoidance System that mandates auditors to recuse themselves if they have any direct or indirect interests in the audited entities, individuals, or subject matters. This measure ensures the independence of the audit process.



Safeguarding Information Security

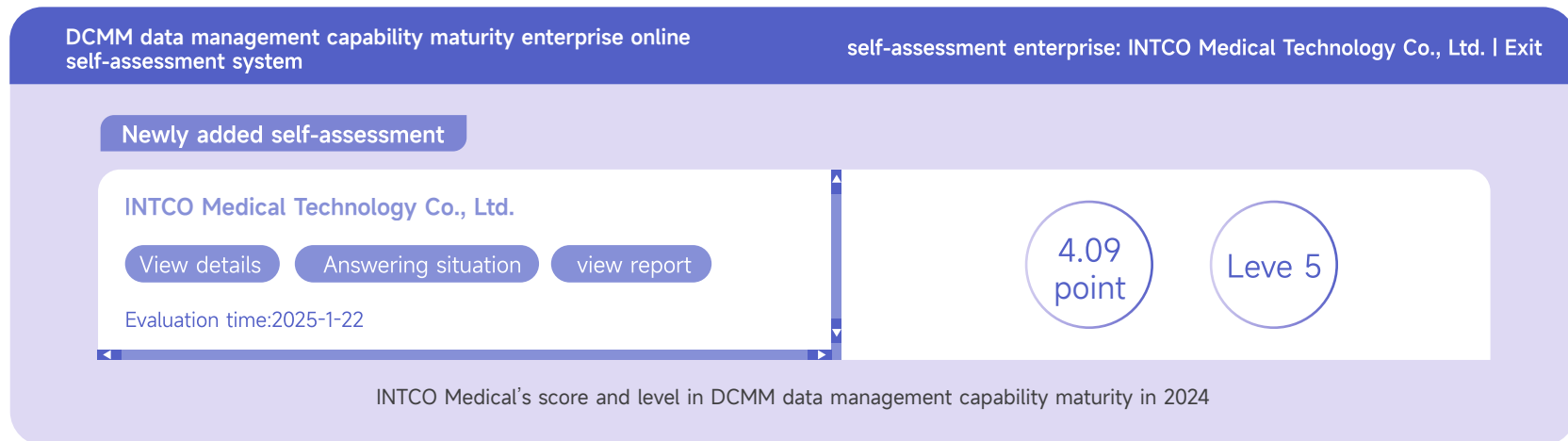
INTCO Medical actively responds to national data security requirements, and strictly complies with the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, and other relevant legal provisions. The Company continuously enhances information security and privacy protection efforts, ensuring the confidentiality, integrity, and availability of information through a cohesive approach spanning strategic planning, system development, and operational execution.



Strengthening Information Security Management

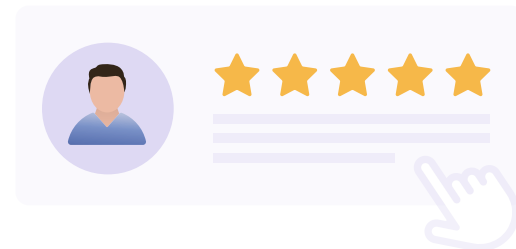
To strengthen information security, the Company has established a comprehensive information security management system with a well-defined organizational structure and clear responsibilities. The Board of Directors and senior management hold ultimate accountability, while the Information Automation Department implements key supervision tasks. The Company has implemented several internal policies, including the *Information Security Management System* and the *Enterprise Information Security Security System*, to define standardized requirements for employee behavior, internet security, computer equipment security, and overall information protection.


Additionally, the Company has conducted the DCMM Data Management Capability Maturity self-assessment, achieving an industry-leading optimization level (Level 5). This accomplishment reflects the Company's comprehensive enhancement in data management, enabling its decision-making and innovation, while laying a resilient foundation for the Company's digital transformation.



Strengthening Data Protection Measures

The Company has adopted a combination of active and passive means to establish a complete data breach emergency response mechanism to protect information security in all aspects and around the clock, effectively ensuring the security, integrity and availability of the Company's information assets.



Network Security Protection	<ul style="list-style-type: none"> • FortiGate: Utilizing advanced firewall and SD-WAN technology, FortiGate ensures stable and reliable connectivity between branches and headquarters. It integrates features such as antivirus and intrusion detection to safeguard intranet security. • WAF: Protects against web application vulnerabilities, reduces malicious traffic, analyzes security threats, detects abnormal behaviors, and responds promptly to security incidents. • Honeypot: Provides real-time monitoring of abnormal activities within the intranet, and traps potential attackers, effectively reinforcing intranet security. • EDR: Delivers robust protection against malware, phishing websites, and other threats, ensuring the security of user endpoints. 	
Access Control and Identity Management	<ul style="list-style-type: none"> • Zero trust solution: Integrates with Feishu authentication to secure network access, track user activity, and ensure traceability of actions. • Bastion host: Enhances security for external personnel accessing internal systems by strictly controlling access rights and permissions. 	
Safety Monitoring	<ul style="list-style-type: none"> • Log analysis: Enables the timely identification and resolution of issues via comprehensive log analysis, improving system security, availability, and efficiency. 	
Ensure Business Continuity	<ul style="list-style-type: none"> • Virtual machine backup system: Backs up remote and local servers across the bases separately, expediting problem resolution and significantly reducing incident response time. 	
Data Breach Response	<ul style="list-style-type: none"> • Data breach emergency response plan: The plan is immediately activated once a data breach is detected. The response process includes quickly identifying and reporting the breach, assessing the scope and impact, isolating the source, patching vulnerabilities, and restoring affected data. Relevant parties will be notified in compliance with legal requirements, and the entire response process will be recorded and reported in written. 	

Information Security Capability Building

The Company has conducted various company-wide information and network security training sessions. These cover key areas such as information security, data protection, network security incident response, phishing email prevention, and the application of firewall technologies. During the reporting period, the Company conducted seven training sessions, attended by a total of 1,898 person-time. Collectively, the training sessions amounted to 34.50 hours, with an average of 4.90 hours per employee.

During the reporting period ▶
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Case | INTCO Medical Conducts Anti-Phishing Emails Training

In April 2024, INTCO Medical successfully organized its first anti-phishing email training session to enhance employees' ability to recognize and prevent phishing attacks. The training was delivered primarily through on-site sessions, focusing on the definition, characteristics, and risks of phishing emails. Employees were equipped with skills to identify phishing emails and engaged in activities such as typical case analysis, hands-on practical exercises, and post-session assessments, including Q&A sessions. The comprehensive training reinforced participants' awareness of phishing threats, improved their response strategies, and strengthened their ability to handle security incidents. A total of 496 employees participated in the program, significantly boosting the organization's overall information security awareness and phishing prevention capabilities. This initiative further reduced information security risks associated with phishing attacks while supporting the Company's commitment to high-quality and stable operations.



INTCO Medical's first anti-phishing email training session

Case | INTCO Medical Conducts Fortinet Training

In November 2024, INTCO Medical organized a Fortinet technical training program for its IT operations and maintenance team. The training aimed to strengthen risk awareness and enhance the professional performance of information security specialists. Delivered over two days in a comprehensive format combining "theoretical instruction + hands-on practice", the program offered participants in-depth knowledge of Fortinet's functions and working principles, policy configuration, security management, fault diagnostics, and resolution strategies. To bridge the gap between theory and application, the training included a full day of on-site practical exercises. Participants were encouraged to independently manage tasks such as deploying and maintaining Fortinet firewalls and identifying and troubleshooting common issues. This approach enriched employees' practical experience while significantly improving their technical proficiency. The training effectively boosted the professional skills of the IT operations and maintenance team, enhancing their ability to safeguard the Company's network security.



Fortinet firewall technology training

Upholding the Principles of Privacy Protection

The Company has committed to upholding the legal and ethical standards of customer privacy protection. Guided by high-standard privacy management regulations, the Company has developed and implemented a robust *Customer Privacy System*. Leveraging an advanced information monitoring system and an employee feedback mechanism, the Company can promptly identify potential privacy risks, accurately assess its impact, and swiftly undertake isolation, repair, and data recovery measures to effectively address any privacy incidents.

To further strengthen its defenses, the Company has optimized data encryption technologies, refined its permission management and backup strategies, and conducted regular remote data backups. Additionally, the Company has deployed an advanced intrusion prevention system and built a precise permission management framework based on the principle of "Person-specific Account and Account-specific Permission". These efforts collectively create a comprehensive safeguard for customer privacy and data security.

Appendixes

Appendix 1: Key Performance Indicators

Key Economic Performance Indicators

Key Performance Indicators	2024	2023	2022	Unit
Main Products' Production Volume				
Disposable nitrile and PVC gloves	836.10	641.52	455.60	100 million
Wheelchairs	83.99	62.28	66.41	10,000 units
Cold/Hot pads	1,568.67	1,419.25	1,425.94	10,000 pieces
TAB Electrodes	13,071.45	14,470.42	11,022.95	10,000 pieces

Key Environmental Performance Indicators¹

Key Performance Indicators	2024	2023	2022	Unit
Energy Use ²				
Purchased electricity	547,494.17	482,831.97	337,014.49	MWh
Purchased heat	477,753.00	140,222.83	1,653.93	GJ
Coal	65.59	67.58	50.21	10,000 tons
Diesel	141.08	80.78	137.13	10,000 liters
Gasoline	20.89	166.51	21.95	10,000 liters
Natural gas	176.44	161.09	63.27	10,000 cubic meters
LNG	-	18.08	-	Ton

Key Performance Indicators		2024	2023	2022	Unit
Total energy consumption ³		55.62	55.97	40.28	10,000 tons of standard coal equivalent
Energy consumption intensity		0.58	0.81	0.61	Ton of standard coal equivalent /RMB 10,000 revenue
GHG Emissions ⁴					
Group Greenhouse Gas Emissions	Total GHG emissions	171.30	170.01	122.45	10,000 tons of carbon dioxide equivalent
	Scope 1 emissions	136.67	140.93	104.55	10,000 tons of carbon dioxide equivalent
	Scope 2 emissions	34.63	29.08	17.89	10,000 tons of carbon dioxide equivalent
	GHG emission intensity	1.80	2.46	1.85	Tons of carbon dioxide equivalent / RMB 10,000 revenue

1. During the reporting period, due to expanded production scale, the Company's energy, water and packaging material consumption in the production process all increased over the previous year;
2. Energy use includes both direct and indirect energy use. Direct energy includes coal, diesel and natural gas, while indirect energy includes purchased electricity and purchased heat;
3. Total energy consumption is calculated using the conversion factors provided in national standards General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020);
4. GHG emissions are calculated in accordance with the *Guidelines for Accounting and Reporting Greenhouse Gas Emissions from Other Industrial Enterprises (Trial)* and the *Notice on Effective Management of Greenhouse Gas Emission Reports of Power Generation Enterprises in 2023-2025* issued by the National Development and Reform Commission, and the *Announcement on the Release of Electricity Carbon Dioxide Emission Factors in 2021* issued by the Ministry of Ecology and Environment.

Key Performance Indicators	2024	2023	2022	Unit
Personal protective products	170.70	-	-	10,000 tons of carbon dioxide equivalent
Rehabilitation and physiotherapy care products	0.58	-	-	10,000 tons of carbon dioxide equivalent
Others	0.02	-	-	10,000 tons of carbon dioxide equivalent

Water Resources				
Municipal water	1,029.93	847.47	161.28	10,000 cubic meters
Underground water	193.43	102.23	73.74	10,000 cubic meters
Surface water	562.60	624.44	866.58	10,000 cubic meters
Total water consumption	1,785.96	1,574.14	1,101.60	10,000 cubic meters
Water consumption intensity	18.75	22.75	16.66	Cubic meters / RMB 10,000 revenue
Water recycled	23.49	43.73	31.44	10,000 cubic meters
Water recycling rate	1.32	2.78	2.85	%
Wastewater treatment	1,441.18	1,240.95	761.78	10,000 cubic meters

Key Performance Indicators	2024	2023	2022	Unit
COD emissions	697.42	1,986.81	657.49	Ton
NH ₃ -N emissions	32.15	57.07	24.78	Ton
Gaseous pollutants				
Particulate emissions	22.35	27.15	29.68	Ton
SO ₂ emissions	160.14	100.86	75.10	Ton
Nitrogen oxide emissions	468.01	386.09	257.15	Ton
Nonmethane hydrocarbon (NMHC) emissions	12.41	2.48	2.37	Ton
Waste				
General solid waste	114,454.98	116,175.18	63,318.21	Ton
General solid waste intensity	0.12	0.17	0.10	Tons / RMB 10,000 revenue
Recyclable waste ⁵	74,557.33	1,440.21	214.30	Ton
Office paper	87.19	65.70	88.60	10,000 papers
Hazardous waste	3,806.15	1,547.12	400.82	Ton
Hazardous waste intensity	0.0040	0.0022	0.0006	Tons / RMB 10,000 revenue
Packaging Materials				
Plastics	4,634.60	187.39	74.66	Ton
Cartons	58,844.00	27,203.25	47,266.99	Ton
Packaging materials use	63,478.60	27,390.64	47,341.65	Ton

5. During the reporting period, the Company strengthened the management of recyclable waste, including recycling recyclable general solid waste such as packaging boxes and material paper bags, and entrusting qualified third-party entities to dispose of recyclable waste in compliance with relevant regulations.

Key Performance Indicators	2024	2023	2022	Unit
Packaging materials use intensity	0.07	0.04	0.07	Tons / RMB 10,000 revenue

Key Social Performance Indicators

Indicator	2024	2023	2022	Unit
Employee Profile				
Total employees	10,982	10,939	8,824	Person
By Employment Type				
Full-time employees	10,982	10,939	8,824	Person
Employees in other employment forms	0	0	0	Person
By Gender				
Male	4,368	3,850	3,084	Person
Female	6,614	7,089	5,740	Person
By Age				
29 and below	2,932	2,763	2,184	Person
30-39	3,387	3,310	2,634	Person
40-49	2,877	3,010	2,506	Person
50 and above	1,786	1,856	1,500	Person
By Job Level				
General employees	10,637	10,403	8,579	Person
Junior management	225	343	-	Person
Middle management	98	180	234	Person
Senior management	22	9	11	Person

Indicator	2024	2023	2022	Unit
By Educational				
Master's degree	125	85	-	Person
Bachelor's degree	1,085	1,332	-	Person
Other degrees	9,772	9,522	-	Person
By Work Area				
In China	10,651	10,870	-	Person
In other Asian countries	317	50	-	Person
In North America	12	17	-	Person
In Europe	2	2	-	Person
Employee Diversity				
Employees with disabilities	120	87	55	Person
Minority employees	162	100	64	Person
Hispanic or Latino employees	2	4	-	Person
White employees	3	3	-	Person
Women in senior management positions	5	4	3	Person
Percentage of women in senior management positions	22.70	44.40	-	%
Percentage of women in junior management positions	36.40	33.82	-	%
Percentage of women in all management positions	33.60	32.89	-	%
Percentage of female employees in management positions in revenue-generating functions	35.30	52.13	-	%

Indicator	2024	2023	2022	Unit
Percentage of female employees in STEM-related positions	11.21	12.18	-	%
Number of New Employees				
Total new employees	644	2,115	4,667	Person
Male	321	725	1,375	Person
Female	323	1,390	3,292	Person
29 and below	563	700	1,615	Person
30-39	68	575	1,301	Person
40-49	7	525	1,218	Person
50 and above	6	315	533	Person
Employee Training (training hours)				
Average training hours per employee	36.02	22.48	30	Hour
By Gender				
Male	40.64	27.28	29	Hour
Female	32.81	19.91	31	Hour
By Management Level				
General employees	35.10	20.57	-	Hour
Junior management	75.19	53.54	-	Hour
Middle management	92.33	76.83	-	Hour
Senior management	63.51	86.06	-	Hour

Indicator	2024	2023	2022	Unit
By Age				
29 and below	39.61	27.37	-	Hour
30-39	39.08	24.48	-	Hour
40-49	33.73	19.24	-	Hour
50 and above	25.87	17.31	-	Hour
Employee Training (training expenses)⁶				
Average expenditure per employee	135.80	717.39	-	RMB
By Gender				
Male	230.04	770.75	-	RMB
Female	70.27	688.41	-	RMB
By Job Level				
General employees	108.56	110.30	-	RMB
Junior management	1,191.55	3,262.37	-	RMB
Middle management	2,115.31	27,471.03	-	RMB
Senior management	386.96	83,388.01	-	RMB
By Age				
29 and below	39.61	464.74	-	RMB
30-39	39.08	1,487.57	-	RMB
40-49	33.73	479.65	-	RMB
50 and above	25.87	73.21	-	RMB

6. During the reporting period, training expenses for employees in 2024 declined slightly compared with 2023, primarily attributable to the continued utilization of pre-committed training programs under active service contracts.

Indicator	2024	2023	2022	Unit
Occupational Health and Safety				
Number of work-related accidents	59	122	100	Event
Number of work-related fatalities	0	0	0	Person
Lost time injury	42,480.00	36,166.90	-	Hour
Absenteeism	0.13	0.15	0.15	%
Lost time injury rate	3.87	1.12	-	Every 200,000 working hours
Performance and Career Development				
Percentage of employees receiving performance evaluation and career development assessment for the first time	100	100	100	%
Percentage of employees receiving performance evaluation and career development assessment for the second time	100	100	100	%
Percentage of job vacancies filled by internal competition	22.48	1.07	0.70	%
Average employee recruitment cost	1,008.82	836.23	1,321.16	RMB

Indicator	2024	2023	2022	Unit
Supplier Management				
Number of suppliers	3,939	1,917	2,658	No.
Chinese mainland	3,747	1,866	2,594	No.
Overseas area	192	51	64	No.

Key Governance Performance Indicators

Indicator	2024	2023	2022	Unit
Corporate Governance				
Number of directors	7	7	7	Person
Male directors	4	4	4	Person
Female directors	3	3	3	Person
Executive directors	3	3	3	Person
Non-executive directors	1	1	1	Person
Independent non-executive directors	3	3	3	Person
Anti-Commercial Bribery and Anti-Corruption				
Number of anti-commercial bribery and anti-corruption training sessions	5	5	5	No.
Coverage of management personnel receiving anti-commercial bribery and anti-corruption training	100	100	100	%
Number of corruption lawsuits	0	0	0	No.

Appendix 2: GRI Standards Index

Statement of Use	INTCO Medical has reported in accordance with the GRI Standards for the period from January 1, 2024 to December 31, 2024
GRI 1	GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

GRI Standards	Disclosure	Chapter	Page
Organization and Its Reporting Practices			
2-1	Organization details	Our Business	04
2-2	Entities included in the organization's sustainability reporting	About this Report	02
2-3	Reporting period, frequency and contact point	About this Report	02
2-4	Restatement of information	N/A	
2-5	External assurance	N/A	
Activities and Workers			
2-6	Activities, value chain and other business relationships	Our Business	04
2-7	Employees	Protecting Employees' Rights and Interests Appendix 1: Key Performance Indicators	53 77-78
2-8	Workers who are not employees	Appendix 1: Key Performance Indicators	77

GRI Standards	Disclosure	Chapter	Page
Governance			
2-9	Governance structure and composition	ESG Governance Strengthening Corporate Governance	09 65-66
2-10	Nomination and selection of the highest governance body	Strengthening Corporate Governance	65-66
2-11	Chair of the highest governance body	ESG Governance Strengthening Corporate Governance	09 65-66
2-12	Role of the highest governance body in overseeing the management of impacts	ESG Governance Strengthening Corporate Governance	09-10 65-66
2-13	Delegation of responsibility for managing impacts	ESG Governance Strengthening Corporate Governance	09-10 65-66
2-14	Role of the highest governance body in sustainability reporting	ESG Governance Strengthening Corporate Governance	09-10 65-66
2-15	Conflict of interest	Strengthening Corporate Governance Implementing Responsible Marketing	65-66 48-49
2-16	Communication of critical concerns	ESG Governance	09-10

GRI Standards	Disclosure	Chapter	Page
2-17	Collective knowledge of the highest governance body	2024 Annual Report	
2-18	Evaluation of the performance of the highest governance body	2024 Annual Report	
2-19	Remuneration policies	Protecting Employees' Rights and Interests Strengthening Corporate Governance	53-55 65-66
2-20	Process to determine remuneration	Protecting Employees' Rights and Interests	53-55
2-21	Annual total compensation ratio	2024 Annual Report	
Strategy, Policies and Practice			
2-22	Statement on sustainable development strategy	Chairman's Message ESG Governance	03 09-16
2-23	Policy commitments	Protecting Employees' Rights and Interests Ensuring Compliance in Business Operation	53-55 68-69
2-24	Embedding policy commitments	Protecting Employees' Rights and Interests Ensuring Compliance in Business Operation	53-55 68-69
2-25	Processes to remediate negative impacts	Protecting Employees' Rights and Interests	53-55

GRI Standards	Disclosure	Chapter	Page
2-26	Mechanisms for seeking advice and raising concerns	Protecting Employees' Rights and Interest	53-55
2-27	Compliance with laws and regulations	No major violations occurred during the reporting period	
2-28	Membership associations	Fostering Innovation-Driven Development	18-19
Stakeholder Engagement			
2-29	Approach to stakeholder engagement	ESG Governance	09-10
2-30	Collective bargaining agreements	Protecting Employees' Rights and Interests	53

GRI 3: Material Topics 2021

GRI Standards	Disclosure	Chapter	Page
3-1	Process to determine material topics	ESG Governance	09-11
3-2	List of material topics	ESG Governance	11

Economic

GRI Standards	Disclosure	Chapter	Page
GRI 201: Economic Performance 2016			
3-3	Management of material topics	Our Business Protecting Employees' Rights and Interests	04 53-55

GRI Standards	Disclosure	Chapter	Page
201-1	Direct economic value generated and distributed	Our Business	04
		Protecting Employees' Rights and Interests	53-55
		Appendix 1: Key Performance Indicators	75-79
201-2	Financial implications and other risks and opportunities due to climate change	Climate Change Tackling	29
201-3	Defined benefit plan obligations and other retirement plans	Protecting Employees' Rights and Interests	53-55
201-4	Financial assistance received from government	Withheld due to commercial confidentiality restrictions	
GRI 202: Market Presence 2016			
3-3	Management of material topics	Our Business	04
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Withheld due to commercial confidentiality restrictions	
202-1	Proportion of senior management hired from the local community	Withheld due to commercial confidentiality restrictions	
GRI 203: Indirect Economic Impacts 2016			
3-3	Management of material topics	ESG Governance	09-11
		Improving Supply Chain Resilience	42
		Engaging in Inclusive Healthcare	47-48
		Supporting Charitable Contributions	49-51
		Driving Rural Revitalization	51

GRI Standards	Disclosure	Chapter	Page
203-1	Mechanisms for seeking advice and raising concerns	Improving Supply Chain Resilience	44
		Engaging in Inclusive Healthcare	47-48
		Supporting Charitable Contributions	49-51
		Driving Rural Revitalization	51
203-2	Significant indirect economic impacts	Ensuring Excellence in Product Quality	23-26
GRI 204: Procurement Practices 2016			
3-3	Management of material topics	Improving Supply Chain Management Enhancing Supplier Risk Management Improving Supply Chain Resilience Strengthening Supplier Capacity Building	42-45
GRI 205: Anti-corruption 2016			
3-3	Management of material topics	Ensuring Compliance in Business Operations	68-69
205-1	Operating sites that have undergone corruption risk assessment	Ensuring Compliance in Business Operations	68-69

GRI Standards	Disclosure	Chapter	Page
205-2	Communication and training about anti-corruption policies and procedures	Ensuring Compliance in Business Operations	68-69
205-3	Confirmed incidents of corruption and actions taken	Ensuring Compliance in Business Operations	68-69
GRI 206: Anti-competitive Behavior 2016			
3-3	Management of material topics	Implementing Responsible Marketing	48-49
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Implementing Responsible Marketing	48-49

Environmental

GRI Standards	Disclosure	Chapter	Page
GRI 301: Materials 2016			
3-3	Management of material topics	Environmental Compliance Management	29-38
301-1	Materials used by weight or volume	Appendix 1: Key Performance Indicators	76
301-2	Recycled input materials used	Environmental Compliance Management	29-38
301-3	Reclaimed products and their packaging materials	Environmental Compliance Management	36

GRI Standards	Disclosure	Chapter	Page
GRI 302: Energy 2016			
3-3	Management of material topics	Climate Change Tackling Environmental Compliance Management	29 29-38
302-1	Energy consumption within the organization	Appendix 1: Key Performance Indicators	75
302-2	Energy consumption outside the organization	The external energy statistics/estimation methods are being gradually improved, but withheld due to lack of/incomplete information	
302-3	Energy intensity	Appendix 1: Key Performance Indicators	75
302-4	Reduction of energy consumption	Climate Change Tackling Environmental Compliance Management Appendix 1: Key Performance Indicators	29 29-38 75
302-5	Reduction in energy requirements of products and services	The external energy statistics/estimation methods are being gradually improved, but withheld due to lack of/incomplete information	

GRI Standards	Disclosure	Chapter	Page
GRI 303: Water and Effluents 2018			
3-3	Management of material topics	Environmental Compliance Management	35-36
303-1	Interactions with water as a shared resource	Ensuring Compliance in Business Operations	35-36
303-2	Management of water discharge-related impacts	Ensuring Compliance in Business Operations	35-36
303-3	Water withdrawal	Appendix 1: Key Performance Indicators	76
303-4	Water discharge	Appendix 1: Key Performance Indicators	76
303-5	Water consumption	Appendix 1: Key Performance Indicators	76
GRI 305: Emissions 2016			
3-3	Management of material topics	Climate Change Tackling Environmental Compliance Management	29 37-38
305-1	Direct (Scope 1) GHG emissions	Appendix 1: Key Performance Indicators	75-76
305-2	Indirect (Scope 2) GHG emissions	Appendix 1: Key Performance Indicators	75-76

GRI Standards	Disclosure	Chapter	Page
305-3	Other indirect (scope 3) GHG emissions	The statistical / estimation methods of Scope 3 GHG emissions are being gradually improved, but withheld due to lack of/incomplete information.	
305-4	GHG emission intensity	Appendix 1: Key Performance Indicators	75-76
305-5	Reduction of GHG emissions	Climate Change Tackling	29
305-6	Emissions of ozone-depleting substances (ODS)	No ODS emission during operational and production activities	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	Appendix 1: Key Performance Indicators	75-76
GRI 306: Waste 2020			
3-3	Management of material topics	Environmental Compliance Management	37
306-1	Waste generation and significant waste-related impacts	Environmental Compliance Management	37
306-2	Management of significant waste-related impacts	Environmental Compliance Management	37
306-3	Waste generated	Appendix 1: Key Performance Indicators	76

GRI Standards	Disclosure	Chapter	Page
306-4	Waste diverted from disposal	Withheld due to lack of/incomplete information	
306-5	Waste directed to disposal	Appendix 1: Key Performance Indicators	76
GRI 308: Supplier Environmental Assessment 2016			
3-3	Management of material topics	Improving Supply Chain Management	42
		Enhancing Supplier Risk Management	43
308-1	New suppliers that were screened using environmental criteria	Withheld due to lack of/incomplete information	
308-2	Negative environmental impacts in the supply chain and actions taken	Improving Supply Chain Management	42
		Enhancing Supplier Risk Management	43

Social

GRI Standards	Disclosure	Chapter	Page
GRI 401: Employment 2016			
3-3	Management of material topics	Protecting Employees' Rights and Interests	53-55
401-1	New employee hires and employee turnover	Appendix 1: Key Performance Indicators	78

GRI Standards	Disclosure	Chapter	Page
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Protecting Employees' Rights and Interests	53-55
		Prioritizing Employee Care and Welfare	58
401-3	Parental leave	Prioritizing Employee Care and Welfare	58
GRI 403: Occupational Health and Safety 2018			
3-3	Management of material topics	Promoting Occupational Health and Safety	59-63
403-1	Occupational health and safety management system	Promoting Occupational Health and Safety	59
403-2	Hazard identification, risk assessment, and incident investigation	Promoting Occupational Health and Safety	59-63
403-3	Occupational health services	Promoting Occupational Health and Safety	63
403-4	Worker participation, consultation, and communication on occupational health and safety	Promoting Occupational Health and Safety	63
403-5	Worker training on occupational health and safety	Promoting Occupational Health and Safety	59-63
403-6	Promotion of worker health	Promoting Occupational Health and Safety	59-63

GRI Standards	Disclosure	Chapter	Page
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Promoting Occupational Health and Safety	59-63
403-8	Workers covered by an occupational health and safety management system	Promoting Occupational Health and Safety	59-63
403-9	Work-related injuries	Appendix 1: Key Performance Indicators	79
403-10	Work-related ill health	Promoting Occupational Health and Safety	63

GRI 404: Training and Education 2016

3-3	Management of material topics	Protecting Employees' Rights and Interests	53-55
404-1	Average hours of training per employee per year	Appendix 1: Key Performance Indicators	78
404-2	Programs for upgrading employee skills and transition assistance programs	Protecting Employees' Rights and Interests	53-55
404-3	Percentage of employees receiving regular performance and career development reviews	Appendix 1: Key Performance Indicators	79

GRI 405: Diversity and Equal Opportunity 2016

3-3	Management of material topics	Protecting Employees' Rights and Interests	53-55
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GRI Standards	Disclosure	Chapter	Page
405-1	Diversity of governance bodies and employees	Protecting Employees' Rights and Interests Appendix 1: Key Performance Indicators	53-55 77-78
405-2	Ratio of basic salary and remuneration of women to men	The Company upholds the principle of equal pay for equal work but withholds disclosure due to commercial confidentiality constraints.	

GRI 406: Anti-discrimination 2016

3-3	Management of material topics	Protecting Employees' Rights and Interests	53-54
406-1	Incidents of discrimination and corrective actions taken	Protecting Employees' Rights and Interests	53-54

GRI 407: Freedom of Association and Collective Bargaining 2016

3-3	Management of material topics	Protecting Employees' Rights and Interests	53-54
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Withheld due to lack of / incomplete information	

GRI 408: Child Labor 2016

3-3	Management of material topics	Protecting Employees' Rights and Interests	53
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GRI Standards	Disclosure	Chapter	Page
408-1	Operations and suppliers at significant risk for incidents of child labor	Protecting Employees' Rights and Interests	53
GRI 409: Forced or Compulsory Labor 2016			
3-3	Management of material topics	Protecting Employees' Rights and Interests	53
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Protecting Employees' Rights and Interests	53
GRI 413: Local Communities 2016			
3-3	Management of material topics	Engaging in Inclusive Healthcare	47-48
		Supporting Charitable Contributions	49-51
		Driving Rural Revitalization	51
413-1	Operations with local community engagement, impact assessments and development programs	Withheld due to lack of / incomplete information	
413-2	Operations with significant actual and potential negative impacts on local communities	Withheld due to non-appliance	
GRI 414: Supplier Social Assessment 2016			
3-3	Management of material topics	Improving Supply Chain Management	42
		Enhancing Supplier Risk Management	43

GRI Standards	Disclosure	Chapter	Page
414-1	New suppliers that were screened using social criteria	Improving Supply Chain Management	42
		Enhancing Supplier Risk Management	43
414-2	Negative social impacts in the supply chain and actions taken	Improving Supply Chain Management	42
		Enhancing Supplier Risk Management	43
GRI 416: Customer Health and Safety 2016			
3-3	Management of material topics	Ensuring Excellence in Product Quality	23-24
416-1	Assessment of the health and safety impacts of product and service categories	Ensuring Excellence in Product Quality	23-24
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No related incidents occurred during the Reporting Period	
GRI 417: Marketing and Labeling 2016			
3-3	Management of material topics	Implementing Responsible Marketing	48-49
417-1	Requirements for product and service information and labeling	Implementing Responsible Marketing	48-49
417-2	Incidents of non-compliance concerning product and service information and labeling	No related incidents occurred during the reporting period	

GRI Standards	Disclosure	Chapter	Page
417-3	Incidents of non-compliance concerning marketing communications	No related incidents occurred during the reporting period	
GRI 418: Customer Privacy 2016			
3-3	Management of material topics	Safeguarding Information Security	72-74
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No related incidents occurred during the reporting period	