

# 2025

**ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE REPORT**  
MEIHUA HOLDINGS GROUP CO., LTD.

# CONTENTS

01 About This Report

03 Message from Chairman

05 About Meihua Group

Company Profile

Honors and Awards in 2025

ESG Performance in 2025

11 Special Feature

Intelligent Innovation  
for Global Impact:  
Entering a New Era of  
Biomanufacturing

99 Shanghai Stock

Exchange ESG Indicator  
Index

100 ESG Data Sheets

## ESG Governance

13 Sustainable Development Strategy

15 Sustainable Development Management

16 Dual Materiality Assessment of Topics

19 Corporate Compliance Governance



## Healthy Action

23 Product and Service Safety and Quality

33 R&D and Innovation

38 Work Safety & Occupational Health and Safety



## Environmental Action

47 Environmental Management and Ecological Conservation

52 Water Resource Management

53 Circular Economy

54 Pollutant Management

58 Waste Management



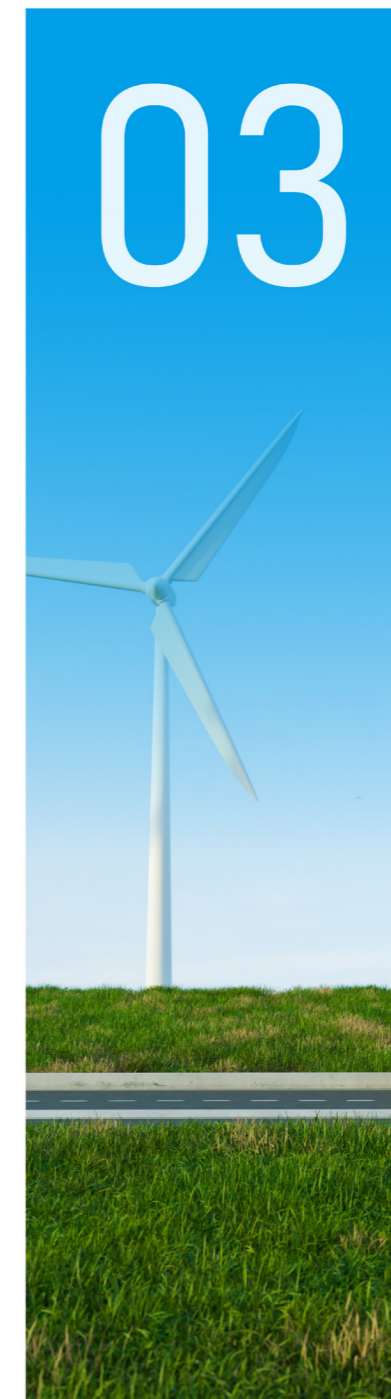
## Low Carbon Action

61 Climate Governance

63 Climate Strategy

67 Risk Management

68 Indicators and Targets



## Responsible Action

73 Business Ethics and Anti-corruption

77 Sustainable Supply Chain Management

82 Employee Management

96 Community Participation and Development



# About This Report

This is the fourth environmental, social, and governance (ESG) report (hereinafter referred to as "this Report") released by Meihua Holdings Group Co., Ltd., which provides a full disclosure of Meihua Group's ESG and sustainable development practices and performance in operations and development, environment, labor and community, value chain management, corporate governance, and other related fields, based on the principles of objectivity, standardization, transparency, and comprehensiveness.

## ◎ Preparation Basis

- *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)*
- *Guidelines No. 4 of the Shanghai Stock Exchange for Self-Regulation of Listed Companies—Preparation of Sustainability Report (Revised in January 2026)*
- *Sustainability Reporting Standards ("GRI Standards") Issued by the Global Sustainability Standards Boards (GSSB)*
- *Enterprise Sustainability Disclosure Standards—Basic Standards (for Trial Implementation)*
- *Enterprise Sustainability Disclosure Standards No. 1—Climate (for Trial Implementation)*
- *International Financial Reporting Standards for Sustainability Disclosure No. 2—Climate-related Disclosures*
- *The Guide for Business Action on the Sustainable Development Goals (SDGs) issued by the United Nations*

## ◎ Reporting Frequency

This Report is released once a year, consistent with the reporting frequency of annual report.

## ◎ Reporting Scope

This Report covers Meihua Holdings Group Co., Ltd. and all its subsidiaries, excluding Plum Biotechnology Group Pte.Ltd..

## ◎ Data Sources

The key financial data in this Report is derived from 2025 Annual Report of Meihua Holdings Group Co., Ltd.. Other data is sourced from internal formal documents, audit reports, and other relevant materials of the Company. Unless otherwise specified, all currencies in this Report are expressed in RMB. The photos used in this Report have been authorized.

## ◎ Title Description

For the convenience of presentation and reading, "Meihua Group", "the Company", and "we" used herein refer to "Meihua Holdings Group Co.Ltd.", and "Group Company" used to refer to the management center of the parent company, and "Tongliao Base," "Xinjiang Base," and "Jilin Base" used to refer to "production base in Tongliao City, Inner Mongolia Autonomous Region, composed of Tongliao Meihua, Tongliao Jianlong, etc." "production bases such as Xinjiang Meihua and Wujiaqu Jianlong, located within the Wujiaqu Industrial Park in the Xinjiang Uygur Autonomous Region" "Jilin Meihua production base, situated in Baicheng, Jilin Province".

## ◎ Report Format

This Report is published in electronic format, and you can browse and download its electronic versions in Chinese and English at the following websites:

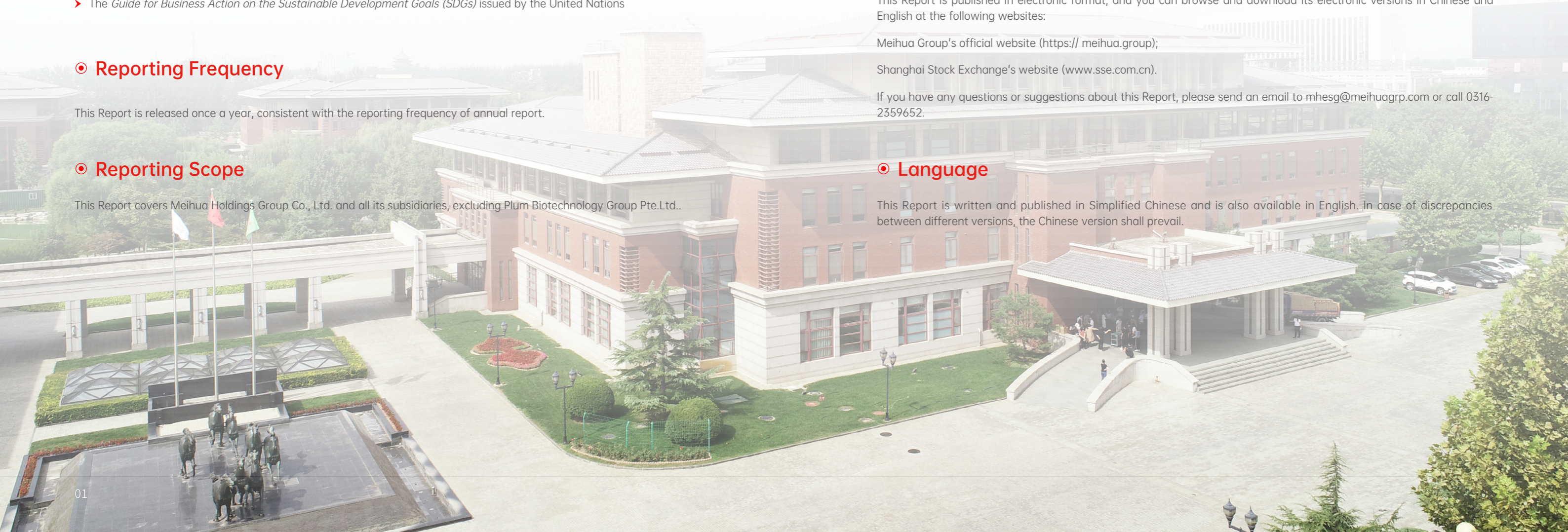
Meihua Group's official website (<https://meihua.group>);

Shanghai Stock Exchange's website ([www.sse.com.cn](http://www.sse.com.cn)).

If you have any questions or suggestions about this Report, please send an email to [mhesg@meihuagrp.com](mailto:mhesg@meihuagrp.com) or call 0316-2359652.

## ◎ Language

This Report is written and published in Simplified Chinese and is also available in English. In case of discrepancies between different versions, the Chinese version shall prevail.



# Message from Chairman

Dear Partners, Investors, Colleagues, and Friends from All Sectors of Society,

Today, the bio-manufacturing industry stands at a critical juncture, transitioning from a petrochemical-based economy toward a green bio-economy. Synthetic biology, as the core driver of this industrial transformation, envisions a future where "synthetic biology creates everything," outlining a new blueprint for high-quality industrial development. This vision not only charts the course for Meihua Group's journey but also infuses it with momentum.

For over two decades, Meihua Group has been deeply rooted in the amino acid sector. From establishing itself as a global leader in amino acid production to proactively entering and deepening its presence in the field of synthetic biology, becoming a pioneering practitioner in the industry, we have always held firm to one belief: the growth of an enterprise is never a solitary race, but a long-term practice of coexisting with the environment, advancing alongside society, and progressing with the industry. At the heart of this practice is our unwavering "Nourishing the Future—GROWTH" strategy—rooted in synthetic biotechnology and driven by a sense of responsibility, to nourish both people and the planet, and achieve a harmonious future for all. This is not only the original intent behind our commitment to ESG principles but also the foundation that empowers us to navigate industry cycles and achieve sustainable, long-term development.

Over the years, Meihua Group has consistently integrated ESG principles into every aspect of technological

innovation, production, and social responsibility, turning each commitment of "Nourishing the Future" into tangible action.

**"Driven by technological innovation, we strengthen the core momentum for green development."**

We persistently engineer microorganisms with a focus on "low-carbon, high-efficiency, renewable, and low-pollution" principles. From small laboratory shake flasks to industrial fermenters with capacities of hundreds of thousands of liters, we continuously optimize fermentation processes and develop low-consumption, high-efficiency extraction technologies. By overcoming one technical challenge after another, we maintain industry leadership in the large-scale production efficiency of core products like amino acids, ensuring synthetic biology technologies take root and translate into tangible green productivity.

**"Guided by green production, we uphold the principle of ecological priority."**

Green practices are our standard in production, with environmental stewardship embedded throughout the entire process. Meihua Group has incorporated the vision of carbon neutrality into its long-term development strategy, setting clear climate targets: using 2025 as the baseline, we aim to reduce the revenue intensity of Scope 1 and Scope 2 greenhouse gas emissions by 17% by 2030 and achieve carbon neutrality by 2060. We embed green principles across the entire industry chain, systematically reducing our environmental footprint by optimizing our energy mix, enhancing resource efficiency, and increasing investments in clean technologies and the

circular economy. Our goal is not merely compliance but to lead the industry in exploring and implementing low-carbon pathways for synthetic biology manufacturing, contributing the "Meihua Solution" to the global response to climate change.

**"Grounded in compliant governance, we uphold the baseline for responsible development."**

Rooted in responsibility, we grow and thrive together with society, ensuring the warmth of "Nourishing the Future" reaches every corner. In corporate governance, we continuously refine our ESG governance structure to ensure sustainability topics are systematically integrated into strategic decision-making and risk management. We adhere strictly to business ethics and compliance standards, fostering long-term, trust-based partnerships with all stakeholders through transparent and efficient communication mechanisms, laying a solid foundation for the company's sustainable operation.

**"Committed to social contribution, we convey the warmth of corporate responsibility."**

We actively engage in public welfare initiatives, including rural revitalization, educational support, and disaster relief. In 2025, our total social donations amounted to 3.9011 million yuan, reflecting our tangible commitment to corporate warmth and responsibility. We are advancing the development of a sustainable supply chain, providing ESG management training and risk remediation for suppliers, and extending responsible practices across the industry chain. Together with our partners, we strive to create shared value and achievements. Moving

forward, we will build on this foundation, deepening our "Nourishing the Future" sustainability strategy with more robust ESG practices to generate lasting value for society and the environment.

Every living thing grows with its own strength; with hearts set on the future, our steps never cease. On behalf of Meihua Group, I express our commitment to using synthetic biology as a bridge to walk hand in hand with our industry chain partners and all sectors of society. We will transform every ESG commitment into quantifiable, traceable, and verifiable actions, contributing our full strength to building a green, low-carbon bio-economy and achieving a better future for all.

Meihua Holdings Group Co., Ltd.

Chairman: Wang Aijun

April 21, 2026



# About Meihua Group

## Company Profile

As a global leader in the amino acid industry, Meihua Group is rooted in synthetic biotechnology. It continues to deepen innovation across the entire amino acid value chain, drives industrial upgrading through forward-looking technological strategies, and has established a world-class, high-end industrial platform covering the full lifecycle of R&D, production, and commercialization. The Company has evolved into a leading enterprise in the global amino acid nutrition solutions sector. Aiming to become a leading enterprise in synthetic biology, the Company has continuously improved its product portfolio and business layout since its establishment, forming a diversified industrial structure covering animal nutrition amino acids (lysine, threonine, valine, etc.), food umami enhancers (monosodium glutamate, disodium nucleotide, etc.), human nutrition and medical amino acids (glutamine, proline, arginine, histidine, etc.), colloidal polysaccharides (xanthan gum, trehalose), and corn processing by-products (corn germ, protein meal, etc.).

The Company implements an integrated R&D, production and sales business model. After more than 20 years of continuous accumulation and technological iteration, the company has forged a full industrial chain covering upstream and downstream sectors, supported by advanced supporting facilities. At present, the company has established a mature industrial foundation and operating system in the amino acid field, and is among the world's largest amino acid manufacturers in terms of both output and product categories. The company can provide differentiated and stable product supply to meet the needs of customers in different regions.

Looking ahead, adhering to the strategy of "Single Focus, Dual Drives, Three Persistences", Meihua Group will focus on the high-quality development of its core business, synergistically improve operational efficiency through technological advancement and management enhancement, and uphold the development philosophies of value co-creation, customer-centricity and integrity-based operations, thereby steadily moving toward its goal of becoming a leading enterprise in synthetic biology.



### Single Focus

We aim at achieving high-quality growth in our core business and becoming a leader in bioeconomy



### Dual Drives

We are driven by technological innovation and outstanding management



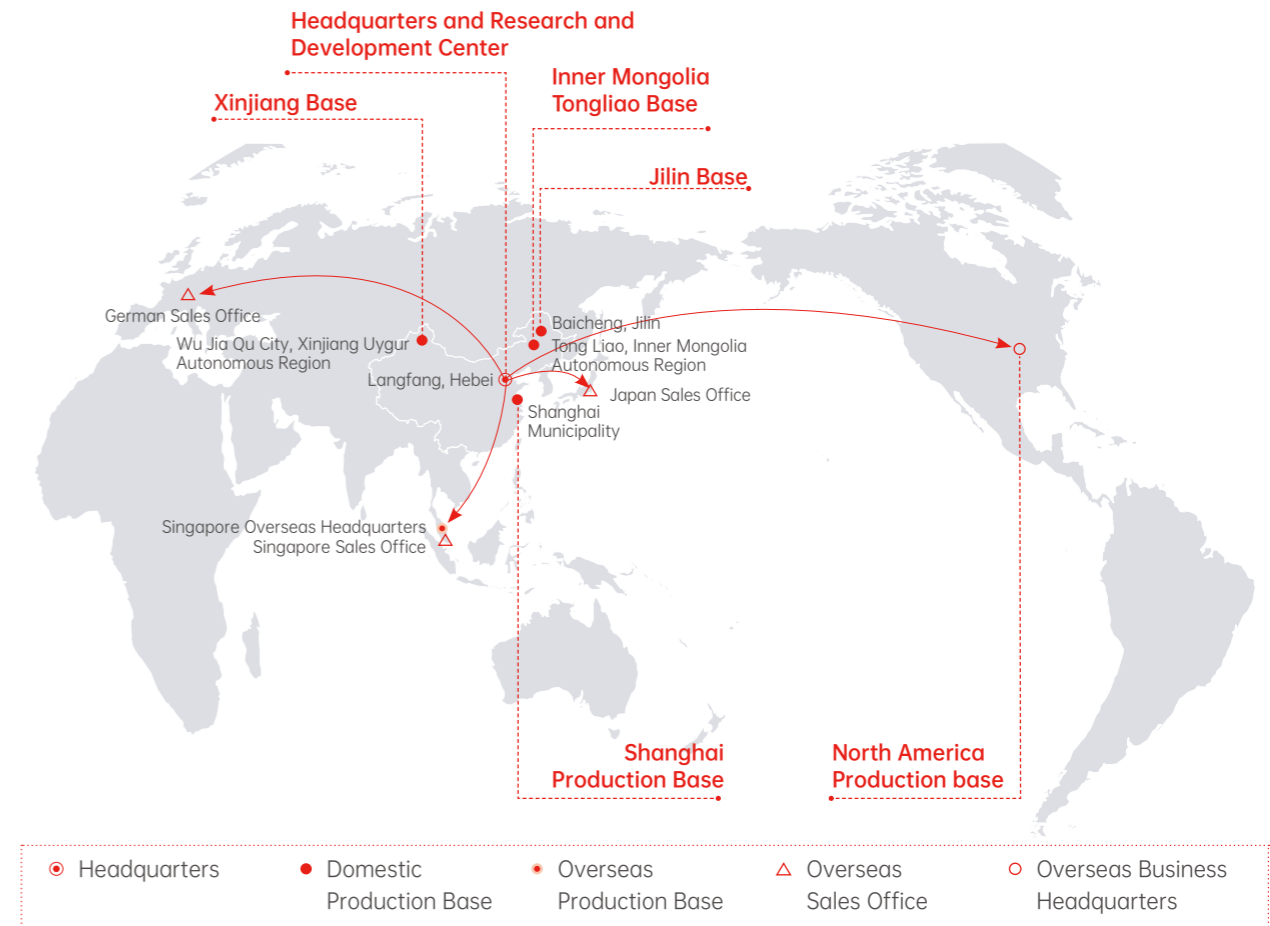
### Three Persistences

We uphold the principles of co-creation, customer-centeredness, and integrity

In terms of business layout, the Company has established Langfang and Shanghai as its R&D and innovation hubs. It relies on three major production bases in Tongliao, Xinjiang, and Jilin, while also expanding with new production facilities in Shanghai, North America, etc. Additionally, the Company has set up overseas sales offices in Germany, Japan, and Singapore, selling its products to over 150 countries. This structure forms a comprehensive industrial chain system that integrates R&D, production, and sales.

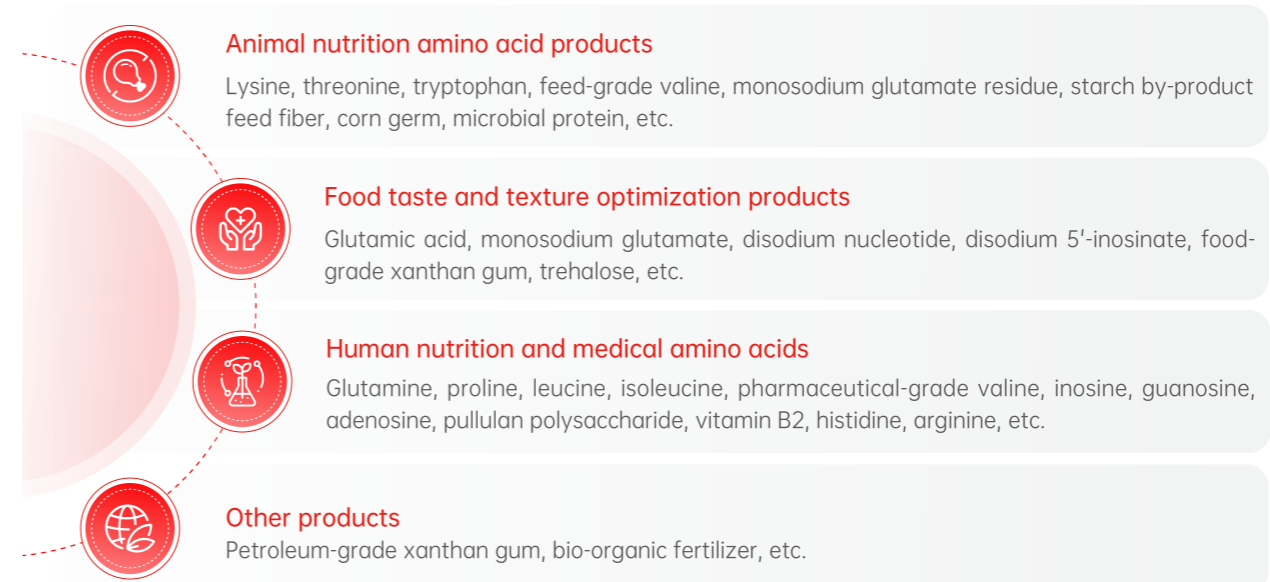


## Business Layout of Meihua Group



The Company's core competence runs through key processes including strain design and construction, fermentation production, separation and extraction, and product moulding, forming a highly efficient and coordinated production closed-loop system. The production capacity and technical level of core products such as lysine, threonine, monosodium glutamate, xanthan gum, and human nutrition and medical amino acids rank among the top in the global industry, demonstrating the Company's comprehensive strength and market competitiveness in the field of amino acids.

### Key Products



## Corporate Culture



### Strategic Goal

Focused on becoming a world leading enterprise in synthetic biology



### Business Philosophy

Full staff management, creation and sharing



### Core Values

Our success thrives on integrity, diligence, honesty, and harmony

## Honors and Awards in 2025

2024 Outstanding Charitable Contributor



Jilin Meihua

National Key Agricultural Industrialization Leading Enterprise



Jilin Meihua

2024 Charitable Enterprise for Disability Support



Xinjiang Meihua

No. 30 of the Top 100 Privately-owned Companies in Inner Mongolia



Tongliao Meihua

Jilin Province Science and Technology Innovation Center for Amino Acid Production Technology and Industrialization



Jilin Meihua

Jilin Provincial Intelligent Factory



Jilin Meihua

No. 21 of the Top 50 Privately-owned Manufacturing Companies in Inner Mongolia



Tongliao Meihua

National Key Agricultural Industrialization Leading Enterprise



Tongliao Meihua

Strategic Partner



Jilin Meihua

National Benchmark Enterprise for Energy Conservation and Environmental Protection in the Bio-fermentation Industry



Xinjiang Meihua

## ESG Performance in 2025

### ESG governance

Taking the lead in initiating the development of the *ESG Evaluation Guidelines for Chinese Bio-fermentation Enterprises* and the *ESG Disclosure Guidelines for Chinese Bio-fermentation Enterprises* launched by the *China Biotech Fermentation Industry Association*, participating in the development of the *Requirements for Greenhouse Gas Emissions Accounting and Reporting – Part X: Bio-fermentation Enterprises* also initiated by the *China Biotech Fermentation Industry Association*.

During the reporting period, the Tongliao Meihua and the Jilin Meihua have passed SA8000 certification, while the Tongliao Meihua, Jilin Meihua, and Xinjiang Meihua have passed SMETA certification.

### The health action route

The finished product qualification rate is **100%**, and the core product quality certification coverage is **100%**

The R&D investment is RMB **724** million, accounting for **2.99%** of income from primary business

The proportion of R&D personnel to the total number of employees of the Company is **3.34%**

The coverage of ISO 45001 Occupational Health and Safety Management System Certification reaches **100%**

The customer satisfaction score is **91.3**

The number of valid invention patents is **163**

The coverage of safety training reaches **100%**

### The green action route

The investment in environmental protection is RMB **54,351,200** yuan<sup>1</sup>

The coverage of ISO 14001 Environmental Management System Certification reaches **100%**

The number of environmental violations is **0**

The number of water-related violations is **0**

As of the end of 2024, the total weight of all types of packaging materials reduced by **27** tons

<sup>1</sup>The discrepancy compared to 2024 data is due to significant investments in new equipment purchased in 2024, which continued to be utilized in 2025, resulting in higher capital expenditure in 2024.

### The low-carbon action route

Through the implementation of a series of energy-saving technological upgrades and optimization measures, we achieved a cumulative annual carbon reduction of **15,911.49** tons of CO<sub>2</sub> equivalent.

Completed the first climate scenario analysis and disclosed the TCFD report

Revised and improved the *Management Measures for Addressing Climate Change and Sustainable Development*

### The responsibility action route

The proportion of female senior executives is **23.08%**

The overall employee satisfaction score is **3.9** (full score is 5 points)

The average training hours per employee are **225.32**, and the training ratio of employees is **98.39%**

The number of suppliers participating in ESG management training is **153** companies, with total training hours exceeding **153** hours

The percentage of high-risk suppliers implementing corrective actions or improvement plans is **100%**

The number of people reached by rural revitalization reaches **2,120**

The total social donations amounted to RMB **3,901,100**

## Results of ESG Rating



## Global Expansion: Unlocking New Market Frontiers

Building on profound expertise in synthetic biology and bio-fermentation, Meihua Group is guided by global nutritional and health needs, continuously refining its international industrial chain layout, advancing overseas cooperation, production capacity synergy, and market channel sharing. In response to the shared global demand for green development, we are committed to building a sustainable global operation system, fulfilling corporate social responsibilities while deepening mutually beneficial partnerships with global collaborators. In 2025, the Company added pharmaceutical amino acid production bases in Shanghai and North America, strengthening its global production footprint and consolidating Meihua Group's core competitiveness and industry influence in the global market.

### Cross-Border Acquisition of Kyowa Hakko's Amino Acid Business

On July 1, 2025, Meihua Group announced the completion of the cross-border acquisition of the amino acid business of Japan's Kyowa Hakko Bio Co., Ltd.. This acquisition has successfully added high-value-added amino acid product lines such as arginine, histidine, tryptophan, serine, ornithine, and citrulline to Meihua Group's portfolio, along with the core strain platform of the acquired business. The move further enriches the Company's comprehensive product matrix, spanning from feed-grade and food-grade to pharmaceutical-grade segments, and marks a new step forward for China's bio-manufacturing enterprises in the global amino acid industry chain.

### Participation in VIV Asia Exhibition

In March 2025, Meihua Group showcased its animal nutrition and bulk raw material product lines at the VIV Asia exhibition in Bangkok, Thailand, engaging in discussions with over 100 customers from more than 30 countries. During the event, the Company deepened connections with customers across Europe, Asia, and the Middle East, exchanging insights on market trends and brand advantages. This participation enhanced Meihua Group's global brand influence in the livestock industry, providing a critical opportunity to expand its international market presence for amino acid and feed raw material products.



## Innovation Leadership: Strengthening the Foundations of Biomanufacturing Technology

### ◎ R&D and Innovation Planning

Meihua Group has built a globally leading amino acid research platform through cumulative R&D investments over the past decade. Its R&D strategy is centered on green, efficient, and precise innovation: leveraging synthetic biology technologies to utilize renewable resources for green manufacturing, reducing environmental impact; enhancing raw material conversion rates through engineered microbial strains to achieve energy conservation, emission reduction, and byproduct minimization; and developing novel materials and products via targeted design and precise regulation capabilities to strengthen its core competitiveness in biomanufacturing. This strategic framework aims to transform technological advantages into sustainable industrial value, supporting the Company's long-term high-quality development.

### ◎ Construction of R&D and Innovation Platform

Meihua Group continues to improve the development of its scientific and technological innovation platform system. The Company closely aligns with the technological upgrading needs of the global amino acid industry, actively seizes opportunities presented by the national layout of scientific and technological innovation platforms, and advances the construction of its technology centers. By deepening industry-university-research collaboration and fostering synergistic innovation mechanisms across the industrial chain, Meihua Group effectively integrates internal and external advantageous resources in key technological areas such as amino acid engineering, thereby enhancing the synergy between R&D and industrial application.

#### ► Meihua Group Technology Centers

- Hebei Provincial Enterprise Technology Center
- Hebei Provincial Amino Acid Engineering Technology Research Center
- National Amino Acid Industry Testing and Analysis Center (Langfang)
- National Enterprise Technology Center (Tongliao Meihua Technology Center)

### ◎ Achievements in R&D and Innovation

Meihua Group continues to increase R&D investment to bridge the critical gap between laboratory research and industrial application. By improving the "basic research – pilot-scale validation – industrial transformation" three-tier innovation system, it has significantly enhanced the efficiency of technology commercialization, providing robust support for high-quality manufacturing of amino acids and derivatives.

### Jilin Pilot-scale R&D Platform Construction

In the first half of 2025, Meihua Group continued to increase R&D investment, focusing on the construction of a synthetic biology technology platform and the iterative optimization of microbial strains to advance the industrialization of related technologies. The Company established and put into operation the Jilin Pilot R&D Platform, which meets the scale-up needs of processes for various products such as amino acids and polysaccharides. This platform strengthens the Company's ability to transition laboratory achievements to large-scale production, providing essential support for continuously improving the efficiency of bio-manufacturing and enhancing product competitiveness.

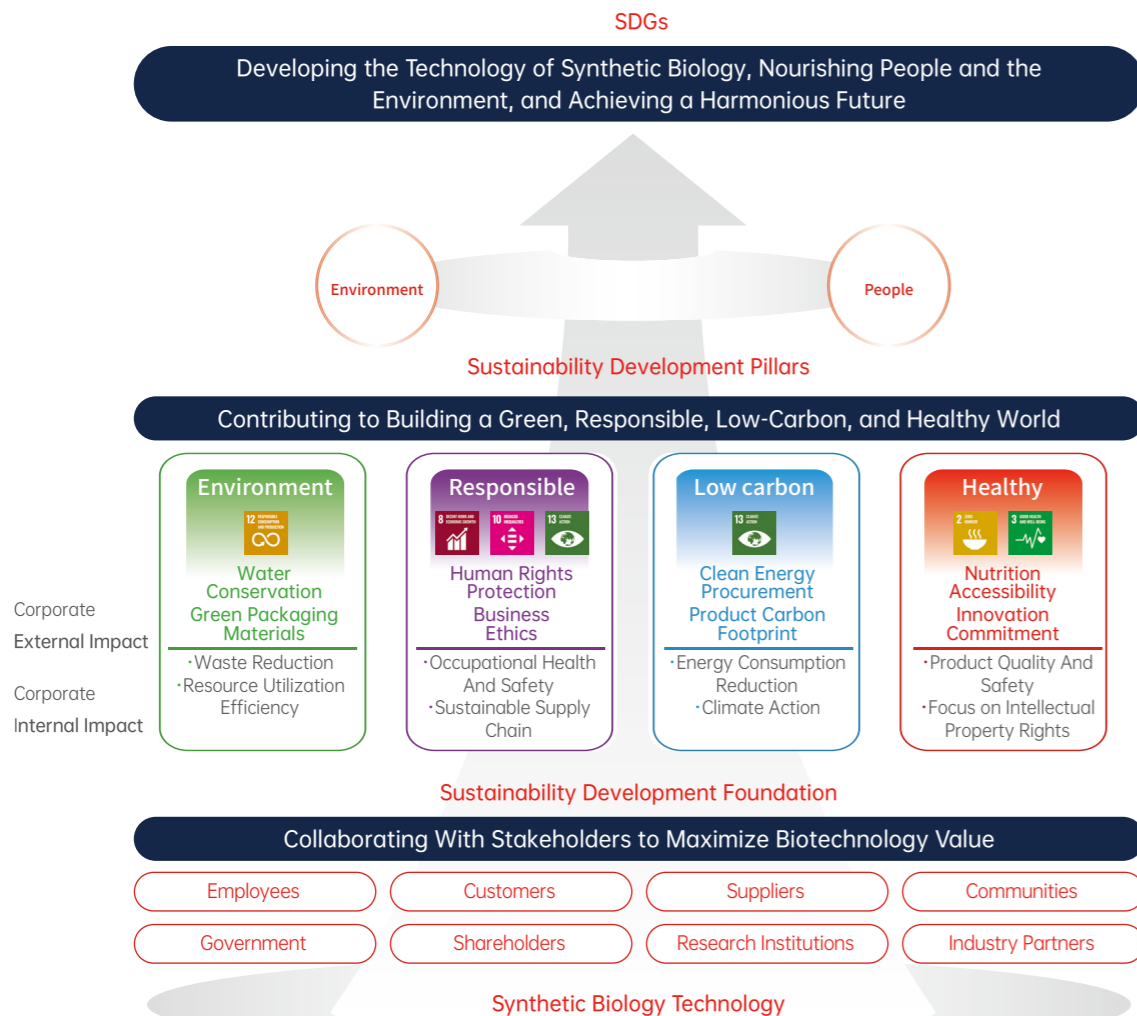
# ESG Governance

Meihua Group positions its "Nourishing the Future GROWTH" sustainability strategy as the core driver for high-quality development, encompassing sustainability foundations, objectives and pillars. It has established a clear, responsibility-defined ESG governance structure, with the Board of Directors overseeing strategic top-level design, while the Group Company and its subsidiaries collaborate to implement specific actions. This ensures sustainability principles are systematically integrated into corporate governance and operational processes, providing institutional safeguards for long-term value creation.

## Sustainable Development Strategy

Meihua Group combines the beautiful vision of "focusing on biotechnology and creating a better future" with the concept of sustainable development and sustainability principles to build the "Nourishing the Future GROWTH" sustainability strategy. Centered on the goal of "developing the technology of synthetic biology, nourishing people and the environment, and achieving a harmonious future", the strategy is supported by four pillars: Green, Responsible, Low-Carbon, and Healthy. This framework fully integrates all sustainability development topics of concern to the Company's stakeholders and society.

Meihua Group's Sustainable Development Strategy Structure



## Sustainable Development Foundation

Meihua Group deeply recognizes that sustainable development requires joint efforts with all stakeholders. We aspire to convey the concept of sustainability to everyone through our sustainable practices.

Meihua Group focuses on being the world's leading amino acid enterprise, and actively integrates ESG into the Company's development strategy. We take into account the sustainable development of society and environment while pursuing business development. We continuously optimize and improve our ESG management system, and actively listen to and respond to stakeholders' opinions and needs. We are dedicated to mitigating the impact on the environment and society in the process of bio-fermentation and bio-pharmaceutical business and striving for the long-term sustainable development of the Company.

## Sustainable Development Goals

We obtain resources we need from nature. By utilizing the synthetic biotechnology, we produce all kinds of amino acid products to ensure people's healthy lives and promote human's sustainable development. It allows each of us to care about and improve the environment, achieving harmonious co-existence.

## Sustainable Development Pillars

On the path of achieving a harmonious future for both people and the environment, we need to take specific and effective actions to ensure the realization of Meihua Group's ultimate goal. In addition, we focus on both the internal and external perspectives of the Company. Starting from ourselves, we do our best to pursue higher action results, extend to our external world through the value chain, and promote the sustainable development of industry and society through cooperation to achieve the best action results.

The Four Sustainability Pillars

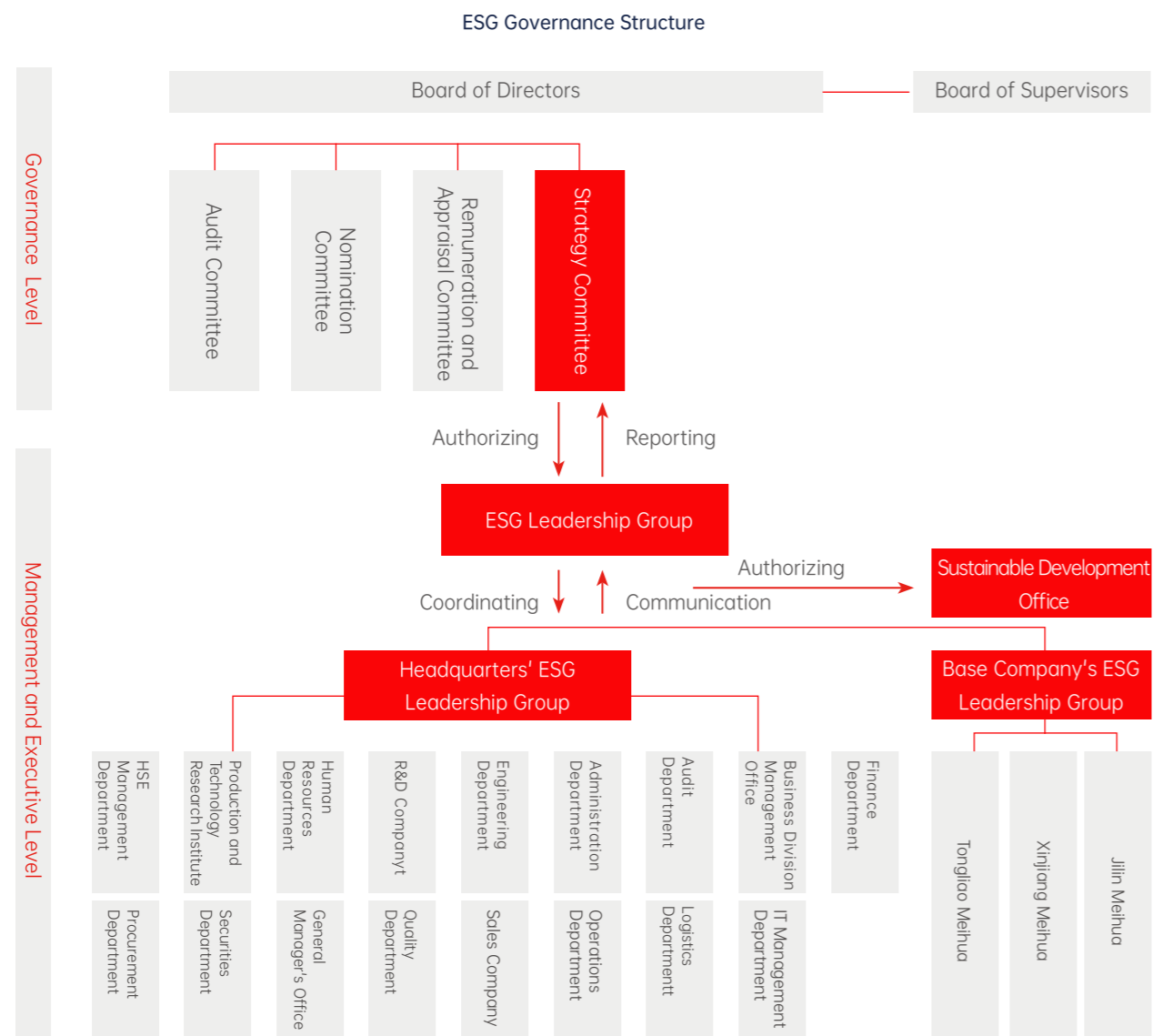


# Sustainable Development Management

## ESG Governance System

Meihua Group views ESG management as a critical driver for sustainable development and continuously optimizes its ESG governance system in accordance with the *Environmental, Social, and Governance (ESG) Rules of Meihua Holdings Group Co., Ltd.*

Meihua Group's ESG governance structure positions the Board of Directors as the highest decision-making and supervisory body, fully leading ESG strategic planning to ensure alignment with long-term corporate development goals. The Board authorizes the Strategy Committee to conduct regular monitoring of ESG strategy implementation progress, target achievement, and supporting policies, with periodic reporting to the Board to inform strategic decisions. At the Management and Execution level, the Company and its subsidiaries have established ESG Leadership Groups to coordinate the formulation and implementation of ESG-related initiatives. Day-to-day management and coordination are handled by the Sustainable Development Office, while designated ESG liaisons in functional departments and subsidiaries oversee the execution of ESG tasks and information reporting.



## 2025 Key Sustainability Special Projects

### Climate-related Financial Disclosures (TCFD)

- Implement the TCFD framework, establish mechanisms for climate risk identification and quantitative analysis, set emission reduction targets and implementation pathways for key areas, and advance precise carbon footprint accounting.

### Supply Chain ESG Management

- Establish a supplier ESG performance evaluation system, conduct ESG risk screening and tiered management, and strengthen supply chain compliance and resilience.

To ensure effective implementation of these special projects, the Company aligns project requirements with the functional responsibilities of business units. By refining internal management systems, enhancing cross-departmental collaboration, and conducting targeted training, the Company transforms project outcomes into actionable business guidelines. Additionally, it continues to strengthen information disclosure by publicly reporting project progress and actively participating in industry exchanges to incorporate external best practices for optimizing internal governance structures. This creates a closed-loop management system spanning strategy formulation, project execution, and performance evaluation, elevating overall ESG governance standards.

During the reporting period, the Tongliao Meihua and the Jilin Meihua have **passed SA 8000** certification, while the Tongliao Meihua, Jilin Meihua, and Xinjiang Meihua have **passed SMETA** certification.



The SA8000 Certification of the Jilin Meihua

## Dual Materiality Assessment of Topics

### Communication with Stakeholders

Meihua Group places great importance on interactions with both internal and external stakeholders, consistently adopting proactive listening and two-way communication to promptly capture concerns and expectations regarding the Company's sustainable development. The Company is committed to establishing routine and diversified communication channels, treating stakeholder feedback as a key basis for evaluating the effectiveness of its ESG initiatives and dynamically adjusting its development strategies. This ensures that the Company not only complies with regulatory requirements but also effectively responds to stakeholder expectations, achieving coordinated and sustainable growth.

Expectations and Requirements, and Communication and Response Methods of Stakeholders

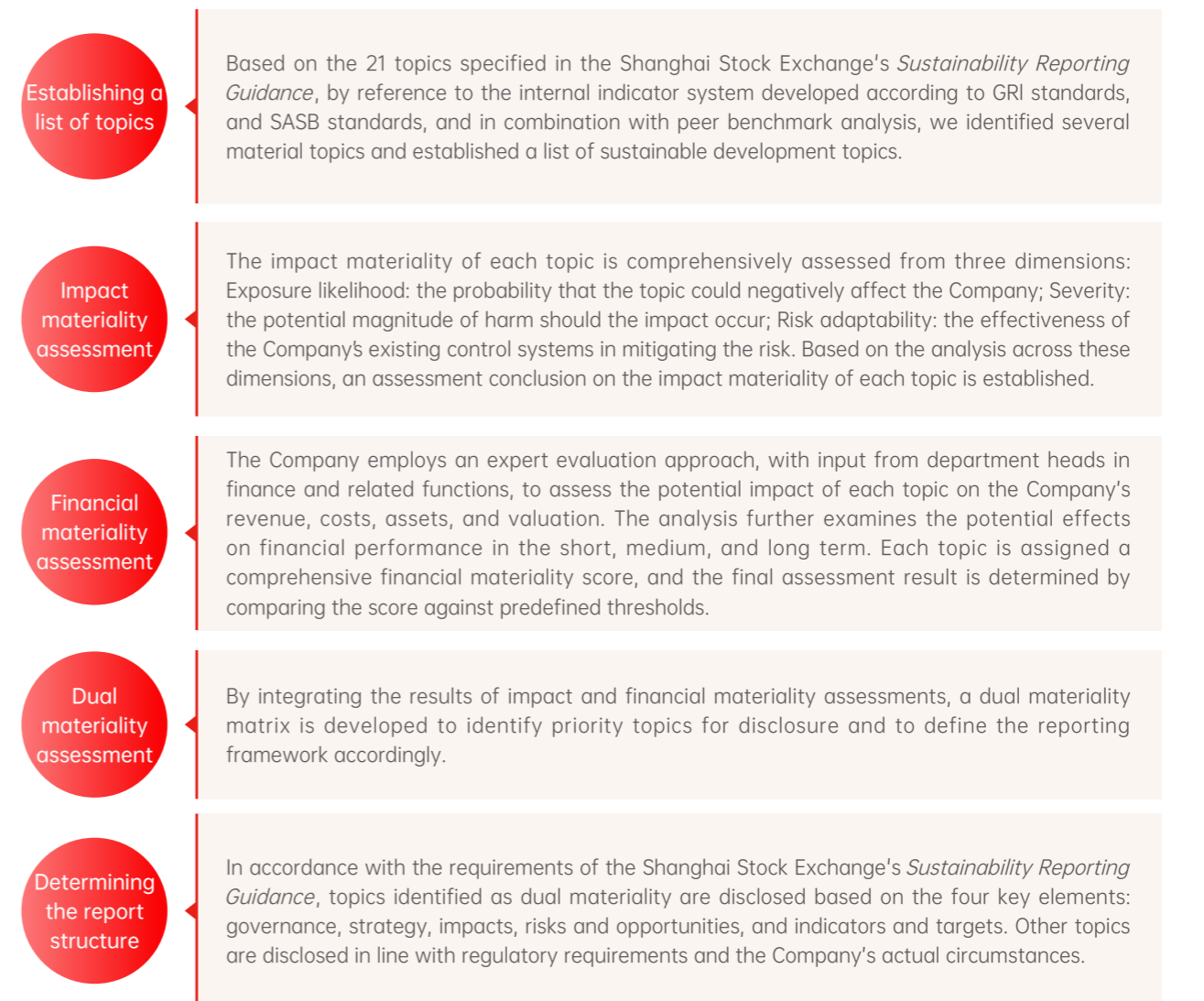
Stakeholders	Expectations and Requirements	Communication and Response Methods
 <p>Shareholders and investors</p>	<ul style="list-style-type: none"> <li>Returns and growth</li> <li>Risk control</li> <li>Corporate governance</li> <li>Regularly disclose business information</li> <li>General Meeting of Shareholders</li> <li>Report and announcement</li> <li>Return to shareholders positively</li> </ul>	<ul style="list-style-type: none"> <li>General Meeting of Shareholders</li> <li>Briefing</li> <li>Media communication</li> <li>Internal communication</li> <li>Mail</li> <li>Official website</li> <li>Annual report</li> <li>SSE e-interaction</li> </ul>
 <p>Employees</p>	<ul style="list-style-type: none"> <li>Wages and benefits</li> <li>Health and safety</li> <li>Smooth communication</li> <li>Fair promotion and development opportunities</li> <li>Pay wages on time</li> <li>Pay social security contribution</li> <li>Establish an OHS management system</li> <li>Improve career development channels</li> <li>Organize employee training</li> </ul>	<ul style="list-style-type: none"> <li>Questionnaire</li> <li>Workers' Congress</li> <li>Staff's sports and culture activities</li> </ul>
 <p>Customers</p>	<ul style="list-style-type: none"> <li>High-quality products</li> <li>Satisfying customer experience</li> <li>Protect legitimate rights and interests</li> <li>Requirement/Satisfaction survey</li> <li>Customer complaint handling</li> <li>Annual review and assessment</li> </ul>	<ul style="list-style-type: none"> <li>Customer survey</li> <li>Customer service</li> <li>Customer satisfaction management</li> <li>Official website</li> <li>Social media</li> </ul>
 <p>Suppliers, contractors and partners</p>	<ul style="list-style-type: none"> <li>Honor commitments</li> <li>Industry cooperation</li> <li>Open, fair, and impartial procurement</li> <li>Fulfill contract according to law</li> <li>Public bidding</li> <li>Carry out project cooperation</li> <li>Drive the healthy development of the industry</li> </ul>	<ul style="list-style-type: none"> <li>Exchanges and visits</li> <li>Information disclosure</li> </ul>
 <p>Community and the public</p>	<ul style="list-style-type: none"> <li>Support social development</li> <li>Care about vulnerable groups</li> <li>Health culture</li> <li>Energy conservation and emission reduction</li> <li>Public welfare and charity</li> <li>Green production</li> <li>Green building</li> <li>Green materials</li> </ul>	<ul style="list-style-type: none"> <li>Exchanges and visits</li> <li>Information disclosure</li> </ul>
 <p>Media</p>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Pollutant discharge</li> <li>Media project survey</li> </ul>	<ul style="list-style-type: none"> <li>Information disclosure</li> <li>News platform</li> <li>Compliance platform</li> <li>Webinar</li> </ul>

Materiality Analysis of Topics

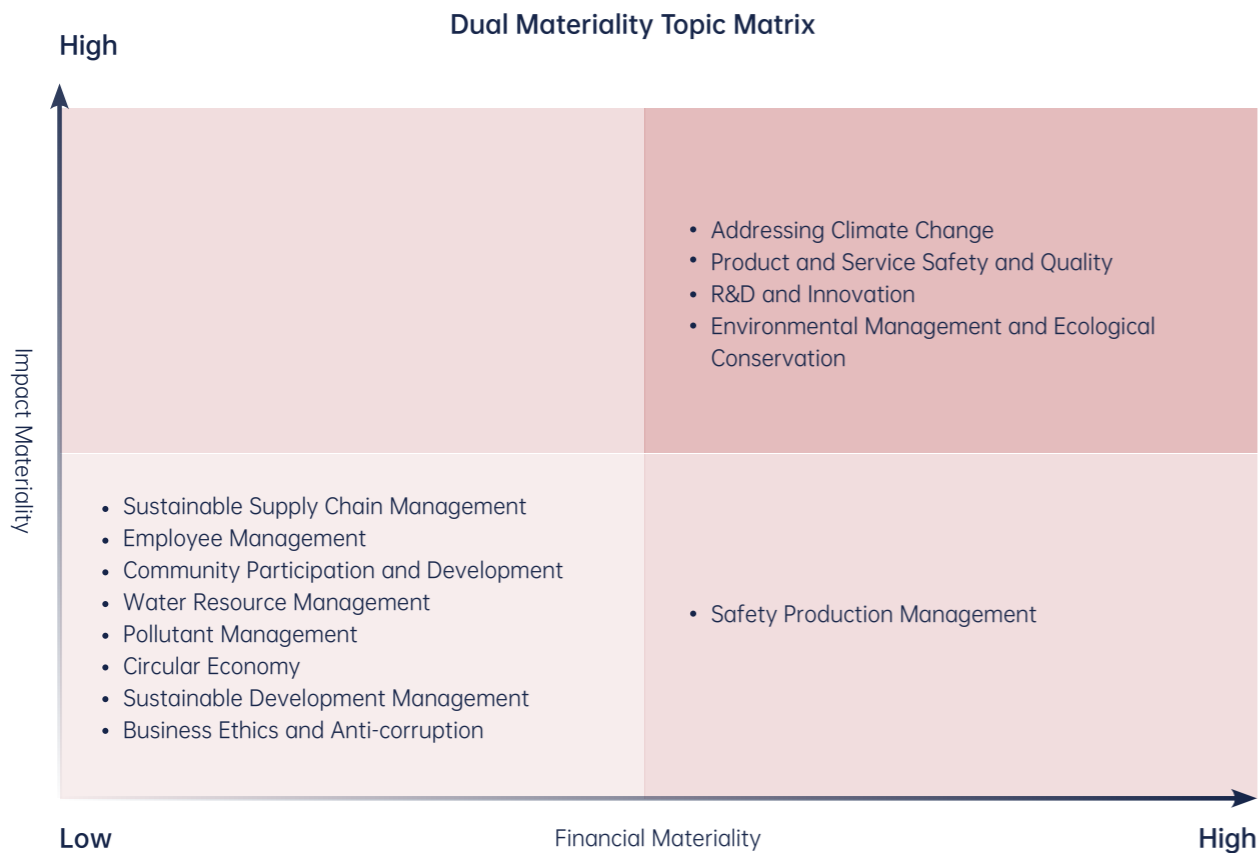
During the reporting period, Meihua Group conducted a dual materiality assessment on ESG topics based on its business operations and sustainable development strategy. The assessment systematically identified and evaluated the materiality of ESG-related topics from two dimensions: impact materiality (the extent to which a Company's performance on a given topic significantly affects economic, social, and environmental outcomes) and financial materiality (the degree to which each topic significantly impacts the Company's business model, operations, strategic direction, financial condition, operating results, cash flows, financing methods, and costs in the short, medium, and long term).

The Company ranks the impact materiality of each topic is from three dimensions: exposure likelihood, severity and risk adaptability. Meanwhile, the potential impact of each topic on the Company's revenue, costs, assets, and valuation was assessed to determine financial materiality, which informed the financial materiality ranking. Ultimately, the dual materiality ranking of ESG topics was established and visualized in a matrix.

Dual Materiality Assessment Process



This year, Meihua Group identified 13 topics. Among them, Addressing Climate Change, Product and Service Safety and Quality, R&D and Innovation, Safety Production Management, Environmental Management and Ecological Conservation are classified as high financial materiality topics. These are disclosed in the following sections in accordance with the "four pillars" framework.



## Corporate Compliance Governance

Meihua Group has continuously optimized its corporate governance system in strict accordance with 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, and relevant laws and regulations. The Company has formulated the General Meeting of Shareholders Rules of Procedure, and the Board of Directors Rules of Procedure, defining the roles, responsibilities and working procedures of the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the management, so as to standardize work processes, and enhance the operational efficiency of the Board of Directors. At the same time, the Company integrates ESG concepts into all aspects of business management. Through compliance reviews, internal control supervision, and other measures, it continuously strengthens its compliance governance capabilities, providing a solid foundation for sustainable development.



Internal audit

☑ Targeting "full audit coverage," the Company conducts internal control and compliance audits in key business areas. It applies internal control audit standards and risk assessment models to evaluate controls across all business units. Audit findings are incorporated into the internal control report, driving closed-loop rectification and continuously enhancing the effectiveness of internal controls.

External audit

☑ In accordance with the Guidelines on Internal Control for Listed Companies and the Company's internal control management system, third-party accounting firms are engaged to conduct internal control audits primarily at the overall and operational levels. The audit covers the five core elements: internal environment, risk assessment, control activities, information and communication, and internal supervision. Through methods such as interviews, walkthrough testing, and sample checks, minor internal control deficiencies were identified. The number of such deficiencies showed a significant year-on-year decline, with no material or significant deficiencies found throughout the year.

Closed-loop rectification

☑ Issue formal reports on assessment and improvement plans, enforce accountability for personnel involved in violations, and disclose handling results internally and, where appropriate, to relevant external parties, establishing a closed-loop mechanism for warnings and rectifications.

## Performance of the Board of Directors

During the reporting period, the Company held 8 meetings of the Board of Directors and 6 meetings of the Board of Supervisors. The Board of Directors deliberated a total of 56 topics or items, of which 1 was related to ESG.

meetings of the Board of Directors	meetings of the Board of Supervisors.	topics or items	related to ESG
8	6	56	1

Roles and Responsibilities of Members of the Board of Directors

<b>Composition of the Board of Directors</b>	Name	Wang Aijun	He Jun	Liang Yubo	Lu Chuang	Liu Xinghua	Zhou Zhen	Liu Xiaoqing
	Position	Chairman	Managing Director	Managing Director and Senior Executive Vice President	Independent director	Independent director	Independent Director	Employee Representative Director
	Gender	Female	Male	Male	Male	Male	Male	Female
	Age	54	52	62	46	59	41	51

# Healthy Action

Meihua Group regards product quality management as the cornerstone of its development. By establishing a lean management system across the entire value chain, the Company ensures product reliability and consistency. Committed to innovation-driven R&D upgrades, we proactively respond to market demands and industry trends while continuously optimizing processes and product performance. Simultaneously, we enforce a comprehensive workplace safety accountability system to safeguard personnel and production operations. This integrated approach ensures synergy among quality, innovation, and safety, collectively advancing the Company's sustainable development.

- Product and Service Safety and Quality
- R&D and Innovation
- Work Safety & Occupational Health and Safety



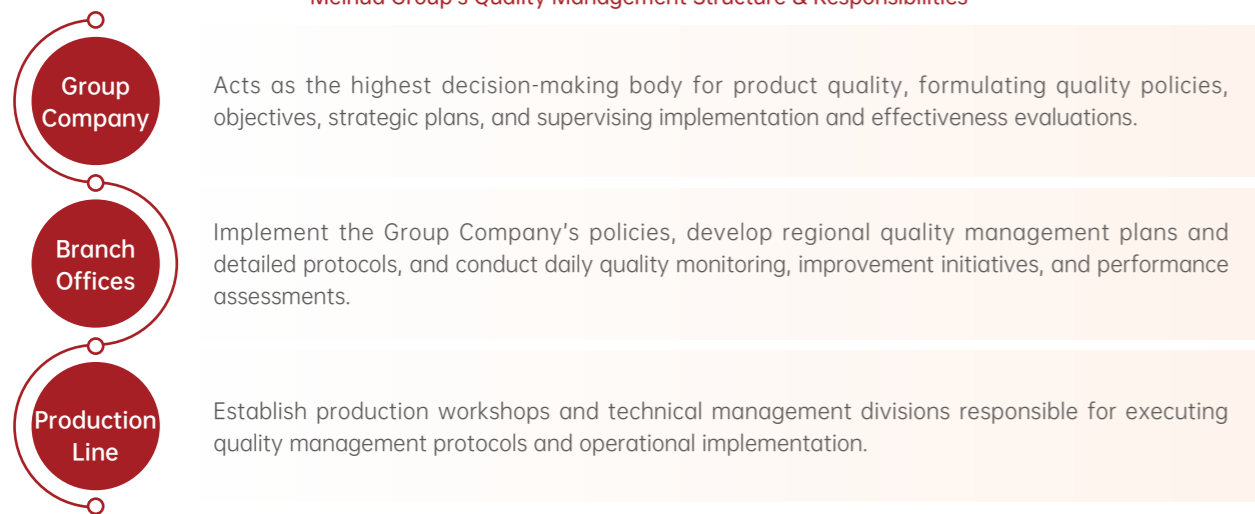
# Product and Service Safety and Quality

Product and service safety and quality form the foundation of Meihua Group's growth. We fully implement a quality assurance system, deepen our quality and service-oriented culture, actively listen to customer feedback, and provide sustained momentum for the global food and health industry's advancement.

## Governance

Meihua Group has established a three-tier quality governance structure spanning the "Group Company – Branch Offices – Production Line", creating a clearly defined, collaboratively operated, and efficient quality management system. To better align with business development and refined control requirements, the Company further optimized its quality management framework in 2025. Subsidiary Quality Departments added Supplier Quality Engineer roles, dedicated to raw material quality control across all production bases, strengthening specialized division of labor and vertical coordination. Subsidiary Laboratories established Intermediate Product Inspection Supervisors to oversee in-process quality analysis, ensuring timely and accurate production monitoring.

Meihua Group's Quality Management Structure & Responsibilities



The Company strictly abides by the relevant laws and regulations of the People's Republic of China, such as the Product Quality Law of the People's Republic of China, the Food Safety Law of the People's Republic of China, and the Regulations on the Administration of Feeds and Feed Additives. Based on the relevant national and international management system standards such as the GB/T 19001 Quality Management System Requirements, the ISO 22000 Food Safety Management System, and the BRC Global Standards for Food Safety, the Company has formulated internal policy documents such as the Integrated Quality Management Manual, Quality Standards of Materials and Excipient Materials, and Quality Standard of Products. In 2025, the Company established the Quality Management Process Policy, which standardizes full-chain product quality management through provisions covering: legal and regulatory compliance collection, process control, quality standard formulation, customer satisfaction management, supplier quality management and quality culture development.

The Company continues to promote the supervision of quality certification and replacement of certificates, to ensure all production bases effectively maintained the effective status of the certifications of the ISO 9001 Quality Management System, the ISO 22000 Food Safety Management System, BRC International Food Safety System, and the Feed Additive and Premixture System (FAMI-QS) of the EU. In 2025, the Company's subsidiary, Plumino Precision Fermentation Holdings Pte. Ltd, successfully obtained FAMI-QS certification, significantly enhancing its compliance access capabilities in international markets. All core products have achieved 100% coverage of quality certifications across all categories and markets.

All core products have achieved

# 100%

coverage of quality certifications across **all categories and markets**

### Meihua Group's Product Quality & Safety Certification Coverage Rate

ISO 9001 Quality Management System Certification <b>100%</b>	BRC International Food Safety System Certification <b>100%</b>
ISO 22000 Food Safety Management System Certification <b>100%</b>	The Feed Additive and Premixture System (FAMI-QS) of the EU <b>100%</b>

In addition, to meet regional market demands, the Company has completed certifications including: the MUI-Halal Certification of Indonesia, Halal certifications of the US, Malaysia, and IP Non-GMO Certification.

## Strategy

Based on the current industry and the operational status of the industrial chain, Meihua Group comprehensively assesses various risks, potential opportunities, and impacts it faces, clarifying the strategic guidance direction. The Company has established the long-term quality development strategy of "achieving the best product quality in the industry and ensuring a 100% finished product qualification rate", positioning quality and safety as a critical component of the Company's core competitiveness. This approach is integrated into the entire process of business management and operational development. Centered on customer needs and application scenarios, the Company sets systematic requirements across product stability, application performance, and service responsiveness, driving a transformation in quality management from compliance orientation to value creation orientation.

The Company, under the guidance of its quality strategy, adheres to the quality management philosophy of full staff participation, full-process control, and continuous improvement. By strengthening policy implementation, enhancing professional capabilities, and deepening process control, the Company continuously solidifies the foundation of product quality, ensuring products consistently meet the high standards required by customers and the market, thereby providing robust support for the high-quality development of the enterprise.

Identification of Product and Service Safety & Quality Risks and Opportunities

Type	Description of Risks	Financial Impact	Degree of Impact	Counter measures
Product quality risk	Product quality failing to meet standards or potential safety hazards may lead to customer recalls, compensation claims, and food safety incidents.	Revenue decrease	High	Establish and improve quality control systems, enhance full-process inspection and traceability mechanisms, and develop emergency response plans for food safety.
Customer complaint risk	Failure to promptly and effectively address customer complaints could result in loss of trust, order cancellations, and reputational damage.	Revenue decrease, Cost increase of customer maintenance	Medium	Optimize customer complaint handling procedures, enhance service efficiency and quality, conduct regular customer satisfaction surveys and drive internal rectification.
Data security breach risk	Unauthorized disclosure of core operational data might trigger trade secret infringements, regulatory penalties, and trust crises.	Cost increase from legal fines, revenue decrease	High	Implement data classification and tiered protection, strengthen network and access control, and conduct regular security audits and employee training

## Management of Impacts, Risks and Opportunities

Meihua Group deeply recognizes that risk management across the entire product lifecycle is critical to the Company's stable operations. Adhering to a closed-loop management process of "Identification, Assessment, and Response", the Company transforms potential quality risks into opportunities to enhance its core competitiveness through raw material control and management, smart process control, precision testing systems, unqualified product management, and quality culture development, continuously delivering safe and high-quality products to customers.

### Raw Material Control and Management

Meihua Group has established a supplier quality management mechanism in accordance with the Supplier Quality Management Process. This mechanism covers the entire process from supplier qualification verification, on-site audits, quality admission, incoming material inspection, workshop abnormality handling, to supervision and evaluation, thereby raising the threshold for raw material supplier entry. The Company conducts quality risk assessments for all suppliers and implements tiered management based on assessment results, comprehensively enhancing raw material quality risk control capabilities. In 2025, the proportion of suppliers obtaining global quality management system certifications such as ISO 9001, ISO 22000, FSSC 22000, and HACCP reached 45%, with no product quality incidents caused by supplier raw material quality issues.

### Process Control

Meihua Group has always adhered to the quality management philosophy of "prevention-first", continuously improving its process quality control system. By strictly enforcing system standards and continuously optimizing process indicator management and on-site operational levels, the Company has effectively reduced product defect rates and customer complaints.

#### Process Control Measures



#### Major Risk Prevention and Control

Treating foreign object control in food production as a critical priority, the Company conducts comprehensive risk assessments across production processes to identify key monitoring points, inspection frequencies, and standard operating procedures for each stage.



#### On-site Management and Technical Renovation

Fully implementing GMP practices in food workshops to strengthen foundational on-site management; upgrading packaging equipment to enhance efficiency while minimizing human intervention, thereby reducing foreign object introduction risks.



#### Process Monitoring and Early-warning Mechanism

Establishing a production process quality control checklist to identify critical control points, implementing a tiered accountability system based on risk levels; utilizing digital reports for real-time quality trend monitoring to enable early hazard detection and timely corrective actions.



#### Intelligent Upgrading

Promoting the MES quality online alert system to achieve real-time quality anomaly alerts, closed-loop resolution, and production integration, advancing quality control toward automation and intelligence.

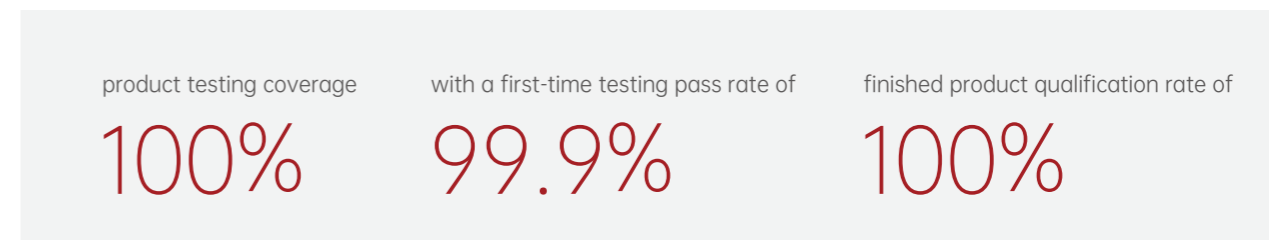


### Product testing

Meihua Group is committed to enhancing testing accuracy. For different product types, we have established the Quality Standards of Materials and Excipient Materials, the Quality Standard of Product, and Inspection Guide of Product to achieve full-process quality monitoring from raw material intake to product dispatch, ensuring all indicators meet end-to-end quality standards. The Company has implemented a laboratory technician skill evaluation mechanism, directly linking employee compensation to skill level ratings, while actively cultivating specialized testing talent to ensure the testing team's capabilities evolve in tandem with the Company's development needs.

In 2025, the Company comprehensively advanced the digital transformation of its testing system, achieving full coverage and stable operation of the Laboratory Information Management System (LIMS) across all production bases. By migrating testing workflows from offline to online platforms, the system enables automated data collection, calculation, and report generation, significantly improving testing efficiency and result accuracy. Simultaneously, test results are synchronized in real-time with the Manufacturing Execution System (MES) and office collaboration platforms. Once anomalies are detected, the system instantly pushes alerts to relevant production roles, facilitating rapid response and process adjustments to ensure stable production operations.

In addition, the Company plans annual external inspection plans for finished products, regularly commissioning authoritative third-party institutions for comprehensive testing to scientifically assess food safety and feed safety risks. These results are benchmarked against internal testing data to enhance the scientific rigor of quality control. In 2025, the Company achieved 100% product testing coverage, with a first-time testing pass rate of 99.9% and finished product qualification rate of 100%. Only products with qualified results are permitted for warehouse storage.



## Unqualified Products Management and Control

The Company has established the Unqualified Products Control System, which clearly defines the management responsibilities and standards to strictly regulate the handling process of unqualified products, including identification, cause analysis, and emergency handling, so as to ensure that product quality risks are effectively prevented and controlled.

### Unqualified Product Management Measures

Developing Emergency Response Plans	Continuously enrich emergency plans through practical validation and conduct multi-level training based on process principles to ensure sustained compliance at critical control points through trend monitoring.
Tracing Back to Process Principles and Design Origins	Reverse-trace process impact points from product standards, reduce unqualified product risks by optimizing process parameters and improving original designs.
Strengthening Rapid Response Mechanisms at Team Level	Establish an integrated system between production line analysis labs and manufacturing teams to ensure immediate activation of contingency plans and rapid stabilization during process fluctuations.
Ensuring SOP Implementation Compliance	Utilize digital checklists and other tools to supervise on-site verification of operational compliance by management, guaranteeing strict adherence to standardized work procedures across all personnel.

## Product Recall

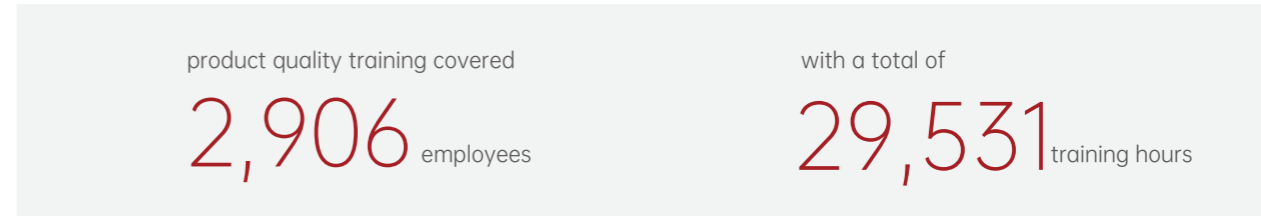
Meihua Group regards its product recall mechanism as the final defense line for quality risk management and has established the Product Recall Procedure. Once potential quality defects or safety hazards are identified, the Company will immediately initiate the recall procedure to ensure rapid and accurate identification and comprehensive tracing of all affected batches. For recalled products, the Company has set up a dedicated investigation team to analyze the root cause of the problem, track the progress of the incident handling, and develop corrective and preventive measures to avoid similar incidents in the future. As of the end of the reporting period, no product recall incidents caused by quality issues had occurred.

To test and optimize the effectiveness of the recall system, the Company requires all production bases to conduct annual product recall simulation drills. Through real-scenario stress testing, the traceability efficiency and cross-departmental coordination capabilities in emergency situations are verified, while continuously evaluating and improving the response speed of the recall procedure. In 2025, the Company conducted a total of 24 recall simulation drills across all bases, covering products including MSG, Xanthan Gum, threonine, lysine, glutamine and protein powder.



## Development of Quality Culture

Meihua Group actively develops its quality culture by conducting diverse activities and training programs that internalize quality awareness as employees' spontaneous actions. We provide tiered quality training for all employees annually to continuously enhance team professionalism.



### "Quality Month" Event

In September 2025, the Company organized a company-wide "Quality Month" event themed "Deepening Quality Improvement Actions to Support High-Quality Development". Centered on full participation, the event encouraged all departments and positions to implement quality improvement practices aligned with their operational realities. This year's "Quality Month" innovatively adopted a point-based incentive mechanism, where production subsidiaries accumulated points through participation in poster design, essay competitions, knowledge quizzes, packaging quality evaluations, and outstanding employee skill contests. Final rankings were determined based on accumulated points across the entire Company, effectively enhancing employees' quality consciousness.



"Quality Month" Event

### ISO 9001 Specialized Training by External Experts

In July 2025, the Company invited external professional institution FQSI to conduct ISO 9001 Quality Management System specialized training for the Group's quality management team at headquarters. The training combined theoretical explanations with on-site simulations to clarify system requirements and guided teams in issue categorization and checklist development, significantly improving the standardization and practical capabilities of quality management.



External Institution Training

To enhance overall supply chain quality management capabilities, in 2025 the Company conducted 3 on-site specialized training sessions for core packaging suppliers. Targeting supplier leaders, production managers, quality controllers, laboratory staff, and workshop directors, the training focused on showcasing last year's material quality issues, conducting root cause analysis, and communicating company quality requirements through on-site discussions and case reviews. This initiative aligned both parties on quality improvement objectives and implementation pathways, promoting supply chain collaboration optimization and quality enhancement.

## Participation in Formulation of External Standards

Meihua Group, as an industry leader, actively fulfills its social responsibilities by leveraging technical expertise to advance industry standardization. Meihua Group currently serves as a core member of authoritative organizations such as the Industrial Fermentation Sub-Committee under the National Technical Committee on Food Industry Standardization and the China Fermentation Industry Association and deeply participates in industry standard system development. Meanwhile, the Company maintains close communication with research institutions like the Chinese Academy of Agricultural Sciences to promptly grasp and respond to industry developments, leading the industry toward standardized, high-quality growth. In 2025, the Company participated as a drafting entity in revising the national recommended standard GB/T 8967-2025 and participated in the formulation/revision of two national and group standards.

Published Standards Participated by Meihua Group

Standard Name	Issuing Authority	Status	Effective Date
QB/T 5633.9-2023 Amino Acids, Amino Acid Salts and Their Analogues - Part 9: L-Proline Standard	Ministry of Industry and Information Technology of the People's Republic of China	Published	July 1, 2024
Announcement No. 11 (2023) On Amino Acid Management in Special Dietary Foods	National Health Commission & State Administration for Market Regulation	Published	November 26, 2023
GB/T 8967-2025 Monosodium Glutamate (MSG) Quality Requirements	State Administration for Market Regulation & Standardization Administration of China	Published	January 1, 2027

## Indicators and Targets

Meihua Group integrates quality strategy with continuous setting and tracking of key quality management objectives and indicators to drive steady quality improvement. During the reporting period, the Company set a unqualified product control target of 6,850 metric tons, achieving 6,758 metric tons and meeting annual objectives. Looking ahead, the Company has established a clear long-term goal: by 2030, annual unqualified product volume will be controlled below 500 metric tons, advancing quality performance toward higher standards.

Unqualified Product Control Target

Target	Status
By 2025, the total quantity of unqualified products will be controlled within 6,850 tons.	<b>Achieved</b> ☺
By 2030, the annual total quantity of unqualified products will be controlled within 500 tons.	<b>In Progress</b> ☹

Quality Management Performance

Indicator	Unit	2025 Performance
Quality Certification Costs	RMB 10,000	88
Quality Training Costs	RMB 10,000	20
Quality Testing Costs	RMB 10,000	104
Complaint Compensation Costs	RMB 10,000	65
Quality Improvement Benefits	RMB 10,000	307

## Customer Service

Meihua Group emphasizes the customer service system development, continuously enhancing service quality and customer satisfaction through standardized customer management and communication mechanisms. The Company has established customer feedback and complaint handling channels, clearly defining procedures for acceptance, analysis, rectification, and feedback to ensure timely responses and effective resolution of customer concerns.

### Customer Management System

Meihua Group has implemented a customer management system, formulating and enforcing the Sales Office Work Standard Manual and Sales Standardization Manual to standardize service workflows and criteria. These documents clearly define different types of customer demands, ensuring full-process service standards and efficiency from contract management, plan implementation, financial settlement to after-sales service. Additionally, we have established diversified communication channels to promptly address customer needs and build trust.

<b>Email</b> meihua@meihuagrp.com	<b>Product Inquiry</b> <a href="https://meihua.group/ysloginpage/">https://meihua.group/ysloginpage/</a>	<b>Hotline</b> 0316-2359999
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### Customer Rights and Interests Protection

Meihua Group has formulated the Customer Complaint Handling Process and other internal policies to clarify complaint management responsibilities and reduce complaint risks. With a scientific tiered handling mechanism, depending on the nature and severity of the complaint, the Company will initiate corresponding level of handling process to investigate, verify, and resolve customer requests as quickly as possible, significantly improving service efficiency and ensuring the timeliness of customer service, while comprehensively safeguarding the quality of customer service. As of the end of the reporting period, the company had properly handled all customer complaints, achieving a 100% complaint resolution rate.

Meanwhile, we have set clear customer complaint management objectives: by 2030, annual customer complaint numbers will be controlled below 15 cases.

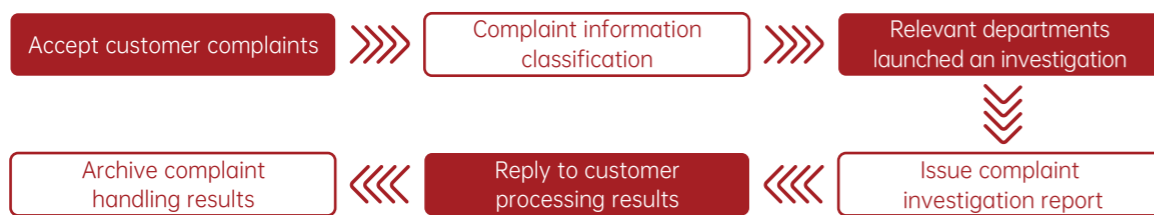
As of the end of the reporting period, the company had properly handled all customer complaints, achieving a **100%** complaint resolution rate

Customer Complaint Management Target

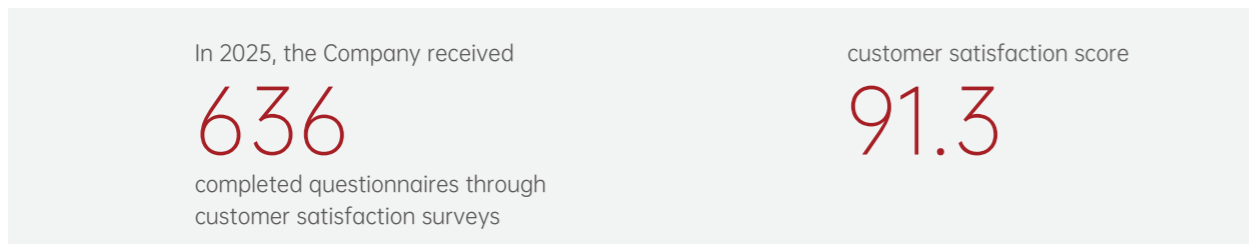
Target	Status
By 2030, annual customer complaint numbers will be controlled below 15 cases.	<b>Achieved</b> ☺



Customer Complaint Handling Process



The Company conducts regular customer satisfaction surveys every year, and by continuously collecting, sorting out, and analyzing customer complaints and service requests, and conducting in-depth reviews and continuous improvement, optimizes service processes to reduce the occurrence of complaints from the root cause, thereby continuously improving customer satisfaction. In 2025, the Company received 636 completed questionnaires through customer satisfaction surveys, achieving a customer satisfaction score of 91.3.



To further enhance customer service capabilities, we regularly conduct customer service training. The Company organizes monthly specialized training sessions for customer service roles, covering duty protocols, product knowledge, and communication techniques to improve staff proficiency in resolving practical issues related to product usage and storage. Case-based teaching methods strengthen employees' service awareness and understanding of customer needs, continuously improving service response accuracy and efficiency.

In addition, the Company places significant emphasis on professional ethics and compliance awareness for sales and customer service personnel. We have formulated and implemented the Anti-Bribery Agreement across all staff, requiring strict adherence to the transparency and fairness provisions outlined in the Sales Standardization Manual. In 2025, the Company conducted ESG anti-corruption specialized training for the entire customer service team, covering 200 employees.

## Data Security and Customer Privacy Protection

Meihua Group places high importance on data security and customer privacy protection. The Company strictly complies with laws and regulations such as the Cybersecurity Law of the People's Republic of China and the Personal Information Protection Law of the People's Republic of China and has established management policies including the Office Computer Usage Management Guidelines.

To address risks of external cyberattacks and unauthorized access, Meihua Group has enhanced firewall intrusion detection capabilities and network segment isolation functions. A network security gateway ensures one-way isolation between production and office networks, blocking unauthorized data flows. To prevent internal privilege escalation and data leaks, the Company has deployed a bastion host to centrally manage remote login permissions and implemented refined access control based on employee roles, ensuring traceability of core data operations to individual users. To mitigate unauthorized device access, the Company has implemented a network access control system within office networks and utilizes DHCP for access management. These measures systematically safeguard corporate data security and customer privacy.

In 2025, the Company recorded zero information security or customer privacy leakage incidents.

### Data Security and Customer Privacy Protection Measures

- Full Lifecycle Management of Office Computers**
  - To comprehensively enhance asset utilization efficiency and information security, the Company implements closed-loop management of office computers throughout their lifecycle, covering budgeting, procurement, distribution, usage, circulation, and disposal.
- Comprehensive Firewall Upgrade**
  - Systematically upgraded firewall systems with enhanced configurations in three key areas: firewall functionality, security domain isolation, and remote management. This establishes a multi-layered defense system integrating perimeter protection, internal isolation, and operational auditing.
- Multi-Layered Data Security Defense**
  - Built a company-wide multi-layered data security framework: In public zones, one-way access between production and office networks is enforced through independent firewalls, centralized bastion host control, and network security gateway isolation, with real-time intrusion detection activated.
  - In production workshops, strict physical network isolation is enforced, with high-level access restrictions on core data and deployment of network access control systems to block unauthorized device access, ensuring comprehensive data security.
- Security Isolation and Risk Prevention**
  - To strengthen data governance and network risk control, the company has reinforced its data infrastructure and implemented physical and logical security isolation between production and office networks. This enables authorized personnel to access production data in compliance and security via the office network, effectively balancing data security with business efficiency.
- Progress in Digital Management**
  - In advancing global operational integration and digital management, the company has officially launched the construction project of a unified global Enterprise Resource Planning (ERP) system. As of the reporting period end, the company has completed the initial phases of core system selection, comprehensive cross-regional business research, and detailed business blueprint design, laying a solid foundation for subsequent system implementation.

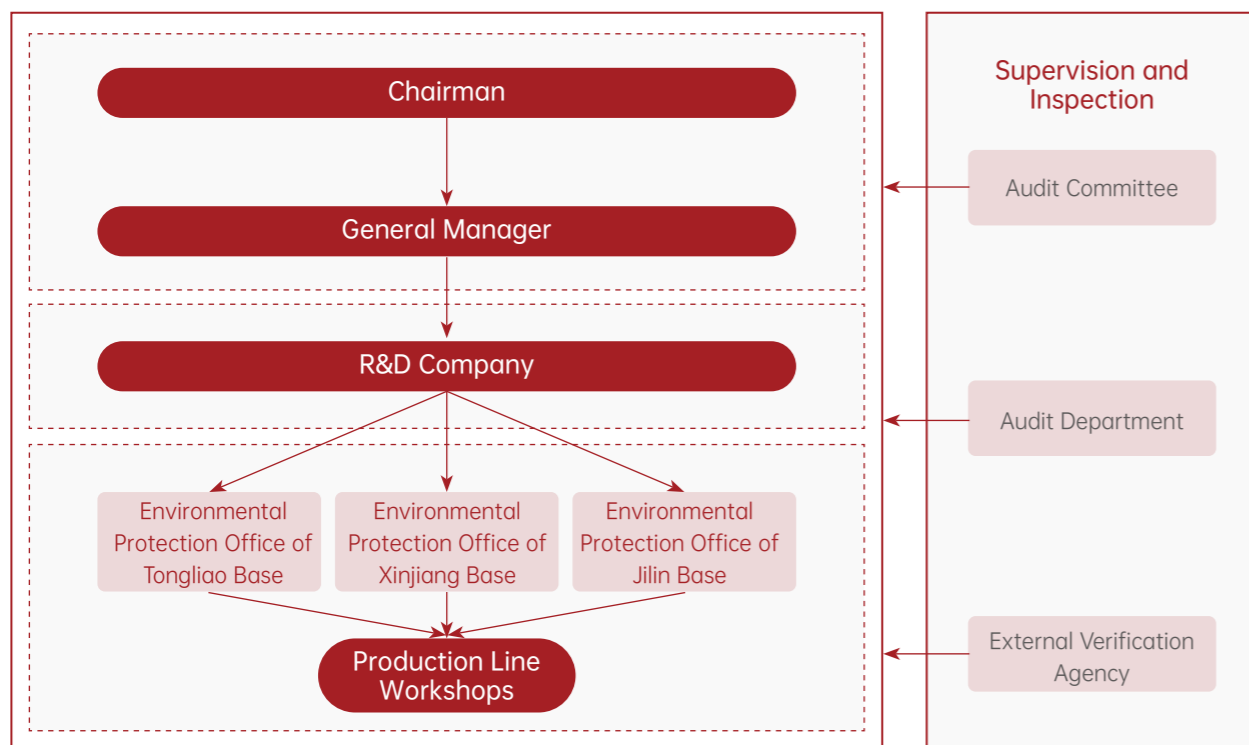
# R&D and Innovation

Meihua Group upholds innovation as its core driving force, leveraging cutting-edge R&D to empower sustainable development. The Company continuously increases R&D investment, focusing on key technologies such as bio-fermentation and synthetic biology, and drives its manufacturing system toward green manufacturing, high-end development, and precision optimization, leading the enterprise and industry toward high-quality growth.

## Governance

Meihua Group has established a three-tier R&D innovation governance structure with the Board as the highest decision-making body, composed of the "Governance Level – Management Level – Executive Level". The Board assumes responsibilities for formulating R&D strategies and supervising their implementation, while the Group Company level focuses on core technology breakthroughs and innovation platform construction. Subsidiaries advance the industrial application and process optimization of R&D outcomes, collectively ensuring efficient coordination between corporate decision-making and implementation.

R&D Governance Structure



To ensure orderly R&D operations, the Company has formulated the Regulations for Full-Process Management of R&D Projects, standardizing project initiation, implementation, evaluation, and outcome management. In 2025, the Company updated its Confidentiality Policy, implementing "hard measures" such as physical space isolation and refined control of confidentiality procedures to eliminate any risk of R&D system information leaks.

# Strategy

Meihua Group further clarified its patent portfolio strategy as a core strategic orientation in 2025, systematically conducting global patent planning around key R&D projects while simultaneously advancing registration and market access procedures for multiple products in critical markets such as the EU and the US, laying the foundation for future international expansion. Going forward, the Company will continue to improve its industrial chain collaboration framework, deepen partnerships with upstream and downstream stakeholders in areas like raw material supply and channel development, and closely monitor industry trends and market demand dynamics to continuously optimize R&D directions, to provide strong technical support for the Company's sustainable development.

R&D and Innovation Risks and Opportunities Identification

Type	Description of Risks	Financial Impact	Degree of Impact	Counter measures
Technology Iteration Risks	Failure to promptly adopt emerging technologies may lead to outdated production processes, declining competitiveness of core products, and market share loss.	Costs increase, revenues reduce, profits decrease.	High	Increase R&D investment, establish dynamic technology tracking mechanisms, and pursue strategic collaborations and technology acquisitions.
Technology Ethics Risks	Non-compliance with ethics and biosafety regulations in fields like gene editing may result in project termination, fines, and reputational damage.	Fines increase, reputation recovery costs increase.	High	Implement ethics review mechanisms, strengthen compliance frameworks, and enhance regulatory tracking and employee training.
Technology Breakthrough Opportunities	Achieving breakthroughs in synthetic biology and green manufacturing could enhance production efficiency, reduce costs, and create competitive advantages for new products.	Costs decrease, revenue growth and market share expansion.	High	Focus on key technology breakthroughs, accelerate technology commercialization, build intellectual property barrier, and expand high-value-added product lines.

## Management of Impacts, Risks and Opportunities

Meihua Group recognizes that R&D innovation is the core driving force for navigating industry cycles. By assembling high-caliber research teams, deepening industry collaborations, and fostering open exchanges, the Company continuously advances scientific innovation and technological breakthroughs, delivering high-quality, forward-looking product solutions to customers.

### ◎ Achievements in Technological Innovation

Meihua Group continuously deepens its research and innovation in the fields of fermentation technology, synthetic biology, enzyme engineering, and novel biomaterials to advance the development and application of biomanufacturing technologies, meeting the growing global demand for green, efficient, and sustainable bioproducts.

#### Meihua Group's Achievements in Technological Innovation

Patent Achievements

- Threonine and valine have completed global patent deployment, with multiple Chinese patents and PCT applications submitted.
- Global intellectual property deployment for pharmaceutical products such as valine, arginine, and glutamine has been initiated.

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Technological Advancements

- Valine fermentation processes have been optimized by leveraging the metabolic characteristics of facultative anaerobic bacteria to reduce energy consumption and enhance production performance, supporting the 90,000-ton capacity expansion project.
- Upgraded strains for various amino acids and nucleoside products (adenosine, inosine, guanosine, riboflavin) have been implemented in production, achieving efficiency improvements.

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International Collaboration

- We have undertaken commissioned projects from Singapore's SPV (Special Purpose Vehicle), focusing on strain improvement and technological upgrades for arginine, histidine, citrulline, ornithine, tryptophan, and leucine.

### ◎ R&D and Innovation Cooperation

Meihua Group is committed to building an open and collaborative innovation ecosystem by deepening strategic partnerships with upstream and downstream enterprises in the global supply chain, leveraging the academic and talent advantages of leading domestic and international enterprises, universities, and research institutions, and actively advancing multi-level and diverse forms of industry-academia-research collaborations.

Currently, the Company has established long-term and stable cooperative relationships with top universities and research institutions in the industry, such as the Chinese Academy of Sciences Center of Excellence in Molecular Plant Science, the Institute of Microbiology of the Chinese Academy of Sciences, and Jiangnan University. All parties are conducting joint technological research on key scientific issues in the field of intelligent biomanufacturing, striving to promote relevant technological breakthroughs and industrialization. During the cooperation process, the Company engages in talent exchange activities, jointly implementing R&D cooperation projects, fully integrating and utilizing external high-quality research resources and high-end talent advantages, which has significantly accelerated the Company's technological innovation pace.

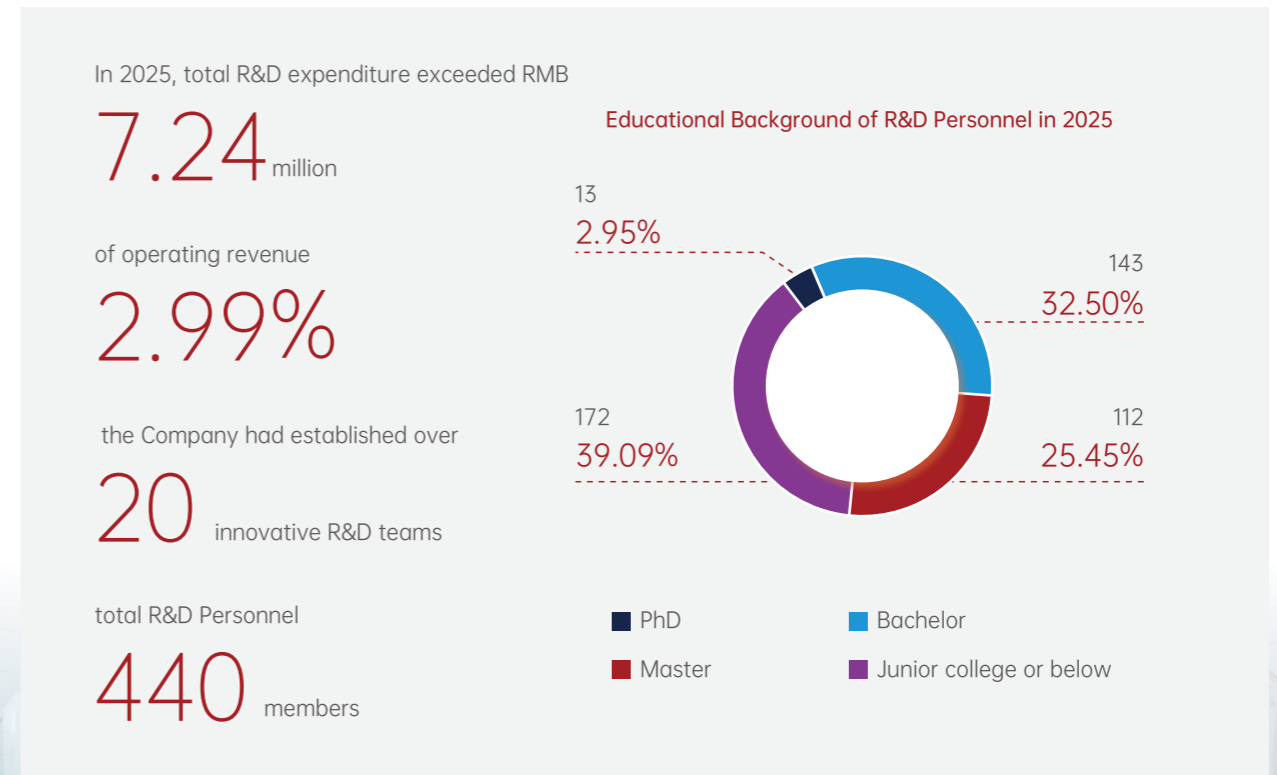
In the field of commercial cooperation, Meihua Group has established a stable partnership with the globally renowned company Ajinomoto for threonine and lysine products. Both parties, based on the principle of complementary advantages and collaborative development, carry out technical exchanges and market promotion, and work together to calmly cope with the market competition, jointly promoting the steady development and value enhancement of the industry.

### ◎ R&D Team Building

Meihua Group places significant emphasis on talent pipeline development within its R&D teams, continuously refining promotion pathway systems for R&D personnel. Clear career development trajectories and incentive mechanisms are implemented to ensure the stability and creativity of core R&D teams.

In talent recruitment and cultivation, by establishing close cooperative relationships with several well-known universities and research institutions, the Company accurately connects with high-end talent resources, attracting outstanding PhDs with generous treatment and broad development space. Meanwhile, the Company is actively selecting and training potential researchers to inject fresh blood into the team.

The Company continues to increase R&D investment, building interdisciplinary, high-level technical teams to strengthen core competitiveness and drive diversified business growth. In 2025, total R&D expenditure exceeded RMB 724 million, accounting for 2.99% of operating revenue. By the end of the reporting period, the Company had established over 20 innovative R&D teams, with a total of 440 members specializing in fields such as bioengineering, microbiology, chemical engineering, bioinformatics, and enzyme engineering.



## Intellectual Property Protection

Meihua Group places significant emphasis on intellectual property (IP) system development and strategic deployment. Based on national laws and regulations, the Company has established the Intellectual Property Management and Protection Regulations to standardize the application, usage, and maintenance processes for trademarks, patents, copyrights, and other IP assets, ensuring standardized and orderly IP management. Meanwhile, the Company established a dedicated intellectual property management department which is staffed by professional managers and responsible for patent applications, maintenance, and rights protection.

In 2025, the Company actively advanced global patent deployment in core product areas such as threonine and valine, submitting multiple Chinese patents and PCT international applications to gradually build an overseas IP protection system. During its internationalization process, the Company rapidly integrated pharmaceutical IP resources, focusing on products like valine, isoleucine, arginine, glutamine, adenosine, guanosine, and riboflavin to accelerate the establishment of a global IP protection framework, further solidifying its technological barriers and competitive advantages.

To continuously enhance IP creation, utilization, and protection capabilities, the Company regularly organizes IP-themed training sessions. In 2025, it invited industry experts multiple times to conduct specialized training on patent searches and patent portfolio strategies, strengthening R&D personnel's IP awareness and providing robust safeguards for technological innovation.

## Technology Ethics

Meihua Group consistently adheres to the ethical principle of "technology for good", integrating biosafety and social responsibility into its entire R&D process. It strictly complies with the Biosecurity Law of the People's Republic of China and related ethical regulations, establishing a sound research ethics review mechanism to ensure all gene-editing and strain-modification activities are conducted in controlled, safe, and compliant environments. The Company explicitly prohibits any research activities that endanger public safety, harm ecological systems, or violate human ethics. Regular technology ethics and biosafety training sessions are conducted for R&D personnel to reinforce a company-wide awareness of ethical boundaries. During the reporting period, no violations related to technology ethics occurred.

## Indicators and Targets

The Company has set a long-term goal to build a globally competitive biomanufacturing technology platform. For each strain and process project, clear performance improvement and cost-optimization metrics are established and incorporated into the R&D evaluation system. Guided by its long-term strategic objectives, the Company's R&D efforts have achieved continuous substantive progress, providing strong support for technological breakthroughs and industrialization.

R&D Innovation Performance

Indicator	Unit	2025
Amount of R&D investment	RMB 100 million	7.24
Proportion of R&D personnel to total company employees	%	3.34
Number of R&D personnel	Person	440
Number of valid patents	Item	163
Number of invention patents	Item	119
Number of utility model patents	Item	42
Number of design patents	Item	2
Number of newly granted patents in 2025	Item	10

## Work Safety & Occupational Health and Safety

Work safety and occupational health and safety form the cornerstone of Meihua Group's "Healthy Action". We deeply implement HSE (Health, Safety, Environment) management requirements, strengthen safety red-line awareness and bottom-line thinking, and comprehensively safeguard employee well-being. This ensures that every product delivered to customers originates from a safe, healthy, and trustworthy production environment.

### Governance

Meihua Group strictly abides by the Work Safety Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, the Provisions on the Safety Training of Production and Operation Entities, and the Guideline of China Occupational Safety and Health Management System. According to the requirements of work safety standardization, ISO 45001 and ISO 14001 international management systems, the Company has formulated the HSE 12-element management system. Internal regulations, including the HSE Training Management System and the Labor Protection Supplies Management System, have been formulated to clarify management principles and implementation requirements for all processes, providing a robust institutional foundation for systematic and standardized safety management.

During the reporting period, the Company achieved **100%** coverage of ISO 45001 occupational health and safety management system certification.

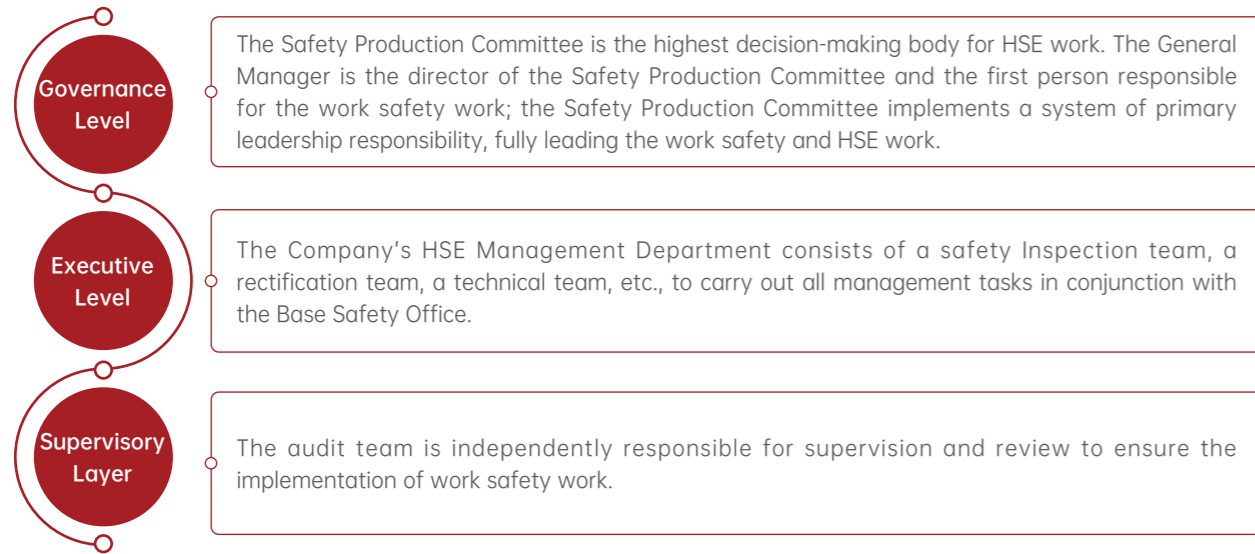


ISO 45001 Certification

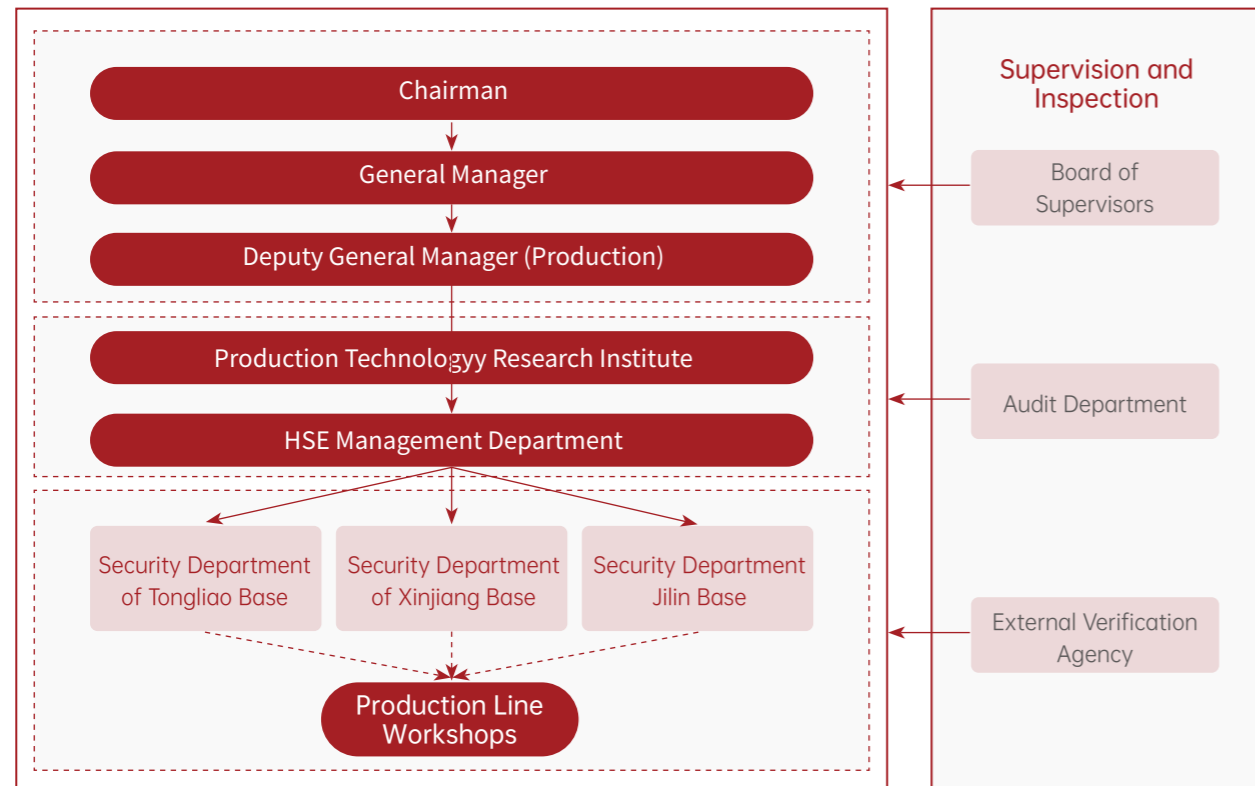


The Company has established a systematic and clearly layered safety governance structure centered on risk management, with the Safety Production Committee as the highest decision-making body, and with the General Manager as the first person responsible for work safety, the members of the leadership and the heads of relevant departments formed a Committee Group with clear hierarchy and defined responsibilities. Through a well-defined division of labor, the Company systematically fulfills its primary responsibility for safety production and guarantees the effective operation of the safety management system.

**Safety Production Governance Levels and Key Responsibilities**



**Company Safety Production Management Structure**



**Strategy**

Meihua Group places work safety and occupational health and safety at the core of its sustainable development strategy, upholding the principle of "life first, safe development". By establishing a systematic HSE management system and fully integrating it into daily operations and decision-making processes, the Company is committed to creating a safe and healthy working environment for employees while ensuring operational continuity and stability.

**Safety Production Risks and Opportunities**

Type	Description of Risks/ Opportunities	Financial Impact	Degree of Impact	Counter measures
Safety Production Accident Risk	Production involves high-temperature and high-pressure equipment, flammable/explosive materials (e.g., biogas, chemicals), and complex biological reaction processes. Failure to timely track national safety regulations or standards may lead to legal risks and penalties.	Compliance cost increase	High	Establish a regular benchmarking mechanism, conduct periodic assessments and rectifications, and strictly adhere to safety red lines.
Occupational Health and Safety Risk	Inadequate occupational health protections (e.g., lack of protective equipment, unreasonable workplace design) may cause occupational diseases (e.g., pneumoconiosis, hearing damage).	Cost increase	High	Regularly identify and monitor occupational health hazards, implement strict process management, annual employee health check-ups, and upgrade protective measures.
Management Efficiency Leap Opportunity	Establishing a mature safety management system to become an industry benchmark and build competitive soft power.	Cost decrease, funding increase	High	Set clear management improvement pathways, fully introduce digital tools, and build benchmark safety management factories.



## Management of Impacts, Risks, and Opportunities

Meihua Group has established a full-process risk control system for work safety and occupational health and safety, continuously enhancing overall risk prevention and control capabilities to ensure a solid foundation for safe development.

### Chemical Safety

To standardize the full lifecycle management of hazardous chemicals, the Company has systematically clarified management requirements for all stages—including procurement, transportation, loading/unloading, storage, production, sales, usage, and disposal—in accordance with regulations such as the Regulations on the Safety Management of Hazardous Chemicals. Internal systems also define responsibilities for relevant departments, on-site management standards, and emergency response and accident handling procedures, effectively preventing and controlling chemical safety and environmental risks.

### Safety Risk Identification

Meihua Group has implemented a safety risk identification mechanism covering the entire lifecycle of projects, from initiation to formal production operations. At critical stages such as project proposals, detailed design, construction, and trial production, potential risks are systematically identified using professional tools like HAZOP analysis<sup>2</sup>, pre-evaluation of occupational hazards, and specialized safety facility design reports. Key identified risks include selection risks of safety and environmental process routes, equipment selection reliability risks, construction process safety management risks, facility operation risks during trial production and compliance risks during various acceptance phases. Multi-dimensional risk identification generates a risk inventory, providing the foundation for subsequent assessment and response.

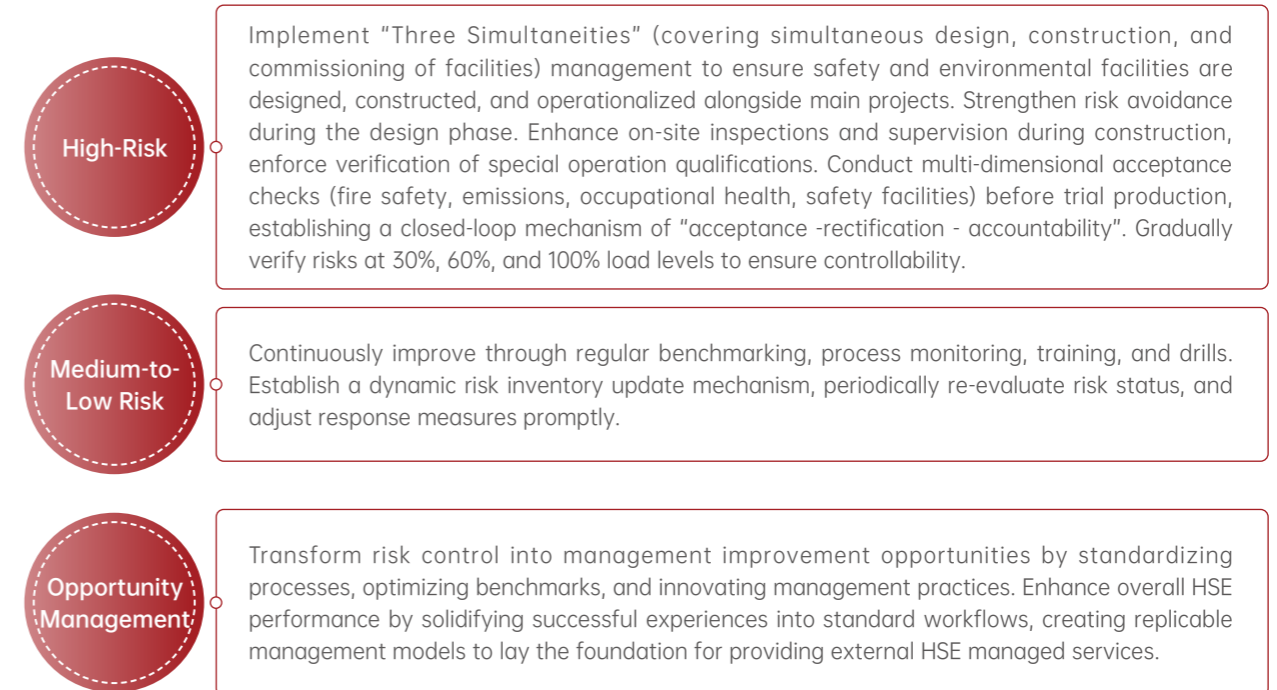
### Safety Risk Assessment

The Company systematically evaluates identified risks using a combination of qualitative and quantitative methods. By reviewing HAZOP risk points, pre-evaluation reports, and design control measures, risks are assessed across four dimensions: likelihood, severity, impact scope, and duration. A categorized risk inventory is created to guide subsequent controls, construction supervision, and trial production verification. Risk assessments clarify priority levels, identify high-risk areas requiring focused management, and provide a basis for resource allocation and response strategies.

<sup>2</sup> HAZOP analysis is a systematic and detailed method for reviewing process operations and procedures within the Process Safety Management (PSM) system. It employs guide words to identify process deviations and their potential consequences, and proposes corresponding control measures.

## Safety Risk Response

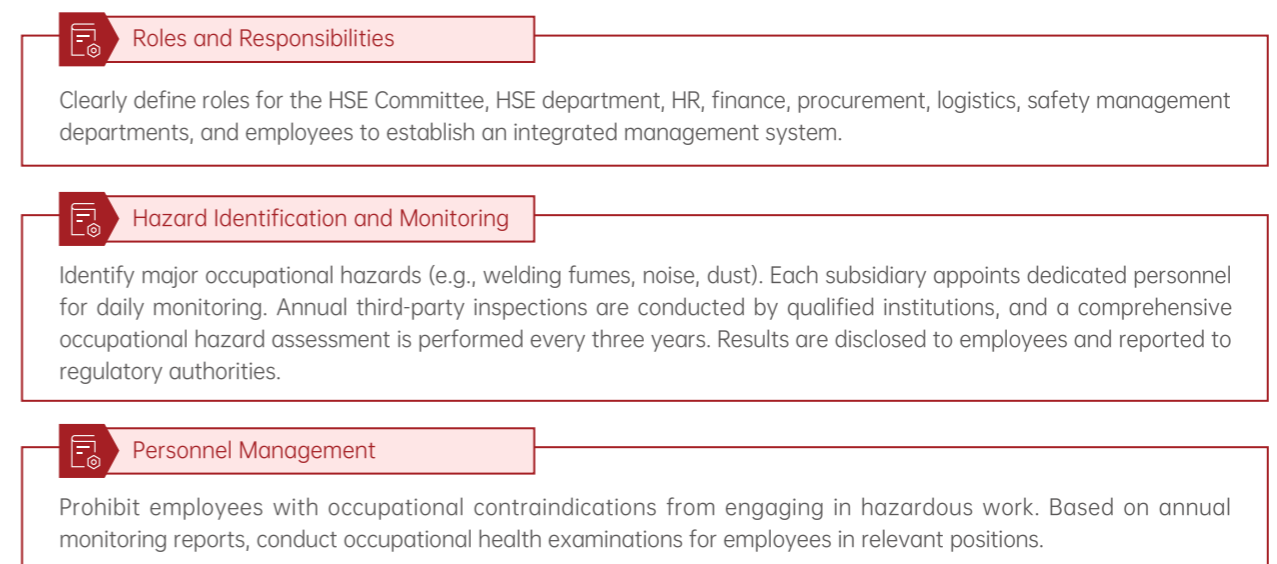
The Company adopts differentiated response strategies for risks of varying severity.



## Occupational Health Management

Meihua Group focuses on monitoring key occupational health hazards such as dust and acid/alkali exposure. Regular monitoring, annual employee health check-ups, and upgraded protective measures are implemented to safeguard employee well-being.

### Occupational Health Management Measures



**Engineering Prevention and Project Control**

Enforce the "Three Simultaneities" principle for occupational health in construction projects. Strengthen facility and equipment management to continuously improve the working environment. New, renovated, or expanded projects involving hazardous operations must undergo pre-evaluation of occupational hazards and comply with "Three Simultaneities" reviews.

**Process Management**

Implement hazard notifications, specialized training, workplace monitoring, and occupational health check-ups. Standardize full-process management of labor protection supplies, including inventory, procurement, acceptance, storage, distribution, usage, replacement, and disposal. Employees must use and maintain protective equipment properly, adhering to the "trade-in for renewal" policy. Damaged or unreturned items before expiration are subject to compensation or depreciation deductions upon resignation.

**Labor Protection**

Equip and distribute protective gear (e.g., dust masks, acid/alkali-resistant face shields, gloves, workwear, boots, earplugs, and triple-protective shoes) based on job-specific needs.

**Post-Incident Handling**

Standardize procedures for occupational disease incidents, including job reassignment, medical treatment, and information reporting.

The Company's occupational health and safety training system covers internal employees, suppliers, and contractors. For internal staff, quarterly safety awareness training is conducted (12 sessions annually), alongside specialized occupational health training focused on employees exposed to dust, noise, toxic gases, and hazardous chemicals, covering hazard identification, contraindications, and protective measures. Suppliers and contractors receive pre-entry training on personal protective equipment (PPE) standards and hazardous chemical handling requirements. Additionally, the Company designates Thursdays as "Weekly Safety Days" for ongoing safety education and cultural activities. Contractors are integrated into the unified safety management system, with specialized training and self-directed learning combined to comprehensively strengthen safety risk prevention capabilities and reinforce the foundation of safe production. In 2025, the Company conducted 97 occupational health-related training sessions, accumulating 431,057 training hours and covering 11,694 employees, achieving 100% training coverage.

**New Employee Occupational Health Training**

To enhance new employees' occupational health awareness and improve job-specific safety skills, the Company organized a specialized occupational health training session for new hires from October 16-18, 2025, focusing on systematic training for risks associated with low-voltage electrical work positions.



New Employee Occupational Health Training

**Indicators and Targets**

In 2025, The Company maintained overall control of all workplace safety indicators, with the following key targets achieved:

**Work Safety Targets**

	Target	Progress
<b>Zero Incident Target</b>	Zero fires, zero explosions, 0 work-related deaths	<b>In Progress</b> ⚠️
<b>Accident Control Targets</b>	Economic loss from incidents ≥ RMB 10,000 decreased by 50%	<b>Achieved</b> ✅
	General incident count decreased by 5%	<b>In Progress</b> ⚠️
<b>Capacity Building Targets</b>	Safety training coverage rate 100%	<b>Achieved</b> ✅

**Safety Production Indicators**

	Indicator	Unit	2025
<b>Employees</b>	Number of safety (training sessions)	Session	15
	Number of participants in safety training	Participant	11,694
	Total safety training duration	Hour	431,057
	Average safety training duration	Hour	150
	Safety training coverage rate	Percentage	100
<b>Contractor</b>	Number of safety training sessions	Session	290
	Number of participants in safety production training	Participant	15,045
	Total safety training duration	Hour	1,705,198
	Safety management system certification ratio	Percentage	100
	Frequency of work-related injuries among employees	Every 1,000,000 working hours	1.28
	Frequency of work-related injuries among contractor's employees	Every 1,000,000 working hours	1.73
	Total recordable injury frequency rate (TFIFR)	Every 1,000,000 working hours	1.07

# Environmental Action

Meihua Group has deeply integrated its green development philosophy into operational practices, systematically establishing a comprehensive green action framework covering environmental management and ecological conservation, water resource efficiency, resource circular economy, and pollutant management. Through rigorous controls and technological innovation to achieve ultra-low pollutant emissions and minimize ecological risks, the Company focuses on full-process resource recycling. This approach continuously reduces environmental footprint and solidifies the green foundation for sustainable corporate development.

- Environmental Management and Ecological Conservation
- Water Resource Management
- Circular Economy
- Pollutant Management
- Waste Management



# Environmental Management and Ecological Conservation

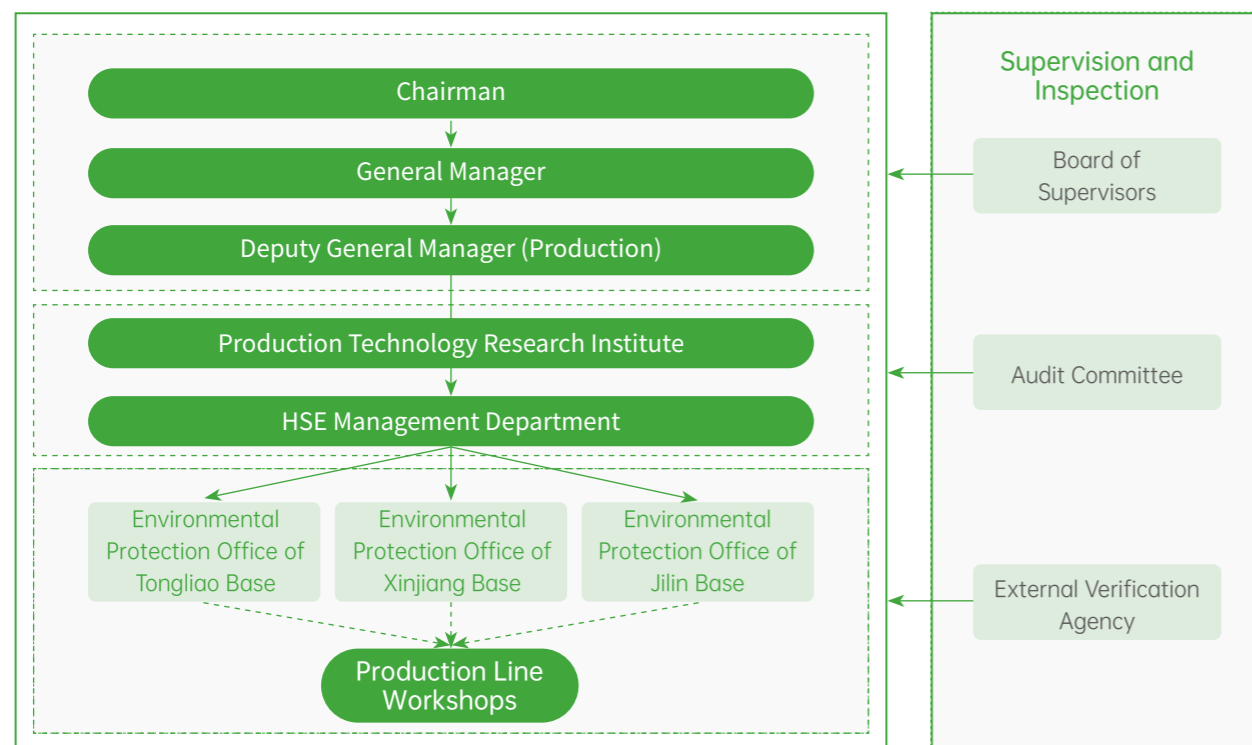
Meihua Group strictly complies with China's environmental regulations and continuously strengthens environmental management by establishing a robust environmental management framework to ensure the relevant accountabilities. The Company safeguards ecological balance through concrete actions in biodiversity conservation, making contributions to regional environmental and ecological sustainability.

## Governance

Meihua Group complies with the requirements of the *Environmental Protection Law of the People's Republic of China* and other laws and regulations. It has developed a series of internal management systems such as the *Environmental Management System* and the *Environmental Protection Monitoring System*, forming a systematic environmental management framework. Each production base systematically implements environmental management requirements throughout its productions and operations in accordance with the principles of "prevention first, source control, terminal treatment, discharge to standard" and "whoever is in charge is responsible", ensuring clear accountability and effective control measures.

With a three-tier environmental governance structure comprising "Governance Level – Management Level – Executive Level", the Company has achieved distinct rights and responsibilities, hierarchical management, and systematic coordination. The Company has established a tiered salary performance assessment standard for employees related to environmental protection and other functions based on the corporate salary management system. Using the "number of key point alarm occurrences" and other quantifiable environmental indicators as an important assessment basis, it conducts phased assessments annually, quarterly and monthly. Relying on its internal environmental problem database, the Company encourages business departments to carry out targeted improvement projects addressing key challenges, supported by specialized incentive mechanisms to fully mobilize employee participation in environmental management and compliance implementation.

Meihua Group Environmental Governance Structure



## Strategy

Based on the industry characteristics and the actual operations of full industrial chain, we have conducted a comprehensive assessment of the current risks, challenges, development opportunities, and potential impacts, clarifying the strategic guidance direction.

Identification of Environmental Management Risks and Opportunities

Type	Description of Risks and Opportunities	Financial Impact	Impact Period	Degree of Impact	Counter Measures
Environmental pollution	The Company generates high-concentration organic wastewater, fermentation residues, and other pollutants during its production process. If not treated properly, they will put significant pressure on the environment.	Cost increase	Medium to long-term	High	Continuously optimize modern technology and improve environmental management measures to effectively reduce pollutant discharge.
Changes in environmental protection policies	Tighter environmental protection policies may lead to higher standards and compliance requirements for the Company.	Cost increase	Medium to long-term	Medium	By strengthening the R&D and application of environmental protection technologies, improve the environmental performance of products to better meet policy compliance requirements.
Opportunities for innovation of environmental technology	The innovation and application of environmental technology can enhance the environmental performance of products, strengthening the Company's market competitiveness.	Revenue increase	Long term	High	Increase investment in R&D to promote the innovation and application of environmental technology, improving the environmental performance of products and market competitiveness of the Company.
Resource efficiency	Efficient equipment or intelligent energy management systems could be applied to significantly reduce energy consumption and operational costs while enhancing production efficiency.	Cost decrease	Long term	High	Build an integrated energy and water resource management system to conduct real-time monitor and intelligent control on energy and water, thus effectively improving the efficiency of resource use.
Policy support opportunities	If the government introduces supportive policies, they could effectively drive the environmental transformation and sustainable development of the biogas fermentation industry.	Revenue increase	Medium to long-term	Medium	Pay attention to environmental policy trends, and actively apply for relevant preferences and subsidies to reduce corporate cost.

## Management of Impacts, Risks, and Opportunities

Meihua Group prioritizes the identification and management of environmental risks as a critical foundation for sustainable development. The Company comprehensively advances coordinated development between operational activities and ecological systems through enhanced environmental protection measures, strengthened special audits, optimized risk controls, and routine emergency preparedness.

### Environmental Management Measures

By establishing standardized environmental management processes and leveraging digital technologies, the Company enhances routine and refined environmental control to improve overall efficiency and achievements in environmental governance. In 2025, the Company had no environmental violations.

#### Meihua Group's Key Measures on Environmental Management in 2025

##### Routine HSE work inspections

Each quarter, specialized inspections are conducted at the Tongliao, Xinjiang, and Jilin bases through a standardized process comprising "Kick-off Meeting – On-site Inspection – Issue Compilation – Closing Meeting". Key inspection areas include environmental facility operations, management accountability, fugitive emission control, and implementation of systems.

##### MES informatization control upgrade for digital compliance

By integrating environmental operation data from all workshops, the Company innovatively developed a visualization system named the "Workshop Environmental Management Visual Map". This system enables centralized monitoring and graphical intelligent management of environmental equipment operating status, maintenance schedules, and historical records. Moreover, in response to the daily management needs of environmental specialists, the original "Environmental Specialist Table" has been comprehensively upgraded to a digital and dynamic "Specialist Intelligent Dashboard", significantly enhancing the refinement level and response efficiency of environmental management.

### Environmental Special Audit

To ensure the effectiveness of environmental management, Meihua Group conducts annual environmental special audit. Based on pre-established clear audit plans and scopes, the Company engages professionals to perform on-site verification, comprehensively assessing the compliance and completeness of environmental facility operations, pollutant emission data, and management documentation. In 2025, Tongliao Base and Xinjiang Base each conducted 4 internal environmental audits; Jilin Base conducted 17 external environmental audits and 4 internal environmental audits. Additionally, the Company has obtained ISO 14001 Environmental Management System Certification, achieving 100% coverage rate across all operations.



ISO 14001 Certification

ISO 14001 Environmental Management System Certification, achieving **100%** coverage rate across all operations.

## Risk Management and Emergency Drills

Meihua Group complies with the requirements of the *Emergency Response Law of the People's Republic of China*, the *National Environmental Emergency Response Plan*, the *Environmental Protection Law of the People's Republic of China* and other laws and regulations. Each Base has formulated its own Environmental Emergency Response Plan, which defines the process for emergency response and has been filed with the local environmental protection bureau, and proactively organizes emergency drills each year. In 2025, a total of 4 environmental emergency drills were conducted.

In 2025, a total of **4** environmental emergency drills were conducted.

### Liquid Ammonia Leak Drills

To further strengthen practical capabilities of major environmental risk prevention and control and emergency response, in 2025, Tongliao Base and Xinjiang Base conducted several specialized emergency drills focused on the high-risk scenarios of liquid ammonia sphere tank leakage. The drills simulated typical emergency scenarios including leak alarms, personnel poisoning incidents, and leak escalation. Through these exercises, the bases systematically tested the full-process response mechanisms from on-site response procedures to emergency plan activation and coordinated rescue operations. The series of scenario-based drills effectively strengthened emergency awareness and response capabilities across all positions, optimized emergency resource allocation and command coordination workflows, and laid a solid foundation for continuously reinforcing the dual defense lines of production safety and environmental protection.



Liquid Ammonia Leak Drills

### Emergency Drill for the Leak of Residual Liquid in the Hazardous Waste Warehouse Laboratory

In March 2025, residual liquid leaked from a ton container in the Hazardous Waste Warehouse Laboratory of Jilin Base, releasing a pungent odor at the site. Management promptly reported the incident and activated the emergency response plan, while emergency personnel immediately set up a cordon and donned protective gear to initiate containment procedures. The leak was effectively controlled within a short timeframe by transferring the residual liquid into an emergency spare container, using fire sand to absorb the leaked liquid on the ground, flushing the contaminated area and collecting the resulting wastewater. No personnel injuries or environmental contamination occurred during the incident. The standardized and rapid response demonstrated Jilin Base's capabilities in risk prevention and control and on-site emergency management within hazardous waste operations.



Emergency Drill for the Leak of Residual Liquid in the Hazardous Waste Warehouse Laboratory

## Indicators and Targets

The Company has established and consistently achieved its overall environmental targets for 2025.

### Meihua Group's Environmental Protection Goals in 2025

目标	进度
Perimeter online monitoring and discharge indicators fully compliant (100%);	Achieved ☺
Fugitive emissions transformed into organized and controlled emissions.	Achieved ☺

In addition, we have established an environmental management performance indicator system to quantitatively assess environmental performance, track outcomes in continuous improvement, and integrate relevant data into management decision-making and information disclosure processes.

### Key Indicators on Environmental Management

Indicator	Unit	2025
Investment in environmental protection funds	RMB10,000	5,435.12
Pollutant monitoring compliance rate	%	100
Environmental violations	Case	0

## Ecological Conservation

The Company integrates the concepts of ecosystem and biodiversity conservation into its daily environmental management, covering all key stages including project development and routine production operations.

### Ecosystem and Biodiversity Conservation Initiatives

Phase	Key Measures	Ecological Benefits
Backfilling during construction phase	<ul style="list-style-type: none"> <li>Prioritize the use of on-site excavated soil and rock for foundation pit backfilling.</li> <li>Rigorously test the backfill quality and compaction degree to ensure foundation stability.</li> </ul>	Reduce external procurement of earthwork materials and transportation emissions, while conserving resources and reducing carbon footprint.
Surface restoration	<ul style="list-style-type: none"> <li>Implement surface soil improvement measures.</li> <li>Conduct green planting to restore surface vegetation.</li> </ul>	Promote the regeneration of land ecological functions and achieve organic integration between engineering construction and ecological restoration.
Operational phase management	<ul style="list-style-type: none"> <li>Entrust qualified third parties to conduct compliant disposal of waste materials, achieving harmless treatment.</li> <li>Implement rigorous treatment processes for exhaust gas and wastewater to ensure stable compliance with discharge standards.</li> </ul>	Prevent secondary pollution to soils, water bodies, and ecosystems, minimize disturbances to regional biodiversity habitats, and maintain ecosystem health.

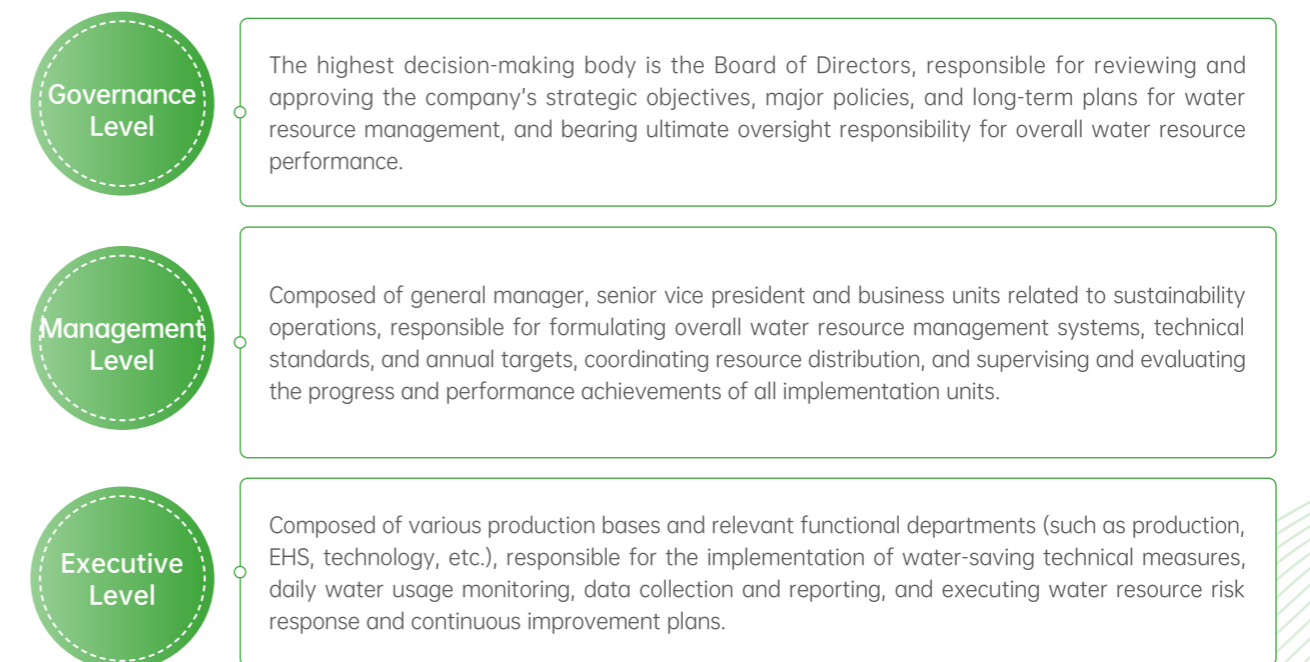
## Water Resource Management

Meihua Group emphasizes the sustainable utilization of water resources, strictly complying with relevant laws and regulations such as the *Water Law of the People's Republic of China* and the *Water Pollution Prevention and Control Law of the People's Republic of China*. Guided by the *Meihua Group Water Resource Management Regulations*, the Company systematically advances water-saving management and water resource protection initiatives. In 2025, the Company has set clear water resource management targets, using "water consumption per unit product" as a key performance indicator for all production workshops. This year, all relevant targets have been successfully met.

Targets	进度
By 2030, the operational water consumption intensity (per unit of operating revenue) will be reduced by 5% compared to the 2025 baseline.	In Progress ☺

The Company has established a three-tier water resource governance framework of "Governance Level – Management Level – Executive Level" achieving clear delineation of responsibilities and hierarchical, interconnected systematic management of water resources. The governance level, led by the Board of Directors, is responsible for setting water-saving strategic goals and policy directions. The management level, composed of general manager, senior vice president and sustainability-focused business units, oversees the development of management systems, promotion of technical standards, and cross-site coordination. Relevant company departments form the executive level, responsible for executing specific water-saving measures, monitoring, and data reporting.

### Water Resource Management Levels and Primary Responsibilities





In 2025, the Tongliao base obtained new water footprint certifications for monosodium glutamate and threonine products. This not only systematically quantifies the water consumption throughout the product lifecycle and identifies water-saving potentials, but also transparently demonstrates water resource management performance in an internationally recognized manner, effectively enhancing the green market competitiveness of the products.

In water resource management, the Company has reduced water consumption per unit of product through systematic process optimization, technological upgrades, and process control, continuously improving water utilization efficiency and effectively fulfilling its social responsibility in building a water-saving enterprise.

Meihua Group monitors water-related risks. Through the water risk analysis tool of the World Resources Institute (WRI), the Company has assessed the water resource risks of all operational bases. The results show that due to the geographical limitations of the Company's production bases, water extraction still mainly comes from high-risk areas, and the proportion of agricultural products procured from areas with "high" or "extremely high" water pressure has not changed significantly. In response to these challenges, the Company has strengthened its water resource management strategy across the full industrial chain, enhanced the application of water-saving technologies and management measures, and successfully achieved water savings of 714 tons in 2025.



Tongliao Base Water Footprint Certification

Key Indicators for Water Resource Utilization

Indicator	Unit	2025
Total water intake	Ton	40,125,817
Total water consumption	Ton	60,133,934
Water resource recycling amount	Ton	20,008,117.13
Alternative water usage	Ton	2,000
Proportion of water intake from high-risk areas	%	100
Percentage of crops purchased from areas with high or extremely high baseline water pressure	%	100
Water-related violation incidents	Case	0

# Circular Economy

The Company strictly implemented the *Green Packaging Materials Management System* with an environmental protection orientation, systematically sorted existing packaging materials and optimized packaging design. In addition, we actively promote supplier collaboration to advance the implementation of environmentally friendly packaging solutions, ensuring that the concept of green development is deeply integrated into every aspect of supply chain management.

Green Packaging Materials Strategic Targets

- Optimize the structural design and material selection of product ton bag packaging, effectively reducing the material consumption per unit of packaging while ensuring protective performance of the packaging.
- Optimize packaging specifications and design for fertilizer bags to lower packaging material usage per unit of product, thereby reducing resource consumption and waste generation at the source.
- Optimize printing processes to minimize ink usage and reduce potential environmental pollution risks posed by ink throughout the entire lifecycle of packaging materials.
- It is planned to reduce packaging weight by 20 tons throughout 2026, with 712 tons of the packaging content consisting of recycled or renewable materials. By 2030, the Company aims to reduce waste from packaging materials by 90 tons across its operations.

Key Initiatives for Packaging Material Usage

- Optimization and reduction of use of packaging**  
The Company reduces the ineffective lining area of fertilizer and MSG product packaging while maintaining protective performance, thereby directly decreasing packaging material consumption and waste. In 2025, the Company achieved a packaging weight reduction of 27 tons, with a target completion rate of 135%.
- Recycling of packaging materials**  
The Company actively promoted packaging material recycling by using packaging made from by-products produced from renewable materials. In 2025, it achieved a cumulative recycling and reuse of 1,587 tons of packaging materials.
- Reusable pallet circulation**  
The Company implemented pallet circulation operations between workshops and finished product warehouses to improve utilization efficiency of pallets.

Key Indicators of Packaging Material Utilization

Indicator	Unit	2025
Packaging material consumption of primary plastic category	Ton	21,348
Packaging material consumption of primary paper category	Ton	963
Packaging material consumption of secondary wood category	Ton	4,101
Packaging material consumption of secondary paper category	Ton	1,559

# Pollutant Management

The Company strictly complies with China's environmental protection regulations and continuously optimizes its environmental management system. It implements systematic control measures in key areas such as waste gas, wastewater, and solid waste to ensure full compliance with environmental requirements throughout production and operations, effectively fulfilling its corporate environmental responsibilities.

## Wastewater Management

Meihua Group strictly adheres to laws and regulations including the *Water Pollution Prevention and Control Law of the People's Republic of China*. It formulates and implements the *Wastewater Discharge Management Regulation* and the *Stable Operation Management System for Wastewater Treatment Plants*, clearly defining wastewater treatment processes to ensure compliant discharge of sewage.

### Technical Upgrading of Wastewater Treatment Workshop at Tongliao Base

In 2025, during the construction of the annual 500,000-ton MSG output and supporting projects, Tongliao Base simultaneously implemented a systematic technical upgrade of the wastewater treatment workshop. The project focused on adding key facilities, including complete set of wastewater treatment facilities with a treatment capacity of 10,000 m<sup>3</sup>/day. After the technical upgrade, the total phosphorus concentration in the system effluent showed a sustained and significant downward trend. This achievement not only ensured the demand for production capacity expansion but also further optimized the effluent water quality indicators and effectively reduced the environmental discharge intensity.



Technical Upgrading of Wastewater Treatment Workshop

### Xinjiang Base's Expansion of Reclaimed Water Pretreatment Facilities to Increase Reclaimed Water Production

In August 2025, Xinjiang Base invested RMB 7.2 million to implement a quality improvement and efficiency enhancement project for the reclaimed water reuse system. By adding new reclaimed water inlet pretreatment facilities for reclaimed water influent, the turbidity of sand filter influent was reduced, optimizing influent water quality and ensuring operational efficiency and longevity of membrane modules. After the upgrade, the reclaimed water system's production capacity significantly increased, with the average daily reclaimed water output significantly enhanced, representing a capacity expansion exceeding 140%. In addition, Xinjiang Base constructed a dedicated reclaimed water reuse pipeline, laying 4,742 meters of transportation pipes to supply high-quality reclaimed water as makeup water for evaporative cooling systems and circulating water pools in production areas. This initiative effectively reduced freshwater intake and wastewater discharge, achieving simultaneous improvements in water resource recycling efficiency and energy-saving emission reduction.



On-Site Photo of The Pretreatment Facilities

## Key Indicators of Wastewater Discharge

Indicator	Unit	2025
Total volume of wastewater	Ton	27,535,162.56
Chemical oxygen demand (COD)	Ton	2,123.18
Ammonia nitrogen emissions	Ton	274.69
Total nitrogen (TN) emissions	Ton	973.44
Total phosphorus (TP) emissions	Ton	78.87

## Waste Gas Management

Meihua Group strictly complies with laws and regulations such as the *Air Pollution Prevention and Control Law of the People's Republic of China*. Relying on the *Waste Gas Emission Management Regulation*, it ensures the stable operation of odor control facilities and complies with discharge standards for organized or unorganized emissions in plant boundary or surrounding areas.

### Key Initiatives for Waste Gas Treatment

#### Treatment of Fume from Boilers



- In treating fume from boilers, the Company uses "electrostatic fabric filter + ammonia desulfurization + SNCR denitration" technologies, achieving all-round "ultralow emissions" with actual pollutant concentrations far below China's standard limits. Specifically, the SNCR denitration technology converts NO<sub>x</sub> into N<sub>2</sub> and H<sub>2</sub>O, realizing clean transformation; the ammonia desulfurization technology transforms SO<sub>2</sub> into ammonium sulfate, which can directly serve as raw material for amino acid production, thereby achieving "waste-to-resource synergy and recycling". The fume discharge outlets of Tongliao Base, Xinjiang Base, and Jilin Base all have online surveillance equipment, which could transmit data in real time to the environmental regulatory platform.
- By the end of the reporting period, the fume emission indicators at the aforementioned three bases remained stable, fully meeting the requirements of ultra-low emission standards.

#### Treatment of Organized Odors



- The Company has established a multi-tiered odor control system encompassing dedusting, washing, condensation, biological deodorization, activated carbon and catalytic oxidation, ensuring all waste gas is deeply purified and meets discharge standards. For special odor sources such as fermentation and drying processes, the Company continuously optimizes its technical combinations by applying advanced technologies including multi-tiered washing, electrostatic defogging, activated carbon and biological deodorization. Automated control systems are also implemented to achieve stable operation and efficient management throughout the entire process.

#### Treatment of Unorganized Odors



- The Company systematically implements unorganized emission control by installing closed collection devices on storage tanks, process equipment, and indoor point sources to effectively capture waste gas. Moreover, it continuously optimizes internal management and operational procedures, significantly reducing odor concentrations in production areas and effectively improving the working environment.

#### Treatment of Unorganized Dust



- The Company has built three completely closed coal yards equipped with high-pressure fog-ejected dust prevention systems to prevent dust at the source of storage. Coal transportation is conducted entirely through closed corridors or pipelines, with dry fog-based dust prevention devices installed at critical unloading points such as car dumpers, achieving comprehensive dust prevention throughout the entire operation process.

This year, the Company strengthened the synergistic controls of organized and unorganized emissions through multi-dimensional initiatives such as technical optimization, equipment retrofit, and enhancements in operational management.

### Desulfurization and Denitrification System Upgrade at the Heating Station of Tongliao Base

In 2025, Tongliao Base implemented an automation upgrade for the desulfurization and denitrification system at its heating station. The original operational mode, which relied on "manual remote valve control and manual adjustment of chemical dosing based on discharge outlet data", was upgraded to an intelligent interlock control system. This system uses real-time monitored slurry pH value and inlet sulfur dioxide concentration as inputs. Through an established ammonia solution dosing control model, it automatically calculates and adjusts the ammonia dosage under different operating conditions based on preset algorithms, achieving precise automated control of the dosing process. After the upgrade, the concentrations of sulfur dioxide and nitrogen oxides at the discharge outlet continued to decline significantly, further reducing pollutant emissions and environmental compliance risks while enhancing treatment efficiency and operational stability.

### Waste Gas Treatment at Xinjiang Base

In 2025, Xinjiang Base implemented an upgrade project for waste gas treatment in the drying process. The waste gas treatment process for organic fertilizer drying was upgraded to activated carbon adsorption technology with stronger adsorption capacity, while biological deodorization technology was adopted to enhance the system's ability to degrade odors. After the upgrade, the odor concentration at the waste gas discharge outlet was significantly reduced, effectively minimizing impacts on the surrounding environment.



Xinjiang Base Organic Fertilizer Activated Carbon Adsorption Project



Xinjiang Base Threonine Residue Biological Deodorization Project

#### Key Indicators of Waste Gas Emissions

Indicator	Unit	2025
Total emission of air pollutants	Ton	2,420.62
Emissions of particulate matter (PM)	Ton	329.49
Emissions of sulfur oxides (SOx)	Ton	1,094.62
Emissions of nitrogen oxides (NOx)	Ton	1,653.56
Emissions of volatile organic compounds (VOC)	Ton	68.88

## Waste Management

Meihua Group has formulated the *Solid Waste Management Regulations* in accordance with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, clearly defining full-process management requirements for household waste, general industrial solid waste, and hazardous waste. In addition, the Company has established a hazardous waste management system including the *Hazardous Waste Management Regulations (Trial)* to ensure safe and compliant hazardous waste management practices.

All waste generated by the Company is managed through classification and compliant disposal. For non-hazardous waste, household waste (e.g., kitchen waste, office waste) is entrusted to professional organizations for sanitary landfill; industrial waste and dust are handled by qualified third-party providers for compliant disposal. Recyclable waste undergoes classification and resource recovery utilization to achieve waste reduction and circular regeneration. For hazardous waste, the Company implements centralized collection and zoned temporary storage, and entrusts all to the third parties holding corresponding qualifications for standardized disposal. To strengthen full-process supervision, all hazardous waste transfer and disposal information is entered into China's National Solid Waste Management Information System as required, enabling traceable record-keeping.

#### Key Indicators of Waste Discharge

Indicator	Unit	2025
Total volume of waste generated	Ton	853,695.53
Total volume of hazardous (harmful) waste	Ton	358.63
Density of hazardous (harmful) waste (calculated per RMB 1 million of operating income)	Ton/RMB 1 million	0.01
Volume of waste activated carbon generated	Ton	173.98
Volume of waste vanadium pentoxide generated	Ton	15.54
Volume of waste nickel-containing catalyst generated	Ton	0
Volume of waste zinc oxide catalyst generated	Ton	0
Volume of waste engine oil generated	Ton	145.64
Volume of waste detection liquid generated	Ton	2.00
Empty waste reagent bottles	Ton	0.57
Volume of waste paint bucket generated	Ton	19.86
Volume of waste toner cartridge generated	pcs	2,020
Volume of waste ink cartridge generated	pcs	1,647
Volume of waste battery generated	pcs	11,306
Volume of waste electronic garbage generated	Ton	1.04
Total volume of non-hazardous waste	Ton	853,336.91
Density of non-hazardous waste (calculated per RMB 1 million of operating income)	Ton/RMB 1 million	35.25
Volume of industrial waste generated	Ton	839,010.49
Volume of kitchen waste generated	Ton	493.32
Volume of dust generated	Ton	12,441.89
Volume of office waste generated	Ton	1,391.21

# Low Carbon Action

Against the strategic backdrop of global shared responsibility in addressing climate change and achieving the “carbon peaking and carbon neutrality” goals, Meihua Group has integrated climate actions into the core agenda of corporate sustainable development. Deeply understanding the systemic risks and transformation opportunities presented by climate change, we are committed to systematically and comprehensively advancing low-carbon transition through developing a robust governance framework, a clear low-carbon strategy, a forward-looking risk management system, and targets and indicators on a scientific and measurable base.

- Climate Governance
- Climate Strategy
- Risk Management
- Indicators and Targets



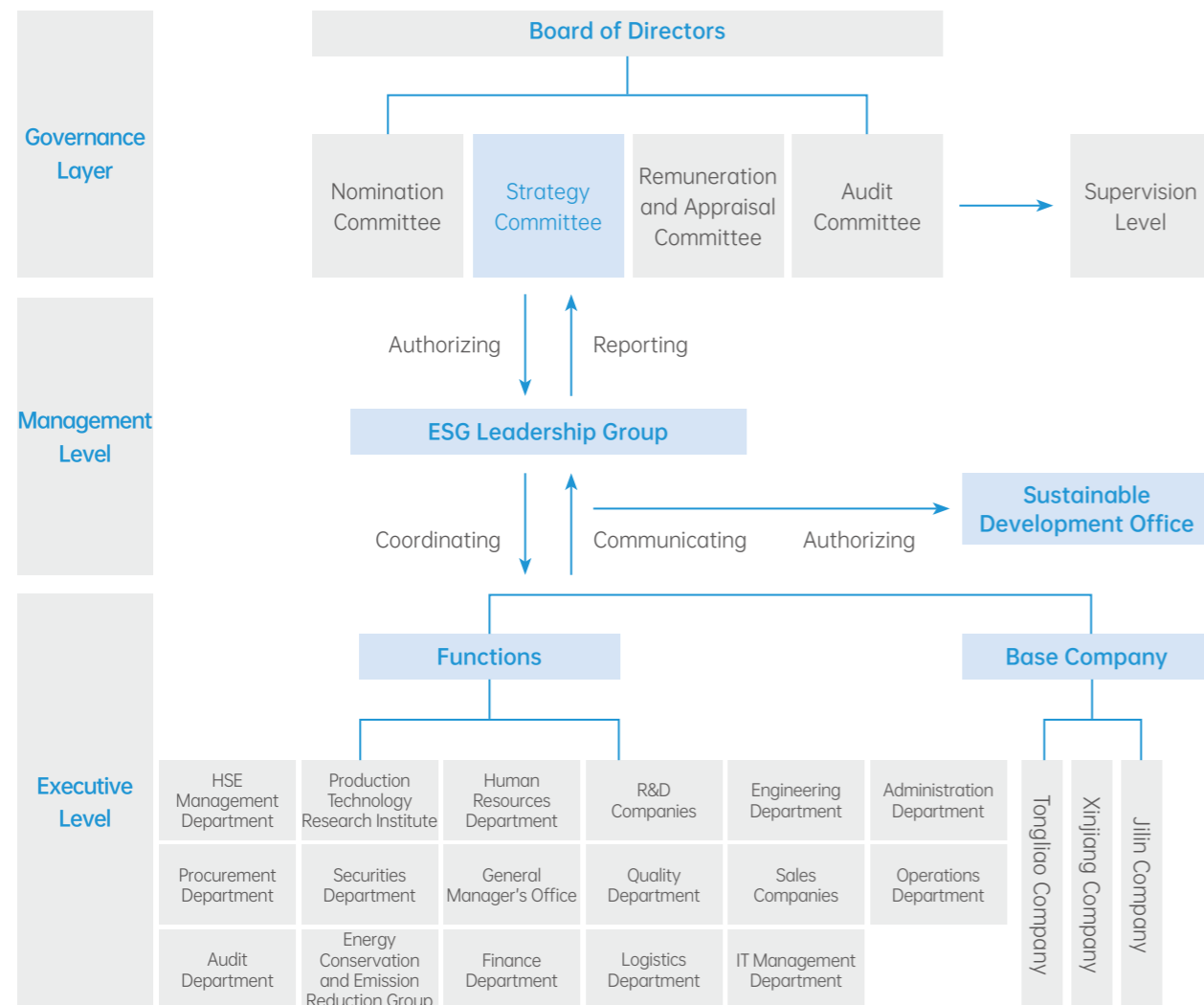
# Addressing Climate Change

Meihua Group has positioned climate change mitigation as a key priority for its development, systematically advancing its low-carbon transition through governance enhancement, strategy formulation, risk management strengthening, and specific target setting.

## Climate Governance

Meihua Group has established a three-tier collaborative climate governance structure comprising the "Governance Level – Management Level – Executive Level". In 2025, the Company revised and refined the *Management Measures for Addressing Climate Change and Sustainable Development* and released the *Climate Change Response Report* to further clarify responsibilities and collaboration mechanisms across all organizational levels, thereby providing a systemic framework for climate action implementation.

Climate Governance Structure



## Climate Governance Responsibilities and Operational Mechanisms

Structure	Organization	Responsibilities and Operational Mechanisms
Governance Level	Board-level Strategy Committee	<ul style="list-style-type: none"> <li>Approve and oversee the implementation of sustainable development strategies, planning, and annual plans;</li> <li>Supervise progress on major climate-related topics and the achievement of key targets;</li> <li>Review the assessment results of climate-related risks and opportunities;</li> <li>Review the annual sustainability and climate change report, as well as other significant matters.</li> </ul>
Management Level	ESG Leadership Group	<ul style="list-style-type: none"> <li>Develop sustainable development strategies, targets, and medium- to long-term plans for the Strategy Committee's review;</li> <li>Organize the setting of department-level sustainability indicators and track their implementation progress;</li> <li>Oversee the identification and assessment of climate risks and opportunities, and formulate response strategies and management plans;</li> <li>Supervise stakeholder engagement and the determination of material topics;</li> <li>Oversee the disclosure of sustainability information.</li> </ul>
Executive Level	Functions and Base Companies	<ul style="list-style-type: none"> <li>Be responsible for internal and external coordination and routine information feedback;</li> <li>Improve and oversee the implementation of ESG management systems;</li> <li>Break down ESG targets and coordinate the execution of annual tasks;</li> <li>Lead the collection of ESG data and the preparation of reports, ensuring accuracy and compliance.</li> </ul>

The Company continuously enhances awareness of climate risks, opportunities, and international frameworks across all levels by regularly conducting specialized training sessions for the Strategy Committee, the ESG Leadership Group, key departments, and base companies. This systematic approach strengthens strategic decision-making and execution capabilities in climate governance.

In addition, the Company has directly linked climate performance to incentive bonuses (bonus pool). To ensure effective implementation of climate and sustainability goals, it has incorporated the core carbon target - a 17% reduction in emissions per unit of operating income by 2030, relative to the 2025 baseline - into the Chairman's annual compensation evaluation system.

# Climate Strategy

Based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) framework and considering its industry characteristics and operational realities, the Company systematically identified physical risks and transition risks and formulated corresponding counter measures.

List of Climate Risks

Type of Risks/ Opportunities	Name of Risks/ Opportunities	Time Period Affected	Description of Risks/ Opportunities	Counter measures
Physical Risk Acute	Extreme high temperatures	Short-term: Medium Medium-term: High Long-term: High	Extreme high temperatures have a significant impact on the production and fermentation processes of the Company's temperature-sensitive products, which may result in reduced output and other financial losses.	The Company has increased investment in refrigeration equipment, adjusted production schedules, advanced product technical upgrades, and distributed cooling supplies to employees.
	Blizzard	Short-term: Low Medium-term: High Long-term: Medium	Blizzards may cause damage to the Company's warehousing facilities, power outages, and logistics delays, adversely affecting the stability of the Company's operations.	The Company has established routine mechanisms for snow removal and other similar activities, improved emergency response plans, and is progressively reinforcing warehouses based on cost considerations.
	Storm/Cyclone	Short-term: Low Medium-term: Low Long-term: Low	Severe low-pressure storms often bring heavy precipitation and strong winds, which may cause damage to the Company's fixed assets.	The Company promptly issued warnings and evacuated personnel during strong winds to prevent individuals from entering hazardous areas.
	Extreme precipitation and flooding	Short-term: Low Medium-term: Low Long-term: Low	Extreme precipitation may cause water accumulation indoors and outdoors; if drainage is not timely, financial losses may occur or normal pedestrian access may be impeded.	The Company has been equipped with water pumping equipment and established an emergency plan to organize personnel for timely water pumping during flooding.
Physical Risk Chronic	Drought	Short-term: Low Medium-term: Low Long-term: Medium	Drought may cause a reduction in crop yields, deterioration of the ecological environment, and severe water shortages, thereby affecting the quality and stability of the supply of corn, which is a critical raw material for the Company.	The Company conducts full-cycle monitoring of planting costs, acreage, and yield forecasts in major corn-producing regions. Based on dynamic data, it prioritizes the procurement of high-quality produce from selected key production areas to enhance supply chain stability and efficiency.
	Rising sea levels	Short-term: Low Medium-term: Low Long-term: Medium	Rising sea levels may increase the risk of flooding and typhoons affecting the Company's operations in low-lying areas.	The Company has established a dynamic adjustment mechanism for transportation strategies to flexibly select transportation modes or combinations.

Type of Risks/ Opportunities	Name of Risks/ Opportunities	Time Period Affected	Description of Risks/ Opportunities	Counter measures
Transition Risks - Policy and Legal	Increase in greenhouse gas-related pricing	Short-term: Low Medium-term: High Long-term: High	The continuous inclusion of high-carbon-emission industries in the national carbon market may result in companies incurring additional compliance costs under the carbon trading mechanism, thereby creating a financial burden.	The Company continues to advance energy conservation and carbon reduction efforts while proactively planning carbon quota strategies to control costs. Simultaneously, the power plant optimized combined heat and power efficiency by integrating carbon verification with market trading, thereby reducing carbon emission intensity.
	Change in energy structure	Short-term: High Medium-term: High Long-term: High	Against the backdrop of the national dual-carbon strategy, the Company faces external pressures to reduce coal consumption and optimize its energy structure, which has led to an increase in energy costs.	The Company is advancing the optimization of its energy and raw material structure from multiple dimensions: initiating a feasibility assessment for the clean substitution of raw coal to gradually promote process upgrades; enhancing energy efficiency through combined heat and power generation while strictly controlling coal-fired emissions; and continuously optimizing the energy structure by increasing the proportion of externally purchased green electricity and clean energy.
Transition Risk - Technology	Research & development and application of low-carbon technology	Short-term: High Medium-term: High Long-term: High	In response to external policy requirements and internal energy-saving technical transformation plans, the Company is required to continuously invest capital for the upgrading of energy-saving equipment and the modification of production processes.	The Company continues to invest in energy-saving technical upgrades. Based on external emission reduction requirements and internal upgrade needs, combined with financial affordability, the scale of short-, medium-, and long-term decarbonization actions is being steadily expanded.
	Stranded assets in high-energy-consuming sectors	Short-term: High Medium-term: High Long-term: High	Such policies may impose more stringent energy efficiency standards on the Company's existing high-energy-consuming equipment, thereby prompting the Company to advance equipment upgrades and resulting in stranded assets.	The Company achieves a smooth renewal of existing equipment and an improvement in energy efficiency by dynamically tracking external energy efficiency standards and evaluating and promptly divesting high-energy-consuming equipment.
Transition Risk - Market	Changes in customer preferences	Short-term: Low Medium-term: Low Long-term: Medium	As market trends evolve, customer requirements regarding the environmental performance and packaging formats of products have shifted. Consequently, the Company is required to allocate additional resources to meet customers' demands for green and low-carbon products.	The Company continues to promote green procurement and carbon reduction throughout the full product lifecycle. On the one hand, packaging solutions are optimized to increase the proportion of environmentally friendly materials and incorporate sustainability requirements into supply chain management; on the other hand, product structures and production processes are optimized, carbon footprint verification is conducted, and product carbon emissions are reduced at the source.

Type of Risks/ Opportunities	Name of Risks/ Opportunities	Time Period Affected	Description of Risks/ Opportunities	Counter measures
Transition Risk - Reputation	Concerns of stakeholders	Short-term: Low Medium-term: Low Long-term: Low	The growing concern of the Company's stakeholders (e.g., shareholders, government, customers, etc.) regarding climate change response and sustainable development is increasingly influencing the Company's strategy and operations, thereby exerting reputational pressure on the Company.	The Company has systematically advanced the electrification replacement of on-site transport vehicles in accordance with policy requirements. Based on a comprehensive assessment of investment timing, costs, and efficiency, relevant plans have been incorporated into warehousing and long-term asset management.

Based on the systematic identification of climate-related risks and the formulation of counter measures, Meihua Group also actively seized development opportunities arising from the low-carbon transition. Focusing on key areas such as clean energy utilization, energy efficiency enhancement, green product innovation, and the circular economy, we are transforming climate opportunities into new drivers for high-quality enterprise development.

### List of Climate Change Opportunities

Name of Opportunities	Description of Opportunities	Time Period	Company Practices and Plans
Policy Support for Green Bonds	Policy guidance and incentive measures in the green bond sector have gradually matured. Energy-saving engineering projects related to synthetic ammonia have been included in the Catalog of Green Finance Support Projects (2025 Edition).	Medium-to-long term	The Company actively promotes green transformation through synthetic biology technologies by utilizing strain engineering and process optimization to effectively reduce energy consumption, thereby aligning with policy support directions.
Tax Incentives Related to Environmental Protection	Article 13 of the Environmental Protection Tax Law of the People's Republic of China stipulates that if an enterprise controls the emission concentration of taxable air or water pollutants to below 30% of the national emission standard, it shall be subject to a tax rate reduced to 75%; if the concentration is below 50%, the tax rate shall be reduced to 50%. This provision provides clear policy incentives for the Company to reduce its tax burden through environmental upgrades.	Short-term	Recognized for industry-leading energy conservation and environmental protection practices, the Company has been awarded the title of "National Benchmark Enterprise for Energy Conservation and Environmental Protection in the Biological Fermentation Industry". Its Jilin and Tongliao bases have completed carbon footprint and water footprint certifications, establishing a foundation for alignment with tiered environmental incentive policies. Simultaneously, the Company continues to promote the circular economy of carbon resources across the industrial chain. Through technological upgrades, high-value utilization of waste is achieved, while simultaneously advancing reduction and decarbonization objectives.
Subsidies and Incentives Related to Motor Energy Efficiency Improvement	The national standard "Energy Efficiency Limits and Energy Efficiency Grades for Electric Motors" (GB 18613-2020) has raised the minimum access level to IE3 (Grade 3 energy efficiency), thereby compelling enterprises to phase out inefficient motors. Simultaneously, certain local governments provide fiscal subsidies for motor system energy efficiency improvement projects, integrating the promotion and application of high-efficiency motors from special plans into a broader and more enduring national strategy.	Short-term	The Company systematically upgraded high-efficiency equipment to enhance motor efficiency and overall energy efficiency levels.

Name of Opportunities	Description of Opportunities	Time Period	Company Practices and Plans
Subsidies and Absorption Policies for Renewable Energy Power generation	National policies provide strong support for the self-generation and self-consumption model with surplus power fed into the grid, which enjoys convenient green power absorption and benefits from green certificate trading. The NDRC's Notice on Doing a Good Job in Covering All Renewable Energy Green Electricity Certificates to Promote Renewable Energy Power Consumption has achieved full coverage of green certificates for renewable energy power generation such as distributed photovoltaic power generation. The NDRC's Measures for the Administration of Funds for Additional Electricity Prices of Renewable Energy have clarified the core basis for subsidy applications, disbursements, and supervision.	Medium- to long-term	The Tongliao Base has completed the construction of an 11MW rooftop photovoltaic project. Operating under a "self-generation and self-consumption" model, the project optimizes the regional power structure, increases the proportion of clean energy utilization, and reduces energy costs. The Company is committed to establishing a clean energy supply system primarily based on distributed photovoltaic power generation, energy storage, and direct green power supply, thereby laying the foundation for systematic energy transition and alignment with policy resources.
Carbon Emission Trading and Energy Trading Policies	The Notice of on Doing a Good Job in the Allocation and Surrender of National Carbon Emission Allowances for the Power Generation Industry in 2023 and 2024 issued by the Ministry of Ecology and Environment introduces an allowance carryover policy to incentivize enterprises to sell surplus allowances. The Company may achieve carbon asset appreciation and monetization of energy value by optimizing the energy structure and mobilizing surplus carbon emission allowances and green certificates.	Medium-to-long term	The Company has implemented distributed photovoltaic projects and refined its self-generation power plant carbon compliance trading strategies, thereby establishing a solid foundation for the appreciation of carbon assets and the monetization of energy value.
Enhancement of Resource Utilization Efficiency	In response to the NDRC's Implementation Guidelines for Energy Conservation and Carbon Reduction Retrofitting and Upgrading in Key Areas of High-Energy-Consuming Industries, which mandates energy conservation retrofitting in sectors such as fermentation to reduce energy consumption per unit, the Company can significantly enhance its energy and resource efficiency through such retrofitting initiatives. Concurrently, the NDRC's Administrative Measures for Special Central Budgetary Investment in Energy Conservation and Carbon Reduction supports projects such as energy conservation and carbon reduction in key industries. The Company's projects, including the optimization of low-pressure steam pipelines at the heating station, energy efficiency upgrades to the ammonia synthesis steam pipeline network, and retrofitting of air separation turbine systems, currently align with the policy subsidy direction.	Short-term	The Company has enhanced energy and resource efficiency through an energy-saving retrofitting system, achieving significant reductions in consumption and carbon emissions, thereby establishing a solid foundation for policy subsidies.
Develop Low-carbon Products and Services	Driven by both policy guidance and market demand, the Company may leverage its advantages in bio-fermentation technology to accelerate its layout in emerging sectors such as low-carbon, high-value functional products and green ammonia, while expanding into green raw material research and development, circular economy services, and zero-carbon energy solutions.	Medium-to-long term	The Company is actively developing coupling pathways between green ammonia production technologies and existing synthesis processes, while planning and constructing demonstration projects. These initiatives aim to gradually replace fossil-based ammonia synthesis and drive the upgrade of the product structure toward high value-added and low-carbon directions.
Enhanced Customer Trust and Market Preference	Simultaneously, as customers' requirements for green procurement and sustainable supply chains continue to increase, the Company can effectively enhance customer trust by adopting low-carbon packaging, meeting international environmental standards, and obtaining authoritative certifications.	Short-term	The Company prioritizes the selection of renewable and biodegradable materials to assist clients in obtaining low-carbon packaging products that comply with international standards.

# Risk Management

Meihua Group has fully integrated climate risk management into its corporate strategy and operational framework. By establishing a management mechanism with clearly defined responsibilities and closed-loop processes, the Group systematically identifies, assesses, monitors, and integrates physical risks and transition risks to ensure sustainable and resilient development.

## Risk Management Process Flowchart



### Identification of Physical Risks

Based on the delineation of boundaries for each operating location, potential climate risks are identified using tools such as ThinkHazard, in conjunction with historical events and desk analysis, resulting in a physical risk register.

### Identification of Transition Risks

Based on policies in the operating jurisdictions and industry trends, transition risks faced by the Company are systematically identified across four dimensions: technology, reputation, market, and policy and legal.

### Quantitative Assessment: Financial Loss and Response Costs

- Based on climate model projections and incorporating historical event costs alongside future mitigation measure costs, the financial impacts of various risks on business operations for the current period, the next fiscal year, and the short-to-medium term are quantified.
- Based on the financial impact results, the financial significance of each risk is assessed as one of the key criteria for determining the extent of risk impact.

### Qualitative Assessment: Objective Impact and Response Resilience

- Objective Impact:** The objective impact of risks is assessed by analyzing the likelihood and severity of risk occurrences under different scenarios through climate modeling.
- Response Resilience:** Analyze the response capabilities of each business unit to physical risks, including technical infrastructure and response experience, and assess the resilience of businesses in terms of their response and recovery under risk shocks.

### Comprehensive Determination of Risk Significance

- Integrate the results of quantitative (financial impact) and qualitative (objective impact and response resilience) assessments to construct a two-dimensional materiality determination matrix.
- Conclusions on the significance levels of each risk category are derived to support the Company in prioritizing and managing climate risks.



### Routine Monitoring Arrangements

Continuous tracking is conducted on changes in identified risks and the progress of implemented counter measures to ensure that risk management remains dynamic and effective.

### Special Monitoring of Production Operations

In light of actual production conditions, extreme weather events are regularly monitored for their impact on production operations, key assets, and operational stability to ensure operational resilience.

### Tracking of Implementation Progress for Counter Measures

Concurrently monitor the implementation status of key climate risk counter measures to ensure that contingency plans are effectively executed and fully implemented.

### Information Integration and Decision Support

Through the continuous consolidation and analysis of risk information, emerging trends in risk changes are identified in a timely manner to provide a basis for the dynamic adjustment and optimization of subsequent measures.



- A climate risk management system with clearly defined responsibilities and hierarchical implementation has been established. Based on the Management Measures for Addressing Climate Change and Sustainable Development, closed-loop management is achieved across strategic planning, supervisory auditing, coordinated execution, and base-level implementation.
- Climate risk management operates as an independent module and is integrated with corporate climate governance, scenario analysis, and risk significance assessment to support relevant management decisions.

## Indicators and Targets

In Scope 1 and Scope 2 emissions reduction, Meihua Group has established a climate target framework encompassing near- and long-term visions to systematically drive the low-carbon transition.

### Near-term target

- With 2025 as the base year, we aim to achieve a **17%** decrease in GHG emission intensity per unit of operating income **by 2030**.

### Long-term target

- We expect to achieve **carbon neutrality** at the operational level **by 2060**.

In addition, we have established a quantified indicator framework directly linked to climate targets to systematically track and drive the low-carbon transition.


Key Climate Indicators<sup>1</sup>

Indicators	Unit	2025
Total GHG emissions (location-based)	tonnes of carbon dioxide equivalent (tCO <sub>2</sub> e)	21,322,471.81
Total GHG emissions (market-based)	tonnes of carbon dioxide equivalent (tCO <sub>2</sub> e)	21,509,424.47
Scope 1 emissions	tonnes of carbon dioxide equivalent (tCO <sub>2</sub> e)	11,553,526.42
Scope 2 emissions (location-based)	tonnes of carbon dioxide equivalent (tCO <sub>2</sub> e)	2,143,819.69
Scope 2 emissions (market-based)	tonnes of carbon dioxide equivalent (tCO <sub>2</sub> e)	2,330,772.35
Scope 3 emissions	tonnes of carbon dioxide equivalent (tCO <sub>2</sub> e)	7,625,125.70
GHG emission intensity (calculated per RMB 1 million of operating income)	tonnes of carbon dioxide equivalent (tCO <sub>2</sub> e)/RMB 1 million of operating income	880.35
Total energy consumption	tee	4,191,546.06
Direct energy consumption	tee	3,688,059.61
Coal	Ton	6,830,745.50 <sup>2</sup>
Gasoline	L	106,110.34
Diesel	Ton	724.83
Natural Gas	m <sup>3</sup>	11,552,300
Indirect energy consumption	tee	503,486.45
Electricity	MWh	3,951,702.67
Purchased green electricity	MWh	4,792
Purchased steam	Ton	138,586.22
Energy use intensity (calculated per RMB 1 million of operating income)	GJ/RMB 1 million	5,073.94
Total number of energy conservation and emission reduction training participants	Person	220
Total hours of energy conservation and emission reduction training	Hour	850

<sup>1</sup>This year, a carbon verification was conducted, with energy consumption and greenhouse gas emissions data including overseas subsidiary Plum Biotechnology Group Pte. Ltd.<sup>2</sup>

<sup>2</sup>Coal consumed in the manufacturing process emissions.

Under the guidance of definite climate targets, Meihua Group is transforming its commitments into concrete actions through systematic, multi-layered carbon reduction initiatives.

 Transformation and expansion project of power generation from sulfuric acid production and waste heat

In 2025, a waste heat power generation project was completed at Tongliao Base, fully recovering industrial waste heat from the sulfuric acid production facilities, to generate an annual power output exceeding 120 million KWh. The project realizes efficient energy recycling with an annual carbon emissions reduction of approximately 72,000 tons.



Reconstruction and Expansion Project of Power Generation from Sulfuric Acid Production and Waste Heat

 Heating Station Water Pump Renovation Project

In 2025, Xinjiang Base implemented a heating station water pump renovation project. We redesigned and reconfigured the circulating cooling water system, replacing the original circulating water pumps with lower-flow models, which reduced their operating power from 630 kilowatt-hours to 400 kilowatt-hours. This initiative resulted in a cumulative annual carbon reduction of 967 tons of CO<sub>2</sub> equivalent.



Heating Station Water Pump Renovation Project

 High-Efficiency Boiler Upgrade Project

In 2025, the Tongliao base completed a coal-fired boiler upgrade project, decommissioning two outdated 130-ton boilers and installing a new 350-ton high-efficiency boiler utilizing low-bed pressure and low-ammonia combustion technologies. Following the upgrade, the boiler's electricity consumption decreased by over 50%, thermal efficiency improved by more than 3%, and the project achieved an annual reduction in coal consumption of approximately 350,000 tons.



High-Efficiency Boiler Upgrade Project

# Responsible Action

Meihua Group fully integrates responsibility actions into its corporate operations. Through institutional constraints, process optimization, and continuous investment, we promote supply chain compliance, safeguard employee rights and interests, and actively participate in community co-construction, thereby strengthening the fulfillment of corporate social responsibility in an all-around way and consolidating the governance foundation for sustainable development.

- Business Ethics and Anti-corruption
- Sustainable Supply Chain Management
- Employee Management
- Community Participation and Development



# Business Ethics and Anti-corruption

Meihua Group regards integrity management and strict compliance with business ethics as the cornerstone and fundamental principle of its responsibility actions. We formulate and implement internal codes of conduct, provide regular integrity training, improve reporting and supervision mechanisms, and strengthen audit and risk prevention and control, so as to lay a solid responsibility foundation for sustainable development.

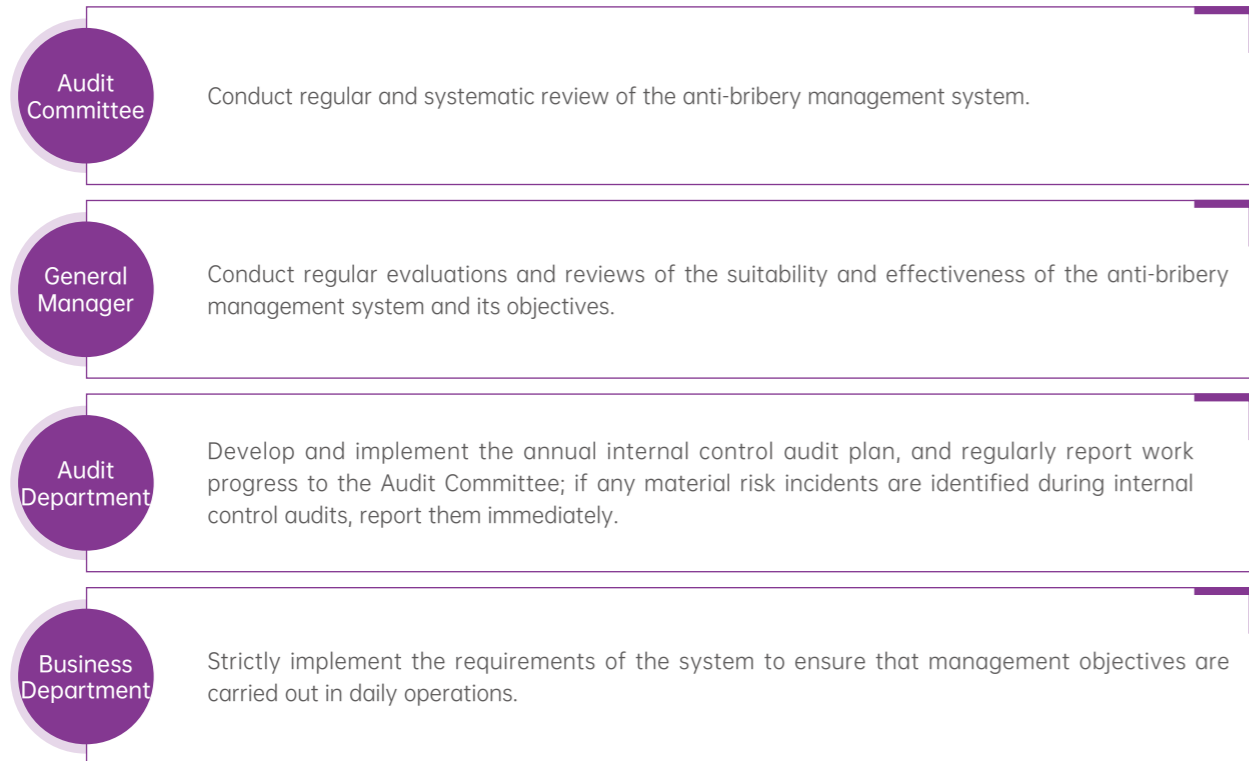
## Management System

Meihua Group adheres to the management policy of "acting in accordance with regulations, being honest and trustworthy, resisting corruption, and pursuing excellence". By building a clear anti-corruption organizational structure, defined authority distribution, and systematic corruption prevention and control mechanisms, the Company strictly implements internal management policies such as the Anti-corruption Management Measures of Meihua Holdings Group Co., Ltd., the Anti-bribery Management Manual of Meihua Holdings Group Co., Ltd., the Reporting and Reporter Protection Management Policy of Meihua Holdings Group Co., Ltd., and the Employee Code of Conduct. These policies rigorously regulate the professional behavior of all employees, fostering a clean and ethical atmosphere both internally and in external engagements.

The Company's business ethics and anti-corruption system covers the Company and its subsidiaries, with a coverage rate of

# 100%

### Anti-corruption Organizational Structure and Responsibilities



During the reporting period, Meihua Group successfully passed the annual surveillance audit<sup>5</sup> conducted by China Quality Mark Certification Group and maintained its ISO 37001 anti-bribery management system certification, with a system coverage rate of 100%. The certification is valid for three years, during which annual third-party audits are required to maintain its validity.

During the reporting period, the Company recorded no significant bribery or corruption incidents throughout the year.

The Company passed the ISO 37001 anti-bribery management system certification again, and the system coverage rate reached

# 100%



## Reporting Mechanism

Meihua Group continues to implement the Reporting and Reporter Protection Management System of Meihua Holdings Group Co., Ltd. The Company continuously optimizes the reporting management process, improves reporting channels and investigation procedures, and commits to keeping reporting information strictly confidential from reception, storage, to circulation, so as to provide a safe and reliable environment for reporters.

The Company regularly publicizes reporting information through official channels such as its official website, product packaging, and bulletin boards, and accepts submissions in various forms including written materials, emails, and telephone calls. Reporting materials must include factual descriptions, information on the parties involved, and evidence. The Company encourages real-name reporting, keeps such reports strictly confidential, and provides timely feedback on handling results, thereby establishing a reporting management system that not only meets the compliance requirements of listed companies but also effectively safeguards stakeholders' supervision rights.

### Reporting Channels

Internal reporting: Feishu Anonymus Reporting Platform

Reporting Email: mhshenji@meihuagr.com

Reporting hotline: 0316-2359999-8084

### Reporting Channels

Indicator	Unit	Performance in 2025
Number of litigation cases involving commercial ethics concluded	Case	0
Number of incidents of business ethics and anti-corruption reporting	Case	0
Intra-company reporting matters investigated and handled	Item	23
Intra-company serious reporting matters investigated and handled	Item	1
Response rate for bribery whistleblowing	%	100

<sup>5</sup>Anti-Bribery Certificate Annual Review

Meihua Biotechnology embeds business ethics and anti-corruption requirements into various business processes, and conducts regular special audits on institutional documents, contracts, and execution processes. At the same time, we identify potential corruption risk points through risk identification and assessment management, strengthen supervision and management, and effectively prevent business ethics and compliance risks.

### Specific Content of Measures

 <p>System Audit</p>	<p>Conduct systematic reviews of the anti-bribery compliance management system to identify gaps and loopholes at the institutional level. Meanwhile, verify whether clauses related to reporting channels and anti-bribery requirements in business contracts such as sales and transportation have been updated in a timely manner, thereby comprehensively identifying risks such as commitment gaps and outdated contract terms.</p>
 <p>Compliance Review</p>	<p>Conduct inspections on the implementation of the anti-bribery compliance management system standards, with a focus on auditing the signing status of anti-bribery compliance commitments by employees, suppliers, and customers.</p>
 <p>Risk Assessment</p>	<p>Conduct risk assessments on identified issues (such as outdated contract clauses or missing background investigations on suppliers) to evaluate the potential business ethics risks they may cause.</p>
 <p>Remediation Supervision</p>	<p>Arrange for responsible personnel to immediately rectify issues identified during audits and supervise the implementation to ensure closed-loop handling of issues.</p>
 <p>Employee Daily Supervision</p>	<p>Conduct due diligence on new employees or employees undergoing position changes and sign integrity commitment letters with them to achieve daily supervision of employees' professional behavior.</p>
 <p>Supplier Daily Management</p>	<p>Continuously build an anti-corruption governance system covering the entire lifecycle of suppliers, forming a dual-directional constraint mechanism by clearly defining internal procurement responsibilities and external integrity requirements. Relying on regular audits and embedded supervision, the Company embeds integrity clauses into procurement contracts and achieves dynamic identification and closed-loop management and control of risks through penetrating inspection of the procurement process and review of contract performance.</p>



To continuously enhance the ethical compliance awareness and integrity-based work capability of all employees, Meihua Group systematically conducts anti-corruption training covering all members of the Board of Directors, employees from departments of headquarters, all bases and subsidiaries. In 2025, the Company accumulated 19 special training sessions for key business departments such as procurement, sales and finance, covering relevant business departments including the Board of Directors, audit, procurement, sales, division, administration, human resources, finance, achieving a training coverage rate of 100%.

The coverage rate of anti-corruption training has reached

# 100%

### Indicators of Business Ethics and Anti-corruption Training

Indicator	Unit	Performance in 2025
Employee training coverage rate	%	100
Total training time of employees	Hour	150
The management training coverage rate	%	100
Total training time of the management	Hour	14
Director training coverage rate	%	100
Total training time of the director	Hour	1

# Sustainable Supply Chain Management

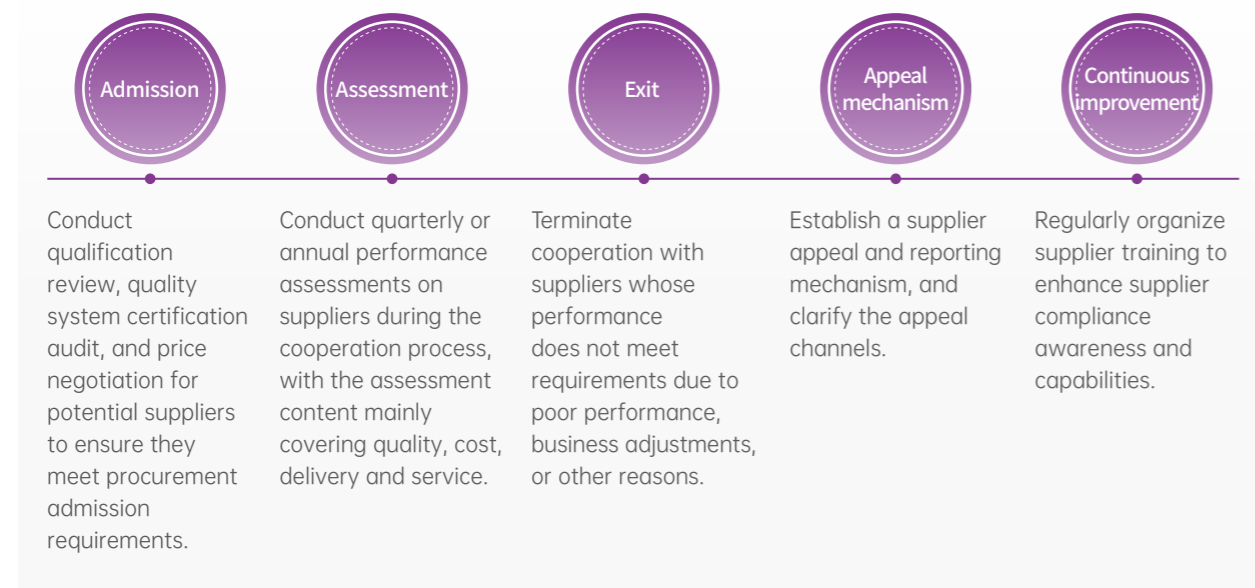
Meihua Group consistently integrates the concept of sustainability into its supply chain management, and commits to building a standardized, professional, and systematic sustainable supply chain. We have established a comprehensive supplier management mechanism to continuously enhance the scientific and refined level of supply chain management, providing support for ensuring the sustainable development of the supply chain and contributing to the Company's high-quality development and industrial green transformation.

## Supplier Management

Meihua Group complies with the Tendering and Bidding Law of the People's Republic of China, the Regulations on the Implementation of the Tendering and Bidding Law of the People's Republic of China, and relevant legal requirements in its operating locations. The Company has formulated internal system such as the Supplier Management System and the Green Packaging Material Procurement Strategy and System to promote full lifecycle supply chain management. The Company's Procurement Department is fully responsible for organizing and executing daily procurement activities, and implements professional review and collective decision-making procedures for significant procurement matters, ensuring that procurement activities are conducted in compliance with laws and regulations in an open and transparent manner.

The Company has established a comprehensive full-process supplier management system covering supplier admission, assessment, exit, appeals, and improvement, continuously enhancing the Company's supply chain management capabilities.

### Full-process Management Mechanism of Suppliers



### Indicators of Suppliers

Indicator	Unit	2025
Proportion of cost of food raw materials that have obtained third-party certification	%	98
Proportion of products with raw materials traceable to the place of origin	%	100

## Equal Treatment of Small and Medium-sized Enterprises

Meihua Group consistently adheres to the principles of respect and equality. We are committed to synergistic development with small and medium-sized enterprises to jointly build a fair, inclusive, and sustainable industrial ecosystem.

The Company continuously optimizes the financial payment process to effectively prevent operational risks caused by delayed receivables and safeguard the capital liquidity of small and medium-sized enterprises. The Company strictly fulfills contractual obligations to ensure timely payments, improves capital turnover efficiency, and substantively alleviates financial pressure on small and medium-sized enterprises. By establishing stable, transparent, and sustainable supply chain partnerships, the Company promotes the enhancement of the overall value of the industrial chain and empowers the growth of small and medium-sized enterprises.

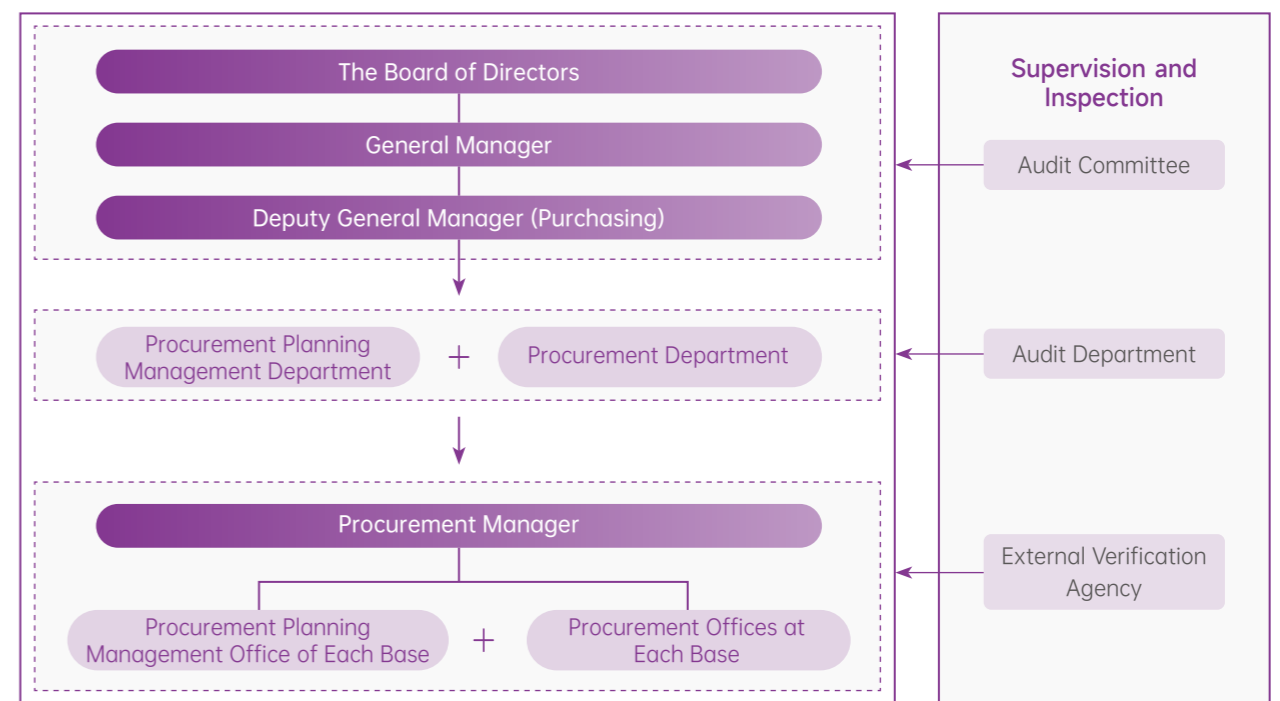
At the end of the reporting period, the balance of the Company's accounts payable (including notes payable) was far below the disclosure conditions, and there were no overdue payments to small and medium-sized enterprises.

## Sustainable Supply Chain Development

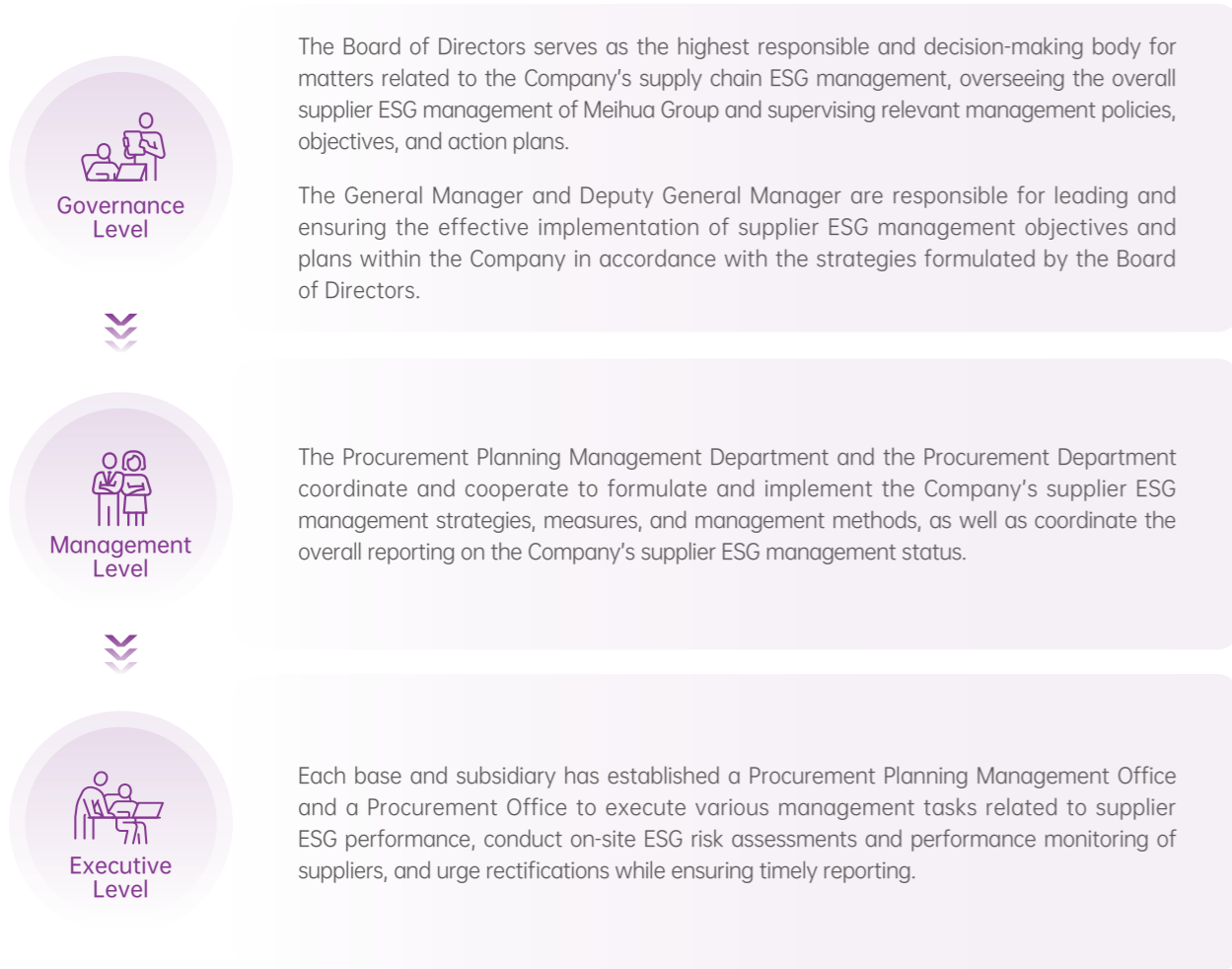
Meihua Group established a sustainable supply chain organizational management structure, defined the supplier code of conduct, standardized the implementation of full-cycle supply chain ESG management mechanisms, and organized supply chain ESG capability training to responsibly drive the supply chain closer to our sustainability goals.

Meihua Group has established a three-tier sustainable supply chain management structure consisting of "Governance Level – Management Level – Executive Level", designating the Board of Directors as the highest decision-making body for the Company's sustainable supply chain management. The Company formulates and strictly implements the Sustainable Procurement Management Measures, standardizing key aspects of the procurement management process, including new supplier admission, supplier ESG risk assessment and tiered management, exit management, appeal mechanisms, performance management and continuous improvement, promoting coordination and collaboration among various departments. To facilitate the implementation of sustainable supply chain management, we have established a sustainable procurement ESG performance assessment mechanism that links ESG performance with the compensation of procurement personnel.

### Sustainable Supply Chain Management Structure of Meihua Group



### Sustainable Supply Chain Management Structure and Responsibilities of Meihua Group



### Whole-cycle Supplier ESG Management Mechanism

Meihua Group has established a comprehensive whole-cycle supplier ESG management mechanism, integrating ESG standards into all aspects of supply chain management, including admission, risk assessment, and exit management.

#### Supplier Admission

Meihua Group has formulated the Supplier Code of Conduct and requires suppliers to strictly comply with the "ESG Zero Tolerance Policy", covering aspects such as child labor, employee health and safety, and environmental protection. Violations will result in immediate disqualification of suppliers from admission qualifications, and where necessary, legal liability will be pursued. Meanwhile, we prioritize suppliers with ISO 14001, 45001, and 9001 certifications, encouraging all partners to establish responsible management systems.

### Detailed Rules of the Zero Tolerance Policy for Meihua Group Suppliers

Topics	Zero Tolerance Policy
Compliance with Laws	Suppliers are strictly prohibited from engaging in any conduct that violates laws or generally accepted business ethics. Suppliers must commit to strictly complying with the laws and regulations of their operating locations in all business activities.
Bribery	Suppliers are prohibited from engaging in or participating in any form of bribery or corrupt practices, including but not limited to promising, offering, paying, or accepting any improper payments, gifts, or benefits in any manner.
Child Labor	Suppliers are prohibited from employing any child labor (referring to individuals under the age of 16). All young workers (aged 16 to under 18) are strictly forbidden from engaging in hazardous work. Suppliers must establish effective age verification mechanisms. Once child labor is discovered, it must be immediately corrected, and proper arrangements must be made to ensure their right to compulsory education.
Forced Labor	Suppliers are prohibited from engaging in any form of forced labor or involuntary work. Employees have the right to terminate their labor contracts in accordance with the law. Suppliers shall not subject employees to corporal punishment, coercion, or humiliation. All disciplinary procedures related to penalties shall be documented in writing and clearly explained to employees.
Discrimination	Suppliers are strictly prohibited from engaging in any form of discrimination or harassment in the workplace, and from treating employees differently based on race, color, gender, religion, or any other characteristic protected by law.
Compensation and Benefits	Suppliers are strictly prohibited from paying employees wages below the statutory minimum standards, and from deducting or failing to pay in full employees' statutory benefits such as social insurance.
Working Hours	Suppliers are strictly prohibited from violating national statutory working hour regulations, and from forcing or covertly forcing employees to work overtime without providing legal overtime compensation.
Freedom of Association and Collective Bargaining	Suppliers are strictly prohibited from interfering with, restricting, or depriving employees of their legally entitled rights to freedom of association and collective bargaining in any form.
Health and Safety	Suppliers are strictly prohibited from operating in environments that may directly lead to serious injury or death, such as "three-in-one" premises (referring to buildings where accommodation, production, and warehousing functions are mixed together without effective fire separation, posing significant safety hazards).
Privacy and Personal Information Protection	Suppliers are strictly prohibited from illegally collecting, using, or disclosing employees' personal privacy information, and from violating relevant data protection regulations under any circumstances.
Environmental Protection	Suppliers are strictly prohibited from engaging in serious environmental violations, including but not limited to: discharging pollutants through concealed pipes, seepage wells, or seepage pits to evade supervision; illegally discharging, dumping, or disposing of hazardous wastes; falsifying or altering environmental monitoring data; or providing false environmental permit documents.

## Supplier Risk Assessment and Management

Meihua Group regularly conducts ESG risk assessments on suppliers to ensure sustainable supply chain operations. We evaluate suppliers' ESG management performance by comprehensively considering key factors such as the supplier's geographic location, industry characteristics, and material categories.

First, the company conducts preliminary classification of suppliers, identifying high-ESG-risk industries—including corn (agricultural products), coal, and chemicals—based on the financial significance of their industries and inherent industry risks. For different material categories, we design targeted ESG assessment questionnaires to ensure the scientific rigor and comparability of evaluation indicators. The questionnaire covers core topics such as environmental management, pollutant emissions, occupational health and safety, labor rights, ESG management, and compliant operations. By analyzing suppliers' financial significance and ESG questionnaire scores, a risk rating matrix is developed, which helps identify a list of high-risk suppliers. In 2025, a total of 183 questionnaires were distributed, identifying 13 high-risk suppliers. Comparison with the dual materiality analysis of Meihua Bio's ESG issues revealed that, within the scope of issues of high financial significance to the company, suppliers performed relatively well in areas such as pollutant emissions, employee management, and water resource utilization. However, there remains room for improvement in topics such as ecosystem and biodiversity protection, circular economy, and social contribution.

Based on the assessment results, Meihua Group implements differentiated, tiered management strategies for suppliers, establishing corresponding control measures for different risk levels and driving corrective or improvement plans. For suppliers that consistently fail to meet ESG standards—such as those posing serious compliance risks—the company will terminate cooperation. As of the end of 2025, the percentage of high-risk suppliers implementing corrective actions or improvement plans was 100%.

As of the end of 2025, the percentage of high-risk suppliers who have implemented corrective actions or improvement plans is

# 100%

Tiered Management of Suppliers by High, Medium, and Low ESG Risk

Risk Level	Audit & Supervision Requirements	Daily Supervision Requirements	Training Requirements
High-Risk Suppliers	Conduct supplier ESG risk questionnaire assessments annually until downgraded to low risk.	Continuously track performance and assist suppliers in rectifying risk items.	Continuously track performance and assist suppliers in rectifying risk items.
Medium-Risk Suppliers	Conduct supplier ESG risk questionnaire assessments once every two years until downgraded to low risk.		
Low-Risk Suppliers	Conduct supplier ESG risk questionnaire assessments once every three years.	Provide resource support during cooperation to encourage continuous improvement.	

## Supplier Capability Building

Meihua Group continuously enhances the ESG awareness and capabilities of both internal procurement employees and suppliers. Externally, the Company conducts supplier ESG management training, covering multiple dimensions such as interpretation of the latest ESG policies, communication of ESG management systems, guidance on risk assessment questionnaires, and risk warnings. Internally, we flexibly adopt a combination of online and offline learning models, conducting a total of two sustainable procurement training sessions for employees, covering topics such as green procurement practices and best practice case studies.

Sustainable Procurement Training Performance

Indicator	Unit	2025
Number of suppliers in training	Qty	153
Total training time of suppliers	Hour	153

In the future, Meihua Group will continue to engage in in-depth exchanges with suppliers on key topics such as low-carbon technology research and development, quality synergy improvement, and human rights protection, promoting the complementary sharing of information and resources within the industry, breaking down cooperation barriers, and jointly fostering a healthy, green, and sustainable supply chain ecosystem.

## Employee Management

Meihua Group adheres to the business philosophy of "full-staff operation, creation and sharing", continuously optimizes its talent management mechanism, safeguards the legitimate rights and interests of employees, establishes clear career advancement paths and a diversified training system, and builds a broad platform for employee growth and career development.

## Protection of Employees' Rights and Interests

In accordance with laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and the *Provisions on the Prohibition of Using Child Labor*, Meihua Group has formulated rules and systems including the *Human Right Protection and Anti-Violence and Conflict Policies*, the *Regulations on the Prohibition of Child Labor*, the *Regulations on the Prohibition of Forced Labor*, the *Anti-Harassment and Anti-Maltreatment Policy*, and the *Anti-Discrimination Policy*. The Company regularly conducts employment compliance reviews at each production base and continuously monitors labor conditions and the protection of employees' rights and interests. The Company has established a multi-dimensional rights and interests protection system covering equal employment, working condition guarantees, prohibition of forced labor and child labor, anti-harassment, and a humanized working environment.

### Employees' Rights and Interests Protection Measures



#### Insisting on Equal Employment

- ✓ No discrimination, rejection, or unfair treatment will be given to employees in terms of recruitment, training, promotion, salary and benefits, working conditions, trade union participation, retirement, and dismissal due to gender, age, religious belief, ethnicity, origin, social background, disability, nationality, marital status, or health status, etc.;
- ✓ Adhere to the principle of fairness and impartiality in employment, providing equal employment and development opportunities to all applicants;
- ✓ Implement the principles of gender equality and equal pay for equal work.

### Prohibition of Forced Labor and Child Labor

- Strictly implement the *Provisions on the Prohibition of Using Child Labor*, clarifying that the Company does not recruit or support any form of underage employment;
- Strengthen the management of the entire employment process and implement multiple preventive measures accordingly; such as strict and comprehensive review and filing during the process of entering employee identity information and management, to prevent and fundamentally eliminate the child labor, forced labor and other illegal employment.

### Working Conditions and Social Protection

- Comply with national labor laws and regulations, protect employees' legitimate rights and interests in terms of compensation, working hours, rest and leave, and statutory holidays in accordance with the law, fully implement statutory rights such as paid leave, participation, and appeal, and provide employees with compliant working conditions;
- Continuously create a safe and healthy working environment, pay attention to physical and mental health of employees, and provide employees with necessary space for development and growth;
- Fulfill employment obligations in accordance with the law, pay employees' wages in full and on time, and pay social insurance for employees as required by law.

### Anti-Harassment and Humanized Working Environment

- All forms of harassment or violation of the human rights of others are strictly prohibited, including sexual coercion, threats, insults, and other related words, gestures, and physical contact.

In 2025, the Company conducted its annual human rights survey and assessment, with a coverage rate of 92%, an increase from 90% in 2024. The Company did not commit any human rights abuses.

## Diversity and Inclusion

Meihua Group firmly believes that diversity is an important foundation for the sustainable development of employees. The Company upholds gender equality, provides equal career development opportunities for male and female employees, and strongly supports female employees in fully realizing their potential. During Woman's Day, the Company organizes activities such as health lectures and fun sports games for female employees and distributes small gifts. Additionally, the Company has set up multiple nursing rooms and exclusive dining areas for pregnant women to provide convenient conditions for pregnant and breastfeeding female employees. In 2025, the number of female employees at Meihua Group was 4,561, accounting for 34.64% of the total workforce.

The Company actively and continuously provides employment opportunities for ethnic minorities and people with disabilities. Currently, there are 3,312 ethnic minority employees and 98 employees from vulnerable groups.

#### Mommy's Cabin

In 2025, Meihua Group added "Mommy's cabins" to provide necessary support conditions for breastfeeding female employees, further enhancing the protection and care for female employees in the workplace.

#### Exclusive Dining Area for Pregnant Women

In 2025, Meihua Group set up a relatively dedicated dining area in the employee cafeteria for pregnant female employees, equipped with cushions and other items to create a more comfortable and reassuring dining environment for expectant mothers.

## Democratic Management

Meihua Group attaches great importance to trade union development, regarding it as a crucial platform for implementing democratic management and safeguarding employees' rights and interests. In 2025, the Group held three Staff and Workers' Representative Congresses, with the three established trade unions covering over 1,100 employees across the Group. The Group Trade Union has one Chairman, seven Trade Union Committee members, and three members of the Funds Review Committee. To further refine its functions, the Group Trade Union has established six special committees responsible for work in specific areas.

On December 11, 2025, the Company held the Staff and Workers' Representative Congress, at which the *2026 Employee Stock Ownership Plan of Meihua Holdings Group Co., Ltd.* was reviewed and approved, thereby improving the Company's long-term incentive and constraint mechanism and effectively safeguarding employees' long-term rights and interests through benefit-sharing mechanism.

## Employee Communication

Meihua Group values communication and exchange with employees, continuously improving multi-channel and regular communication mechanisms to promptly understand employee demands and respond to related concerns, thereby enhancing employee satisfaction surveys to understand employees' genuine demands and expectations. In 2025, the overall satisfaction of Meihua Group's employees was 3.9 (full score is 5 points), with a survey coverage rate of 93%.

### Employee Communication and Feedback Mechanism

#### Employee Feedback and Appeal

- Establish an employee feedback module on the Feishu platform to digitize the feedback and appeal process.
- Support anonymous or real-name submission, with feedback covering matters such as salary and benefits, working environment, management decisions, and violation reporting.
- Implement authority management and privacy protection mechanisms, with anonymous information accessible only to designated personnel to ensure employee privacy.

#### Improvement Suggestion Collecting Platform

- Collect improvement suggestions from all employees, encouraging participation in production and management optimization. Suggestions cover areas including production process optimization, cost control, quality improvement, equipment management, safety and environmental protection enhancements, and management process optimization. Cash rewards are provided for adopted suggestions.

#### HRBP Liaison

- Assign dedicated HRBPs based on business segments and departments to establish fixed liaison relationships.
- Employee demands are directly coordinated by HRBPs with relevant departments for handling, with complex matters reported to the Human Resources Department for overall coordination, forming a rapid response and closed-loop issue resolution mechanism.

By continuously improving the employee communication and appeal system, the Company has effectively enhanced employees' efficiency in responding to and resolving issues. In 2025, employees submitted a total of 66 suggestions, 23 issues were actually resolved, 23 individuals received rewards, with the total reward amount reaching RMB 1,950.

#### Employee Feedback Promoting Cost Reduction and Efficiency Enhancement

In 2025, regarding the issue of rapid aging and short service life of filter carbon rods in the filtration tanks of the flocculant workshop, an employee proposed installing a pipeline between the finished product dosing tank and the filtration tank to introduce lye water for soaking and cleaning the carbon rods. After evaluation and implementation, this method effectively cleaned the residue within the carbon rod pores and extended the carbon rod service life. This employee communication initiative helped the Company reduce consumable costs and improve equipment utilization efficiency.

## Employee Recruitment

Meihua Group strictly complies with the requirements of relevant laws and regulations such as the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, continuously improving and refining its employee recruitment systems, including the *Human Resources Process and System Manual*.

### 2025 Recruitment Measures

Campus Recruitment	<ul style="list-style-type: none"> <li>Focus on the Group's "Aim High Program", precisely determine professional directions and key partner university lists based on departmental needs, recruit management trainees and outstanding overseas graduates, and continuously build the campus employer brand. During the 2025 autumn recruitment period, a total of 12 presentations (including 2 overseas), reaching nearly 3,800 students, with 49 campus recruitment signings, 53 covered by the Aim High Program, and 23 overseas talents introduced.</li> <li>Cooperated with institutions such as Tianjin Foreign Studies University, Capital University of Economics and Business, and Beijing International Studies University on foreign trade professional collaborations, and held a special recruitment information session at Tianjin Foreign Studies University, attracting approximately 120 students on site.</li> </ul>
Management Trainee Recruitment	<ul style="list-style-type: none"> <li>Improve person-job matching by targeting key universities, clarifying position competencies, customizing differentiated departmental needs, and supporting with scientific assessment tools such as case interviews and leaderless group discussions.</li> </ul>
Base-oriented Recruitment	<ul style="list-style-type: none"> <li>Establish cooperative mechanisms between bases and designated institutions, conducting targeted campus recruitment for students ranking in the top 30% at Tier 1 and Tier 2 universities to supplement base talent needs.</li> </ul>
Vocational College Recruitment	<ul style="list-style-type: none"> <li>Cooperate with vocational colleges to supplement frontline workforce needs at bases through methods such as order-based classes and targeted training. In 2025, 300 staff were placed at the Tongliao Base through this channel, with 200 each at the Xinjiang Base and Jilin Base.</li> </ul>
Social Recruitment	<ul style="list-style-type: none"> <li>Conduct precise social recruitment around position needs, establish a talent pool based on industry and corporate background, and continuously improve recruitment efficiency.</li> </ul>
Overseas Recruitment	<ul style="list-style-type: none"> <li>Progressively advance the construction of an overseas recruitment system, exploring international talent introduction paths through overseas social platform operations, overseas campus presentations, and local recruitment. During the reporting period, the Company conducted overseas recruitment through platforms such as LinkedIn, and Indeed, and in countries including the United States, Germany, and Singapore.</li> </ul>
Specialized Personnel Development	<ul style="list-style-type: none"> <li>Conduct targeted recruitment and joint training with universities in key functional areas such as finance, procurement, and foreign trade to improve the structure of grassroots employees and enhance professional capabilities.</li> </ul>



By improving the internal job rotation and competition mechanisms, the Company gives priority to filling position needs with existing employees, continuously broadening employees' career development channels.

### Internal Job Rotation and Competition Measures



#### Base Talent Selection

Conduct internal competition selection from frontline workshop employees for positions such as sales and procurement. In 2025, 283 employees registered for the internal recruitment for sales positions, with 35 passing the interview; 70 employees registered for the internal recruitment for procurement positions, with 5 passing the interview.



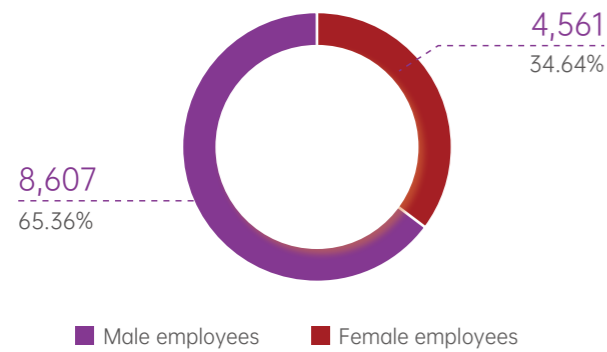
#### Internal Recruitment for New Production Lines

Continuously promote internal competition, covering new projects or departments such as the new starch project, new lysine project, Engineering Department, Production Technology Research Institute, Human Resources Department, and threonine production line, facilitating cross-position mobility and job matching among employees.

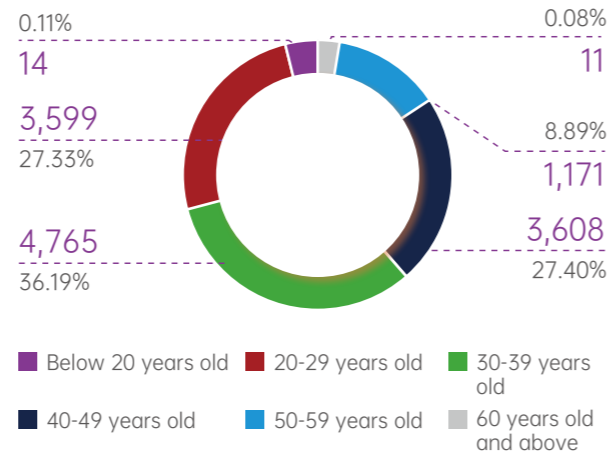
### 2025 Employment Situation

Total number of employees is **13,168**

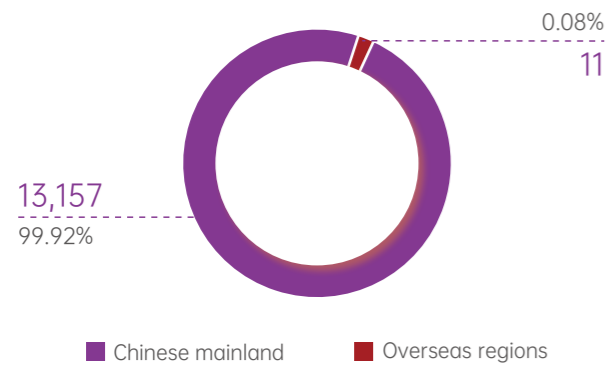
#### Employees by gender



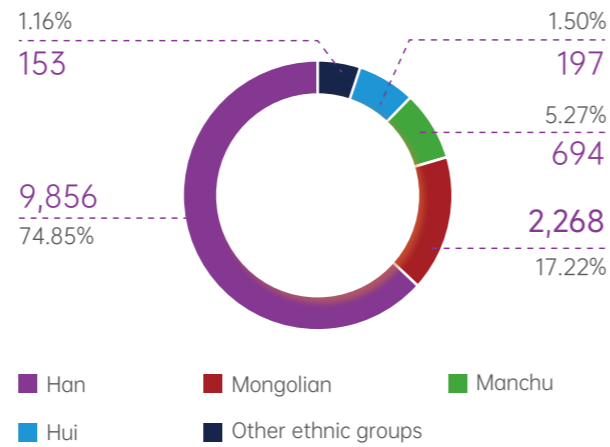
#### Employees by age



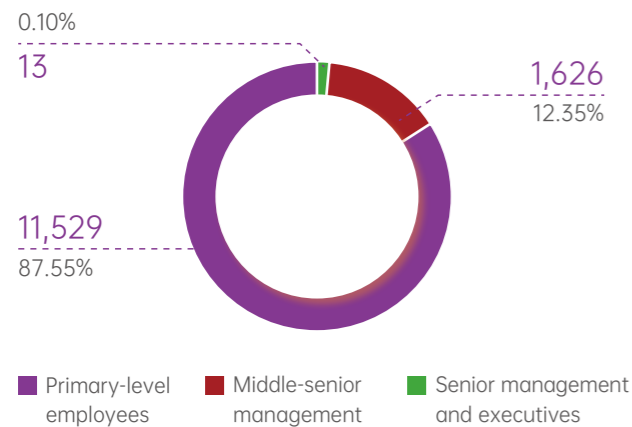
#### Employees by region



#### Employees by ethnicity



#### Employees by level



The number of female senior executives is **3**.  
 The proportion of female senior executives is **23.08%**.  
 The number of employees from vulnerable groups is **98**.  
 The proportion of employees from vulnerable groups is **0.74%**.

### Turnover Rate of Employees

Overall turnover rate of employees is **17.65%** Voluntary turnover rate is **14.58%**

	Turnover rate (%)	Voluntary turnover rate (%)	
Employee turnover rate by gender	Male employees	11.90	9.70
	Female employees	5.76	4.87
Employee turnover rate by age	Below 20 years old	0.03	0.03
	20-29 years old	9.95	8.13
	30-39 years old	5.08	4.26
	40-49 years old	1.89	1.53
	50-59 years old	0.64	0.56
	60 years old and above	0.07	0.07
Employee turnover rate by region	Chinese mainland	17.62	14.54
	Overseas regions	0.03	0.03
Employee turnover rate by ethnicity	Han	13.92	11.57
	Mongolian	2.07	1.62
	Manchu	0.62	0.49
	Hui	0.46	0.38
	Other ethnic groups	0.58	0.50
	Primary-level employees	16.06	13.62
Employee turnover rate by level	Middle management	1.40	1.14
	Middle-senior management	0.19	0.18
	Senior management and executives	0.00	0.00



## Employee Compensation and Benefits

Meihua Group values the contributions of every employee and continuously focuses on enhancing employees' sense of fulfillment, happiness, and belonging. The Company continuously improves its compensation and incentive mechanisms, provides diversified compensation and benefit arrangements, and creates a stable, harmonious, and caring working environment.



### ◎ Compensation Incentives

Meihua Group has formulated the *Compensation Management System*, clarifying compensation strategies and management content. The Company optimizes its performance management system, promoting deep integration of indicators with business objectives and shifting from single-result assessment to full-process management. Through the performance pre-assessment mechanism, the Company advances management to the business process stage, enabling early risk identification and dynamic target adjustment, effectively guiding all employees to focus on long-term value creation and enhancing management effectiveness. In 2025, over 2,000 employees across the Group were included in performance assessments, with a total of more than 6,500 performance indicators.

### ◎ Benefits and Care

Meihua Group provides employees with a comprehensive benefits support system. The Company strictly implements national laws and regulations, ensuring that all employees enjoy basic welfare benefits such as social insurance and housing funds, and statutory holidays in accordance with the law. On the basis, Meihua Group also promotes several additional non-statutory benefits and employee care programs based on its own characteristics, improving the synergistic development of employees and the enterprise, and building stable and harmonious labor relations.

## Employee Benefits and Content

 <b>Basic benefits</b>	<p>According to the national regulations, the Company pays pension insurance, employment insurance, work injury insurance, medical and childbirth insurance, and housing funds for employees; and provides legal holidays (including marriage leave, bereavement leave, prenatal check-up leave, maternity leave, sick leave, etc.).</p>
 <b>Special benefits</b>	<p><b>Housing subsidies</b></p> <p>The Company provides home purchase subsidies for employees. As of the end of the reporting period, a total of RMB 93.42 million of home purchase subsidies have been distributed, benefiting 756 employees.</p>
	<p><b>Employee health examinations</b></p> <p>The Company conducts pre-employment health checks for all new hires, achieving 100% coverage. Periodic in-service health examinations are also carried out, with a coverage rate of 97.05%. A total of RMB 1,010,300 has been invested in occupational health and safety checkups to safeguard employee well-being.</p>
	<p><b>Environmental improvement</b></p> <p>Over tens of millions of yuan was invested in improving office environment and facilities, enhancing overall cleanliness and comfort.</p>
	<p><b>Holiday benefits</b></p> <p>Ahead of traditional Chinese festivals such as the Mid-Autumn Festival and the Spring Festival, the Company distributes festival care supplies including rice, flour, grain and oil, mooncakes, laundry detergent, and fruits to employees, conveying festive care and warmth.</p>
	<p><b>Flexible scheduling</b></p> <p>Flexible scheduling policies have been established for employees with children under the age of ten, allowing them to delay their arrival at work by one hour in the morning, helping employees better balance work and family life.</p>

Meihua Group plans and organizes various cultural and sports activities based on the diverse needs of employees, enriching their leisure lives and enhancing their vitality.

### 📖 Employee Cultural and Sports League

In May 2025, the Company organized the May Cultural Festival and the first Employee Cultural and Sports League, carrying out a series of activities including basketball games, skill competitions, and knowledge quizzes to enhance team interaction and cohesion, providing a platform for employees to communicate and interact.



Employee Basketball Game



### "August 1<sup>st</sup>" Care Activities

During the "August 1<sup>st</sup>" Army Day period in 2025, the Company launched a special care activity, distributing festival gifts to veteran employees working at various bases and functional departments, to express gratitude for their contributions to the Company.



Distribution of Holiday Care Items for the "August 1<sup>st</sup>" Care Activities



### Summer Care Activities

The Company organized heat relief care activities during high temperatures, distributing beverages, food and heatstroke prevention medicine to frontline employees and logistics support personnel working under high-temperature conditions, supporting employee health and demonstrating care for frontline employees.



Summer Care Activities



### Tour of Red Mansions Fantasy City on the Double Seventh Festival

On the afternoon of August 29 (the traditional Double Seventh Festival), the Company, in collaboration with the Development Zone General Trade Union, organized a themed activity titled "Appreciating Classics of Chinese Culture, Inheriting the Spirit of the Double Seventh Festival". The event included sessions on sharing classics of Chinese culture, interactive exchanges, and a tour of the industrial park. Open to all employees, the activity not only provided a platform for single employees to interact but also offered opportunities for married employees to spend the festival with their families. Through this event, the Company enriched employees' cultural life and promoted traditional Chinese culture.



Themed Activity Titled "Appreciating Classics of Chinese Culture, Inheriting the Spirit of the Double Seventh Festival"



## Employee Training and Development

Meihua Group attaches importance to talent cultivation and capability enhancement, providing employees with clear career development paths and growth opportunities, while steadily consolidating the Company's talent foundation for sustainable development through supporting employees' personal growth.

### Talent Reserve

The Company places great emphasis on the sustainability of its talent pipeline and continuously improves its reserve talent pool and management mechanisms. By building a tiered talent pool, the Company implements a dual-track reserve model consisting of a "long list" and a "short list", achieving systematic management of reserve talents. The long list focuses on ensuring a continuous reserve of a large number of talents, while the short list concentrates on core reserve forces for key positions. In 2025, the long list contained 1,470 reserve talents, and the short list contained 490 core reserve talents.

To further enhance the scientific basis and targeting of talent identification, the Company introduced multi-dimensional assessment tools such as the nine-box grid to comprehensively evaluate reserve talents based on performance and development potential, providing a basis for differentiated cultivation and precise appointment. The Company completed 7,110 person-times of nine-box grid evaluations, identifying 1,444 person-times as "Quality Stars", 807 person-times as "Super Stars", and 1,375 person-times as high-potential talents.

### Career Development

The Company has established a position-wide qualification system covering all positions and a promotion mechanism including core business sequences, providing employees with clear career development channels and improving the accuracy of talent and position matching.

#### Employee Promotion and Qualification Management Measures



##### Establishment of a Qualification System

- Clarify the qualification requirements and promotion paths at each level, and incorporate job rotation and specialized training as important components of employee promotion, to enhance employees' comprehensive abilities and job adaptability.
- By analyzing the gap between position requirements and employees' existing capabilities, the Company formulates targeted development plans to promote person-position matching.



##### Hierarchical Promotion Mechanism of Technical Sequence

- In 2025, the Company completed the establishment of a hierarchical promotion system covering core business sequences, clarifying the differentiated capability requirements for each position level, and incorporating work performance and project benefits into the evaluation criteria, providing clear career development channels for technical sequence employees and enhancing the stability of the talent team.

In 2025, the Company clarified the promotion sequences for a total of 773 positions in the production and technical fields, covering 1,120 employees; 91 employees registered for participation, and 15 person-times completed hierarchical promotion assessments, with a promotion pass rate of 16.5%.

## Talent Cultivation

Based on internal systems such as the *Employee Handbook*, the *Human Resources Department Process and System Manual*, and the *2025 Key Work Document No. 1*, Meihua Group promotes the development of a tiered and categorized training system focusing on different job sequences and employee development stages. In 2025, the company's return on investment in human capital reached 132%.

### Multi-level Employee Training Approaches



## Specialists' Training

In 2025, focusing on the capability requirements for technical system positions, the Company organized tiered training for technical personnel. Through a combination of course learning and practical assessment, training content and cases were continuously optimized to ensure alignment with actual work needs, enhancing the comprehensive capabilities of technical personnel and supporting the stable operation of core technical business. During the reporting period, a total of 15 specialists' training classes were conducted, cumulatively training 382 participants, with a practical assessment success rate of 85%.

Jointly conducted 15 specialists' training classes

15

Accumulated training

382 participants

The assessment success rate is

85%



Specialist's Class

## Training for College Students of Meihua Group

In 2025, the Company organized orientation training for newly recruited college graduates, systematically arranging content around corporate culture, position awareness, and career development, with participation from company executives in exchanges and sharing to help new employees clarify their development direction, accelerate role transformation, and enhance their job adaptability and professional competence. During the reporting period, the Company cultivated and deployed over 130 qualified college graduates through the college student training program.



Orientation Training

**The Company Encourages Employees in Functional Departments to Obtain Relevant Professional Certifications**

In 2025, key functional departments such as the Safety Department implemented a specialized professional qualification enhancement program for reserve talents, promoting the acquisition of core certifications such as Registered Safety Engineer, and incorporating certification attainment into the qualification and promotion evaluation system. This initiative aims to incentivize and enhance the professional compliance capabilities of personnel in safety management positions, thereby ensuring the development of talent pipelines in key functional areas and the safety of production operations.

**Employee Training**



Training ratio by gender (%)



Training ratio by level (%)



The proportion of employees participating in GMP training is **29.56%**

**Community Participation and Development**

Meihua Group firmly believes that community prosperity creates a favorable operating environment for the sustainable development of enterprises. To this end, adhering to the philosophy of "growing together with the community," the Company continues to implement diverse public welfare initiatives and rural revitalization practices, supporting community progress and fostering harmonious, mutually beneficial outcomes.

**Social Contribution**

Meihua Group has formulated external donation management system to regulate the Company's external donation and sponsorship activities and ensure the standardization of public welfare work. This year, the Company continued to focus on the two key areas of "education development" and "medical health", carrying out multi-level and multi-form public welfare and social contribution initiatives. In 2025, the Company's total investment in social responsibility and public welfare reached RMB 3.90 million, with related public welfare projects benefiting 137,082 people.

**Education Development**

- Support for Basic Education Facilities**  
Donated **10** computers (totaling RMB 45,000) to the Education Bureau of Taobei District, Baicheng, to improve the information technology infrastructure for local primary and secondary education.
- Assistance for Students in Need**  
Donated RMB **70,000** to Fengtian Town Central Primary School in Horqin District, Tongliao City, to support the construction of campus broadcasting facilities, thereby improving campus emergency preparedness.
- Promotion of the Comprehensive Development of Adolescents**  
Donated RMB **100,000** to the Baicheng Charity Federation to support the Baicheng "Hanhai Scholarship Action", providing academic support to registered impoverished students and alleviating their financial pressure from schooling.  
Donated RMB **1.1** million to Shanghai Chunhe Youth Development Center to support the implementation of the Chunhe Public Welfare Project and the 2025 Middle School Student ETS Conference, deepening innovative education for adolescents.
- Support for Higher Education and Talent Cultivation**  
Donated RMB **200,000** to the Third Middle School of Wujiaqu, the Sixth Division of the Xinjiang Production and Construction Corps, through the Charity Federation of Wujiaqu, the Sixth Division, to ensure the development of the "Green Future" sports public welfare project, promoting the integration of sports and education, and fostering the healthy physical and mental development of adolescents.  
Donated RMB **30,000** to the Tianjin University Peiyang Foundation to support the operation and development of student organizations at the School of Synthetic Biology and Biomanufacturing of Tianjin University, contributing to talent cultivation and discipline development.

**Medical Health**

- Support for Grassroots Healthcare Development**  
Donated RMB **150,000** to the Tibet Autonomous Region Maternal and Child Health Association to support medical consultation and medicine distribution programs in border counties of Shannan City, benefiting local grassroots communities and alleviating the relative shortage of medical resources.
- Care for Persons with Disabilities**  
Donated RMB **50,000** to the Disabled Persons' Federation of the Sixth Division of the Xinjiang Production and Construction Corps through the Charity Federation of Wujiaqu, the Sixth Division, to fund the "Sunshine Disability Assistance" project and support the care and assistance work for persons with disabilities.
- Support for Employment for Persons with Intellectual Disabilities**  
Donated **200** boxes of materials to the Zhejiang Hailiang Rongai Employment Service Center for Persons with Intellectual Disabilities to support the employment capacity enhancement project for young people with intellectual disabilities and promote their integration into social development.

Building on its commitment to long-term public welfare needs such as education and healthcare, Meihua Group has further expanded its social responsibility practices to the field of disaster relief.

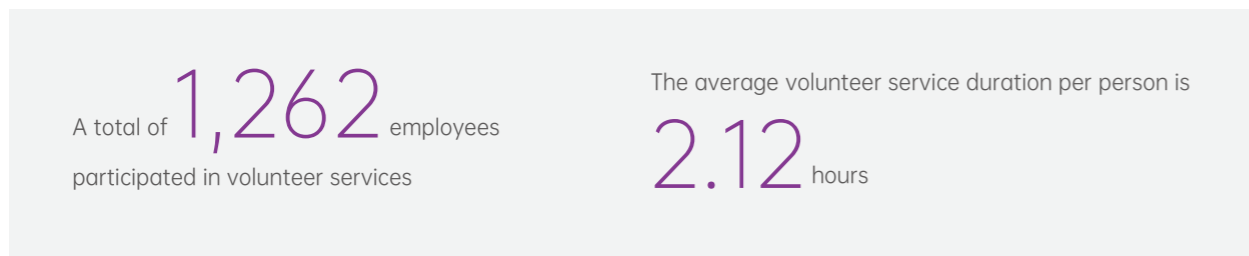
**Aid to the Earthquake-Affected Area in Xigaze, Tibet**

Within 48 hours of the earthquake in Xigaze, Tibet in 2025, the Company activated its emergency response mechanism and donated RMB 1 million to the Xigaze Charity Federation in Tibet to assist with emergency rescue operations, the resettlement of affected residents, and medium-to-long-term post-disaster reconstruction efforts in Dingri Country, providing necessary support for disaster relief and basic living security in the affected area.

**Charity Donations by Category and Amount**

Category	Amount (in RMB 10,000)
Education	160.08
Environmental Protection	1.68
Medical & Health	35.00

To further deepen the dissemination of charitable ideas, the company plans and carries out diversified employee volunteer public welfare activities, guiding employees to participate in social welfare in practice and jointly promoting the development of public welfare undertakings with employees. By 2025, a total of 1,262 employees will participate in volunteer service, with a total of 2,690 hours of employee volunteer activity participation and an average of 2.12 hours of volunteer service per person.



**"Green Legacy" Employee Public Welfare Activity Supporting Tibet**

In 2025, Meihua Group organized the "Green Legacy" employee public welfare activity, with 210 employees participating on-site and donating RMB 16,800 to the Shaanxi Charity Federation. The funds were channeled through the Tibet Support Team under the Shaanxi Charity Federation to support the planting of 210 suitable tree saplings in Ngari Prefecture, Tibet, carrying out public welfare practice in the form of "one tree per person", thereby promoting the implementation of ecological protection initiatives and enhancing employees' recognition and participation in social responsibility.

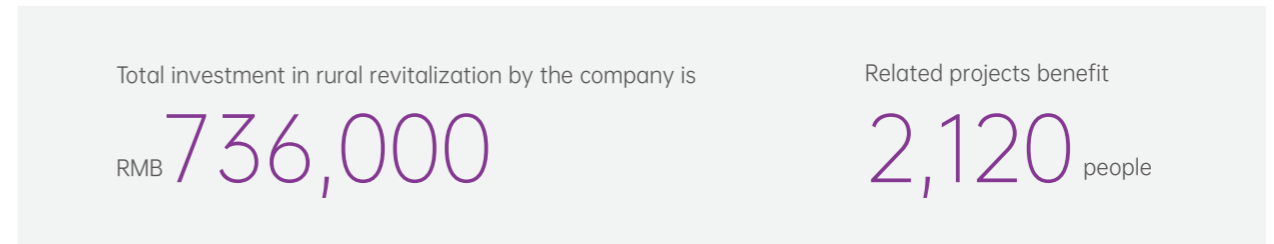
**"Warm Current Initiative" Multi-Location Employee Public Welfare Activity**

In 2025, Meihua Group launched the "Warm Current Initiative" employee public welfare activity, with thousands of employees from the Group's four locations participating. The Company donated RMB 55,750 to the Warm Current Initiative of the China Social Welfare Foundation to provide "sports packages" to 11 primary schools in the Company's operating locations of Langfang, Hebei; Tongliao, Inner Mongolia; Wujiaqu, Xinjiang; and Baicheng, Jilin. Concurrently, the "Voluntary Sports Class" activity was carried out, supporting the development of physical education in grassroots schools and promoting the effective alignment of corporate public welfare activities with community needs.

**Rural Revitalization**

Meihua Group regards serving the national rural revitalization strategy as an important direction for fulfilling its social responsibility and promoting sustainable development. Leveraging its own industrial layout and resource advantages, the Company fosters the cultivation of rural development momentum and promotes the coordinated advancement of economic growth, social progress, and ecological protection.

In 2025, the the Company's total investment in rural revitalization reached RMB 736,000, with related projects benefiting 2,120 people.



**Rural Revitalization Measures**

- Supporting Cultural Industries**
  - Donated RMB **300,000** to Layu Township, Qionglie County, Shannan City, Tibet Autonomous Region, to support the rural revitalization enhancement project in Qiangji Village, Lhagyu Township, promoting the development of local cultural industries and helping to boost rural industrial vitality.
- Promoting Infrastructure Construction**
  - Donated RMB **200,000** to Seqing Township, Nierong County, Tibet Autonomous Region, to implement the rural revitalization infrastructure improvement project, including streetlight repair and lighting facilities upgrades, thereby improving local infrastructure conditions and enhancing residents' production and living environments as well as basic public service guarantees.
  - Donated RMB **80,000** to Daobao Town, Taobei District, Baicheng, to fund local poverty alleviation efforts and livelihood infrastructure construction, strengthening grassroots development support capabilities.
- Ensuring Material Needs at the Grassroots Level**
  - Donated RMB **50,000** through the Charity Federation of Wujiaqu, the Sixth Division, to implement the donation of daily necessities for the Akto Rural Demonstration Zone in Xinjiang (including nursing homes, primary schools, and health centers).
- Supporting Agricultural Production**
  - The Tongliao Base and Xinjiang Base donated **140** tons and **7** tons of fertilizer respectively to local farmers, supporting agricultural production in kind, helping farmers reduce production costs, improve soil conditions, and enhance comprehensive agricultural production capacity.

# Shanghai Stock Exchange's Self Regulatory Guidelines for Listed Companies No. 14 Sustainability Report (Trial) Indexes

Dimension	S/N	Topic	Corresponding Article	Corresponding Chapters and Sections
Environment	1	Addressing Climate Change	Article 21 to 28	Addressing Climate Change
	2	Pollutant Discharge	Article 30	Pollutant Management
	3	Waste Treatment	Article 31	Pollutant Management
	4	Ecosystem and Biodiversity Conservation	Article 32	Environmental Management and Ecological Conservation
	5	Environmental Compliance Management	Article 33	Environmental Management and Ecological Conservation
	6	Energy Utilization	Article 35	Addressing Climate Change
	7	Water Resource Utilization	Article 36	Water Resource Management
	8	Circular Economy	Article 37	Circular Economy
Social	9	Rural Revitalization	Article 39	Rural Revitalization
	10	Social Contribution	Article 40	Social Contribution
	11	Innovation-driven	Article 42	R&D and Innovation
	12	Technology Ethics	Article 43	R&D and Innovation
	13	Supply Chain Security	Article 45	Sustainable Supply Chain Management
	14	Treat Small and Medium-sized Enterprises Equally	Article 46	Sustainable Supply Chain Management
	15	Product and Service Safety and Quality	Article 47	Product and Service Safety and Quality
	16	Data Security and Customer Privacy Protection	Article 48	Data Security and Customer Privacy Protection
Governance related to sustainable development	17	Employees	Article 50	Employee Management
	18	Due Diligence	Article 52	Sustainability Governance/ Sustainable Supply Chain Development
	19	Communication with Stakeholders	Article 53	Dual Materiality Assessment of Topics
	20	Anti-commercial Bribery and Anti-corruption	Article 55	Business Ethics and Anti-corruption
	21	Anti-unfair Competition	Article 56	Business Ethics and Anti-corruption

## ESG data sheets

### Financial indicators

Indicator	Unit	2024	2025
Operating income	RMB 100 million	250.69	242.09
Net profit attributable to the parent company	RMB 100 million	27.40	32.81
Total assets at end of period	RMB 100 million	238.10	259.16

### Environmental indicators

Indicator	Specific indicators	Unit	2024	2025
Climate change <sup>3</sup>	Total GHG emissions (location-based)	tCO <sub>2</sub> e	9,030,482.02	21,322,471.81
	Total GHG emissions (market-based)	tCO <sub>2</sub> e		21,509,424.47
	Scope 1 emissions	tCO <sub>2</sub> e	8,692,810.04	11,553,526.42
	Scope 2 emissions (location-based)	tCO <sub>2</sub> e	337,671.98	2,143,819.69
	Scope 2 emissions (market-based)	tCO <sub>2</sub> e		2,330,772.35
	Scope 3 emissions	tCO <sub>2</sub> e	/	7,625,125.70
	GHG emission intensity (calculated per RMB 1 million of operating income)	tCO <sub>2</sub> e/RMB 100 million	360.22	880.35
Energy utilization	Total energy consumption	tee	3,677,671.00	4,191,546.06
	Direct energy consumption	tee	3,540,405.97	3,688,059.61
	Coal	Ton	7,067,797.29	6,830,745.50 <sup>4</sup>
	Gasoline	L	69,849	106,110.34
	Diesel	Ton	315	724.83
	Natural Gas	m <sup>3</sup>	7,662,165	11,552,300
	Indirect energy consumption	tee	137,265.03	503,486.45
Electricity	MWh	1,116,883.92	3,951,702.67	

<sup>3</sup>This year, a carbon verification was conducted, with energy consumption and greenhouse gas emissions data including overseas subsidiary Plum Biotechnology Group Pte. Ltd.

<sup>4</sup>Coal consumed in the manufacturing process emissions.

Indicator	Specific indicators	Unit	2024	2025
Energy utilization	Purchased green electricity	MWh	/	4,792
	Purchased steam	Ton	/	138,586.22
	Energy use intensity (calculated per RMB 1 million of operating income)	GJ/RMB 1 million	4,293.92	5,073.94
Energy conservation and emission reduction	Total number of energy conservation and emission reduction training participants	Person	200	220
	Total hours of energy conservation and emission reduction training	Hour	800	850
Environmental compliance management	Environmental management system certification ratio	Percentage	100	100
	Environmental violations	Case	0	0
	Investment in environmental protection funds	RMB 10,000	6,851	5,435.12
Water resource utilization	Total water intake	Ton	35,361,776	40,125,817
	Total water consumption	Ton	54,980,998	60,133,934
	Water resource recycling amount	Ton	18,023,399	20,008,117.13
	Alternative water usage	Ton	2,000	2,000
	Proportion of water intake from high-risk areas	Percentage	100	100
	Percentage of crops purchased from areas with high or extremely high baseline water pressure	Percentage	100	100
	Water-related violation incidents	Case	0	0
Water pollutant emissions	Total volume of wastewater	Ton	25,890,010.38	27,535,162.56
	Chemical oxygen demand (COD)	Ton	2,185.68	2,123.18
	Ammonia nitrogen (NH <sub>3</sub> -N)	Ton	263.27	274.69
	Total nitrogen (TN)	Ton	841.70	973.44
	Total Phosphorus (TP)	Ton	79.77	78.87
Atmospheric pollutant emissions	Total emission of air pollutants	Ton	3,728.57	2,420.62
	Emissions of particulate matter (PM)	Ton	434.6	329.49
	Emissions of sulfur oxides (SO <sub>x</sub> )	Ton	1,434.85	1,094.62
	Emissions of nitrogen oxides (NO <sub>x</sub> )	Ton	1,860.63	1,653.56
	Emissions of volatile organic compounds (VOCs)	Ton	192.81	68.88
	Total volume of waste generated	Ton	1,553,120.78	853,695.53
	Density of hazardous waste (calculated per RMB 1 million of operating income)	Ton/RMB 1 million	0.02	0.01

Indicator	Specific indicators	Unit	2024	2025	
Waste	Total volume of hazardous waste generated	Ton	467.71	358.63	
	Volume of waste activated carbon generated	Ton	268.36	173.98	
	Volume of waste vanadium pentoxide generated	Ton	0	15.54	
	Volume of waste nickel-containing catalyst generated	Ton	42.5	0	
	Volume of waste zinc oxide catalyst generated	Ton	37.72	0	
	Volume of waste engine oil generated	Ton	100.91	145.64	
	Volume of waste detection liquid generated	Ton	1.78	2.00	
	Empty waste reagent bottles	Ton	0.84	0.57	
	Volume of waste paint bucket generated	Ton	9.10	19.86	
	Volume of waste toner cartridge generated	pcs	2,393	2,020	
	Volume of waste ink cartridge generated	pcs	1,644	1,647	
	Volume of waste battery generated	pcs	11,306	11,306	
	Volume of waste electronic garbage generated	Ton	2.33	1.04	
	Density of non-hazardous waste (calculated per RMB 1 million of operating income)	Ton/RMB 1 million	61.93	35.25	
	Total volume of non-hazardous waste generated	Ton	1,552,653.07	853,336.91	
	Volume of industrial waste generated	Ton	871,655.58	839,010.49	
	Volume of kitchen waste generated	Ton	545.16	493.32	
Volume of dust generated	Ton	678,346.34	12,441.89		
Volume of office waste generated	Ton	2,105.99	1,391.21		
Packaging material utilization	Reduction in packaging material weight	Ton	120	27	
	Recycling amount of packaging materials	Ton	1,098	1,587	
	Weight of packaging materials	Primary plastic category	Ton	28,000	21,348
		Primary paper category	Ton	750	963
		Secondary wood category	Ton	3,600	4,101
Secondary paper category		Ton	1,900	1,559	

## Social indicators

### Product and service safety and quality

Indicator	Unit	2024	2025
Product quality certification coverage	Percentage	100	100
Product testing pass rate	Percentage	100	100
Testing pass rate of incoming products	Percentage	99.80	99.90
Finished product qualification rate	Percentage	100	100
Quantity of recalled products	Ton	354	0
Major liability incidents related to product and service safety and quality	Case	0	0
Coverage of quality training for employees	Percentage	100	68.51
Total hours of product quality training for employees	Hour	47,295	29,531
Total number of employees participating in product quality training	Person	2,373	9,022
Percentage of supplier product quality certification	Percentage	43	45
Number of customer complaints	Case	89	107

### Chemical safety

Indicator	Unit	2024	2025
Proportion of chemicals identified/classified by the Company to all chemicals listed in the Hazardous Chemicals Information List (2023)	Percentage	2.2	100
Disclosure scope of chemicals	Percentage	100	100
Assessment scope of chemical hazards	Percentage	100	100

### Innovative R&D

Indicator	Unit	2024	2025
Amount of R&D investment	RMB 100 million	7.33	7.24

Indicator	Unit	2024	2025
Proportion of R&D investment to income from primary business	Percentage	2.93	2.99
Number of R&D personnel	Person	402	440
Proportion of R&D personnel to the total number of employees of the Company	Percentage	3.13	3.34
R&D personnel with a bachelor's degree or higher	Percentage	60.95	32.50
Number of valid patents during the reporting period	Item	160	163
Invention patents	Item	109	119
Utility model patents	Item	49	42
Design patents	Item	2	2
Number of newly authorized patents in 2025	Item	39	10
Negative events in technology ethics	Item	0	0

### Data security and customer privacy protection

Indicator	Unit	2024	2025
Number of information security and privacy leakage incidents	Case	0	0

### Supply chain management

Indicator	Unit	2024	2025
Number of suppliers with high ESG risk	Qty	1	13
Proportion of high ESG-risk suppliers that have achieved improvement	Percentage	93	100
Proportion of products with raw materials traceable to the place of origin	Percentage	100	100
Proportion of cost of food raw materials that have obtained third-party certification	Percentage	98	98

## ◎ Employment situation of the Company

Indicator		Unit	2024	2025
Total number of employees		Number of employees	12,858	13,168
		Number of employees (proportion)	100.00	100.00
Number of employees by gender	Male employees	Number of employees	8,337	8,607
		Number of employees (proportion)	64.84	65.36
	Female employees	Number of employees	4,521	4,561
		Number of employees (proportion)	35.16	34.64
Number of employees by age	Below 20 years old	Number of employees	23	14
		Number of employees (proportion)	0.18	0.11
	20-29 years old	Number of employees	3,605	3,599
		Number of employees (proportion)	28.04	27.33
	30-39 years old	Number of employees	4,698	4,765
		Number of employees (proportion)	36.54	36.19
	40-49 years old	Number of employees	3,426	3,608
		Number of employees (proportion)	26.64	27.40
	50-59 years old	Number of employees	1,099	1,171
		Number of employees (proportion)	8.55	8.89
60 years old and above	Number of employees	7	11	
	Number of employees (proportion)	0.05	0.08	
Number of employees by region	Chinese mainland	Number of employees	12,852	13,157
		Number of employees (proportion)	99.95	99.92
	Overseas regions	Number of employees	6	11
		Number of employees (proportion)	0.05	0.08
Number of employees by ethnicity	Han	Number of employees	9,544	9,856
		Number of employees (proportion)	74.23	74.85
	Mongolian	Number of employees	2,294	2,268
		Number of employees (proportion)	17.84	17.22
	Manchu	Number of employees	685	694
		Number of employees (proportion)	5.33	5.27

Indicator		Unit	2024	2025
Number of employees by ethnicity	Hui	Number of employees	179	197
		Number of employees (proportion)	1.39	1.50
	Other ethnic groups	Number of employees	156	153
		Number of employees (proportion)	1.21	1.16
Proportion of female senior executives		Number of employees	4	3
		Number of employees (proportion)	36	23.08
Employees from vulnerable groups		Number of employees	87	98
		Number of employees (proportion)	0.68	0.74

## ◎ Human resources management performance

Indicator	Unit	2024	2025
Return on investment in human capital	Percentage	175	132
Employee satisfaction	Point	3.91	3.9
Employee satisfaction survey coverage	Percentage	88	93
Proportion of employees who signed collective agreements	Percentage	100	100
Proportion of employee subject to human rights assessments	Percentage	90	92
Coverage of pre-employment physical examination for employees	Percentage	100	100
Periodic on-the-job physical examination rate	Percentage	47	97.05

## ◎ Employee training

Indicator	Unit	2024	2025
Total training hours of employees	Hour	2,895,036	2,967,014
Average training hours per employee	Hour	225.15	225.32
Training ratio of all employees	Percentage	97.73	98.39
Training ratio of male employees	Percentage	98.72	98.54

Indicator	Unit	2024	2025
Training ratio of female employees	Percentage	99.08	98.11
Training ratio of primary-level employees	Percentage	98.38	98.79
Training ratio of middle management	Percentage	93.05	96.08
Training ratio of middle-senior management	Percentage	100	100
Training ratio of senior management	Percentage	100	100

### Work safety

Indicator	Unit	2024	2025
Safety management system certification ratio	Percentage	100	100
Number of employees participating in work safety training	Participant	61,049	11,694
Number of contractors participating in work safety training	Participant	10,404	15,045
Frequency of work-related injuries among employees	Every 1,000,000 working hours	2,169	1.28
Frequency of work-related injuries among contractor's employees	Every 1,000,000 working hours	0.77	1.73
Total recordable injury frequency rate (TFIFR) among employees	Every 1,000,000 working hours	0.581	1.07

### Social contribution

Contribution Indicators	Specific indicators	Unit	2024	2025
Social contribution	Total amount of social donations	RMB 10,000	245.875	390.11
	Investment in rural revitalization	RMB 10,000	22.4	73.6
	Charitable donation amount	RMB 10,000	223.475	390.11
	Number of people reached by rural revitalization measures	Person	2,765	2,120
	Hours of participation in employee volunteer activities	Hour	351,555	2,690
	Number of employees participating in volunteer activities	Person-time	4,444	1,262

Contribution Indicators	Specific indicators	Unit	2024	2025
Social contribution	Average participation duration of employee participating in volunteer activities	Hours/participant	79.11	2.12
	Charitable donations	RMB 10,000	223.475	390.11
Charitable donations (statistics by category)	Education	RMB 10,000	181.975	160.08
	Environmental protection	RMB 10,000	1	1.68
	Healthcare	RMB 10,000	7.5	35.00
	Culture	RMB 10,000	50	/

### Governance indicators

#### Business ethics and anti-corruption management

Indicator	Unit	2024	2025
ISO 37001 Anti-bribery Management System Certification Coverage	Percentage	100	100
Number of incidents of business ethics and anti-corruption reporting	Case	0	0
Number of cases involving commercial ethics concluded	Case	0	0
Number of embezzlement litigation cases concluded	Case	0	0
Internal reporting matters investigated and handled	Item	30	23
Serious matters handled	Item	2	1
Total hours of business ethics and anti-corruption training for employees	Hour	244	150

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