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ZHEJIANG YONGTAI TECHNOLOGY CO., LTD.

2024
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Stock code: 002326； GDR code: YTT
Listed in Shenzhen Stock Exchange and London Stock Exchange



About this Report

This Report is the first Environmental, Social, and Governance (ESG) Report released by Zhejiang Yongtai Technology Co., Ltd. to the public, which discloses the work carried out and achievements made by Yongtai Technology in the fields of environmental, social, and governance in 2024 to the stakeholders in true and reliable principle.

Scope of Report

Unless specified otherwise, the scope of reporting organization of this report is this Company and main subsidiaries included in the consolidated financial statements. This Report is an annual report from January 1, 2024 to December 31, 2024, with a part of content beyond the period.

References

This Report is compiled in strict accordance with the relevant guidelines set forth in the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)*, and meanwhile referring to the relevant requirements of the *Self-Regulatory Guidelines No. 3 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report Compilation*, and the *GRI Standards by Global Reporting Initiative* and the *Corporate Action Guidelines for the United Nations Sustainable Development Goals (SDGs)*.

Principles for the Preparation of This Report

Significance: In reference of the communication result of the stakeholder engagement, and adopting significance assessment, the significance topics of the Company during the report period shall be recognized, and centering on which, this report shall be compiled.

Quantification: List the standards, methods and suitable assumptions used in the qualification materials in time as notes.

Consistency: Unless indicated otherwise in feasible situation, the disclosure statistical approaches are consistent with those in the reports for the previous years, to ensure significant comparation.

Data Source: Unless otherwise indicated, the information and data referred by this Report are from the internal documents or relevant public materials of the Company. This Report has been deliberated and passed by the Board of Directors, and the Board of Directors of the Company warrants that this Report contains no inaccurate records, misleading statements or major omissions.

Currency Unit: Unless otherwise indicated, all monetary amounts are listed in RMB.

Preparation Process

The compilation of this Report comprises the investigation, survey, interviews, data collection, framework determination, report compilation, report design, department and senior management audit, etc.

Access to the Report

This Report shall be released in electronic form in both Chinese and English. In case of difference between the English and Chinese reports, the Chinese report shall prevail. The electronic version is available for reading and downloading at the official website of the Company (website: http://www.yongtaitech.com), and the cninfo (www.cninfo.com.cn).

Contact Information

Your valuable opinions are crucial to the constant improvement of environmental and social performance of the Company. In case of any question or advice on this Report, feel free to contact us by the following means:

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Message from Chairwoman



2024 is the year of preparation before the completion the "14th five-year plan", and the 25th anniversary that Yongtai Technology abides by the original intention and cultivates in the chemical industry.

Looking back at the last year, Yongtai Technology moved forward regardless of the intensive market competition, and made remarkable achievements. However, we know it very well that in the current global economic integration, the development of the enterprise doesn't only need to pursue the economic benefits, but also need to shoulder the mission of social responsibility and environmental protection. As the file leader in the industry, Yongtai Technology adheres to the ESG concept, integrates the sustainable development into the strategy and daily operation, and is committed to making contributions to the harmonious development of the society and environment while realizing the commercial values.

In terms of environmental protection

we implement the green development concept throughout the links of production and operation. We invest a large number of funds in the environmental technology research and development and equipment upgrade, strive to reduce the pollutant discharge during the production, and improve the resource utilization. Our factory adopts advanced sewage treatment system, ensures the wastewater discharge meets the standard; in terms of waste gas governance, it effectively reduces the emission of volatile organic compound through introducing efficient waste gas treatment facilities. In the respect of combating climate change, Yongtai Technology actively responds to the national "carbon peaking and carbon neutrality" strategy, and tries to reduce the carbon emission through the measures such as optimizing energy structure, promoting the usage of clean energy and improving the energy utilization. The Company has also established improved environment monitoring system, is equipped with professional environmental personnel and advanced test equipment, and carries out monitoring for waste gas and wastewater, to ensure that the indicators meet the national standards.

In terms of social responsibility performance

Yongtai Technology actively devotes to the public welfare establishments, cares about the vulnerable groups, and assists in the education, poverty relief, disaster relief and other public welfare program. We devote ourselves to creating a just, fair and inclusive work environment, and respect the rights, interests and values of each employee. We provide abundant training and development opportunities for employees, to facilitate the growth and success of employees; focus on the physical and psychological health of employees, and regularly organize the physical examination and recreation activities, to make employees feel the family-like warmth during the work.

In terms of corporate governance

The corporate governance is the core guarantee of the sustainable development of Yongtai Technology. We constantly improved the governance structure of the Company, established and completed the internal control system, to ensure scientific and transparent decision-making. In 2024, the Company disclosed the information timely and accurately in strict accordance with the laws, regulations and the article of association of the Company, and meanwhile actively communicated with shareholders, to guarantee the legal rights and interests of all the shareholders; and enhanced the cooperation with suppliers and customers, to construct a stable and win-win industrial chain ecology. We advocated the operation in good faith, adhered to the commercial moral bottom line, and had been recognized and respected by the market with good enterprise image.

Looking forward to the future

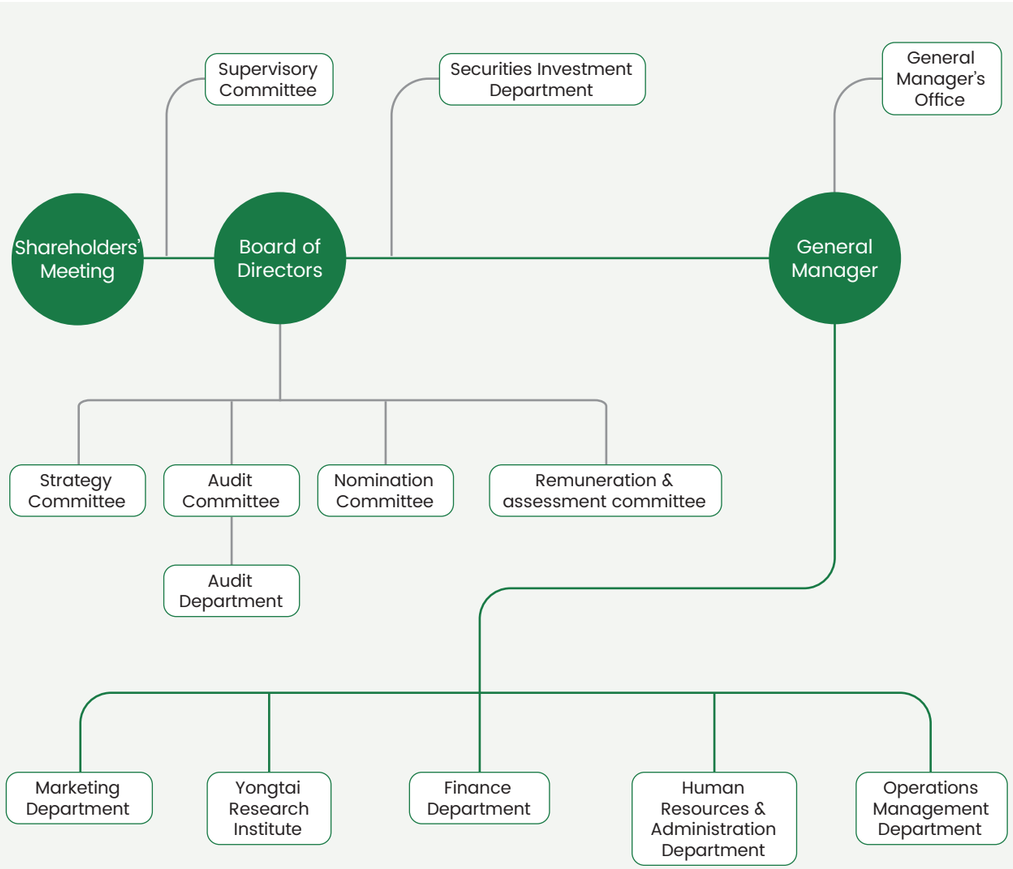
Yongtai Technology will continue to adhere to ESG concept, and integrate the sustainable development into the whole process of corporate strategic planning. We will increase the investment in the environmental field, explore greener and more low-carbon production mode; and deepen the practice of social responsibilities, to create more values for the society; constantly optimize the corporate governance, to enhance the core competition of the enterprise. We believe that through our unremitting efforts, Yongtai Technology will move forward stably to reach a farther destination on the road of sustainable development, create more values for shareholders, and make more contributions to the society.

About Yongtai Technology

Company Profile

Zhejiang Yongtai Technology Co., Ltd., established in October 1999, is a fluorinated pharmaceutical, crop science, and new energy materials manufacturer with fluorine-containing technology as the core, technological innovation as the impetus, and intelligent manufacturing as the driving force, with its vertically integrated industrial chain, a flexible and comprehensive production platform, and specialized R&D innovation teams. The Company not only provides customized R&D, production, and technical services to domestic and overseas customers, but also relies on the trading platform of its subsidiary, Shanghai E-Tong, to conduct global sales of crop science products, achieving coordinated development of R&D, production, and trade.

Organizational Structure



Business Profile

The main products of the Company are divided into three categories based on their terminal application fields, including pharmaceutical product business, crop science product business lithium battery materials and other materials. Among them, pharmaceutical products include key fluorinated intermediates, pharmaceutical APIs and finished dosages in the fields of cardiovascular diseases, diabetes, central nervous system, anti-infection and anti-virus; crop science products mainly include intermediates in the fields of fluorine-containing herbicides, fungicides, insecticides, etc., as well as crop science AIs and crop science formulations; lithium battery and other materials products mainly include lithium battery materials, fluoro liquid-crystal intermediates, fluorinated liquid, etc. The main products of the Company's trading business are herbicides, fungicides, insecticides, and other pesticide active ingredients and formulations. the Company also engages in the trade of chemical products such as lithium carbonate.

Terminal application fields	
Pharmaceutical product	Key fluorinated intermediates, pharmaceutical APIs and finished dosages in the fields of cardiovascular diseases, diabetes, central nervous system, anti-infection and anti-virus
Crop science product	intermediates in the fields of fluorine-containing herbicides, fungicides, insecticides, etc., as well as crop science AIs and crop science formulations
Lithium battery materials and other materials	Lithium battery materials, fluoro liquid-crystal intermediates, fluorinated liquid, etc

Honorary Award

By virtue of excellent innovation capacity and development strength, Yongtai Technology has won many honors and recognition. The Company is in the firth batch of national "hi-tech enterprises", and "patent demonstration enterprises in Zhejiang Province", which remarks its excellent achievements in terms of technical innovation and intellectual property protection. For years, the Company constantly breaks through the technical bottleneck, has ever won Chinese patent gold award and patent excellent award, which highly praise its research and development strength. In addition, the Company has also won provincial and municipal scientific and technical awards, the scientific and technological progress award of China Petroleum and Chemical Industry Federation, fully presenting the leading role of the Company in the scientific and technical progress and industrial upgrade.

In 2024, Yongtai Technology has won more honors. By virtue of the good commercial reputation and standard contract management, the Company is appraised as a published Zhejiang Province Grade A "enterprise with good credit in honoring contract". By virtue of professional advantage, innovative capacity and market competition in the subdivided fields, its subsidiary Yongtai Hi-tech is appraised as a new special professional "Little Giant" enterprise; and another subsidiary Shanghai E-Tong has been appraised as one of Top 50 Chinese Pesticide Exporters in 2023 by virtue of its profound cumulation in the field of pesticide and powerful market expanding capacity.

ZHEJIANG YONGTAI TECHNOLOGY CO., LTD.
Zhejiang Province Grade A "enterprise with good credit in honoring contract"

SUBSIDIARY SHAOWU YONGTAI HI-TECH MATERIAL CO., LTD.
Specialized, Refinement, Differential, Innovation (SRDI) "Little Giant" Enterprise

SUBSIDIARY SHANGHAI E-TONG CHEMICAL CO., LTD.
Top 50 Exporting Companies of China Agrochemical in Year 2023

Enhance the Governance Focusing on the Sustainable Development

Starting from the action stipulated in the annual ESG Special Report, and aiming to improve the sustainable development level and value creation capacity, Yongtai Technology deeply implements the ESG concept and focuses on carrying out special ESG management enhancement.

ESG Governance

Attaching great importance to the sustainable development, Yongtai Technology implements the concept of sustainable development in the links of operation of the Company in an all-around manner, strives to construct and constantly optimizes ESG governance structure, and elaborately improves the top-level planning of ESG governance. The ESG management system of the Company is as follows:

1. The Board of Directors is the leading and decision-making institution of ESG management;
2. The Strategy Committee of the Board of Directors is the research and guidance institution of ESG management, which is responsible for the Board of Directors;
3. The Company establishes an ESG work group, which comprises the leaders of the Company, the principals of the departments, the principals of the subsidiaries and the ESG contact appointed by the departments, and is responsible for providing guarantee and professional support for the Strategy Committee to perform ESG-related duties. The ESG work is put under centralized management by the department of securities investment of the Company.
4. The departments and subsidiaries of the Company are the executive units of ESG work.

ESG Strategy

Adhering to the UN Global Compact and other international standards and initiatives, Yongtai Technology pursues sustainable development. It complies with disciplines and laws, respects human rights and protects environment, making contribution to the local economic and social development of business. The Company carries out ESG topic significance assessment through stakeholder engagement, expert assessment and other various means, determines the core topics with great significance on the development of the Company, to constantly optimize the ESG management and risk control, improve the overall ESG management and governance level, and integrate ESG concept into the strategic decision-making of the Company.

Yongtai Technology integrates sustainable development into the strategic management. Combining with the actual development demands of the Company, the Board of Directors assesses the importance of environmental protection, safe production, supply chain stability, combating climate change and other topics related to sustainable development, includes them into the risk management system of the Company, and prepares risk and opportunity solutions to regularly follow up the risk situation.

	Risk description	Solutions
Environment compliance management	The environmental protection investment is insufficient, the environmental protection measures are not implemented effectively, resulting in government punishment, customer claims, economic losses and image damage suffered by the Company	Strictly implement environmental management. Continuously implement the governance, monitoring and assessment of environment pollution factors, improve the pollutant emission control measures; strictly execute the various hazardous waste classification disposal requirements
Occupational health and safety	Safe management system is incomplete, the safety precautions are not in place, and the responsibilities are not implemented; the employees' occupational health rights and interests are not protected properly, resulting in damaged employee physical and psychological health, affecting the production, operation and sustainable development of the Company	Constantly improve the construction of safe environmental protection system, personnel quality, management mode, risk control, emergency disposal and other process management of the Company; constantly improve the occupational health control level, and further enhance the propaganda and training on the prevention and treatment of occupational diseases
Product and service quality	The product quality is unqualified, resulting in economic losses, customer claims and image damage of the Company	Comprehensively promote the launching of powerful quality enterprise; improve the product, engineering quality guarantee system
Combating climate change	See the chapter of "Combating climate change" for details	

ESG Practices

Yongtai Technology actively promotes the key nodes of sustainable development strategy, holds ESG report preparation kick-off meeting & training meeting in August 2024, facing the key personnel of the core departments and subsidiaries of the Company, explains ESG front trends and ESG report preparation requirements, and enhances the ESG recognition of the leaders and employees, to serve the high quality preparation of ESG report and the ESG governance level enhancement of the Company.

Dual Significant Discussion Topic Recognition

Step I Recognize key discussion topics

Combining with the discussion topic setting, industrial characteristics, corporate nature, industrial development phase, corporate commercial modes, etc. in the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)*, the Company recognizes 38 discussion topics related to the development of the Company, environment, society and other respects.

Step II Significance analysis

As for the recognized discussion topics, the Company understands, collects the opinions of stakeholders through questionnaire survey, expert assessment, industrial benchmarking, etc., assesses the influence significance and financial significance, and determines the influence significance and financial significance scores of the discussion topics.

Significance category	Interpretation
Influence significance	Whether the performance of the Company in terms of corresponding discussion topics significantly impacts the economy, society and environment
Financial significance	Whether the discussion topic is expected to impact significantly on the commercial mode, business operation, development strategy, financial status, operation achievements, cash flow, financing method, cost, etc. in short, medium and long term

Step III Comprehensive analysis on significance discussion topic

Combining with the influence significance and financial significance analysis results, and based on the development of the Company, determine the influence significance and financial significance discussion topic threshold values of the Company, carry out significance rank, and draw a significance discussion topic matrix. The significance of the discuss topics provides important reference for the Company to continuously carry out sustainable development and information disclosure related to social responsibilities.

The financial significance topics recognized by the Company include the environment compliance management, pollution prevention and control, waste disposal, and dual significance topics includes combating climate change, product and service quality, and occupational health and safety.

Financial significance topics

- Environment compliance management
- The pollution prevention and control
- Waste disposal

Dual significance topics

- Combating climate change
- Product and service quality
- Occupational health and safety

Stakeholder Engagement

Stakeholders	Expectation	Communication mechanism
Government and relevant departments	Actively implementing relevant national policies Complying with relevant laws and regulations Paying taxes by law Performing social responsibility	Work conference Daily communication Submit materials Official document communication
Partner/Supplier	Complying with national laws and regulations together Abiding by commercial ethics Equal cooperation Realizing mutual benefit and win-win result	Signing cooperation agreement Contract execution Senior management meeting Daily business exchange
Employee	Practicing People-oriented Philosophy Protecting the legal rights and interests of staff Providing health and safe work environment Promoting the career development of staff	Labor union Employee training Suggestion and feedback Work communication
Customer	Guaranteeing the service and product quality Responsible supply chain Mutual benefit Common development	Customer satisfaction survey Cooperation and exchange Contract execution Daily communication
Contributed enterprise	Providing guidance and support Constantly enhancing service quality Promoting innovation Equality and mutual benefit cooperation	Daily management Information feedback Supervision and assessment Work conference
Community and the public	Providing correct information in time Co-building harmonious community Promoting employment	Regular report Information disclosure Daily communication



Special

Talents Create Promising Future

Yongtai Technology introduces and cultivates diverse and professional talents, improves talent cultivation system, and enriches the employee training forms, to give play to the positivity, initiative and creativity of employees and promote the employee growth and the enhancement of core competition of the Company.

SDGs Benchmarking



687 sessions

Annual training sessions

48,801.20 hours

Annual total training duration

93.63%

Training coverage

Employee Training

Yongtai Technology attaches great importance to the construction of talent cultivation system, comprehensively standardizes the training processes and constantly optimizes the courses by stipulating the *Training Management System* and implementing systematic training plan. The Company carries out comprehensive training for employees, covering such respects as management knowledge, professional skills, quality awareness, measurement technology and safe environmental protection, focusing on enhancing the post competence of employees, and ensures that the personnel on the posts have professional capacities matching with their duties, to effectively guarantee the efficient operation of management system of the Company.

Training System

The department of human resources of the Company is comprehensively responsible for the training system construction, is specifically responsible for the stipulation and implementation of annual training plan, trainer qualification attestation and training effect assessment, and overall plans and deploys various training resources. The Company systematically carries out diverse training programme, covering professional skills, safe production, environmental protection, occupational health, quality management, etc., implements auxiliary new staff induction training and team outward training, and constantly improves the comprehensive quality and professional capacity of the staff by all-around talent cultivation mechanism, to constantly enhance the core competition of the enterprise.

Training Demand Survey

The Company establishes standard training demand declaration mechanism, requires the departments to collect the latest industrial trends through multiple channels by combining with the business development demands, mainly covering the professional fields such as regulations related to the production and operation, ISO management system (9001/14001/45001), ICH and GMP. Based on fully researching, the departments prepare and submit the *Annual Training Demand Survey Table* to the department of human resources, which will carry out professional audit for the declared content and then overall arrange the training plan, to ensure that the training accurately meets the demands of the development strategy of the Company and the employee growth.

Training targeted at employees at various levels

Senior management	determines the required skills of senior management of the Company according to the operation strategy of the enterprise, and the leaders of the factory and the department of human resources analyzes and determines the corresponding training demands.
Medium-level management	Based on their development planning prepared by the enterprises and performance assessment results, the leaders of the factory and the department of human resources analyzes and determines the further training demands and direction.
Junior management and common employees	The medium-level management analyzes and determines their training demands based on the employee performance assessment, and meanwhile, employees may also propose training demands to be recognized by the superior leaders and the department of human resources.

Yongtai Technology sales technique training

To enhance the sales techniques of employees of the marketing center, Yongtai Technology specially invites external tutors to carry out targeted training on the *Image-building and Etiquette Skills of Sales Elites of Chemical Products*. This training aims to make employees of marketing center master more professional sales techniques, improve personal image and etiquette skills through the lectures delivered by professional tutors, so as to serve customers better and promote the improvement of sales performance of the Company.



Inner Mongolia Yongtai Saturday School Series of Training Activities



The Site of Inner Mongolia Yongtai Saturday School Series of Training Activities

Saturday School is a very important constituent part of the employee occupational training and education system of Inner Mongolia Yongtai, and a very important way to improve the comprehensive quality of employees using effective time. In March 2024, the Company invites organization experience absorption and study product research and development experts to deliver lectures in the "Inner Mongolia Yongtai Saturday School", carry out special training on the Emotion and Pressure Management for all the managers at and above the medium level, and systematically enhance the emotion and pressure management capacity of medium-level and senior management.

Career Development

To actively respond to the national strategy on "developing a quality workforce", Yongtai Technology stipulates the *Employee Promotion Management System*, and creates multiple career promotion channels, aiming to make every person present their talent and achieve maximum effect, to keep the employee promotion channel unblocked, meet the development demand of the Company and the employee, and enhance the core competition of the Company and the employees.

Authority Management

The Company clearly classifies the management authorities of the headquarters and subsidiaries in respects of personnel appointment and cadre promotion, fully mobilizes and gives play to the management function of the headquarters and subsidiaries, systematizes and standardizes the appointment and removal of management, to establish the talent team cultivation mechanism step by step.

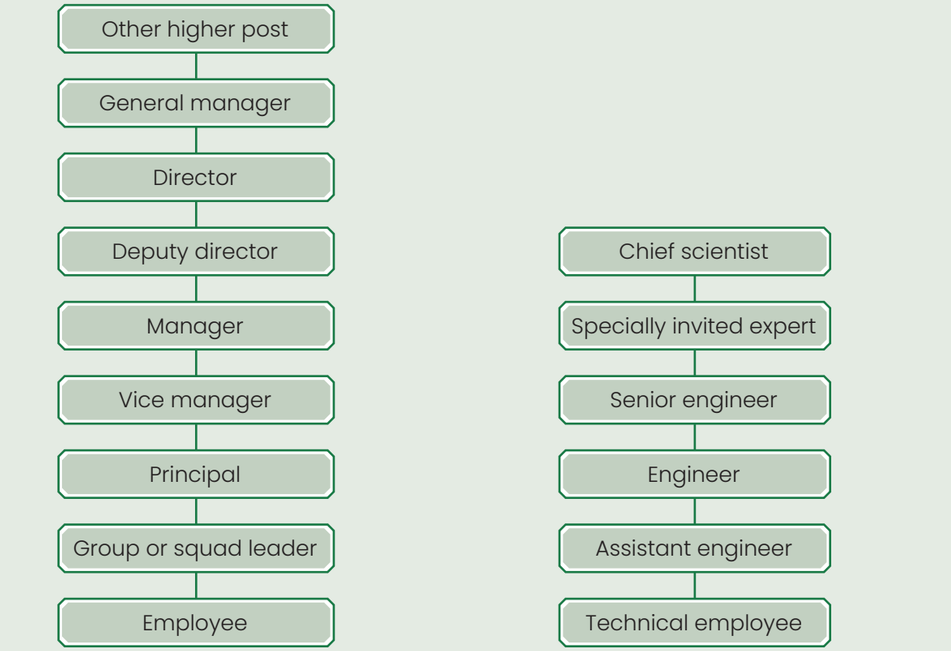
System construction

The Company adopts a management promotion appointment system combining centralization and decentralization and comprising three levels, which means management promotion appointment system at levels of the headquarters and subsidiaries. The management shall be appointed in principle of appointing moral worthy talents, wherein the devotion, knowledgeable and professional policies shall be implemented.

Internal professional title appraisal

Centering on professional skills, the internal professional title appraisal standard of the Company also assesses the knowledge and comprehensive capacities; it closely combines the remuneration treatment, professional title increase and decrease, and performance assessment of professional technicians in strict accordance with the value creation results (performance) and performance during the value creation.

Career development route





System of rewards and penalties

The Company strictly implements the system of rewards and penalties, wherein, the rewards include recording a merit, recording a great merit, upgrade, promotion, reward by a general order, combining the spiritual and physical incentives. As for employees having made significant contributions, the Company will reward significantly, including awards or bonus. In addition, in accordance with the *Management System of Post Classification and Technical Subsidy of Workers at the Production Line*, the Company encourages employees to constantly improve their job skills and study other job skills, and sets up product research and development award, technological progress award, excellent individual awards and excellent team awards, to fully motivate the employees' positivity, creativity and initiative.

System of rewards and penalties	Award establishment
Record a merit	Product research and development award
Record a great merit	Technical progress award
Upgrade	Excellent individual award
Promote	Excellent team award
Praise or reward by issuing a general order	

Audit and supervision

In principle of using, cultivating, cherishing cadres and cautioning against small matters, the Company adopts regular or irregular audit for the important management when they are in office, and routine off-office audit when they leave their posts.

1

Enhance the Foundation of Management by Adhering to Morality and Kindness

Yongtai Technology focuses on the internal governance of the Company, optimizes the management modes, and constantly standardizes the governance structure of the Company, to ensure transparent and reasonable decision-making; constantly improves the internal control and compliance management, to realize stable development of the enterprise; enhances the integrity construction, and guides the employees to enhance the integrity and self-discipline awareness; is determined to protect the rights and interests of investors, keeps operation goals in mind and standardizes the information disclosure, in order to lay solid foundation for the high-quality development of the enterprise.

SDGs Benchmarking



44%
Proportion of female directors

7 sessions
Number of meetings of the Board of Directors

100%
Attendance of members of the Board of Directors

123 pieces
Quantity of released temporary announcements

Deepening Party Building and Guide

Keeping in mind the implementation of the leadership of the Party in the links such as decision-making, execution, supervision of the enterprise, Yongtai Technology gradually refines the levels from top-level design to system, matters, process and list, promotes the co-frequency resonance and deep integration of the Party building and the transformation development of the enterprise, and converts the political and organizational advantages of the Party into the competition and development advantages of the enterprise.

The Company comprehensively enhances the theoretical foundation, deeply studies, implements Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the spirit of the 20th National Congress of the Communist Party of China, actively promotes the deep integration of the Party building and production operation by closely combining with the development strategy of the Company, to give full play to the leading and guarantee role of high quality Party building and promote the high quality development of the enterprise. The Company enhances the Party building information-based platform construction, enriches the Party building materials and news show, actively carries out on-line training and sets up libraries, etc., to support the study and improvement of Party members and masses from multiple respects, constantly improve the political position of employees, and make the Party members and cadres fully understand the basic theories, basic lines, basic general plan of the Party, enhancing "four awareness", confirming "four confidence", and implementing "two maintenance".

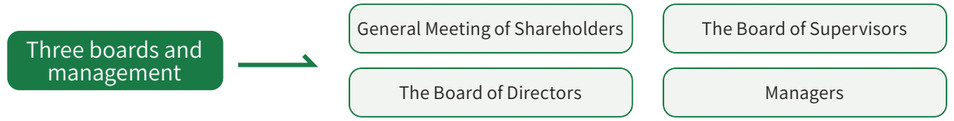


The party branch organizes the educational activities of visiting the martyrs' cemetery

Optimizing Governance Structure

◉ The construction of "three boards and management"

In strict accordance with the *Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, Code of Corporate Governance for Listed Companies* and other national and operation local applicable laws and regulations, Yongtai Technology stipulates the *Article of Association of the Company*, forms a governance structure of "three boards and management" comprising the Meeting of Shareholders, the Board of Directors, the Board of Supervisors and management, and guarantees the clear rights and responsibilities of governance subjects of the Company, so that they can perform their own functions mutually counterbalancing and coordinating, to maintain the fairness and transparency of the corporate governance.



General Meeting of Shareholders

In strict accordance with the Rules of the General Meeting of Shareholders of Listed Company, the Articles of Association of the Company, and the Rules of Procedure for the General Meeting of Shareholders, the Company calls together and holds the General Meeting of Shareholders, to ensure that all shareholders, especially the small and medium shareholders enjoy equal status and fully exercise their own power. The General Meeting of Shareholders within the reporting period shall be called together and held by the Board of Directors, and engage a lawyer to carry out on-site witness. The matters that shall be voted on the General Meeting of Shareholders as stipulated by the Articles of Association of the Company and relevant laws and regulations, shall be submitted to the General Meeting of Shareholders for deliberation upon approval according to corresponding authority. There doesn't exist approval beyond one's authority or deliberation after implementation.

The General Meeting of Shareholders comprises Annual General Meeting of Shareholders and Temporary General Meeting of Shareholders. Annual General Meeting of Shareholders shall be held once a year within 6 months after the end of the previous fiscal year. The Temporary General Meeting of Shareholders shall be held irregularly, and Independent Directors and the Board of Supervisors shall be entitled to propose to the Board of Directors to held Temporary General Meeting of Shareholders. Where the Board of Directors agrees to held Temporary General Meeting of Shareholders, it shall send the notification of General Meeting of Shareholders within 5 days after the resolution of the Board of Directors; where the board of Directors doesn't agree, it shall give reasons and announcements.

The Board of Directors

The Board of Directors of the Company has 9 members, including 3 Independent Directors. The number of members and staff composition of the Board of Directors of the Company meet the requirements of laws and regulations. All directors of the Company honestly and diligently perform their duties as required by the maximization of benefits of the Company and shareholders. The Independent Directors of the Company actively participate in the decision-making of the Company, and give full play to the special function of Independent Directors.

Diverse Board of Directors

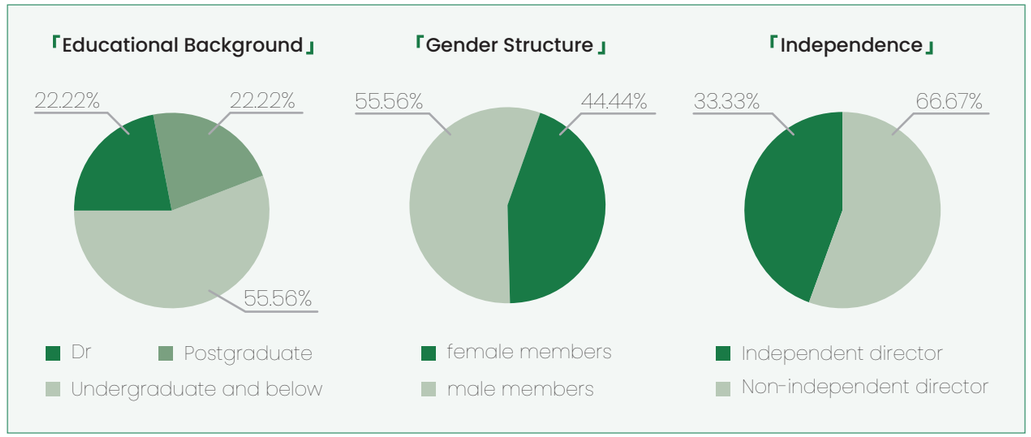
The Company establishes diverse Board of Directors policy, considers the diversification of members of the Board of Directors, including but not limited to sex, age, culture and education background, professional experience, skills, knowledge and service tenure. The female directors account for 44% in the members of the Board of Directors, and Chairwoman of the Board of Directors and CFO are both female.

The Board of Supervisors

the Board of Supervisors of the Company comprises 3 Supervisors, including 1 Supervisor as a staff representative, which is not less than one third of all the supervisors. In strict accordance with the Rules on the Meeting of the Board of Supervisors, the supervisors of the Company carefully perform their duties, carry out effective supervision and give opinions for the major issues, financial status, the resumption of directors and managers, etc.

Managers

The General Manager and other senior management of the Company have clear responsibilities, perform responsibilities in strict accordance with the Articles of Association of the Company, the Working Rules of General Managers and other various management system, and practically implements and executes the resolutions of the Board of Directors. The appointment procedures of the managers are standard, and their appointment shall be executed in strict accordance of relevant laws and regulations and the system of the Company.



◉ Construction of the Special Committee

The Board of Directors of Yongtai Technology sets up subordinate Strategy Committee, Audit Committee, Nomination Committee, and Remuneration and Assessment Committee. The Special Committees perform their responsibilities in strict accordance with relevant system, which effectively enhances the standard operation of the Board of Directors of the Company. The Audit Committee of the Board of Directors comprises 5 Directors, including 3 Independent Directors, wherein, 1 Independent Director is professional accountant.

Special Committee	Main responsibilities	Number of conferences held in 2024
Strategy Committee	It carries out research and proposes on the long-term development strategic planning, major investment and financing schemes, major investment operation, asset operation project of the Company, and carries out the supervision and examination for the implementation of the said matters	0
Audit Committee	It is responsible for auditing the financial information and its disclosure of the Company, supervising and assessing the internal and external audit work and internal control	4
Nomination Committee	It is responsible for proposing the selection standards and procedures of Directors and senior management, selecting the persons to be directors and management, auditing their qualifications, and providing the Board of Directors with suggestions	2
Remuneration and Assessment Committee	It is responsible for stipulating the assessment standards and assessing the directors and senior managers; stipulating and reviewing the remuneration policy and scheme of directors and senior management, and providing the Board of Directors with suggestions	3

◉ The remuneration management of the Board of Directors

In accordance with the *Articles of Association of the Company*, the *Remuneration, Subsidy Management System of Directors, Supervisors and Senior Management*, Yongtai Technology standardizes the remuneration management, and defines the remuneration distribution scheme and assessment constraint mechanism. It fully motivates the work positivity and creativity of members of the Board of Directors by keeping competitive, fair and inspirational remuneration distribution scheme.

The Company gradually improves and establishes fair and transparent performance assessment standards and incentive constraint mechanism of Directors, Supervisors and Senior Management, and the appointment of senior management of the Company is open and transparent, meeting the laws and regulations. The remuneration of the Directors, Supervisors of the Company is determined by the General Meeting of Shareholders, and the remuneration of the senior management is determined by the Board of Directors. The remuneration of Internal Directors and Supervisors shall be paid based on their specific posts in the Company, and combining with the overall benefits of the Company, industry, relevant remuneration system and performance assessment results. Independent Directors receive remuneration from the Company by adopting fixed subsidy.

Promoting Stable and Robust Operation

◉ Internal control

Yongtai Technology attaches great importance to the internal control, actively explores work methods, and guarantees the standard and effective operation of internal control system in accordance with relevant laws and regulations and relevant policies, to realize compliant operation by law.

Combining with internal and external audits, the Company comprehensively carries out financial audit and engineering audit, striving to guarantee the complete and reasonable and effective internal control system. And meanwhile, the Company irregularly carries out audit for the implementation of internal control system, discovers potential issues in time and provides targeted suggestions, and promotes issue rectification and carries out assessment for the rectification results again, to ensure effective implementation of internal control system, and practically solidify the management defensive line of the Company.

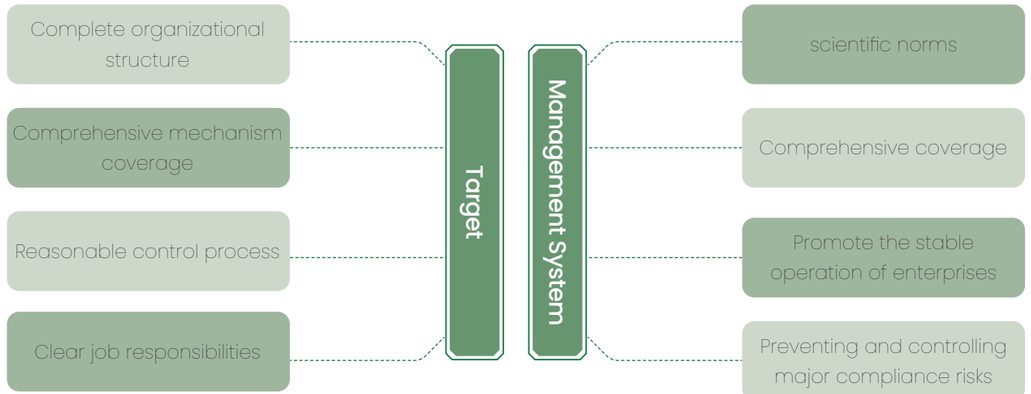
◉ Risk management

Yongtai Technology deems the risk management as key factors to guarantee stable operation of the enterprise, reach Sustainable Development Goals (SDGs) and protect the core rights and interests of stakeholders, and constructs a set of all-around, multiple-level and dynamic risk management system, to accurately recognize, scientifically assess and effectively tackling complicated internal and external risk challenges.

◉ Compliant operation

In principle of compliant operation, Yongtai Technology strictly complies with the national laws and regulations, industrial standards and internal regulations and systems of the Company. Adhering to the principle of fair competition, the Company objects to any form of unfair competition. In 2024, no major violation occurred.

The Company constantly enhances the compliance management construction, and establishes scientific and standard, comprehensive compliance management system that promotes stable corporate operation and prevents major compliance risks by referring to relevant laws, regulations and policy systems, and aiming to realize complete organizational structure, comprehensive mechanism, reasonable control process and definite post responsibilities.



◉ Anti-corruption

Adhering to the anti-corruption political anchoring force, Yongtai Technology constantly promotes the integrated strategic goal of "Dare not rot, can not rot, do not want to rot". The Company stipulates the *Integrity Management System* and the *System of Code of Professional Ethics*, seeks the temporary and permanent solutions and deepens systematic governance, strictly punishes the corruption in a zero-tolerance manner, and firmly puts an end to all forms of extravagance and waste and guides the employees to enhance the awareness of integrity, self-disciplined, and anti-corruption spirit.

The Company sets up an open complaint channel, innovatively carries out various integrity culture activities, and creates a good honest atmosphere, to supervise and urge employees in terms of self-examination and self-discipline, warn everyone to keep far away from corruption, and make the seed of integrity culture take root and sprout in the mind of employees.

The Company defines the informer protection requirements, and the real-name report petition letters, work ledgers and other materials involving the petition letters shall be confidential and kept properly. The petition letters shall not be available to others randomly, and no one shall extract, copy, destroy or carry such letters out arbitrarily. It's forbidden to disclose the name, information, etc. of the informers and report-related content to the reported persons and departments. Where the informers suffer from disciplinary punishment and other unfair treatment due to report, such treatment shall be corrected. Where the personal safety of the informers is threatened, competent departments shall adopt protection measures in time.

◉ Fair competition

Yongtai Technology always strives to create a fair, transparent and orderly commercial environment, to ensure that all stakeholders can compete on an equal basis. In strict accordance with the national laws and regulations, the Company guarantees that all commercial activities are carried out in the legal framework, and objects to any form of unfair competition. On the basis of integrity, the Company ensures that all commercial activities conform to the moral codes and laws.

The Company constantly standardizes the dealer management, and stipulates the *Standard Management Procedures of Suppliers*, to build equal, voluntary, honest, mutual beneficial, cooperative and win-win relationships, and maintain the operation order of market.

Protecting the Investors' Rights and Interests

Yongtai Technology always takes the protection of rights and interests of all shareholders and stakeholders as important content of operation management, and the maximization of benefits of the Company and all shareholders as important goals of operation. In strict accordance with the *Company Law*, the *Securities Law* and relevant laws, regulations and relevant regulations of Shenzhen Stock Exchange, the Company stipulates the *Investor Relation Management System* in fair, just and open principle, introduces and reflects the actual situation of the Company objectively, faithfully, accurately and completely, avoids potential investors misled by the over-publicity, enhances the communication among investors and potential investors and increases the understanding and identification of the Company of investors through information disclosure and exchange, in order to improve the governance level of the Company.

The Company sets up an investor relation management principal, to maximize the overall benefit of the Company and protect the legal rights and interests of the investors. The secretary of the Board of Directors of the Company is the principal of Investor Relation Management of the Company, who is responsible for the overall planning, coordination and arrangement of investor relation management. The department of securities investment of the Company is the daily management department of investor relation, which specifically carries out daily management of investor relations, and appoints special personnel in charge of the daily matters of investor relation management of the Company.

Basic principles of investor relation management of the Company

1 Full Information Disclosure Principle
2 Compliant Information Disclosure Principle
3 Principle of Equality of Opportunity of Investors
4 The Principle of Honesty and Credit
5 Efficient and Low-consumption Principle
6 Interactive and Communication Principle

The Company and investor engagement methods

1 Announcements (including regular and temporary reports)

2 General Meeting of Shareholders

3 Performance Illustration Meeting

4 One-to-one communication

5 Telephone counseling

6 Advertisements, media, newspapers and periodicals or other promotional materials

7 Roadshow

8 On-site visit

9 The website of the Company

Indicator name	Unit	2024
Number of investor exchange meetings	times	2
Cumulative number of investors received	person-times	8

◉ Transparent information disclosure

In strict accordance with the *Company Law of the People's Republic of China*, *the Securities Law of the People's Republic of China* and other national and local applicable laws and regulations of operation, Yongtai Technology stipulates the *Information Disclosure Management System*, etc., timely, fairly and fully discloses the information of the Company starting from serving the investor relations and transmitting the values of the Company, and ensures that the disclosed information is true, accurate and complete. In 2024, the Company has not been punished or penalized by the regulators because the information disclosure violates the regulations.

The Company adheres to deem the director as the first principal of information disclosure, and the secretory of the Board of Directors as the direct principal. As the management department of information disclosure, the department of securities investment is managed by the secretory of the Board of Directors, who collects and sorts out the information to be disclosed. The principals of the departments of the Company are the principals of information disclosure of the departments, who shall timely provide the department of securities investment with the information to be disclosed in writing.

The Company advocates to disclose information in form of report. The annual report shall be compiled and disclosed within four months from the ending date of each fiscal year, the semi-annual report shall be within two months from the ending date of the first half year of each fiscal year, and the quarterly report shall be within one month after the first three months and nine months of each fiscal year. The temporary report refers to the announcements released by the Company in accordance with the laws, administrative regulations, department regulations and this system (excluding regular reports). In addition to the announcements of the Board of Supervisors, the information to be disclosed shall be released in the form of announcements of the Board of Directors.

The Company communicates and exchanges with investors by regularly holding on-line performance illustration meeting, opening investor hotlines, timely Q&A on investor relation interaction platforms and other various methods, to ensure the transparent and open information of the Company. The Company constantly keeps communication with the supervision department and media, cooperates with relevant media, carries out public sentiment assessment and early warning. It carries out communication and clarification for negative public sentiment in time, to guarantee the right to know of investors.

Indicator name	Unit	2024
Prepared and disclosed regular reports	piece	4
Released temporary announcements	piece	123

◉ Protecting shareholders' rights and interests

Yongtai Technology attaches great importance to keeping the channel for investors and potential investors to acquire the information of the Company, constantly guarantees the rights of small and medium shareholders to participate the operation decision-making of major matters of the Company, stipulates the *Rules of Procedure for the General Meeting of Shareholders*, to actively collect the opinions of shareholders, answer their concerning questions in time, so as to keep the channel for investors to acquire information unblocked, enhance the confidence and trust of shareholders, and protect the legal rights and interests of the Company and shareholders.

The Board of Directors of the Company loyally and diligently performs its own obligations, so that the meetings of the Board of Directors can be called together and held as required by relevant stipulations, adopts necessary measures to guarantee the normal order of General Meeting of Shareholders, practically gives play to the role of directors, and maintains the legal rights and interests of the Company and shareholders.

The Company stipulates that the General Meeting of Shareholders shall set up the venues, be held in form of on-site conference, and adopt safe, economic and convenient network and other methods to facilitate the participation of shareholders in the General Meeting of Shareholders. The shareholders participating in the General Meeting of Shareholders by the said methods, shall be deemed as present. The Company shall clearly indicate the voting time and procedures by network or other methods in the notification of the General Meeting of Shareholders.

Protecting small and medium shareholders' rights and interests

The Company builds the information platform open to all shareholders; sets up investors' reception day to receive the visiting investors daily; counts the votes of small and medium investors and discloses to the public on the proposal voting meeting of General Meeting of Shareholders; and holds the annual performance illustration meeting to answer the questions of investors.

4 times
Number of General Meetings of Shareholders

100%
Attendance of directors at the General Meeting of Shareholders

◉ Protecting creditors' rights and interests

Attaching great importance to the protection of the creditors' legal rights and interests, Yongtai Technology fully considers the creditors' legal rights and interests during the various major operation decision-making, performs their obligations on time in strict accordance with provisions of relevant contracts or agreements, enhances the communication and connection with creditors, to ensure that they fully understands the production and operation of the Company in time and practically protects the creditors' legal rights and interests. In 2024, the Company's credit position is good.

Building Happy Homeland in Harmonious and Integrated Manner

Yongtai Technology comprehensively guarantees the employees' rights and interests, enriches the employees' spiritual and cultural lives through multiple channels, and strives to create a good work environment and development space for employees. The Company establishes the *Democratic Management System*, provides employees with a channel to participate in the corporate governance, which enhances the senses of belongings and happiness of employees. And meanwhile, the Company always puts the occupational health and safety of staff at the first place, practically grasps the key work of safe production through strictly implementing the target responsibility requirements, and enhances the safety defensive line, to ensure that the employees work in safe and health environment, protecting the physical and psychological health and occupational development of staff.

SDGs Benchmarking



3,467 persons
Total of employees

122 persons
Number of employees from national minority

776 persons
Number of employees participating in the democratic management

185,140
Investment in the employee assistance: RMB

Guaranteeing Employees' Rights and Interests

Equal employment

In strict accordance with the *Labor Law*, the *Labor Contract Law*, and other national and operation local applicable relevant laws and regulations, Yongtai Technology attaches importance to the talent recruitment and appointment in principle of fairness, justice, equal employment, actual performance and merit-based enrollment, ensures standard, systematic and unified personnel operation of the Company, and make the management of employees of the Company have rules to follow, to enhance the work efficiency and the sense of responsibilities and belongings of staff.

Adhering to the equal and diverse recruitment and employment concept, the Company constantly improves the *Standard Management Procedures for Labor Human Rights Guarantee*, the *Protection Management Procedures for Child Labor, Underage Labor and Female Workers* and other systems, adds forbidding compulsive labor, punitive measure control, free association forming, employee representation, etc., completely eradicates child labor employment, and rejects any form of forced and mandatory labor.

The Company implements strict recruitment requirements, adopts standard recruitment and appointment process, and recruits through internal introduction, on-line recruitment, on-site recruitment, campus recruitment, headhunter recruitment and other recruitment channels. It classifies the recruiting posts, carries out primary screening according to the recruitment conditions of posts, identifies the authenticity of materials meeting the post requirements, and screens proper personnel in a form combining interview + secondary examination. In 2024, Yongtai Technology recruits 126 employees from the campus and 640 employees from the society.

Anti-discrimination

The Company ensures that all employees enjoy equal opportunities during the links such as recruitment, training, promotion, without any form of discrimination. The Company fairly and justly treats employees regardless of ages, sexes, nationalities, marriage status, religious faith and cultural background. The Company regularly organizes anti-discrimination staff interviews, to enhance the awareness of management and staff, and create an inclusive and harmonious work environment.

Indicator name	Unit	2024
Total of employees	persons	3,467
Employees from national minority	persons	122
Disabled employees	persons	11
Part-time employees	persons	1
Outsourcing labor	persons	41
Classification based on major constitution		
Production personnel	persons	1,673
Sales personnel	persons	253
Technicians	persons	740
Financial personnel	persons	65
Administrative staff	persons	736
New comers	persons	771
Classification based on recruitment channel		
Fresh graduates	persons	126
Social recruitment	persons	640
Others (if any)	persons	5
Classification based on sex structure		
Male	persons	607
Female	persons	164

Remuneration and benefits

Yongtai Technology stipulates the *Remuneration Management System*, *the Internal and External Communication Management System* and other systems in strict accordance with the *Labor Law*, the *Social Insurance Law* and other national and operational local laws and regulations, to promote the constant, rapid and health development of the Company.

Remuneration principle

In principle of strategy-guided, post, performance and skill-guided, keeping fair in and competing out of the Company, and mechanism innovation, the Company grants remuneration to employees.

Remuneration Management Institutions and Responsibilities

- The Company establishes the remuneration group, which comprises General Manager, Principal of Human Resource Administration Center.
- The *Remuneration Management System* of the Company is proposed by the department of human resources, audited by the remuneration group, and reported to the General Manager for audit and approval. The department of human resources of the Company is responsible for the specific issues during the implementation of the *Remuneration Management System*.
- The modification and adjustment of the *Remuneration Management System* of the Company is proposed by the remuneration group, modified by the department of human resources, audited by the remuneration group, and reported to the General Manager for audit and approval.

Remuneration Structure

The Company scientifically assesses the value of each post, and fairly determines the remuneration levels of each post based hereon. The remuneration system of the Company includes the basic salary of post, post subsidy, performance salary, attendance bonus, welfare allowances, which recognizes the short-term contribution of the staff, expects to retain the staff for a long term and motivates their development in future, in order to improve the satisfaction and yield of staff, and effectively reduce the wastage rate of core employees.

Employee benefits

The Company grants salary on time each month, pays five social insurance and one housing fund for the staff, and also pays medical mutual assistance payment for the staff in addition to provide more medical guarantee. Moreover, the Company grants meal fee subsidy, high-temperature subsidy, etc. to employees, to guarantee the employees' rights and interests.

Rest and Holiday

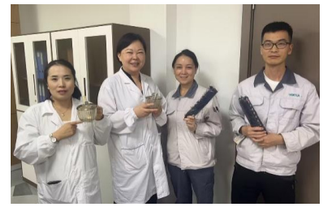
The Company adopts voluntary overtime principle, strictly controls the overtime, and doesn't advocate employees to work overtime, to ensure the right of employees to enjoy rest and holiday. After overtime, the employees shall be allowed to take working days off preferentially in principle. The employees enjoy marriage holidays, maternity leaves, funeral leaves, annual leaves, various legal festivals and holidays, etc. The Company implements the national requirements, the total of national legal festivals and holidays is 11 days, and the actual number of holidays is 11 days.

Indicator name	Unit	2024
Number of days of paid leaves per capita of employees	day	4.57
Social security payment rate	%	98.96%

Note: Social insurance contributions are exempt for a small portion of rehired retirees in the company.

Yongtai Star credit exchange benefit

The Company stipulates the *Yongtai Star Credit Management System (Trial)*, wherein the Yongtai Star credits comprise regular, cultural, growth, behavior, innovative and task credits. Yongtai Star credit gift exchange channel is open during the 10th - 20th days of each March, June, September and December, and then employees may log in the star credit platform to inquire individual credits, pick desirable gifts to exchange, exchanging excellence with efforts.



Employee satisfaction survey

To constantly create work ecology with organizational centripetal force and the sense of achievements of employees, the Company regularly carries out employee satisfaction questionnaire survey in accordance with the *Employee Satisfaction Management System*. The questionnaire is designed centering on six key dimensionalities, such as work, remuneration and benefits, corporate culture construction, individual growth and development opportunities, corporate accommodation and work environment. On the basis of guaranteeing objective data collection, the Company systematically sorts out and analyzes the received employee satisfaction information, stipulates targeted optimization suggestions and improvement schemes based thereon, to constantly improve management measures, and promote common development of the Company and staff. In 2024, the Company has distributed employee satisfaction questionnaires to 1,026 employees in total, and received 875 questionnaires in total with valid results, with the response rate reaching 85.28%.

Democratic management

Yongtai Technology attaches great importance to the democratic rights of employees, gives full play to the democratic management, participation and supervision role of employees in the corporate management, establishes labor union organization and corporate democratic management system adopting Workers' Congress as basic form, and carries out function-level salary collective negotiation, which practically protects the employees' legal rights and interests, fully motivates the positivity, initiative and creativity of employees, and effectively implements various requirements of corporate democratic management.

Indicator name	Unit	2024
Frequency of employees participating in the democratic management	times	5
Number of employees participating in the democratic management	persons	776

Report mechanism

Yongtai Technology attaches great importance to integrity management and professional ethic construction, and creates corporate environment featured by integrity through improved system and guarantee measures. For this purpose, the Company stipulates the *Integrity Management System of the Company, the System of Professional Ethics Code of the Company, the Report Management Procedures* and other systems, and organizes employees to participate in training and study. The treatment involving

the report management shall be timely and effective, responsibilities shall be investigated strictly, and the information of informers shall be deemed as confidential. The informers shall be protected in principle of confidential, awarding and keeping their legal rights and interests inviolable. Where the informer makes contributions and is awarded, unless agreed by the informer, the name and information of the informer shall not be disclosed; where the personal safety of the informers i threatened, competent departments shall adopt protection measures in time.

Inner Mongolia Yongtai Workers' Congress activities



The Third Meeting of the First Session of Workers' Congress of Inner Mongolia Yongtai

In January 2024, Inner Mongolia Yongtai organized and held "the Third Meeting of the First Session of Workers' Congress of Inner Mongolia Yongtai Chemical Co., Ltd.", carried out centralized collection, negotiation and discussion on collective contracts, salary collective contracts, collective contracts protecting the rights and interests of female employees, collective contracts on labor healthy, safety and sanitation, employee logistics guarantee, annual advanced recommendation and other relevant matters, concluded and signed collective contracts on several collective negotiation matters.

◉ Occupational health

In strict accordance with the *Law on Prevention and Control of Occupational Diseases, the Regulations on Surveillance and Administration of Occupational Health at Workplaces* and other relevant laws and regulations, adhering to the principle of "safety coming first and prevention as the center" and placing the physical health and life safety of employees at the first place, Yongtai Technology practically guarantees the psychological health and life safety of employees through multiple measures. By establishing improved occupational health and safety management system, and effectively preventing and controlling the occupational hazard, the Company provides employees with work environment meeting the national occupational sanitary standard. By virtue of the excellent performance in respect of occupational health and safety management, the Company has successfully passed ISO 45001 certification, which marks that the Company has reached national standard level in respect of occupational health and safety management, and further improved the corporate management level and social image.



Certificate of ISO45001 Certification

Measures for guaranteeing occupational health



Yongtai Pharma Carries Out Occupational Health Training

- Setting up occupational health commissioner
- There are billboards in each workshop, indicating the occupational hazard factors, detected indicators, hazards and prevention measures
- Configure and grant labor articles and high-temperature articles for each post
- All the physical examination of employees before, during, adjusting and leaving the posts are covered
- Carry out occupational health propaganda, function display and promotion education of articles for labor protection for local dealers
- Purchase the "group accident insurance", "critical illness insurance" and "hospitalization allowance insurance", to guarantee the Company's employees' health rights and interests
- Carry out special labor protection for female employees



Publishing the Occupational Health Hazard Notification

Inner Mongolia Yongtai carried out the occupational health caring plan with the topic of "protecting health and creating future together"



The Site of Inner Mongolia Yongtai Occupational Health Caring Series

Deeming the occupational health as the foundation of the employee well-being and corporate development, Inner Mongolia Yongtai hereby carried out the occupational health caring plan with the topic of "protecting health and creating future together". The plan comprehensively enhances the health awareness and status of the employees through regular health screening, individuated health guidance, occupational health publicity week, red cross society rescue training and other multi-dimension activities. During the activities, the Company does not only provide each employee with customized physical examination scheme, but also organizes occupational health-related training, to promote the exchange and cooperation among the employees.

Yongtai Chiral carried out occupational health publicity week activity

In April 2024, Yongtai Chiral carried out occupational health publicity week activity, during which it organized the special training on occupational health, occupational health knowledge propaganda, potential risk identification and other activities, which significantly improved the occupational health knowledge and quality of the staff, powerfully practiced the people-oriented and coordinated development EHS policy of the Company.



The Occupational Health Publicity Activity of Yongtai Chiral

Yongtai Chiral carried out training to enhance the employees' occupational injury prevention capacity

Yongtai Chiral stipulated the accident management system, to standardize the management of internal occupational injuries and other accidents. After the occurrence of accidents, the Company shall report the accidents, investigate and analyze the accident reason according to the procedures, to follow up and rectify the existing issues. And meanwhile, to enhance the employees' occupational injury prevention capacity, prevent and reduce the occupational injury accidents from the source, the Company actively arranges employees to participate in the occupational injury prevention capacity enhancement training of hazard chemical enterprise.



The Certificate of Training of Yongtai Chiral to Enhance the Employees' Occupational Injury Prevention Capacity

Yongtai Pharma has adopted automatic production process and equipment



The Automatic Production Equipment of Yongtai Pharma

Yongtai Pharma has adopted advanced production process and equipment, the manufacturing shop replaces the open-type equipment with automatic closed equipment for feeding, in order to reduce the generation of inorganized dust in the workshop, reduce the harm of industrial solid wastes (dust) on employees, and improve the occupational health indicators.

Keeping the Baseline of Safety

System construction

The Company always attaches great importance to the safe production, has established an improved EHS management system, and prepared a series of comprehensive safe production management system and safe operation rules. The Company actively promotes the safe production standardized construction, constantly optimizes and enhances the safe production management capacity, and insists in third-party audit, conscientiously putting the operation status of the enterprise under the supervision and control of safe, environmental protection and other departments. And meanwhile, the Company constantly improves the investment in on-site safety management and safe hardware facilities, and improves the essential safety of production, guaranteeing the safety of lives of staff and property of the Company.

In strict accordance with the *Law on Production Safety* and other laws and regulations, and adhering to the implementation of the national policy deployment and goal responsibility requirements, Yongtai Technology compiles the *Safety Check and Potential Risk Rectification Management System*, the *System of Responsibility in Safe Production*, and the *Capacity, Training and Awareness Management Procedures*, to establish the improved safe production management system, and practically grasp the key work of safe production. In 2024, no company-level major safety accident occurred in the Company, and no accident of employee occurred at the work site, which met the various safety goals.

Yongtai New Energy builds the "industrial Internet + hazard chemical production" intelligent information-based management platform

Yongtai New Energy builds the "industrial Internet + hazard chemical production" intelligent information-based management platform. The platform mainly involves major hazard source monitoring and early warning, dual prevention, special operation and personnel location system.

Major hazard source monitoring and early warning system may observe the liquid levels, pressure, temperature, combustible gas concentration data in the storage tank area in real time, instantly push an alarm when giving an alarm, dynamically master the risks in the major hazard source area; dual prevention system may carry out risk assessment for the areas and posts, form the four-color chart based on risk assessment results, improve the risk control measures, establish risk identification list, risk control list, emergency disposal card, safety commitment card, and risk awareness card, directly input the discovered potential risks through app on the smart phone, rectify the potential risks, the situation of which may be viewed at any time. As for special operation, it adopts electronic job slip, sets up electronic fence in the operation area, warning employees not to be close to the operation area, allowing them to learn about all the locations and content of operation for convenient management; personnel location system may allow users to view the real-time locations of personnel in the factory, set up area invasion alarm, first-aid alarm, area overman alarm, personnel gathering alarm, to warn employees. To disperse the gathering personnel may effectively control the personnel gathering risk.



Yongtai New Energy's "industrial Internet + hazard chemical production" intelligent information-based management platform

Safety Governance Structure

Chairman of the Board of Directors

- Host the preparation of the medium and long-term development strategy, safe production goals and operation policy of the group company
- and authorize General Manager to be responsible for the safe production of the Company

General Manager

- Principal of safe production
- the first principal responsible for safe production of the Company, who is comprehensively responsible for safe production of the Company

Responsibilities

Safe Environment Management

- Be responsible for assisting the factories in establishing and completing EHS management system, supervising the operation management of their EHS system, and carrying out assessment for the operation situation of EHS management system of the Company

EHS Vice President (EHS management representative)

- Assist General Manager in organizing and effectively implementing EHS management system in the Company, to ensure the realization of EHS policy and goals

EHS Management Committee (Safe Production Committee)

- Regularly hold the safe production work conference, supervise and urge the implementation of various safe production, stipulate and implement the safe production work plan

Chief Safety Officer

- Comprehensively coordinate and manage the safe production and occupational disease prevention of the enterprise, and lead the safety management department directly to exercise the safety management function
- Be responsible for the Chairman of the Board of Directors of the enterprise, General Manager and EHS Management Committee (Safe Production Committee)
- Regularly report the safe production work to the Workers' Congress on behalf of the administrative management of the enterprise

EHS Target Indicator of Yongtai Technology in 2024

Safe management goals

- No security incident at general or above level
- Ensure that there exists no major accident potential risk, and the safety check and potential risk rectification rate reaches 100%
- Constantly improve the EHS awareness and skills of employees, with the training plan implementation rate reaching 100%
- Safe expense extraction, usage rate reach 100%

Occupational health management goals

- Occupational health physical examination rate reaches 100%
- Occurrence rate of occupational diseases is zero

Environmental protection goals

- Rate of three wastes reaches the standard 100%
- No environmental pollution accident

Cultural construction

Yongtai Technology attaches great importance to creating an atmosphere with safety coming first, actively plans and carries out special safety activities, and carries out safety competition event annually, to enhance the safety awareness of the staff, practically promote the overall improvement of safety management level, and further decrease the potential safety risks in the block chemical field, so as to make significant contribution to the safety of the enterprises and communities around. In 2024, the security risk prevention training coverage rate of the Company reached 100%.

100%
prevention training coverage rate of the Company reached

Yongtai Pharma safe training activity

In 2024, Yongtai Pharma stipulated EHS education training plan, and prepared 26 training topics, covering EHS-related laws and regulations, fire safety, occupational health, clean production, special equipment, etc. The training scope covers the principal, management and workers at the production line of the Company. The Company ensures that all new employees receive sufficient Level III education training and all old employees receive annual post training through training at various levels, makes them master required safe production knowledge and skills, and meanwhile organizes the safety month event to enhance the safety awareness and safety skills of the staff.



Yongtai Pharma Safe Training and Safe Month Activity

Zhejiang Chiral safe training activity



Zhejiang Chiral Holds the Establishment Conference of the Mutual Aid Team



Zhejiang Chiral led a safety patrol

Zhejiang Chiral, a Nanyang block safe production mutual aid team leader enterprise, carried out the mutual potential risk identification in the region each month, and fully realized "mutual usage of talents, mutual potential risk identification, emergent interaction, mutual assistance in case of difficulties". In 2024, the Company patrolled for 8 times in the relevant block together with Nanyang block safe production mutual aid team, brought forward modification opinions, and practically promoted the overall improvement of safety management level of block enterprise, to further reduce the potential safe risks in the block chemical field.

Potential risk identification

Yongtai Technology enhances the special troubleshooting and remediation of hidden danger of accidents, implements the potential risk identification of major hazard sources, and promotes the implementation of various work of safe production. The Company enhances the safety management, eliminates or reduces the harm, and enhances the accident prevention and control capacity, to effectively contain the major and specially major production safety accidents and reduce the safety risks.

The subsidiary of the Company, Yongtai Pharma, actively promoted the informationized and intelligent construction of safe production management, established dual prevention mechanism, and control safety risks by intelligent means. The Company prepared the document of the *Safety Risk Control System of Zhejiang Yongtai Pharmaceutical Co, Ltd.*, formed six hazard source identification, evaluation and risk ranking control lists, included the routing inspection lists of the Company, departments, workshops, post personnel into the informationized management, to realize grading implementation of fixed time, point and person. In addition, the Company has also realized the uniform collection, summary, analysis, prevention and control of data on risk analysis unit, risk events, risk management measures, potential risk identification tasks, potential risk identification records, potential risk information, etc., and mutually communicates with the superior management department dual prevention information platform, to ensure efficient and transparent safe production management.



The Principal of Yongtai Pharma Organizes and Carries out Safe Production Inspection

Emergency management

Yongtai Technology established safe production supervision and inspection mechanism, defined the responsibilities of the emergency response team, and carried out various emergency drills. And meanwhile, the Company modified the emergency plans for safety incidents, ensured that the production is carried out in safe and orderly environment, and guaranteed standard and effective emergency treatment.

Inner Mongolia Yongtai simulated electric fire control drill event in office building activity

In June 2024, Inner Mongolia Yongtai simulated electric fire in office building, and carried out 2024 special event of fire control drill in administrative region. During the event, the building interconnects with fire alarm, the emergency broadcast notifies the workers in the building to carry out urgent evacuation, and Inner Mongolia Yongtai carries out commenting, summary and relevant fire control skill training after the completion of evacuation. This event fully enhanced the safety awareness of employees on the administrative posts, helped employees learn about the fire control emergency disposal skills comprehensively better, and verified the overall management level in respect of fire control emergency and daily emergency mechanism of the Company.

Yongtai Pharma organized and carried out contingency plan drills

Yongtai Pharma established an emergency management organization institution with General Manager as General Director, and established 7 professional rescue groups such as emergency fire control rescue group, emergency monitoring group and medical aid group, and prepared the Emergency Plans for Safety Incidents. The factories and production workshops are equipped with suitable, sufficient emergency relief goods, regularly carries out drills and modification, update, and carries out various forms of emergency drills and training, to create a good emergency management environment.



Yongtai Pharma Carried out Accident Emergency Evacuation Drills

Yongtai Chiral carried out 2024 annual emergency drill plan

Yongtai Chiral has prepared the *Emergency Plans for Safe Production Incidents*, and regularly organized and carried out emergency drills, such as comprehensive emergency drills, special emergency drills, emergency disposal drills at key positions, on-duty emergency drills, etc.



Yongtai Chiral Emergency Drills

Enriching the Lives of Staff

◉ Recreational and sports activities



Adhering to the concept of promoting the physical and metal health of employees and enhancing the team cohesiveness, Yongtai Technology constantly deepens the employee care. The Company focuses on the physical and mental health of employees, actively organizes various excellent recreational and sports events and activities, to enrich the spiritual and cultural lives of employees, and constantly enhance the sense of achievement, happiness and safety of employees.

Yongtai Technology Employee Event on the Spring Festival

Inner Mongolia Yongtai Second Interesting Sports Meeting activities



Inner Mongolia Yongtai Second Employee Interesting Sports Meeting

In May 2024, Inner Mongolia Yongtai Second Interesting Sports Meeting started officially, including ball relay, crab motion relay, concentric drumming, collective tug-of-war, chess competition and many other sports. Inner Mongolia Yongtai employee sports meeting series of activities significantly enhance the communication and coordination among the departments, enhance the overall cohesion of enterprise, increase the work positivity of employees, enhance their team awareness and sense of group honor, and promote the corporate culture construction.

◉ Employee caring

Yongtai Technology strives to build a harmonious and warm homeland for the staff, keeps the practical demands of employees in mind, and promotes normalized and refined caring by a series of warm measures. The Company actively assists and comforts employees in demand, cares for and concerns female employees, move, warm, influence and win their hearts by actual actions, to constantly enhance the sense of belonging and identity of employees towards the Company.

In the respect of daily caring, the Company focuses on details, presents heartwarming birthday blessing messages in addition to the birthday cash gift granted in the current month of the birthday of employees; as for employees having been in office for more than a year, the Company will also send special blessing messages, making them feel that the Company is constantly focusing on their growth and efforts, to further enhance their sense of belonging.

Comfort employees in demand

The subsidiary of the Company, Yongtai Hi-tech applied for corresponding hardship allowance for 3 employees in demand, assisted the government in absorbing a part of population overcoming poverty, solved employment issues for population in demand, and applied for tax reliefs for 9 employees in demand. The subsidiary of the Company, Zhejiang Chiral grants solatium to employees in demand and at hospital.

Concern female employees

The Company carries out actions to care for and concern female employees, celebrate the Women's Day for female employees and gives prizes.

Inner Mongolia Yongtai coolness delivery event in summer

In June 2024, Inner Mongolia Yongtai started a warmhearted "coolness delivery event in summer" together with the labor union. On the site of activity, the Company elaborately prepared about 5000 kilogram watermelons and about 1,500 cases cool drinks for employees, delivering this caring in summer to each employee. The leaders of the labor union of park management committee, the Company and the labor union presented on site, delivering this coolness and caring to each hard-working employee.

This event doesn't only deliver coolness in summer to employees, but also shows the deep caring of the enterprise towards the employees. It reflects the constant attention and focus of the enterprise on employees, making employees feel that the Company is always with them. This event doesn't only add a refreshing coolness for scorching summer, but also adds a warm bottom color for the corporate image.



Inner Mongolia Yongtai Coolness Delivery Event in Summer

Indicator name	Unit	2024
Investment in the employee assistance	RMB	185,140
Investment in consolation money	RMB	965,975.7

3

Surpass and Innovate for Lean Product Service

With the development strategy of the Company as the core, and guided by the market demands, Yongtai Technology established relatively improved technical innovation management system, constructed a series of high-level scientific and technological innovation platform, and made multiple innovative achievements, to actively promote the implementation and conversion. The Company improves the service level by multiple measures, to ensure the timely supply of high-quality products, and constantly improve the supply chain and supplier management level.

SDGs Benchmarking



14,037.83 RMB10,000
Amount invested in research and development

171 pieces
Effective invention patent quantity

176 pieces
Quantity of integrity agreements signed by suppliers

50 persons
Customer satisfaction survey participants

Deepening Scientific and Technological Guide

◉ Research and development system

Yongtai Technology highly values the technological innovation and management optimization, striving to construct improved scientific and technological innovation system. Through constant optimization of scientific and technological innovation processes and methods, the Company ensures the rapid launching of project approval, deepening the cooperation with external institutions in the research link, and enhancing intellectual property management in the achievement protection link, so as to improve the scientific and technological innovation efficiency and quality, and enhance the core competition of the enterprise. By virtue of excellent performance in the field of technical innovation, the Company is appraised as the one of the first batch of national "high-tech enterprises" and the "new provincial professional special elite enterprises".





Scientific and technological innovation system construction

The Company establishes relatively improved technical innovation management system, stipulates and issues the *Management Procedure of the Research and Development of Intellectual Property, the Approval Procedures of New Product Design and Development Project, the New Product Industrialization Management Measures,* and many other management systems, and stipulates annual research and development goals according to operational target, by closely combining technological innovation with the development strategy of the Company, to ensure standard and systematic technical and technological innovation activities.

Scientific and technological innovative platform construction

The Company sets up a series of high-level scientific and technological innovation platform, including the "national enterprise technology center", the "Zhejiang Province Fluorine Chemical Institute", the "Zhejiang Province Key Laboratory", the "postdoctoral workstation", the "provincial engineering research center", the "Safety Laboratory certified by CNAS", focusing on key development directions and research fields, to enhance the innovative talent cultivation.

Scientific and technological talent team construction

The Company actively introduces and cultivates high-level scientific and technical talents, compiles and implements the *Excellent Talent Introduction System, the Technician Training Management, the Research and Development Personnel Performance Assessment System* and other systems, and establishes talent introduction and cultivation mechanism. And meanwhile, the Company provides good work environment and career development platform for scientific and technological talents, encourages innovative thinking and interdisciplinary exchange, to promote the rapid growth and the improvement of innovation capacity of scientific and technological talents, and provide solid talent guarantee for constant innovation and development of the Company.

Industry-university-research cooperation

The Company deeply cooperates with universities and institutes, and constructs multiple industry-university-research cooperation platform. For example, they co-construct Zhejiang University Joint Laboratory, Zhejiang University of Technology Joint Research and Development Center, Joint Laboratory of Shanghai Institute of Organic Chemistry, Chinese Academy of Sciences, etc, to promote deep industry-university-research integration.

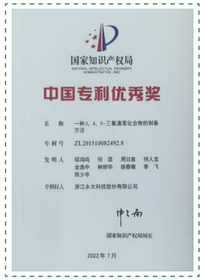
Indicator name	Unit	2024
Amount invested in research and development	RMB 10,000	14,037.83
Percentage of investment in research and development to operational income	%	3.06
Quantity of research and development personnel	persons	464
Percentage of research and development personnel	%	13.38
Quantity of new product development projects	piece	75

◉ Innovative achievement

Keeping up with the market demands and technical development trend, Yongtai Technology accurately grasps the basic research development direction, and actively expands fluoride technology and circular economy research. Focusing on the key technical issues in the industry, the Company has made multiple achievements, to further enhance the innovation foundation.



Patent Gold Award



Patent Excellence Award

◉ Intellectual property protection

In strict accordance with the *Trademark Law, Patent Law, Copyright Law* and other relevant laws and regulations, Yongtai Technology stipulates the *Research and Development Intellectual Property Management Procedures* and a series of systems, strictly controls the research and development management process, to ensure the legality and confidentiality of intellectual property management of the Company during the research and development. By virtue of the excellent performance in respect of intellectual property protection, the Company is appraised as the "national intellectual property demonstration enterprise" and "Zhejiang Province Patent Demonstration Enterprise".



Research and Development Intellectual Property Management Responsibilities Distribution

The department of research and development: is responsible for the organization, coordination and implementation of the formula and the whole process of development. Specific responsibilities include the technical research and development planning, determining the development organizational structure and technical interface, defining the input, output, verification, appraisal and other links of technical development, and the change and confirmation during the design and development. And meanwhile, it's comprehensively responsible for the intellectual property management during the technical development.
Dean and vice dean of the research institute: are responsible for approving the project materials, reports, etc. during the research and development of all the project approval at levels.
Sales department: is responsible for providing market information and new product dynamics based on market survey and analysis.

Reward mechanism

After the application and promotion of patent technology and other scientific and technological achievements, the Company will set up project award based on its application promotion scope and generated economic benefits. The award will be withdrawn according to a certain percentage from the after-tax profits of the Project, and distributed according to the contribution significance of the project personnel.

Indicator name	Unit	2024
Quantity of applied patents	piece	47
Quantity of authorized patents	piece	34
Effective patent quantity	piece	263
Quantity of effective patents for invention	piece	171
Quantity of patents for utility models	piece	88
Quantity of appearance patents	piece	4
Quantity of trademark rights	piece	176
Quantity of copyrights	piece	14

Improving Service Level

◉ Responsible marketing

In strict accordance with the *Advertising Law of the People's Republic of China*, the *Regulations on Pesticide Administration of People's Republic of China* and other laws and regulations, Yongtai Technology stipulates the *Sales Management Measures*, forbids misleading advertisement and false promotion, and guarantees the legal rights and interests of customers. The subsidiary of the Company, Shanghai E-Tong defines the core responsibilities of marketing department, to ensure that the marketing event of the Company meets the requirements of social responsibilities while promoting the sales growth. The Company strives to communicate with consumers in transparent and honest ways, and ensure the authenticity and legality of marketing event.

Propaganda content approval

The propaganda content of the Company needs to be approved by the director of business sector, director and leader of the Company, including language description and other discloseable information, to ensure reasonable and standard marketing content.

Salesman training

The Company constantly carries out training on marketing personnel, including internal salesman training and external sales training. By the systematic training system, the Company doesn't only improve the marketing capacity of salesman, but also ensures legal and compliant marketing activities.

◉ After-sales service system

Attaching great importance to the protection of customers' rights and interests, and in strict accordance with the *Product Quality Law of the People's Republic of China*, the *Law on Protecting Consumers' Rights and Interests of the People's Republic of China* and other relevant laws and regulations, Yongtai Technology and its subsidiary promotes product characteristics with responsible attitude, passes on fair and liable information, and practically keep the customers' rights and interests inviolable protected.

The subsidiary, Shanghai E-Tong, further standardizes product delivery and service process, defines the responsibilities of competent departments during the after-sales services, and standardizes the procedures of after-sales services of products, to systematize and standardize the after-sales services. In addition, the Company establishes the commercial service department, strives to provide good after-sales services for customers, and properly treats the complaints and suggestions proposed by the suppliers, customers, etc.

Customer complaint management

The Company adheres to customer-oriented principle, and the salesmen regularly contact and communicate with customers by phone, to effectively understand the customers' demands for and opinions on products and services, and enhance the customer service capacity. To ensure that the complaint events are rapidly responded and properly treated at the first time, the subsidiary of the Company, Shanghai E-Tong requires the relevant personnel to communicate with customers by phone on the current day receiving the customers' complaints, and meanwhile negotiates on reasonable solutions with customers, comprehensively and attentively treats the customer complaints, and guarantees customer rights and interests. The subsidiary of the Company, Foshan Soin establishes improved customer complaint management procedures, to ensure that the product customer complaints can be treated in a valid and correct way, and standardize the product quality complaint treatment procedures of the Company.

◉ Customer satisfaction survey

Adhering to the operational concept of customer coming first and guided by customer demands, Yongtai Technology implements the concept of being responsible for customers, ensures timely response to customer demands, and improves the service quality by multiple measures, to create good brand image.

To deeply understand the appraisal and demand of customers for products, the Company regularly carries out customer satisfaction survey, to deeply understand customer demands and opinions from product quality, delivery date, timely response and many other dimensionalities. The survey result will be analyzed in detail, recorded and archived, so that the Company can timely optimize the service process and improve the service quality and standards based on the customers' feedback. By this way, the Company can not only provide customers with quality products and services, but also constantly improve the internal quality, develop relations with customers and cultivate the long-term loyalty of customers, so as to maximize the customer values and the profits of the Company and further enhance the competition of the enterprise.

Indicator name	Unit	2024
Customer satisfaction survey participants	persons	50
Quantity of customer complaints	cases	4
Quantity of solved customer complaints	cases	4

◉ Customer privacy protection

Yongtai Technology attaches great importance to the information safety and private information protection, complies with the Network Security Law, Data Security Law and other laws and regulations, and defines the network security responsibilities, functions and emergency disposal process, to guarantee the customer information and privacy safety. In 2024, no internal or customer information leakage event and relevant disputes or lawsuit occurred in the Company.

Providing Quality Products

◉ Quality management system

Based on quality management system, Yongtai Technology establishes "zero-defect" quality awareness, constantly carries out quality guarantee, improvement, control and other activities, and comprehensively improves the quality awareness of the staff and the quality entity responsibilities, to provide quality products for customers. The Company stipulates the *Continuous Improvement Management Procedures*, to carry out constant improvement and promotion for product quality. By virtue of excellent performance in respect of quality management, the Company has obtained ISO 9001 and IATF 16949 system certificate.

Quality system management

Yongtai Technology stipulates strict product and service and health safety policy, and ensures that all products and services meet the national, industrial and customer-related safety standards, to provide safe and reliable products and services for customers. The Company improves quality management system documents, including quality manual, procedure documents, and carries out the audit for the quality management system, to ensure the effective operation and constant improvement of the system. The quality management system of the subsidiary of the Company, Yongtai Hi-tech, integrates with the IATF16949, ISO45001 and ISO14001 standards, and ensures high quality of product and service through constant improvement, risk management and stakeholder engagement.

Product quality audit

The Company carries out product test and sampling inspection, and the products may be put in storage for sales after being qualified. And it forms corresponding product review period based on the stable data of products, and may deliver goods to customers within the review period. The products upon the review period need to be reviewed again and may be delivered only after being qualified.

Quality cultural construction

The Company carries "quality month" and other events, to enhance the recognition and sense of responsibility of employees for quality, and create a corporate culture atmosphere attaching importance to quality.

Quality Management Goals

Quality goals	Accumulative total in this year	Goal completion
Implement and constantly improve ISO 9001:2015 quality management system and GMP system	Implement and constantly improve, and the certificate is valid	Completed
The qualification rate of product put in storage 100%	100.0%	Completed
The internal control rate of product put in storage ≥ 99%	99.9%	Completed
The first-pass yield of a batch of intermediate and products (semi-finished products) ≥99%	99.99%	Completed
The qualification rate of raw ingredients entering the factory ≥99%	99.4%	Completed
The qualification rate of product market spot check 100%	No spot check	Completed
The complaints due to quality ≤6	2	Completed
The sales returns due to quality ≤6	0	Completed
Customer survey satisfaction rate ≥99%	100.0%	Completed
The passing rate of customer quality audit 100%	100.0%	Completed

The subsidiary of Yongtai Technology, Yongtai Chiral establishes the quality management system throughout the full life cycle, covering the links from product research and development, technical transfer, commercial production and product termination. The Company stipulates the *Guiding Principles of Pharmaceutical Collineation Production* and other documents, which defines the management requirements for key links during the collineation production, to ensure the quality and safety of pharmaceuticals. As of the end of 2024, the production and operation sites that have been constructed and been put into operation by the subsidiary of the Company, Yongtai Chiral, have all obtained various quality management system certificates. In 2024, the obtained quality management system certificate is as follows:

S/N	Certification name	Certification scope	Certification institutions
1	Pharmaceutical PIA	Yongtai Chiral	FDA
2	Registration and verification GMP conformity	Yongtai Chiral	Zhejiang Food and Drug Administration
3	Export Audit in Europe and America	Yongtai Chiral	Municipal Food and Drug Administration

Yongtai New Energy MES system realizes intelligent digital factory synergistic management

Yongtai New Energy establishes MES system, to realize information-based control, mistake proofing and tracing for the whole production process of the electrolyte. The system involves: the electrolyte tank and box assets management, tank and box usage process control, raw materials and finished goods warehouse management, technological process control, tank and box receipt, bulking, product label control, kettle washing control, quality inspection and many other fields, runs through ERP, MES, SPC, DCS, LIMS, safety control, data analysis, instant messaging (such as Enterprise WeChat) and other systems in an all-around way, to realize intelligent digital factory synergetic management.

The system may realize transparent production, comprehensive tracing of the production, improve product quality, enhance equipment management, guarantee safe production, ensure successful delivery, make the enterprise realize safe, stable, long-term, full and excellent operation, help the enterprise decrease the cost and increase the efficiency, increase the income and decrease the expenditures, to maximize the benefits of the enterprise.



Yongtai New Energy MES system

◉ Product recalling

In accordance with national *Pharmaceutical Recalling Management Measures*, *the Good Manufacturing Practice* and other relevant stipulations, Yongtai Technology constantly improves the product recalling and treatment mechanism. The Company carried out a simulative recalling drill each two years. Through simulating the whole process of pharmaceutical recalling, it's ensured that product quality issues are followed up and solved in time, customers' rights and interests are effectively protected, and the image of the Company is protected. In 2024, no product recalling event occurred in the Company.

The Company stipulates the *Product Recalling Standard Management Procedures*, establishes the guiding principles of product recalling, stipulates the responsible entities, recalling levels and procedures of product recalling in detail. Based on the recalling grading, product sales and usage situation, it scientifically designs the product recalling plan and organizes the implementation, ensures the products involving potential safety risks may be recalled in time, to guarantee safe and effect medication of the public.

Strict Supply Chain Management

Full cycle management of supply chain

In strict accordance with the *Tendering and Biding Law*, *the Tendering and Bidding Enforcement Regulations* and national and operational local suitable laws and regulations, Yongtai Technology stipulates the *Standard Management Procedures of Suppliers*, *the Quality Guarantee Agreement of Suppliers*, etc., improves the material supply guarantee capacity and supply quality, and constantly improves the management level of supply chains and suppliers.



Supplier assessment

The Company establishes supplier assessment mechanism, the subsidiary of the Company, Shanghai E-Tong organizes the supplier assessment group to investigate the existing qualified suppliers each year, and assess them in strict accordance with the *Supplier Admission Assessment Form* from the respects of customer satisfaction, product quality, legal operation, etc. based on the *Supplier Evaluation Standards of the Company*, to ensure that the suppliers have good commercial ethics and social responsibility performance.

Supplier training

As for potential safe risks in the links of supply chain, the Company stipulates corresponding training plans, including training content, time, method, etc., elaborately designs target training content based on the actual situation of the links of supply chain, by combining with historical cases and experience, and combining on-line and off-line methods, to ensure maximum training effect, and enhance the capacity of coping safety risks of employees.

Supplier payment situation

The Company enhances the capital budget management, timely makes the supplier payments, irregularly visits and communicates with suppliers, negotiates to solve issues, and establish good mutual trust relations with suppliers.

Indicator name	Unit	2024	Indicator name	Unit	2024
Quantity of suppliers	enterprises	2,483	Quantity of potential suppliers denied due to incompliance	enterprises	32
Quantity of suppliers from China Mainland	enterprises	2,431	Quantity of suppliers with ISO9000 certificates	enterprises	646
Quantity of suppliers from Hong Kong, Macao and Taiwan	enterprises	52	Quantity of suppliers with ISO14000 certificates	enterprises	523
Quantity of suppliers to be investigated	enterprises	1,066	Quantity of suppliers with ISO45001 certificates	enterprises	457
Quantity of suppliers obsoleted due to incompliance	enterprises	62	Quantity of integrity agreements signed by suppliers	enterprises	176

Supplier risk management

Yongtai Technology actively recognizes and assesses potential safety risks and threats, and adopts corresponding measures to prevent and cope. Through optimizing supply chain management, the Company ensures safe and confidential information interaction, coordination and sharing, constantly improves the overall efficiency and reliability of supply chain, and reduces potential losses and costs. In addition, the Company establishes improved traceability and transparency mechanism, to facilitate the supervision and audit. In 2024, no major supply chain risk event occurred in Yongtai Technology.



Supply chain risk management

① Risk recognition and evaluation

A) Determine potential risk sources

B) Assess the influence degree of risks

② Stipulate emergency pre-arranged plans

A) Establish emergency response team

B) Stipulate emergency plans

C) Carry out drills and training

Treatment of major risks and influence events on the supply chain

③ Adopt restoration measures

A) Rapidly respond

B) Assess the loss

C) Adopt the restoration measures

D) Summirize the experience and lessons

④ Constantly improve

A) Monitoring and early warning

B) Supply chain optimization

C) Cooperation and communication

4

Pay Back the Society, Showing the Responsibility Undertaking

Yongtai Technology closely follows digital development trends, enhances the digital platform construction, and guarantees data security. The Company actively undertakes social responsibility, responds to the rural revitalization calling, and improves the assistance effect. The Company actively maintains the overseas community relations, enhances the localized operation, and promotes local environmental protection and economic development.



SDGs Benchmarking



9,460.08 RMB 10,000
Total of payment of taxes and expenses

189.24 RMB 10,000
Investment in public benefit charity

17 persons
Quantity of volunteers

Promote Digital Tansformation

◉ Digital platform

Yongtai Technology speeds up the improvement of digital information-based level, promotes the management standardization, business collaboratization, improves the digital construction of the Company, expands the intelligent level of the Company, and promotes the digital transformation of the Company, to empower the corporate development. It makes the enterprise be able to make data-driven decisions, respond market changes in real time, and realize automatic operation, so as to reduce the cost and improve the productivity. And meanwhile, the Company improves customer interaction, and enhance the customer satisfaction through individualized services.

Yongtai Hi-tech realized business process optimization and digital sharing

Through business process optimization and digital sharing, Yongtai Hi-tech improved the operational efficiency, reduced the costs, enhanced the data-driven decision capacity, optimized the customer experience, promoted the business innovation and coped with the market change flexibly. Yongtai Hi-tech promotes the information sharing and coordination among the departments by Enterprise WeChat, collaborative OA, Kingdee ERP and other digital platforms; monitors the production status through DCS, SIS, PLC and other advanced automatic control system, and prevents default and maintains equipment through tests of temperature, pressure, liquid levels, and flow, to significantly improves the control over the site.



◉ Data security

Along with the rapid development and wide application of new technologies, the data security management faces more and more severe challenges. Yongtai Technology attaches great importance to data security management, and constructs improved data security management system for the potential security risks in the links such as collection, transportation, storage, processing, usage and destruction. The Company comprehensively improves the data security guarantee capacity through enhancing visit control mechanism, implementing data encryption techniques, enhancing network security prevention and many other measures. In 2024, the Company realized excellent performance of "zero-accident" data security, effectively prevented the information disclosure and destruction risks, to provide solid guarantee for the stable development of business.

Yongtai Hi-tech data security accident treatment

Data breach	The Company establishes the all-around data security supervision system, and timely recognizes potential safety events through real-time supervision system, deep analysis of log and user feedback mechanism. To effectively prevent data risks, the Company implements multiple prevention measures: including the data encryption throughout the process; regular data backup; rapid response mechanism. These measures form the solid line of defense of data security of the Company together, ensuring the business continuity and information asset safety.
Data loss	The Company established improved data protection system, and guaranteed the data security and business continuity through multiple-level measures. This system includes professional data recovery mechanism, intelligent backup strategy, active forewarning monitoring, etc., which improves the anti-risk capacity of data assets of the Company and provides reliable guarantee for the stable operation of business.
Malware attack	The Company established systematic network security event response mechanism, and ensured rapid and effective safety threat response. They include instant isolation and control, cutting off malware transmission routes; carrying out overall scanning and malicious code elimination with anti-virus tools, and restoring data from the safety backup to the status before the infection; and at last tracing the attack sources, analyzing the invasion methods, improving prevention strategy, and timely reporting the event to related organization. The response process realizes a full closed-loop management from threat blocking-up to system enhancement, and effectively improves the network security protection level of the Company.

Actively Pay Back the Society

◉ Pay taxes by law

In accordance with the Tax *Collection Management Measures, the Invoice Management Measures* and other regulations and policies, Yongtai Technology firmly believes that honest tax payment is the most basic social responsibility of enterprise, strictly implements the requirements of national tax laws and regulations, and actively pays all the payable taxes by law. In 2024, the Company paid taxes and dues with a total amount of RMB94.6008 million, which powerfully supported the local economic development.

Tax management system

In the respect of tax planning, the Company deeply studies the tax policies and regulations, reasonably selects tax deduction, relief, delayed payment and other methods to realize the effect of tax reduction and avoidance and ensure sustainable development of the enterprise based on the actual situation of the enterprise; in the respect of financial accounting, it carries out record, classification, analysis and summary for the economic businesses of the enterprise, forming corresponding financial statements to provide the enterprise with financial information, and investors, shareholders, investors and society with required economic information reference; in the respect of export rebates, it carefully carries out export rebates, creates tax revenue to improve effective competition of the enterprise; and in the audit and inspection respects, it envisages the tax inspection and provides assistance and cooperation.

Tax administration control and risk management

The Company attaches importance to risks, enhances tax-related management, improves professional capacity, enhances coping skills and handles with social relations well. It carries out comprehensive configuration and reasonable arrangement in the respects of personnel, institutions, rules and regulations, operational process, etc.

◉ Public benefit activities

Yongtai Technology insists in paying back the society while promoting the development of the Company, deeming it as the obligatory responsibilities of the Company. The Company actively participates in the work for the public good, carries out various volunteer service activities, and encourages employees to actively participate, to promote the construction of harmonious community.

Community co-construction

The Company insists on deeming the disable group as the absolutely necessary but especially weak link in the social employment layout, the subsidiary of the Company, Zhejiang Chiral successfully arranged four disabled workers for employment in 2024, providing them not only with stable posts, but also payment of comprehensive social insurance, to ensure that they enjoy deserved social guarantee while achieving economic independence.

Indicator name	Unit	2024
Investment in public benefit charity	RMB 10,000	189.24
Quantity of volunteers	persons	17
Person-times participating the volunteer activity	person-times	1
Total duration of volunteer service	hours	2

Shanghai E-Tong organized and participated in the voluntary blood donation in 2024



Shanghai E-Tong Organizes and Participates in the Voluntary Blood Donation in 2024

Shanghai E-Tong actively organized employees to participate in the blood donation activities organized by the government of Dongjing Township, Songjiang District, Shanghai, and the blood donation volunteers completed the physical examination, blood collection and other processes in proper order under the guidance of professional medical personnel. This event doesn't only show the good style and features of employees, but also contributes to the social public welfare establishments.

Zhejiang Chiral annual donation activity

In September 2024, Zhejiang Chiral donated a title sponsorship fund of RMB6 million with the principal retained to the Hangzhou City Xiaoshan District Nanyang Charity Branch. This donation was elaborately planned and allocated in a unified way by Xiaoshan District Nanyang Charity Branch, aiming to ensure that each cent of the donation may be accurately delivered to the most urgent individuals and groups through scientific and efficient mechanism.



Zhejiang Chiral Annual Donation Activity

Assist in rural revitalization

Adhering to multi-dimensional action, Yongtai Technology promotes rural development and urban-rural integration, performs social responsibility, carries out education and charitable donation and many other projects, achieving a win-win situation of enterprise and village.

Maintain Overseas Community Relations

Overseas community communication

Attaching great importance to the communication in overseas community, Yongtai Technology constructs systematic overseas community communication mechanism. It actively constructs diversified communication channels, to keep close connection with residents of overseas communities, local government and social organizations; collects community feedback in time, gives detailed answer and response to the employment opportunities, environmental influence and other concerns of residents, enhances mutual trust and understanding, and solves potential conflicts effectively, to lay good community relation foundation for the successful overseas businesses, and successfully create international enterprise image of "respecting local residents and creating values together".

Local environmental protection

Adhering to green development concept, Yongtai Technology strictly complies with the international environmental standards and local environmental regulations. During the construction and operation of the production facilities, adopting advanced environmental technology and process, and reducing the pollutant discharge from the source, the Company constantly invests fund in the pollutant governance and environment monitoring, and regularly publishes environmental data, to receive the public supervision. The Company protects local ecological balance and natural resources together with the community, and makes contributions to the sustainable development of overseas community.

Overseas community construction

Yongtai Technology actively devotes itself to overseas community construction, to promote the comprehensive development of the community. It vigorously promotes the living convenience and safe development of communities, improves the life quality of residents in overseas communities, and enhances the cohesion and vitality of communities, to realize harmonious coexistence of enterprise and community.

Localized operation

Yongtai Technology promotes deep localized operation strategy, provides employment opportunities for local residents, and increase the incomes of local masses, to promote local economic growth, and achieve a win-win situation of cultural inclusiveness and commercial success.

Talent recruitment

The Company attracts a lot of local excellent talents, prepares individualized training plan based on the local employee characteristics, and provides wide career development space, to promote the integration of employee growth and corporate development.

Supplier selection

The Company preferentially cooperates with local suppliers, supports the development of local enterprises, and drives regional economic prosperity, while guaranteeing stable and timely supply of raw materials.

Local operation

The Company respects and fits in local cultural customs, fully considers the cultural difference in the corporate management and marketing, and stipulates product and service strategy meeting local market demand.

5

Respect the Nature and Protect Green Earth

Combating climate change has become an urgent issue of the countries, and the low-carbon transformation of global energy structure is irreversible. Yongtai Technology actively implements the requirements related to major strategic decision-making on carbon peaking and carbon neutrality and Beautiful China Initiative, strictly complies with national and local relevant laws and regulations, and remains committed to the innovative, coordinated, green, open and sharing development road, to make contributions to green hills and rivers.

SDGs Benchmarking



9,210.40RMB 10,000	15,970,691.2tons	286,339.49tons	1,791.09tons
Total investment in environmental protection	Total water consumption	Total of GHG Emissions tons of carbon dioxide equivalence	Reduction of GHG Emissions tons of carbon dioxide equivalence

Enhance Environment Management

The management system

Yongtai Technology comprehensively implements the *Law on Environmental Protection, the Law of the People´s Republic of China on the Promotion of Clean Production* and other laws and regulations, strives to realize the environmental goals of the Company, and constantly improves work environment. The Company stipulates the *Management System of Operation of Environmentally Protective Facilities*, the *Management Procedures for Identification of Environmental Factors*, the *Environmental Protection Award and Assessment System* and other system documents, standardizes the environmental protection management work requirements of the Company, and defines the management system and work goals, to enhance the environmental protection risk prevention and control, implement compliance management obligation, and realize the full life circle of the Company and the complete flow environmental protection management of the project. The Company has obtained ISO14001 certificate. In 2024, the Company didn't violate laws or regulations in the environmental field.

To develop the production, support the environmental protection and ensure the occupational health safety, save resources and energy, reduce the pollutants and increase the efficiency, Yongtai Technology adheres to the thought of pollution prevention and constant improvement, steps on the sustainable development road, and established the environmental and occupational health and safety management system as required by GB/T24001-2016, GB/T45001-2020 management system standards and combining with actual situation of the Company, including the *EHS Management Manual*, and the *Document Control Procedures*.



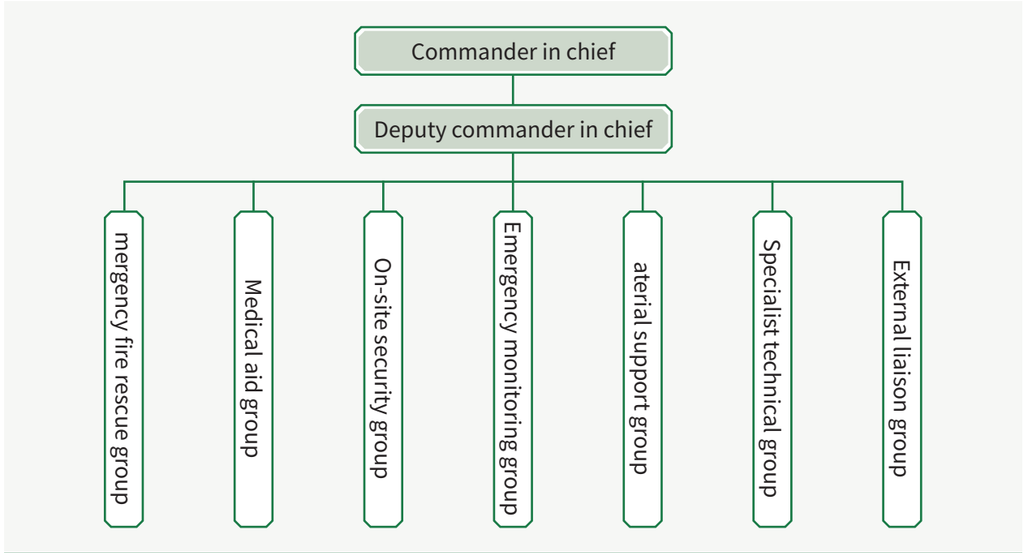
Yongtai Technology Environmental Management System 14001 Certificate

Indicator name	Unit	2024
Total investment in environmental protection	RMB 10,000	9,210.40
Percentage of total investment in environmental protection to operational income	%	2.01

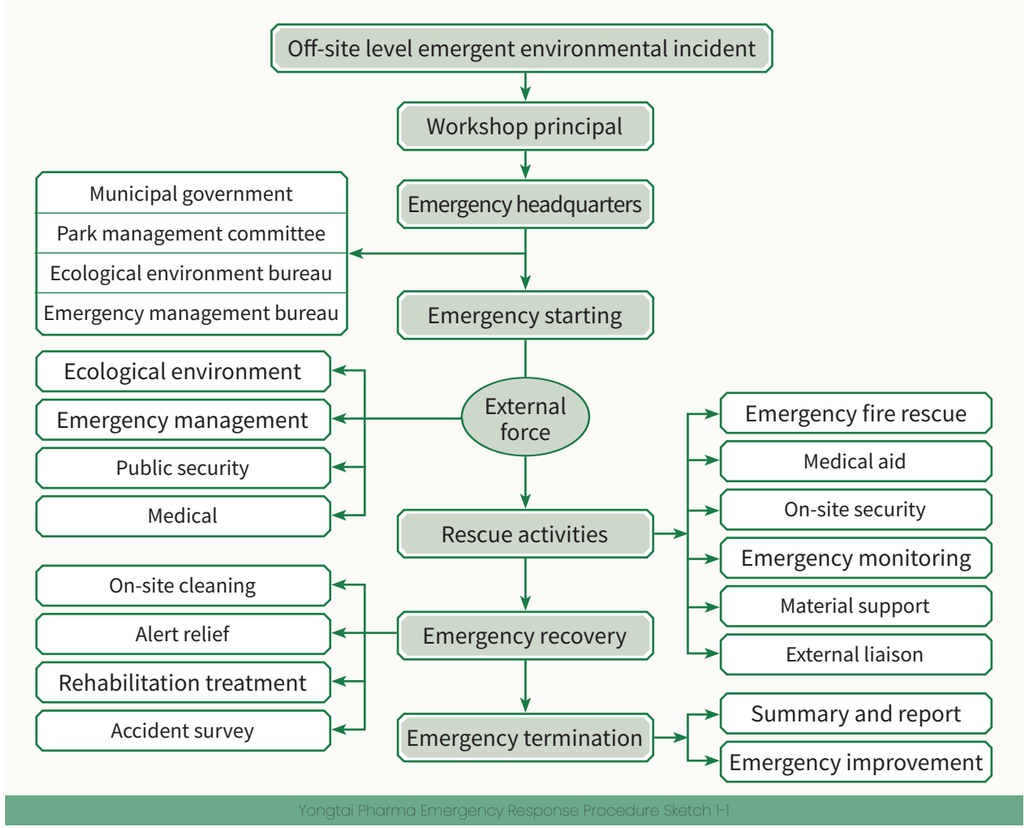
Emergency management

Yongtai Technology prepares the *Environmental Inspection and Potential Risk Rectification and Governance System*, establishes the emergency rescue system, and establishes emergency rescue institutions, to enhance the overall safety awareness and emergency response capacity of the enterprise. It classifies the emergent environmental incidents based on the seriousness, urgency and potentially involved scope of emergent incidents of the Company.

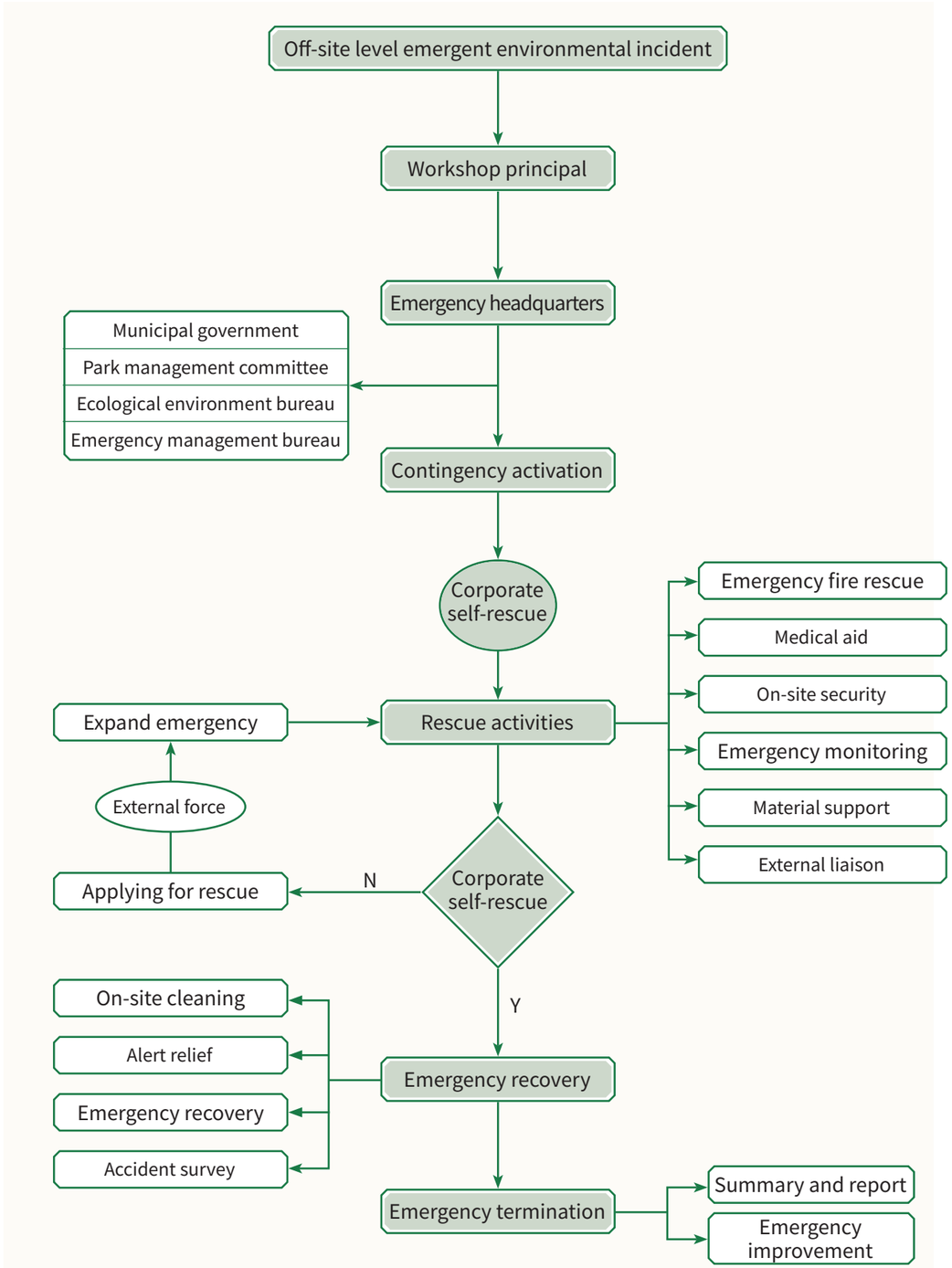
Yongtai Pharma establishes improved emergency management system, with General Manager as General Director, and sets up 7 professional rescue groups under it, such as emergent fire fighting rescue group, emergency rescue monitoring group and medical aid group. The Company regularly carries out staff emergency rescue video training each year, to constantly enhance the safety awareness and emergency disposal capacity of employees. And meanwhile, the Company ensures the valid and reliable emergency response mechanism through stipulating detailed emergency plan drill plans at the beginning of the year, and organizing the workshops and departments to carry out normalized drills. The system has realized whole process management from precaution, preparation to response, providing powerful guarantee for the safe production of the Company.



Yongtai Pharma Emergency Organization Chart



Yongtai Pharma Emergency Response Procedure Sketch H



Yongtai Pharma Emergency Response Procedure Sketch 1-2

Yongtai Chiral waste solution leakage accident emergency drills



企业事业单位突发环境事件应急预案备案表

企业事业单位突发环境事件应急预案备案表

培训人员签到表
Attendance Sheet of Training Personnel

Emergent Environmental Incident Emergency Plan Filing Form

Waste Solution Leakage Accident Emergency Drill Record

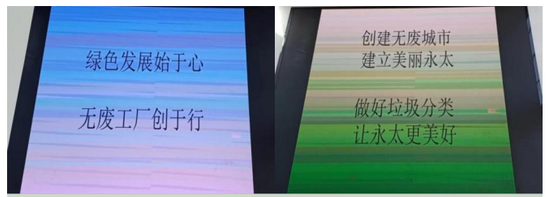
Yongtai Chiral completed the update and filing of emergent environmental incident emergency plans in 2024, and carried out waste solution leakage accident emergency drill in September.

Clean production

Yongtai Technology constantly promotes the clean production, improves the product yield through optimizing production technologies, and reduces the pollutant discharge from the source. In the new, modified and expanded projects, the Company strictly implements the "three contemporary" system, carries out energy conservation investigation and environmental impact assessment at the earlier stage of project, and entrusts professional institutions to prepare energy conservation assessment reports and environmental impact reports. Through strictly controlling project energy consumption and discharge indicator, the Company ensures the unit consumption of products is kept at advanced level in the industry, various pollutants are stably discharged after reaching the standard for a long term, and the environmental risks are controllable, to reduce the influence on environment around to the greatest extent. The Company adheres to the concept of green development, firmly puts an end to high-pollution and high-consumption project construction.

Yongtai Pharma constructs the "wasteless factory"

Centering on the concept of "clean production, source control, comprehensive governance and discharge reaching the standard", Yongtai Pharma constantly devotes itself to green economy and promotes clean production, promotes the combination of industry ecologicalization and circulation, and creates a green and ecological "wasteless enterprise", to lead "wasteless" future with greening and realize a win-win situation of economic and environmental benefits. And meanwhile, as a national green park enterprise, the Company actively responds to the "wasteless city" construction in the whole territory of Taizhou City, and honorably obtains Taizhou municipal level "wasteless factory title".



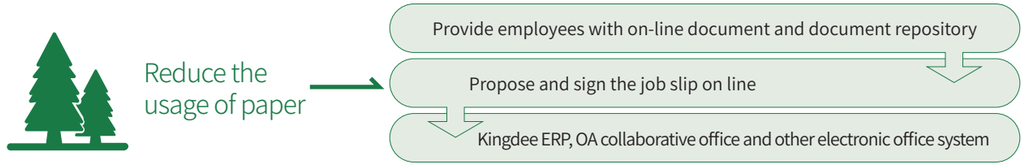
Wasteless Factory Event Propaganda Display Column

Green action

Yongtai Technology deeply recognizes the significance of environmental and low-carbon work, adheres to green office, and reduces the paper usage, striving to reduce the environmental impact, improve the sustainability of the enterprise, and support the green development of the Company with high-level environmental actions.

Green Operation

The subsidiary of the Company, Yongtai Pharma significantly reduces the paper usage through electronic document management and on-line cooperation tools. For example, through training, it provides employees with on-line documents and document repository; puts forward job slips and signs them in an on-line way, helps enterprise save the paper expenses; adopts Kingdee ERP, OA collaborative office and other teleworking system to reduce the usage of paper.



Yongtai Pharma promotes green living and office

Yongtai Pharma actively promotes the waste reduction management, focuses on controlling wasted disposable protective equipment, waste preparation tablets (inferior-quality products), wasted packing materials and domestic wastes and other solid wastes. The Company organizes the production in strict accordance with GMP standard specification, to ensure tidy and orderly environment in the factory. Through enhancing daily supervision, it takes measures such as waste paper recycle, the energy-saving and consumption-reduction in the office region, practically reduces the resource wasting, and comprehensively practicing the concept of green office, to strive to construct sustainable development green work environment.



Yongtai Pharma Promotes Green Life and Green Office

Environmental activities

The Company strives to construct a multi-dimension, systematic environmental activity system, actively explores innovative green mode, and constantly enhances the environmental awareness of employees, while actively expanding external propaganda, widely spreading green values and sparing no effort to build the corporate environmental image and social influence.

Inner Mongolia Yongtai Greening Activity of "Having a Date with Green Future"

To improve the environment in the factory, enhance the master awareness of employees, co-construct beautiful Yongtai homeland, and share the moment in spring, Inner Mongolia Yongtai labor union organizes the greening event "having a date with a green future", making everyone feel the wonderfulness of the spring.



Inner Mongolia tree planting and greening

Biodiversity conservation

As for the poor natural conditions and difficult environmental governance in the northwest region, the subsidiary of the Company, Inner Mongolia Yongtai, recruits the full-time employees for greening maintenance through laying the refined greening watering pipelines, introducing the microspray irrigation and other water saving technology, and is equipped with professional watering carts to regularly carry out the dust suppression on the road. At present, the greening area of Inner Mongolia Yongtai has reached 40,000 square meters, the ecological environment is improved significantly, and the biodiversity in the region is protected effectively, namely, the variety of flora and fauna is enriched, which means it has realized the coordinated development of economic and ecological benefits.

40000 m^2

Green area of the subsidiary Inner Mongolia Yongtai

As for the poor natural conditions and difficult environmental governance of the Company in the northwest region, the subsidiary of the Company, Inner Mongolia Yongtai, recruits the full-time employees for greening maintenance through laying the refined greening watering pipelines, adopting the advanced water saving and watering technology, microspray irrigation technology, and purchases watering carts to regularly carry out the watering and dust suppression on the road of the Company. At present, the subsidiary of the Company, Inner Mongolia Yongtai has a green area of about 40,000 m^2, the ecological environment of the Company is constantly improved, the varieties of flora and fauna is more and more abundant, and the biodiversity is protected.

Strictly Control the Resource Consumption

Energy management

Yongtai Technology enhances energy management, reduces energy consumption, puts an end to the waste, and improves the energy utilization in accordance with the national energy conservation policy and energy management standards and by combining with the actual situation of production and energy consumption of the Company, and stipulates the *Energy Management System*, to ensure the sustainable development of the Company.

Yongtai Pharma implements the optimal utilization project of energy system

Yongtai Pharma actively practices the green development concept, and comprehensively promotes the energy conservation and emission reduction through practicing energy system optimization and gradient utilization project. The Company focuses on the energy conservation transformation of illuminating system, upgrades the existing illuminating equipment in the factory to efficient energy conservation facilities, and adopts photovoltaic power and energy conservation lamps and lanterns in public places, reducing energy consumption and carbon emission from the source. This series of measures don't only reflect the sense of responsibilities of the Company for the environmental protection, but also effectively improves the production efficiency, and reduces the operation cost, laying a solid foundation for the realization of energy conservation and consumption reduction goals.



Yongtai Pharma Engergy Conservation Equipment Facilities (Photovoltaic Power)

Water resource management

In strict accordance with the *Water Law of the People's Republic of China* and other relevant laws and regulations, stipulating relevant water conservation management system, and attaching importance to the reasonable usage of water resources, Yongtai Technology advocates water conservation, firmly puts an end to the leakage and venting, to effectively avoid wasting water resources.

The Company ensures that the cooling water are recycled for more than 10 times each month in the workshops through recycling the steam condensate to the circulating water system, which significantly improves the utilization of water resources. The subsidiary, Yongtai Chiral implements lean water management, establishes annual water performance assessment mechanism, and scientifically stipulates water datum line and implements daily and monthly water monitoring. And meanwhile, through expanding the cooling area of cooling air-cooling tower with circulating water, optimizing the condensation cooling system and other measures, it effectively reduces the load of low-temperature coolants, decreases the cooling water and ice cube consumption, and realizes the efficient utilization of water resources during the production and energy conservation and consumption reduction in the link of wastewater treatment.

Indicator name	Unit	2024
Total water consumption	tons	15,970,691.2
Fresh water usage	tons	1,367,982.2
Reused water usage	tons	14,602,709
Reused water consumption percentage	%	91.43

Material management

Yongtai Technology constantly optimizes the material management system, improves the resource utilization through lean control, and effectively reduces the material waste and environmental risks. The subsidiary, Inner Mongolia Yongtai significantly reduces the unit product material consumption through introducing advanced technologies, while establishing the production cost assessment system of workshops, to realize dual goals of cost decreasing and benefit increasing as well as green production from the source.

Yongtai Pharma promotes green package and distribution



Green Recyclable and Foldable Logistics Instruments

Yongtai Pharma actively promotes recyclable and foldable package product and logistics instruments, and comprehensively uses green recyclable material tray and packaging paper boxes, electric logistics instruments, etc.

Reduce Pollutant Discharge

Wastewater management

In strict accordance with the *Water Pollution Prevention and Control Law of the People's Republic of China* and as required by relevant national laws and regulations, Yongtai Technology stipulates the *Soil and Groundwater Pollution Prevention and Control Management System* by combining with the actual situation of the Company to effectively standardize the wastewater management of the Company, protect the ecological protection, and prevent and remedy the pollution. In 2024, the Company discharged all the wastewater reaching the standard, practically performed the ecological environmental protection responsibility, and effectively prevented the pollution risks.

The subsidiary of the Company, Yongtai Chiral stipulated the internal *Environmental Pollution Prevention and Control Procedures* and other environment management system documents, and stipulated the environment management indicator and carried out annual indicator assessment on time. The Company completed the whole process monitoring construction of pollution prevention and control facilities, pollutant discharge on-line monitoring facility construction, wasteless factory construction, etc., which effectively improved the automatic degree and comprehensiveness of environment management of the Company.

Yongtai Chiral wastewater on-line monitoring project

Yongtai Chiral discharged wastewater in strict accordance with the *GB8978-1996 Integrated Wastewater Discharge Standard, DB33/887-2013 Indirect discharge for emission limitation of nitrogen and phosphorus for industrial wastewater*. The main pollutants included COD, NH3-N, TN, TP. The wastewater discharge outlet adopted the on-line monitoring of pH, COD, NH3-N, TN indicators, and constructed detecting and monitoring facilities meeting the standards, which ensures that all the wastewater discharged meets the standard. The Company entrusted third parties to carry out regular tests for acute toxicity, chroma, suspended solids and other wastewater pollutants, without discharge of wastewater not meeting the standard.

Yongtai Chiral Wastewater On-line Monitoring Interface

The pollution prevention and control of soil and groundwater

With an attitude of highly responsible for the land sources, and fully considering the soil environment carrying capacity, Yongtai Technology actively adopts various valid measures, reduces potential influence on soil from the source and actively carries out soil monitoring and recovery technology research and development, in order to timely find and solve potential soil issues, strive to maintain the ecological and sustainable fertility of soil, and provide solid guarantee for ecological environmental stability and agricultural production safety around.

The Company comprehensively starts the strict control and special governance of soil and groundwater, stipulates the soil and groundwater-related management system, and defines the environmental responsibilities of management at levels and employees, to ensure that the environmental measures can be practiced effectively. Through professional environment



The Sites of Groundwater Sampling and Soil Sampling

monitoring assessment, it carries out comprehensive identification and assessment for the pollutants potentially generated by the production of the Company, and recognizes potential pollutant sources and risk regions, to provide scientific basis for subsequent control and governance. According to the pollutant control scope, the Company stipulates annual soil and groundwater monitoring and groundwater control point position monitoring plan, and entrusts professional test units to carry out detailed tests. And it controls the groundwater and soil in the monitoring wells set up in the factory and groundwater around the factory.

◉ Waste gas management

Yongtai Technology attaches importance to waste management, controls the generation of inorganized waste gas through optimizing the production process, selecting advanced atmospheric pollution governance equipment and other control measures, and ensures the collection, treatment and discharge of various production waste gases meet the standards. In 2024, all the waste gases of the Company are discharged after reaching the standards.

Yongtai Chiral waste gas management and emission reduction measures

- Yongtai Chiral executes the classified collection and treatment of waste gas. The technology waste gas is classified into acid waste gas, organic waste gas, waste gas containing halogen, etc. based on nature to carry out pre-treatment of acid-base spraying, condensation, resin absorption, etc., is gathered with the highly concentrated waste gas of sewage station into the terminal RTO facility for incineration, and then is discharged to the upper air through chimney after reaching the standards.
- The lowly concentrated waste gas of sewage station, solid waste warehouses, and waste gas collected in the mud pressing room are discharged to the upper air through chimney after meeting the standards upon the process of watering + sodium hypochlorite oxidation spraying + alkali spraying.
- The Company completes the centrifugal machine discharge opening of production workshops and the closed transformation of liquid material material beating compartment, effectively reduces the inorganized discharge of waster gas, and improves the collection efficiency of waste gas.

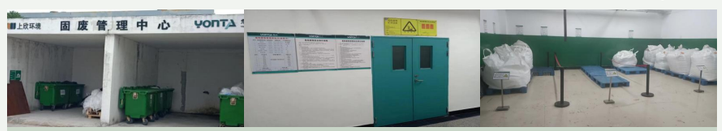


Closed Compartment of Yongtai Chiral Production Workshop

◉ Solid waste management

In accordance with the Law of *the People's Republic of China on the Prevention and Control of Solid Waste Pollution*, Yongtai Technology stores, transports and disposes various wastes by law and regulation, to control the environmental pollution and realize sustainable development.

The subsidiary of the Company, Yongtai Pharma strictly implements the solid (hazardous) waste standardized management requirements, and carries out classified collection and proper treatment for solid wastes. Wherein, the hazardous wastes are treated by qualified units, a part of waste package are uniformly collected and recycled by Yongtai Pharma, to realize the reduction and resource recovery of hazardous waste.



Standard Management and Classified Storage of Hazardous Waste of Yongtai Pharma

Yongtai Pharma Hazard Waste Management Plan



浙江永太药业有限公司转移联单

联单编号：331082202300015011000001
转移计划编号：PM331082202300150

产生单位填写			
产生单位名称	浙江永太药业有限公司	联系电话	19105867569
设施地址	浙江省化学原料药基地临海东海第八大道1号		
运输单位名称	台州市德长环保有限公司		
处置单位名称	台州市德长环保有限公司	联系电话	13004787668
处置单位地址：	浙江省临海市杜桥现代园区东海第五大道31号		
发出人	包丽杰	转移时间	2023-12-20 10:05:41
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运输起点	浙江省台州市	运输终点	浙江省台州市
驾驶员姓名	梁佳男	驾驶员手机号	15638665270
处置单位填写			
经营许可证号	3310000020	接收人	叶潇
接收人电话	13004787668	接收时间	2023.12.20

废物名称	废物代码	包装方式	形态	危险特性	处置方式大类	处置方式小类	包装数量(件)	转移数量(吨)	接收数量(吨)
废制剂	271-005-02	袋装	固态	毒性	焚烧	焚烧	15	2.7867	2.80
废内包装材料	900-041-49	袋装	固态	感染性,毒性	焚烧	焚烧	3	0.1414	0.14
废制剂瓶	900-041-49	袋装	固态	感染性,毒性	焚烧	焚烧	2	0.7433	0.74

Yongtai Pharma Hazard Waste Transfer Double Draft



Yongtai Pharma Hazard Waste Temporary Storage Warehouse

- Yongtai Pharma solid wastes include wasted disposable work protective articles, wasted preparation tablets (inferior-quality products), wasted package materials (wasted reagent bottle) and domestic waste of employees
- Implement hazard waste management in strict accordance with the plans, and optimize the solid waste double draft management, to realize paperless electronic double draft.
- Carry out the complete flow control measures for the generation, package, transfer and storage of hazardous wastes, establish a control ledger of solid waste generation, transfer reception and temporary storage, and establish a solid waste stock management ledger
- Construct standard solid waste storage yard, and classify the hazardous wastes for storage

Yongtai Chiral hazard waste reduction and recourse recovery

In 2024, Yongtai Chiral added sludge drying machine, which reduced 60% of the weight of sludge after drying, and reduced about 200 tons of sludge annually, reaching the hazard waste reduction goals.

At the beginning of 2024, the Company completed Gabapentin project abraum salt point-to-point usage project declaration, which realized the resource recovery utilization of 2,100 tons of abraum salt each year. The abraum salt is used by Taizhou Dyeing and Finishing Main Workshop as dyeing auxiliary.



Yongtai Chiral Sludge Drying Machine



Yongtai Chiral Abraum Salt Point-to-point Approval Documents

◉ Noise management

In strict accordance with *Law of the People's Republic of China on the Prevention and Control of Noise Pollution*, Yongtai Technology accordingly prepares the *Management Stipulations on Noise Pollution Prevention and Control*, to control the noises generated from the industrial production of the Company in a standard and systematical manner, and meanwhile regularly carry out monitoring activities to further improve the noise pollution prevention and control. In 2024, no noise-related penalty event occurred in the Company.

Yongtai Chiral Noise Management and Emission Reduction Measures

- Execute the *GB/T50087 Code for design of noise control of industrial enterprises, the HJ2034 Technical guidelines for environmental noise and vibration control engineering*
- Drying machine, air compressor, refrigerator and other noise equipment are equipped with damping pedestal, sound insulation facilities and other noise reduction measures in technology-guided principle.
- Entrust third parties to carry out monitoring for the noises in the factory quarterly, to ensure that the noise in the day and night meets the standard.



Yongtai Chiral Damping Equipment

Combating Climate Change

◉ Climate governance

Yongtai Technology attaches great importance to the carbon emission reduction, actively responds to the national "carbon peaking and carbon neutrality" goals, and implements the green low-carbon development concept throughout the development and management of the Company, to actively promote the carbon emission reduction of the Company.

The Board of Directors of the Company is responsible for comprehensive supervision of climate risks, and carrying out overall climate risk management. The functional departments of the Company and the subsidiaries combat climate change based on the responsibility setting of the departments. The departments at levels collaborate and interconnect, to constantly enhance the capacity of the Company to combat climate change.

◉ Strategic response

As for climate change, Yongtai Technology vigorously promotes green and low-carbon development during the daily production operation and construction of new projects and relieves the climate change through atmosphere, water and soil pollution prevention and control, to facilitate the realization of the "carbon peaking and carbon neutrality" goals.

◉ Climate risk management

Yongtai Technology attaches great importance to the opportunities and challenges brought by the climate change to the corporate development, comprehensively sorts out the potential risks brought by the climate change and prepares coping measures through constantly following up the study-related policy content. In strict accordance with the *Emergent Environmental Incident Emergency Plan, the Typhoon and Flood Prevention Special Emergency Plan,* the Company increases the investment in the research and development of green environmental technologies, upgrades the production equipment to reduce the energy consumption, and gradually constructs a complete management system covering the risk early warning, process control, emergency disposal, to effectively guarantee the sustainable development capacity of the Company.

Types of climate change-related risk and opportunities			Influence on the Company	time frame	Scope of influenced value chain	Climate-related financial influence	Main coping measures
Physical risks	Urgent risks	Extreme high-temperature	The demand for the refrigeration plants increases, and the operational costs and expenditures increase; Sunstroke of employees leads to poor work status, which decreases the operational efficiency of the Company, and meanwhile increases the health maintenance costs of employes; Temperature-sensitive equipment, chemical reagent, the explosion, fire hazard and other safe risks in the warehousing link increase.	Short-term	Self operation	Increase the operational cost and employee maintenance cost, and reduce financial income	Reasonably allocate the refrigeration plants, and prefer to adopt energy-saving and environmental equipment categories; Stipulate and implement the anti-heatstroke measures for employes, and carry out anti-heatstroke and cooling caring activities; Enhance safe management, strictly control the conditions in the warehousing link, and regularly carry out fire control inspection and drills, to enhance the fire control awareness of employees.
		Natural disasters	Typhoon, storm tide, flood and other natural disasters caused by climate change, may bring direct damage to the assets and production and operation of the Company; Natural disasters may cause the interruption of supply chains, and bring indirect influence on the Company.	Short-term	Self operation Upstream and downstream	Fixed assets loss	Enhance the communication and interconnection with the local government, weather and emergency departments of business, and timely release early warning; Constantly improve the emergency plans of natural disasters, enhance the emergency capacity construction, regularly carry out emergency drills, and carry out emergency disposal of natural disasters, to reduce the impact on the production operation of the Company; Enhance the supply chain management, and establish a more flexible supply chain.
	Chronic risks	Temperature increase	The average temperature increases, which may cause increase in the cooling water of equipment, refrigeration and heating demand increase in the operation site, etc., causing increase in the operational costs.	Long-term	Self operation	Fixed assets loss, the operation cost increases and the income reduces	Identify the climate risks in the regions, and include combating climate risks into the infrastructure construction; Stably improve energy conservation and carbon emission reduction efforts, improve the service efficiency of water, waste and other resources, and gradually reduce the dependence on natural resources; carry out climate change-related science popularization education, advocate and practice the low-carbon environmental concept.
		Water resource shortage	The water resource shortage at the main production base may cause the increase in the municipal water supply prices.	Short-term	Self operation	Increase the water usage cost	Take water conservation action to carry out water conservation transformation.

Types of climate change-related risk and opportunities			Influence on the Company	time frame	Scope of influenced value chain	Climate-related financial influence	Main coping measures
Transformation risks	Policy and regulation risks	Stricter and stricter environmental regulations	The local government of business will implement stricter environmental regulations in future, and set up strict limitation and emission quota for the greenhouse gas emission. The compliance with these new regulations and standards will increase the compliance costs of the Company.	Medium and、Long-term	Self operation	Increase the operational cost, and reduce financial income	Pay close attention to and strictly comply with the carbon emission and carbon transaction-related laws and regulations, actively adopt measures to reduce carbon emission, strictly comply with the local national or regional carbon emission regulations of business, enhance the storage and management of the carbon assets, and guarantee the agreement performance; Improve the low-carbon development and climate risk control level of the Company.
	Market risks	Market demand change	The focus on the climate change may make the market prefer to select low-carbon product and service. Where the Company fails to follow up the low-carbon trend, it may fall behind in terms of market competition and customer recognition, and affect the market shares and profitability.	Long-term	Self operation	Financial income decreases	Include the climate factor into the investment decision-making, and increase the green product development and production.
	Reputational risks	Company image	If the low-carbon development goals, goal achievement routes and measures of the Company are lower than the expectation, it may affect the reputation and image of the Company.	Medium-term	Self operation	Financial income decreases	Refine the green low-carbon specific deployment and measures, and enhance the supervision; Expand the all-around communication and exchange, and improve the climate change-related information disclosure level and transparency.
		Stakeholder expectation	Where the relevant climate indicators of the Company don't reach the low-carbon expectation of stakeholders, it may cause decrease in the values of the Company, and increase in the capital cost.	Short-term	Self operation	Improve the compliance cost, and low financial influence	Enhance the communication with stakeholders, adopt suitable measures to actively respond to the expectation of stakeholders.

Types of climate change-related risk and opportunities			Influence on the Company	time frame	Scope of influenced value chain	Climate-related financial influence	Main coping measures
Opportunities	Climate opportunities	Technical progress	The carbon emission reduction goal promotes the Company to enhance the technical innovation, reduce the carbon emission, improve the energy utilization, reduce the production cost and enhance the competition.	Medium and long-term	Self operation	Reduce the production cost and increase the financial income	Enhance the low-carbon technical research and development, vigorously promote the energy conservation, carbon emission reduction, pollution reduction synergistic interaction by scientific and technological means.
	Market opportunities	New energy lithium battery	Under the leadership of the "carbon peaking and carbon neutrality" goals, the government policy support and consumer concept change make the new energy, green economy and other emerging markets adhering to the environmental concept step on the rapid development road.	Short-term	Downstream	Improve the product sales income, high financial influence	It forms relatively improved product matrix in the new energy lithium battery material sector, and meanwhile will promote the green product and green technology development.
	Resource efficiency opportunities	Circular economy	Recycle the materials by circulative technology, reduce the dependence on raw materials, to reduce the carbon emission in the production link, while reducing the purchase cost of raw materials.	Short and medium-term	Upstream	Reduce the purchase cost of raw materials	Through constantly upgrading the production technology and constructing the resource circular production system, realize efficient resource utilization and carbon emission reduction goals.
	Energy efficiency opportunities	The production process adopts low emission and renewable energy sources	Reduce the dependence on the fossil energy and traditional energy.	Short and medium-term	Self operation	The energy efficiency increases and the self operation cost reduces	Promote and optimize the energy management system, and realize energy saving through intelligent manufacturing; Promote the production technology optimization and energy conservation and carbon emission reduction transformation; Optimize energy structure, and increase the usage of photovoltaic and other clean energies.

Indicator and goal

According to the *Opinions of the Central Committee of the Communist Party of China and the State Council on Complete, Accurate and Comprehensive Implementation of New Development Concept and Carbon Peaking and Carbon Neutrality Work,* the *Action Plan for Carbon Dioxide Peaking Before 2030,* and relevant guidance and policy requirements, Yongtai Technology attaches great importance to and actively participates in the "carbon peaking and carbon neutrality" work, integrates the "carbon peaking and carbon neutrality" concept into the daily operation of enterprise, and actively responds to the "carbon peaking and carbon neutrality" strategy through actual action, to promote the new mode of green, low-carbon circular economic development.

Based on the industrial types and business characteristics and combining the relevant risk identification and assessment results, the Company verifies the total emission standard of relevant pollutants of the Company and subsidiary, strictly controls the actual emissions, establishes and completes the wastewater, waste gas treatment facilities and on-line monitoring devices in the main factories, striving to reduce the GHG Emissions. For example, the subsidiary of the Company, Inner Mongolia Yongtai stipulates the annual carbon emission goals based on the *GHG Emission Report of Inner Mongolia Yongtai Chemical Co, Ltd.* and production task at the beginning of each year.

ndicator name	Unit	2024
Total of GHG Emissions	tons of carbon dioxide equivalence	286,339.49
Emission in Scope I	tons of carbon dioxide equivalence	49,736.98
Emission in Scope II	tons of carbon dioxide equivalence	236,602.51
Reduction of GHG Emissions	tons of carbon dioxide equivalence	1,791.09

Carbon emission management

Under the current global climate change background, it's critical to carry out the management of reduction of GHG emissions. Yongtai Technology identifies the emission sources and adopts the targeted measures through the carbon emission of the links.

- It focuses on the usage efficiency of energy, and constantly reduces the carbon emission through the purchase of energy conservation equipment and optimization of technology, reduction of the consumption of fossil energy and energy consumption and other measures
- It encourages the employees to participate in the energy conservation and consumption reduction through carrying out employee training education and enhancing the awareness of the staff to participate in carbon emission management and emission reduction
- It focuses on the carbon emission of supply chains, strives to promote the reduction of GHG emissions of the whole industrial chain through coordination

The subsidiary of the Company, Inner Mongolia Yongtai prepares the *GHG Emission Report of Inner Mongolia Yongtai* each year, entrusts third parties to carry out product carbon footprint, and prepares the product DFPA carbon footprint report.

Based on the strategic planning and scientific configuration of energy resources, the subsidiary of the Company, Yongtai Pharma establishes annual greenhouse gas inspection mechanism, follows up the whole process of power and other energy consumption nodes based on the production unit, and systematically integrates the basic data of the links and carries out the accounting of the total carbon emission. Based on the final settlement results, it regularly carries out the potential risk identification in the factory, seeks for the high energy consumption factors, and carries out expenditure reduction control from the source. And meanwhile, it vigorously promotes the emission reduction, replaces the power supply and consumption of daily institutes of power departments with the clean energy solar power generation devices with low carbon emission, to improve and update the relevant equipment and complete the emission reduction measures.

Yongtai Chiral oil to gas transformation project

Yongtai Chiral completed the RTO facility oil to gas transformation project, realized the reduction of carbon emission of about 50 tons each year, and effectively reduced the energy waste.

50 tons
Annual reduction of carbon emissions



Yongtai Chiral Natural Gas Pipelines

Vision of the Future

In 2025, the Company will deepen the modernization of governance system, focus on green development and talent-driven synergy, carry out multi-dimension strategic difficulty overcoming, and seep up the starting of new journey of high-quality development.

At the governance level, we will continue to promote the governance system and the modern construction of governance capacity of the Company, adhere to the leadership of the Party, and enhance the construction of the Party, to lay solid politic foundation for the development of the Company. We will further improve the construction of the Board of Directors and ensure its standard operation, give full play to its core role in the strategic decision-making of the Company. And meanwhile, we will fully motivate the operation vitality of the management, and release the management efficiency, to powerfully drive the stable development of the Company.

In the respect of the green development, we will further increase the investment in the research and development under the leadership of scientific and technological innovation, constantly promote the energy conservation and emission reduction, and actively explore the green and low-carbon development routes. We will firmly promote the green development, actively perform the social responsibilities, and make more contributions to the realization of the "carbon peaking and carbon neutrality" goals, to facilitate the sustainable development of the society.

In the field of talent development, we will also constantly improve the remuneration and benefit system, construct employee career development platform, and expand the employee career development channels, to construct an employee-enterprise destiny community.

Looking forward to the future, we will overcome difficulties and all-out sprint, striving to achieve new success of high-quality transformation upgrade of the Company.



Appendix

Key Performance Indicators

Environment

Indicator	Unit	2024
Total investment in environmental protection	RMB 10,000	9,210.40
Environmental pollution accident	cases	0
No violation of laws or regulations in the environmental field	cases	0
Total water consumption	tons	15,970,691.2
Fresh water usage	tons	1,367,982.2
Reused water usage	tons	14,602,709
Reused water consumption percentage	%	91.43
Total of GHG Emissions	tons of carbon dioxide equivalence	286,339.49
Emission in Scope I	tons of carbon dioxide equivalence	49,736.98
Emission in Scope II	tons of carbon dioxide equivalence	236,602.51
Reduction of GHG Emissions	tons of carbon dioxide equivalence	1,791.09
Rate of three wastes reaches the standard	%	100
No noise-related penalty event	cases	0
Green area of Inner Mongolia Yongtai	10,000 square meters	4

Society

Indicator	Unit	2024
Total of employees	persons	3,467
Number of employees from national minority	persons	122
Disabled employees	persons	11
Part-time employees	persons	1
Outsourcing labor	persons	41
Classification based on major constitution		
Production personnel	persons	1,673
Sales personnel	persons	253
Technicians	persons	740
Financial personnel	persons	65
Administrative staff	persons	736
New comers	persons	771
Classification based on sex structure		
Male	persons	607
Female	persons	164
Classification based on recruitment channel		
Fresh graduates	persons	126
Social recruitment	persons	640
Others (if any)	persons	5
The labor contract signing rate	%	100
days of paid leaves per capita of employees	day	4.57
Number of days of paid leaves per capita of employees	day	98.96
Social security payment rate	%	1,026
Distribute employee satisfaction questionnaire survey	copy	875
Received questionnaire containing effective result	copy	85.28
Response rate of satisfaction questionnaire survey	%	5
Frequency of employees participating in the democratic management	times	776
Quantity of actually occurred occupational diseases	case	0

Indicator	Unit	2024
Occurrence rate of occupational diseases	%	0
Company-level major security accident	case	0
Security incident at general or above level	case	0
The safety check and potential risk rectification rate	%	100
EHS training plan implementation rate	%	100
Safe expense extraction, usage rate	%	100
Occupational health physical examination rate	%	100
Security risk prevention training coverage	%	100
Form risk grading control lists	copy	6
Annual training sessions	sessions	687
Annual total training duration	hours	48,801.20
Training coverage	%	93.63
Investment in the employee assistance	RMB	185,140
Investment in consolation money	RMB	965,975.7
Amount invested in research and development	RMB 10,000	14,037.83
Percentage of investment in research and development to operational income	%	3.06
Quantity of research and development personnel	persons	464
Percentage of research and development personnel	%	13.38
Quantity of new product development projects	piece	75
Quantity of applied patents	piece	47
Quantity of authorized patents	piece	34
Effective patent quantity	piece	263
Quantity of patents for invention	piece	171
Quantity of patents for utility models	piece	88
Quantity of appearance patents	piece	4
Quantity of trademark rights	piece	176

Indicator	Unit	2024
Quantity of copyrights	piece	14
Customer satisfaction survey participants	persons	50
Customer survey satisfaction rate	%	100
Quantity of customer complaints	cases	4
Quantity of solved customer complaints	cases	4
Internal or customer information leakage event and relevant disputes or lawsuit	cases	0
The qualification rate of product put in storage	%	100
The internal control rate of product put in storage	%	99.9
The first-passyield of a batch of intermediate and products (semi-finished products)	%	99.99
The qualification rate of raw ingredients entering the factory	%	99.4
The complaints due to quality	cases	2
The sales returns due to quality	cases	0
The passing rate of customer quality audit	%	100
Coverage of various quality management system certificates obtained by the production and operation sites that have been constructed and been put into operation by the subsidiary, Yongtai Chiral	%	100
Product recalling event	cases	0
Quantity of suppliers	enterprises	2,483
Quantity of suppliers from China Mainland	enterprises	2,431
Quantity of suppliers from Hong Kong, Macao and Taiwan	enterprises	52
Quantity of suppliers to be investigated	enterprises	1,066
Quantity of suppliers obsoleted due to incompliance	enterprises	62
Quantity of potential suppliers denied due to incompliance	enterprises	32
Quantity of suppliers with ISO9000 certificates	enterprises	646

Indicator	Unit	2024
Quantity of suppliers with ISO14000 certificates	enterprises	523
Quantity of suppliers with ISO45001 certificates	enterprises	457
Quantity of integrity agreements signed by suppliers	enterprises	176
Major risk events on the supply chain	cases	0
Data security incidents	case	0
Total of taxes and expenses paid by the Company	RMB 10,000	9,460.08
Investment in public benefit charity	RMB 10,000	189.24
Quantity of volunteers	persons	17
Person-times participating the volunteer activity	person-times	1
Total duration of volunteer service	hours	2

Governance

Indicator	Unit	2024
Members of the Board of Directors	persons	9
Independent director	persons	3
Independent director percentage	%	33.33
Non-independent director percentage	%	66.67
Percentage of doctors in the Board of Directors	%	22.22
Percentage of masters in the Board of Directors	%	22.22
Percentage of bachelor or below in the Board of Directors	%	55.56
Percentage of male members in the Board of Directors	%	55.56
Percentage of female members in the Board of Directors	%	44.44

Indicator	Unit	2024
Number of members of the Audit Committee of the Board of Directors	persons	5
Number of Independent Directors of the Audit Committee of the Board of Directors	persons	3
Number of held Strategy Committee	times	0
Audit Committee	times	4
Nomination Committee	times	2
Remuneration and Assessment Committee	times	3
Number of meetings of the Board of Directors	times	7
Attendance of members of the Board of Directors	%	100
Supervisors	persons	3
Supervisors of Workers' Congress	persons	1
Major violation	cases	0
Number of investor exchange meetings	times	2
Cumulative number of investors received	person-times	8
Punishment or penalty by the regulators because the information disclosure violates the regulations	cases	0
Prepared and disclosed regular reports	piece	4
Released temporary announcements	piece	123
Number of held General Meetings of Shareholders	times	4
Attendance of directors at the General Meeting of Shareholders	%	100

Indicator Reference

Chapter Titles (Discussion Topics)		GRI	Exchange Guidelines
About Yongtai Technology		2-1、2-2、2-6、2-9	/
Special: Talents Create Promising Future		404-1、404-2、404-3	Article XLIX, Article L
Enhance the Foundation of Management by Adhering to Morality and Kindness	Deepening Party Building and Guide	/	/
	Optimizing Governance Structure	2-10、2-11、2-12、2-13、2-17、2-18、2-19、2-28	Article LI
	Promoting Stable and Robust Operation	2-23、2-24、2-27、205-1、205-2、205-3、206-1	Article LII, Article LIV to LVI
	Guarantee owner's equity	/	Article LIII
Building Happy Homeland in Harmonious and Integrated Manner	Guaranteeing Employees' Rights and Interests	2-7、2-19、2-20、2-30、201-3、401-1、401-2、401-3、405-1、408-1、409-1	Article XLIX, Article L
	Keeping the Baseline of Safety	403-1、403-2、403-3、403-4、403-5、403-6、403-7、403-8、403-9、403-10	Article XLIX, Article L
	Enriching the lives of staff	/	Article L
Surpass and Innovate for Lean Product Service	Deepening Scientific and Technological Guide	/	Article XLI, XLII
	Improving Service Level	416-1、416-2、418-1	Article XLIV, XLVII, XLVIII
	Providing quality products	416-1、416-2	Article XLIV, XLVII
	Strict Supply Chain Management	2-8、308-1、308-2、414-1、414-2、	Article XLIV to XLVI
Pay Back the Society, Showing the Responsibility Undertaking	Promote Digital Transformation	/	Article XLVIII
	Actively Pay Back the Society	203-1、203-2、413-1、413-2	Article XXXVIII to XL
	Maintain Overseas Community Relations	/	/
Respect the Nature and Protect Green Earth	Enhance environment management	304-1、304-2、304-3	Article XXXII, XXXIII
	Strictly Control the Resource Consumption	301-1、301-2、301-3、302-4、302-5、303-1、303-2、303-3、303-4、303-5	Article XXXIV to XXXVII
	Reduce Pollutant Discharge	306-1、306-2、306-3、306-4、306-5	Article XXX, XXXI
	Combating climate change	201-2、305-1、305-2、305-3、305-5	Article XX to XXVIII; Article XXXV

Definition

The Company, Yongtai Technology, we	Zhejiang Yongtai Technology Co, Ltd.
Yongtai Pharma	Zhejiang Yongtai Pharmaceutical Co, Ltd.
Shanghai E-Tong	Shanghai E-tong Chemical Co, Ltd.
Yongtai New Energy	Zhejiang Yongtai New Energy Material Co, Ltd.
Yongtai Chiral	Zhejiang Yongtai Chiral Medicine Technology Co, Ltd.
Zhejiang Chiral	Zhejiang Chiral Medicine Chemicals Co, Ltd.
Foshan Soin	Foshan Soin Chiral Pharma Co, Ltd.
Inner Mongolia Yongtai	Inner Mongolia Yongtai Chemical Co, Ltd.
Yongtai Hi-tech	Shaowu Yongtai Hi-tech Material Co, Ltd.
Reporting period, reporting period of this Report	January 1, 2024 to December 31, 2024

Feedback Form

Dear stakeholders,

Greetings! Thank you for taking your time to read our *2024 Environmental, Social and Governance Report* of Yongtai Technology. In order to constantly improve our report preparation, and our capacity and level to bear responsibilities, we earnestly hope to receive your valuable opinions and suggestions on this report, helping us make progress continuously.

Address:

Email:

1. As for Yongtai Technology, what type of stakeholders do you belong to?

☐ Stockholders and Investors ☐ Customers ☐ Employees ☐ Government and Regulatory Authorities

☐ Suppliers and Partners ☐ Communities ☐ The Public and Media ☐ Others

2. Your overall comment on this report:

☐ Excellent ☐ Good ☐ Average ☐ Bad ☐ Terrible

3. What do you think of the structural arrangement of this report:

☐ Very reasonable ☐ Reasonable ☐ Average ☐ Poor ☐ Very poor

4. What do you think of the format design of this report:

☐ Very reasonable ☐ Reasonable ☐ Average ☐ Poor ☐ Very poor

5. What do you think of the readability of this report:

☐ Excellent ☐ Good ☐ Average ☐ Bad ☐ Terrible

6. Do you think this report can reflect the significant impact of the Company on the economy, society and environment:

☐ Yes ☐ Average ☐ Unknown

7. Do you think the information, data and indicators disclosed in this report are clear, accurate and complete:

☐ High ☐ Relatively high ☐ Average ☐ Relatively low ☐ Low

8. What do you think of the performance of the Company in terms of customer services and stakeholder protection?

☐ Good ☐ Average ☐ Poor ☐ Unknown

9. Do you have any other precious opinions or suggestions for Yongtai Technology's report preparation and fulfillment of corporate responsibility:

_____

Disclaimer

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