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2025 | Zhejiang Wufangzhai Industrial Co., Ltd.
Sustainability(ESG)Report



Stock Symbol: 603237

About This Report

Reporting Scope

This report is the second Sustainability Report (hereinafter referred to as "this Report") released by Zhejiang Wufangzhai Industrial Co., Ltd. (hereinafter referred to as "Wufangzhai," "the Company," or "we"). It aims to present to various stakeholders the Company's practices and performance in environmental, social, and governance (ESG) aspects for the year 2025.

The main body of this report covers Wufangzhai and its subsidiaries. Unless otherwise specified, the scope of this report aligns with that of the Company's annual report.

Reporting Period

The time span of this report is from January 1, 2025, to December 31, 2025 (referred to as the "Reporting Period"). To enhance the comparability and completeness of this report, some content appropriately traces back to previous years or includes forward-looking descriptions.

Preparation Basis

- ◆ Ministry of Finance of the People's Republic of China: *China Corporate Sustainability Disclosure Standards General Standards (Trial)*
- ◆ Shanghai Stock Exchange *Guidelines No. 14 for Self-Regulation of Listed Companies — Sustainability Report (Trial)*
- ◆ Shanghai Stock Exchange *Guide No.4 for Self-Regulatory Supervision on Listed Companies — Compilation of Sustainable Development Reports*
- ◆ China Enterprise Reform and Development Society *Guidelines for Sustainable Development Reports of Chinese Enterprises (CASS-ESG6.0)*
- ◆ The 2021 *Global Reporting Initiative's Sustainability Reporting Standards (GRI Standards)*
- ◆ United Nations Sustainable Development Goals (SDGs)

Data Explanation

The data sources used in the report include the original data of the actual operation of the Company, annual financial data, relevant internal statistical statements. The financial data in this report is denominated in RMB (Yuan). In case of any discrepancy with the financial statements, the financial statements shall prevail.

Confirmation and Approval

This report was approved by the Company's Board of Directors on April 20, 2026, and is being released concurrently with the annual report. The Board of Directors undertakes to oversee the contents of this report, ensuring that it contains no false or misleading statements, and assumes responsibility for the authenticity, accuracy, and completeness of its contents.

The risks and opportunities analyzed in this report will impact the Company over different time periods. The defined timeframes for these impacts are as follows: short-term (0–1 year), medium-term (1–5 years), and long-term (over 5 years). These timeframes align with the Company's strategic planning period definitions.

Report Availability

This report can be viewed and downloaded from the Company's website (<https://www.wufangzhai.com>) and the Shanghai Stock Exchange (hereinafter referred to as the "SSE") website (<http://www.sse.com.cn>).

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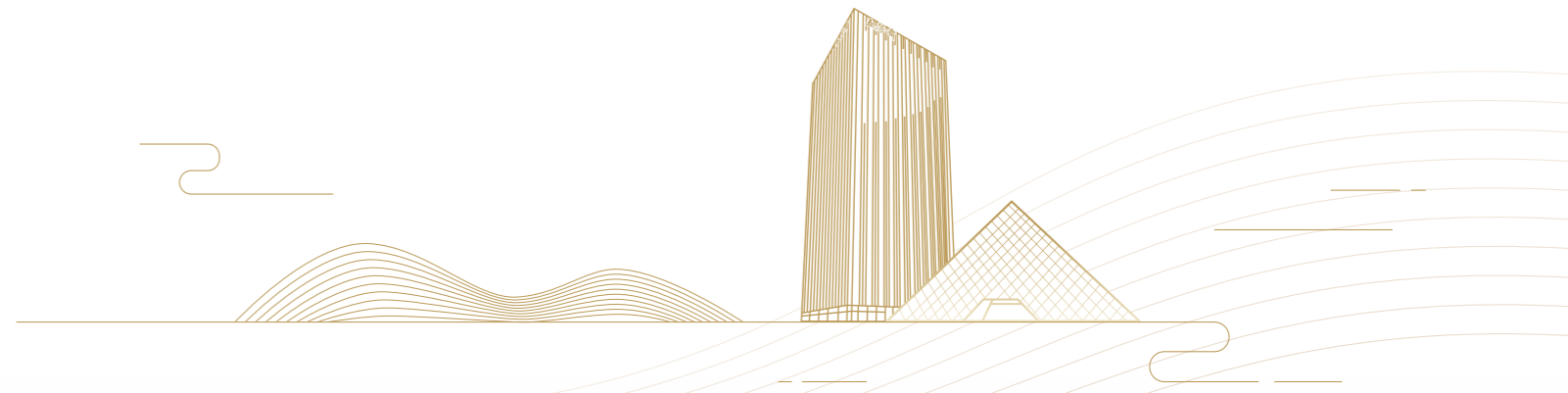
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Message from the Chairman

“

Steady Progress, Renewed Vitality

In the face of the dual challenges posed by global climate change and macroeconomic uncertainty, we have always believed that only by deeply integrating business success with social responsibility can an enterprise achieve enduring prosperity. Over the past year, we have continued to align ourselves with the United Nations Sustainable Development Goals (SDGs) and, guided by our “G.R.O.W.” strategy, focused on green development, the fulfillment of social responsibility, deeper open collaboration, and the pursuit of harmonious coexistence. While carrying forward a century-old legacy of craftsmanship, we have actively embraced change, strengthened corporate governance, and achieved solid results.

”



Green Development: Building Low-Carbon Products and Factories. Green development serves as the core engine of Wufangzhai’s sustainable development. In 2025, we integrated green principles throughout the entire process of product R&D and production, achieving multiple breakthroughs. We drove market growth through innovative product categories and embedded the concept of health deep into our brand DNA. Starting from raw material sourcing, we strictly upheld organic standards, enabling consumers to experience traditional festival culture while enjoying natural and healthy Chinese culinary concepts. The Company was also recognized on the “2025 Zhejiang Green and Low-Carbon Factory” list, which recognizes our long-term commitment in energy conservation and carbon reduction, as well as clean production. We accelerated our digital and intelligent transformation, actively practiced green procurement, promoted packaging reduction and recycling, and effectively utilized green photovoltaic electricity, contributing to climate change mitigation. Through these initiatives, we strive to build a sustainable green value chain from farm to table, achieving a win-win outcome for both economic and ecological benefits.

People-Oriented Approach: Promoting Harmonious Enterprise Growth. Our employees are the most valuable asset of Wufangzhai and the inheritors of our century-old legacy. In 2025, we further strengthened mechanisms for employee care and rights & interests protection, striving to foster a harmonious and responsible corporate culture. The company continuously improved its performance appraisal system, which integrates short-term and long-term interests, and advocated a results-oriented incentive mechanism that rewards excellence and penalizes underperformance. Outstanding teams and individuals who delivered notable achievements in cost reduction, efficiency improve-

ment, innovation and business expansion were duly recognized. In terms of occupational health and work safety, our production bases in Jiaxing and Chengdu reduced labor intensity and optimized working environments through automation and intelligent upgrades, placing technological innovation at the service of our people. Meanwhile, the company continued its “Liufang Yishan” care fund, providing long-term support for charitable and educational causes. We contributed to rural revitalization through agricultural industrialization and expanded the boundaries of Intangible Cultural Heritage activities, ensuring that our century-old brand remains vibrant and dynamic while consistently demonstrating corporate social responsibility.

Compliance as the Foundation: Safeguarding Steady Operations. A robust governance system is the cornerstone of an enterprise’s sustainable development. In 2025, we further strengthened our compliance and risk management framework, continuously optimized and upgraded our internal control system, and reinforced risk management training to lay a solid foundation for steady development. The Company revised and formulated core policies, further enhancing the level of standardized operations. We exercised prudence in investment decision-making by establishing a stringent investment approval process, and deeply integrated legal compliance, risk control, and food safety management functions to build a full-process, closed-loop compliance management system spanning from raw material procurement to terminal sales. Additionally, we enhanced audit supervision, established an anti-fraud mechanism, and promoted integrity-driven procurement through digitalized systems, improving supply chain transparency and sustainable operational capabilities.

Mutual Success Through Collaboration: Building a Better Ecosystem Together. We firmly believe that the Company’s development depends on the concerted progress of its stakeholders. In 2025, the Company strictly complied with laws and regulations, continuously enhanced its corporate governance capabilities, optimized partner relationships, and endeavored to achieve symbiosis, mutual benefit and shared prosperity. We effectively safeguarded investors’ right to know and right to returns, implemented dividend distributions to reward shareholders, and received an A rating, the highest rating from the Shanghai Stock Exchange, for our information disclosure work. We strengthened communication and collaboration with upstream and downstream partners, implemented diversified cooperation mechanisms, piloted innovative dealer partnership companies, accelerated the rollout of the franchised chain-store model, and established an independently operated Key Account Department to optimize our rapid-response service mechanism. In 2025, we accelerated our overseas expansion, consolidated our presence in Hong Kong, Macao, Europe and the United States, and expanded into new markets such as Singapore, Southeast Asia, Japan, South Korea and the Middle East, transforming the “classic flavors” of Chinese cuisine into new momentum for sustainable development.

Looking ahead, Wufangzhai will continue to uphold its “Harmonious Business” operating philosophy, pursue outstanding results through quality enhancement and efficiency improvement, safeguard development through rigorous governance, and actively give back to society while protecting lucid waters and lush mountains. We are committed to becoming the world’s most trusted leading brand of Chinese Culinary Products and to working hand in hand with all partners to create a better future.

Chairman of Zhejiang Wufangzhai Industrial Co., Ltd.
Li Jianping

About Wufangzhai



Company Profile

Founded in 1921, Wufangzhai is among the first batch of China Time-honored Brands in the country, with its headquarters located in Jiaxing City, Zhejiang Province. Zhejiang Wufangzhai Industrial Co., Ltd. is mainly engaged in food and catering business, and was listed on the A-share Main Board in August 2022.

Over the past century, Wufangzhai has continuously innovated based on inheriting the cultural heritage of Jiahu Fine Pastries dating back to the Ming and Qing dynasties. It has formed a diversified product system with zongzi as the core, covering mooncakes, glutinous rice balls, pastries, rice products and others, providing consumers with healthy and delicious seasonal food and daily catering.

The Company has established a comprehensive omni-channel sales network, with more than 20 sales institutions across the country. Its offline business has fully entered supermarket and retail systems, while its online business covers major mainstream e-commerce platforms. Meanwhile, Wufangzhai's catering chain has accelerated its presence in the Yangtze River Delta, Hubei, Sichuan and other regions, striving to reach a scale of 1,000 stores. The Company's international business focuses on Hong Kong, Macao, Singapore and the UK, and has expanded to Japan, South Korea, Southeast Asia, Europe, North America, Oceania and other regions.

The Company boasts strong supply chain capabilities, with two self-built food manufacturing bases and logistics & warehousing centers in Jiaxing and Chengdu. Its production scale and technological level are industry-leading, and it continues to promote green and intelligent upgrading. Meanwhile, the Company has deployed several high-quality rice bases in Heilongjiang and established original ecological bamboo leaf bases in Zhejiang, Anhxi and Jiangxi, laying a solid raw material foundation for the development of the whole industrial chain.

The Company's R&D and innovation capacity ranks among the top in the industry. It has established a Food Research Institute and a Zhejiang Provincial Postdoctoral Workstation, and is the first drafting entity of the international standard, national standard and industry standard for Zongzi. To date, the Company owns more than 160 patents. The Company has established a stringent quality control system and obtained authoritative certifications including FSSC 22000 and HACCP. It continues to improve its end-to-end food safety management mechanism.

The Company boasts substantial brand equity. "Wufangzhai" was recognized as a China Well-Known Trademark in 2004, and the Wufangzhai Zongzi Making Techniques were inscribed on the National Representative Projects of Intangible Cultural Heritage list in 2011. The Company has also received numerous prestigious honors, including being named a National Key Leading Enterprise in Agricultural Industrialization, a Top 100 Taxpayer in China's Food Manufacturing Industry, a National Green Factory, a National E-Commerce Demonstration Enterprise, and a China Top 100 Catering Enterprise. Actively fulfilling its social responsibilities, the Company has established the "Liufang Yishan · Wufangzhai Care Fund" and been recognized as a National Model Staff Home and a National Civilized Unit. It has also been awarded an ESG Rating of "A" by Wind in 2024.

Looking ahead, Wufangzhai will continue to uphold the "Harmony Business" philosophy and the values of "Harmony, Integrity, Excellence, and Innovation". With the mission of "Preserving and Innovating Chinese Cuisine", the Company strives to become the world's most trusted brand of Chinese delicacies.



Development History

1921

Zhang Jinquan, a merchant from Lanxi, Zhejiang, began selling zongzi in Zhangjialong, Jiaxing City, naming it "Wufang-zhai," which means "The Fragrance of The Five Grains." This marked the beginning of the century-old brand's history.

1956

In the early 1940s, Wufangzhai zongzi earned the title of "King of Zongzi" for its distinctive features: glutinous yet not mushy, fatty yet not greasy, tender meat with a fragrant taste, and a balanced savory-sweet flavor. In 1956, through the public-private joint venture transformation, the three Wufangzhai shops merged into one single establishment named "Jiaxing Wufangzhai Zongzi Store".

1985

The Jiaxing Wufangzhai Zongzi Shop underwent its first large-scale renovation and transformation, standardizing and refining the zongzi-making techniques, thereby increasing production capacity.

1995

The first specialized zongzi production factory in the country, "Jiaxing Wufangzhai Zongzi Factory," was put into operation, achieving industrial and standardized production.

1998

After restructuring, Zhejiang Wufangzhai Industrial Co., Ltd. was established, adopting a modern enterprise system and beginning to expand into the national sales market.

2004

Wufangzhai was awarded the title of "Well-known Trademark in China".

2005

The Wufangzhai Industrial Park was completed and put into operation in Xiuzhou District, Jiaxing, becoming the largest and most technologically advanced specialized production and distribution base for zongzi nationwide.

2008

The Wufangzhai production base in Chengdu was completed and put into operation; high-quality rice bases in Heilongjiang and wild bamboo leaf bases in Jing'an, Jiangxi were established, achieving base-based production of main raw materials.

2009

An e-commerce team was formed, and the time-honored brand embarked on a new model of "going online."

2010

Establish Shanghai Marketing Headquarters; become one of the catering service providers for the 2010 Shanghai World Expo.

2011

Wufangzhai's craftsmanship of zongzi-making is officially included in the National Intangible Cultural Heritage List.

2014

Through capital operation, it successfully partnered with Wuhan Wufangzhai, merging two time-honored brands into one.

2016

It launched a brand rejuvenation strategy while building a new omni-channel marketing model encompassing commerce and trade, chain stores, and e-commerce.

2018

Partnered with Alibaba Koubei to launch the nation's first smart restaurant; became a partner of the Fifth World Internet Conference.

2019

It fully launched the "Nuo + Strategy"; jointly established a Collaborative Innovation Center with Jiangnan University and set up an Academician Workstation.

2021

Celebrating its centenary, the new headquarters building of Wufangzhai was completed.

2022

It was listed on the A-share main board at the Shanghai Stock Exchange (SSE), becoming the first zongzi-themed stock with the stock code 603237.

2023

The Digital Industry Smart Park was put into operation. The demonstration workshop for the digital and intelligent integrated technology of vacuum-packed zongzi also came into operation, pioneering the innovative "two-in-one" technology of vacuum cooking and sterilization.

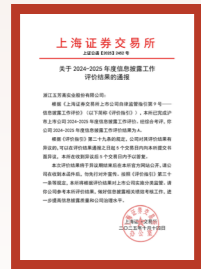
2024

The Zongzi Codex Alimentarius International Standard, with the Company as the primary drafting unit, was released.

2025

The Wufangzhai Seasonal Baking Base was completed and put into operation in Xiuzhou District, Jiaxing, further improving the supply chain layout for seasonal products.

Honors and Achievements



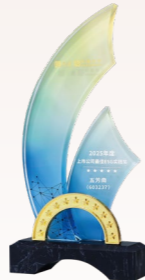
2024-2025 Grade A in Information Disclosure



2025 Excellent Practice Case of the Board of Directors of Listed Companies



Excellent Practice of the 2024 Annual Report Performance Briefing for Listed Companies



Best ESG Practice Award for Listed Companies



Outstanding IR Chairman—Jianping Li



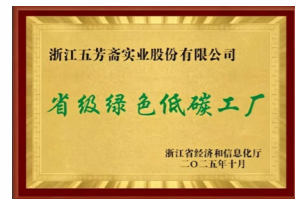
Jianzhong Ma was awarded 2025 CONSUMER SECTOR OUTSTANDING CEO in the China Consumer Sector Series Selection.



Ranked 214th among the 500 key enterprises in the 2025 China Food Industry Annual Development Study, based on annual operating income.



Iconic Specialty Flavored Food Product



Provincial-level Green Factory



2025 Consumer Sector Blue Chip Brand in the 2025 Forbes China Consumer Sector Series Selection



2025 Consumer Trusted Brand



The 19th China Zongzi Culture Festival National Zongzi & Rice Cake Craftsmanship Competition - Zongzi Grand Prize



The 19th China Zongzi Culture Festival National Zongzi & Rice Cake Craftsmanship Competition - Grand Prize for Rice Cake Products



Enterprise of Outstanding Achievement at the Yihai Kerry Zhijian Fengwu 2025 3rd National Chinese Pastry Industry Conference



2025 The Reputation List of Listed Companies "Outstanding Competitiveness Listed Companies in Consumer Sector"



Golden Steed Award for Industry Leading Enterprise



TOP100 2024 Top 100 Chinese Fast Food



Flagship Enterprise, Advanced Collective for the Construction of the "Three Major Platforms" of Xiuzhou District (2024)



Zhejiang Wufangzhai Industrial Co., Ltd. Wufang Qiyue Light Sweet Rice Cake Gift Box Special Gold Award



iSEE Award-Products & Brands-Bronze Award



Zhejiang famous and special food with good quality



Yangtze River Delta Famous Quality Food Products Zhejiang Wufangzhai Industrial Co., Ltd. Wufangzhai-Century Gift Zongzi



Corporate Culture

Wufangzhai has established its vision of "Becoming A Leading Brand of Chinese Seasonal Food with Glutinous Rice-based Products at Its core". It follows the "Harmonious Business" operation philosophy, upholds the principles of harmonious win-win cooperation and harmony without uniformity, and earnestly practices the concept of sustainable development.



Mission

Uphold and Innovate Chinese
Culinary Products



Vision

A leading brand of Chinese seasonal
food with glutinous rice-based
products at its core



Business
Philosophy

Harmonious
Business



Core
Values

Harmony, Integrity,
Excellence and Innovation



Brand
Proposition

Passion for
Chinese Flavors

Sustainable Development Strategy

"G.R.O.W." Sustainable Development System

Wufangzhai consistently upholds the vision of "Cooperation for Win-Win, Sharing for Better" and the mission of "Focusing on Quality and Innovation, Leading Sustainable Industrial Development" as its sustainable development goals. Aligning with its business operations and the 17 United Nations Sustainable Development Goals, the Company has formulated the "G.R.O.W." sustainable development strategy, which stands for "Grow with Us." This strategy comprises four strategic pillars, further divided into 7 key issues and 14 specific actions. To effectively implement the strategy, all departments within the Company collaborate efficiently, guided by annual objectives and benchmarking against international best practices. This ensures the continuous advancement and optimization of the strategic actions, guaranteeing the successful execution of the G.R.O.W. strategy.

G.R.O.W. (Grow with us)

Vision Cooperation for Win-Win, Sharing for Better

Green and Growth

Promoting sustainable growth through green practices, achieving a win-win situation of environmental protection and economic benefit growth.

Green production: Adopt clean energy and energy-saving technologies, improve energy efficiency, and reduce carbon emissions.

Green Products: Pursue environmental friendliness throughout the entire product life cycle, establish green procurement standards, advocate for green packaging, and optimize resource utilization to reduce waste.

Efficiency Growth: Enhance the utilization efficiency of energy resources, pursue a circular economy, explore new markets through high-quality products and services, and achieve growth in economic benefits.

G

Responsibility and Resilience

Fulfill social responsibilities, enhance corporate resilience, and calmly face future challenges.

Happy Employees: Safeguarding employee rights and providing a fair and favorable working environment.

Social Responsibility: Actively participate in social public welfare, support community development, inherit and promote traditional culture, and fulfill corporate responsibilities.

Responsible Supply Chain: Ensuring supply chain transparency, promoting fair trade and sustainable procurement.

Resilience Building: Strengthen risk assessment and management, and actively transform to enhance the capacity to cope with uncertain risks.

R



Mission Focusing on Quality and Innovation, Leading Sustainable Industrial Development

Openness and Opportunity

Seize sustainable development opportunities through open cooperation.

Open Cooperation: Drive policy and technological innovation through various partnerships.

Nutrition and Health: Select high-quality raw materials to develop healthy and nutritious new products that meet consumer needs.

Market Opportunities: Enhance brand awareness and reputation through ESG practices, continuously exploring new markets.

Industry Leadership: Drive the elevation of industry standards, lead industrial progress, and promote sustainable development across the entire sector.

O

Win-Win for All

Through ESG practices, ensure the fundamental rights and interests of stakeholders are respected and safeguarded, creating comprehensive economic, environmental, and social value. enhance the capacity to cope with uncertain risks.

Shareholder Returns: Improve corporate governance, ensure stable operations, prioritize investor rights and interests, and maintain consistent dividend payouts.

Partner Empowerment: Strengthen communication and collaboration with upstream and downstream partners, striving to achieve sustainable development goals for both the Company and its partners.

Stakeholder Response: We value the demands and rights of stakeholders, enhance the frequency and diversity of communication, and actively respond and implement improvement measures.

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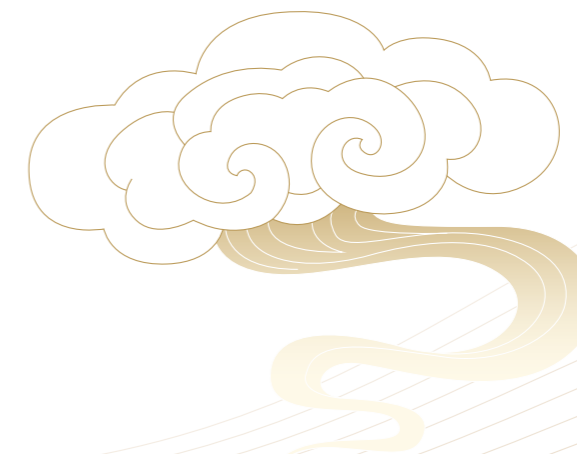
Sustainable Development Goals

In 2025, the Company conducted an in-depth analysis of its current sustainable development status, released the *ESG Work Manual*, clarified the "G.R.O.W." sustainable development strategic goals, established trackable long-term and short-term objectives and indicators, and continuously deepened the practice of sustainable development strategies and concepts, collectively painting a new blueprint for sustainable development.

Strategic Direction	Strategies and Targets	Indicator	2025 Interim Targets	2025 Completion Statu
Green and Growth	By 2030, the proportion of green power usage will not be less than 25%	Proportion of Green Power Usage	PV power generation accounts for more than 20% of usage	PV power generation accounts for 20.96% of usage
	By adopting alternative materials or adjusting material specifications, the Company will meet low-carbon and environmental protection requirements, with the goal of reducing paper usage area by 2% by 2030.	Packaging paper area	The grammage of the laminated paper for corrugated gift boxes was expected to reduced by more than 50 grams per square meter	The grammage of the laminated paper used for corrugated gift boxes has been reduced by 50 grams per square meter.
	Through wastewater recycling, reduce the use of fresh water. Based on the 2024 benchmark, by 2030, sewage discharge will be reduced by 8% , and water allocation will be decreased by 15% .	Sewage Discharge Annual water allocation	Sewage discharge decreased by 5% compared to the same period in 2024, and annual water allocation usage dropped by 10%	Sewage discharge decreased by 7.5% compared to the same period in 2024 Compared to 2024, water usage in 2025 decreased by 28.73%
Responsibility and Resilience	Actively participate in social public welfare activities, care for disadvantaged groups, with 2003 as the base year, aiming to accumulate charitable donations of RMB 38 million (incomplete statistics including in-kind donations) by 2035.	Total Charitable Donations Amount	Total charitable donations of RMB 26 Million (incomplete statistics including in-kind donations)	Cumulative charitable donations RMB 26.7028 Million (incomplete statistics including in-kind donations)
	100% of suppliers are reviewed according to the <i>Criteria for Supplier Management in Industrial Enterprises</i> .	Audit Supplier Ratio	According to the <i>Criteria for Supplier Management in Industrial Enterprises</i> , the audit supplier ratio has reached 100%	According to the <i>Criteria for Supplier Management in Industrial Enterprises</i> , the audit supplier ratio has reached 100%

Strategic Direction	Strategies and Targets	Indicator	2025 Interim Targets	2025 Completion Statu
Openness and Opportunity	By 2030, the proportion of R&D investment to operating income shall not be less than 3% .	Proportion of R&D investment to operating income	The proportion of R&D investment to operating income shall not be less than 1%	The proportion of R&D investment in operating revenue reaches 1.10%
	The incidence rate of major food safety incidents is zero.	The incidence rate of major food safety incidents	The incidence rate of major food safety incidents is zero	The incidence rate of major food safety incidents is zero

Strategic Direction	Strategies and Targets	Indicator	2025 Interim Targets	2025 Completion Statu
Win-Win for All	By 2035, customer satisfaction will not be less than 90%;Customer complaint resolution rate reaches 99% .	Customer satisfaction	Customer satisfaction rate not less than 85% ;	Customer satisfaction rate not less than 85% ;Customer complaint resolution rate reaches 97%
	By 2035, the proportion of female board members and female senior executives should not be less than 50% .	Enhancing Women's Leadership	The proportion of female board members and female senior executives should not be less than 30% .	Female board member proportion 33%, female senior executives proportion 42%
	TBy 2035, employee satisfaction will not be less than 85% .	Employee Satisfaction	Employee engagement and satisfaction increased by 1.5% in 2025 compared with the previous year.	Employee engagement and satisfaction increased by 2.36% in 2025 compared with the previous year.



Sustainable Development Practice Performance

SDGs	Wufangzhai's Sustainable Development Practices for 2025
1 NO POVERTY	Charitable Donations of RMB 1.2776 million From 2003 to the end of 2025, the cumulative charitable donation amount reached RMB 26.7028 million (incomplete statistics including in-kind donations) Procuring from Farmers, Boosting Rural Income by Over RMB 100 million
2 ZERO HUNGER	Providing rural villagers with employment opportunities in agricultural product cultivation and harvesting, offering over 2,000 villagers in Anji County job positions related to bamboo products, including 1,200 women and 23 individuals with disabilities
3 GOOD HEALTH AND WELL-BEING	Employee welfare expenditure RMB 24.9077 million
4 QUALITY EDUCATION	Employee training investment RMB 0.3514 million Total number of training sessions reached 170 sessions for employees, total training duration of 30,565 Hours
5 GENDER EQUALITY	Percentage of female employees 70.87 % Return-to-work rate after maternity leave is 67.14 % Number of employees enjoying maternity leave is 70 Persons
6 CLEAN WATER AND SANITATION	Environmental protection investment RMB 1.6297 million Provincial-level green factory Environmental training sessions: 10 , participants: 600 , total hours: 1,200
7 AFFORDABLE AND CLEAN ENERGY	Company PV project installed capacity: 4.62 MW, annual electricity generation in 2025: 234.71 kWh, reduction in GHG emissions: 1,290.88 tCO ₂ e
8 DECENT WORK AND ECONOMIC GROWTH	Company labor contract signing rate: 100 % New occupational disease cases: 0

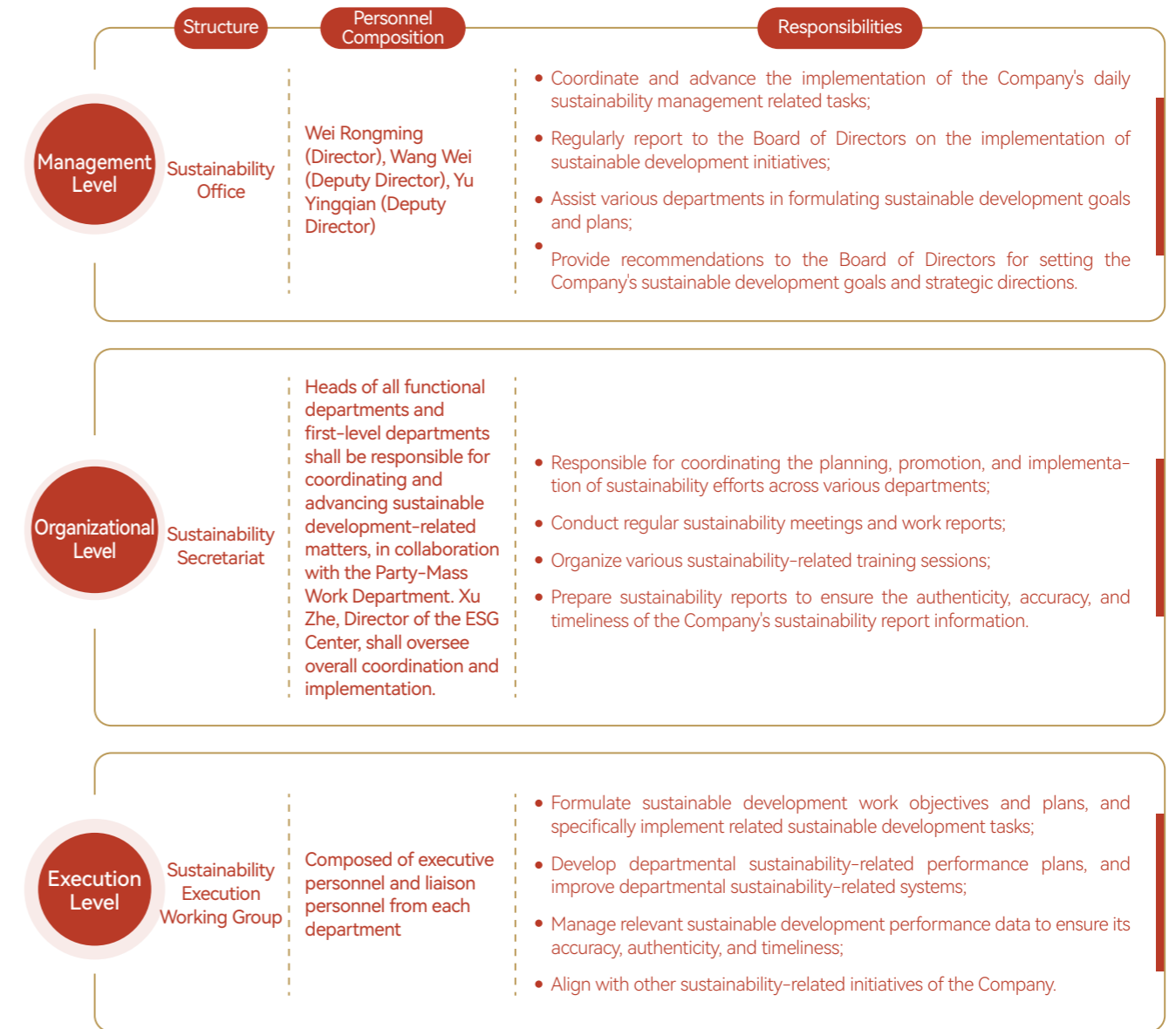
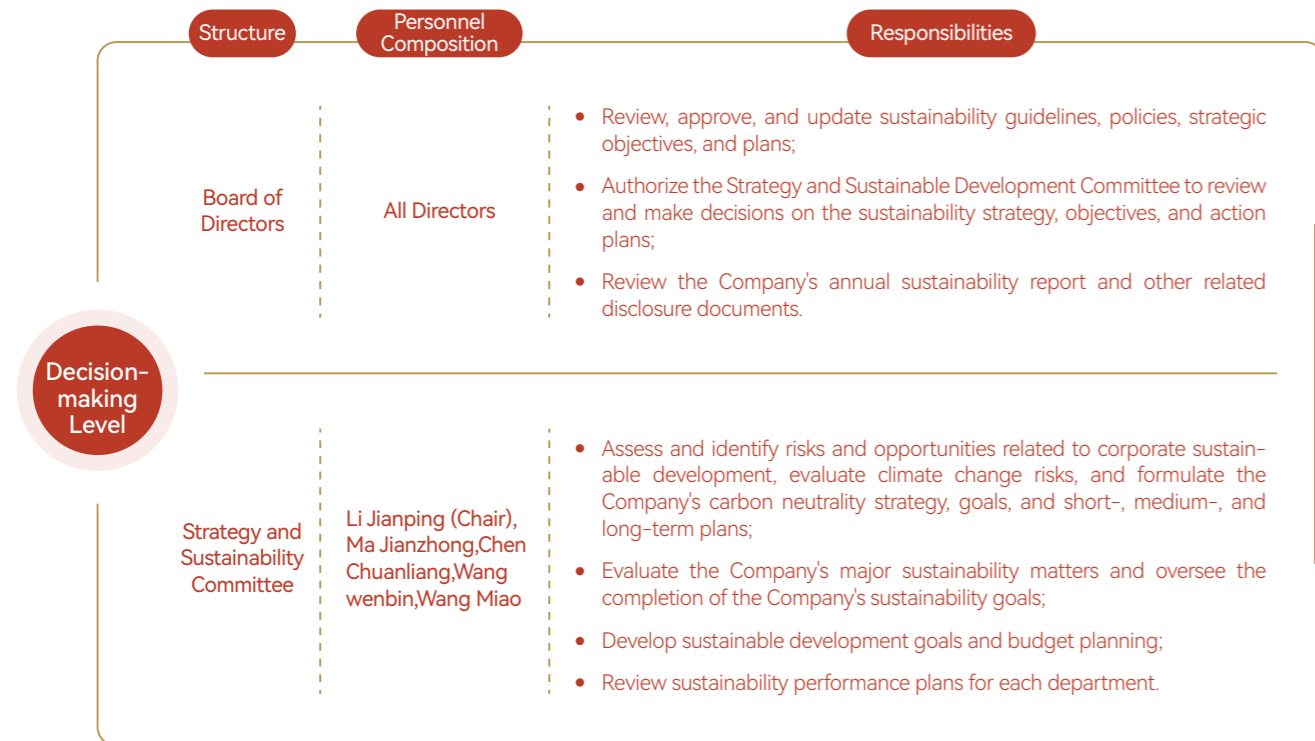
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	R&D investment: RMB 24,5724 million R&D team: 112 Persons, accounting for 3.14 % Cumulative number of authorized patents: 163 Items
10 REDUCED INEQUALITIES	Proposals reviewed and approved by the worker's congress: 13 Items
11 SUSTAINABLE CITIES AND COMMUNITIES	Localization rate of suppliers: 40.77 %, Proportion of procurement from local suppliers: 47.64 %, Total volunteer activity participation hours: 114 Hours
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Number of major product and service incidents: 0 Cases; Certified by ISO 9001, ISO 22000, GB/T33300, and HACCP systems; Conducted 1 internal quality audit annually, with 1,274 samples sent to third-party institutions for inspection; Organized 13 quality training sessions, involving 914 participants, totaling 23.1 hours; Reported 0 work safety incidents Rectification Rate of Investigated Potential Safety Hazards is 100 %; Product recall and complaint incidents 0 cases; Investment in production safety RMB 3,4826 million
13 CLIMATE ACTION	Product carbon footprint verification has been conducted Optimization of multiple production processes to enhance energy efficiency and reduce emissions
14 LIFE BELOW WATER	Wastewater discharge meets standards at 100 % Water consumption in 2025 decreased by 28.73 % compared with that in 2024.
15 LIFE ON LAND	Pollutant concentration in waste gas emissions meets standards at 100 % Noise management achieves 100 % compliance rate Promote green packaging, such as Bamboo-for-Plastic and sugarcane bagasse recycled packaging
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Independent directors account for 33.33 %; The Board of Directors reviewed and approved 93 proposals, with a meeting attendance rate of 100 %; Shanghai Stock Exchange Information Disclosure Class A ; The implemented share repurchase amounted to RMB 59,3996 million. The total amount of cash dividends (proposed to be implemented) and share repurchases reached RMB 153,9054 million, accounting for 126.55 % of the net profit attributable to shareholders of the listed company in the consolidated financial statements for 2025; Vendor "Anti-Commercial Bribery Clause" signing rate is 100 %
17 PARTNERSHIPS FOR THE GOALS	Specialized Training on Customer Complaint Response: Conducted 10 times, with 748 participants, totaling 22.6 hours. Number of information security and privacy protection violation incidents: 0

Sustainable Development Governance

Sustainable Development Management Framework

The Company's sustainable development management framework is a four-tier "Decision Making –Management–Coordination–Implementation" structure led by the Board of Directors. It includes the Strategy and Sustainable Development Committee, the Sustainable Development Office, the Sustainable Development Secretariat, and various departments at the execution level. The Board of Directors serves as the highest decision-making body for the Company's sustainable development efforts, responsible for making major decisions such as the Company's sustainable development strategy. The Strategy and Sustainable Development Committee is tasked with assessing relevant risks and opportunities, providing decision-making support to the Board of Directors. The Sustainable Development Office is responsible for coordinating and advancing daily sustainable development-related work. The Sustainable Development Secretariat handles cross-departmental coordination, implementation planning, and regular reporting. The execution working group, composed of representatives from various functional departments and subsidiaries, is responsible for the specific implementation of tasks and the achievement of goals, with the performance of execution personnel linked to ESG metrics.

The Company proactively identifies and manages ESG-related risks. Through effective control of such risks, it continuously enhances its capacity for sustainable development and comprehensive value creation.



Team Professionalism Building

The Company organized ESG-specific learning sessions for management and employees, inviting both internal and external experts to provide training. Various departments of the Company conducted gap analyses on internal sustainability efforts by benchmarking against global ESG guidelines and domestic and international rating standards, and developed improvement plans and solutions to continuously enhance understanding and capabilities in ESG. During the reporting period, the Company conducted a total of 4 ESG-related training sessions.

Communication with Stakeholders

The Company deeply integrates ESG concepts into the entire production and operation process. By strengthening regular communication with stakeholders, it systematically identifies key ESG management issues and uses these as a foundation to continuously optimize the management system and practical approaches, promoting the synergistic advancement of corporate value and social sustainable development goals. In 2025, the Company conducted its first specialized stakeholder survey questionnaire, providing stakeholder perspectives to inform ESG management decisions.



Stakeholders



Employees

Protection of Employee Rights and Interests
 Occupational Health and Safety
 Employee Promotion and Development
 Employee Welfare Care

Responses of the Company

Improve safety production management
 Optimize Compensation and Benefits
 Develop diverse vocational training
 Clarify career development paths
 Enrich employee activities



The General Public

Social Contribution
 Low-carbon Environmentally Friendly
 Cultural Heritage

Participation in Public Welfare Activities
 Responding to Rural Revitalization
 Implementing Energy-Saving Technological Upgrades
 Inheritance of Intangible Cultural Heritage

Analysis of Materiality Issues

The Company, in accordance with the requirements of the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* and other relevant standards and guidelines, based on the actual situation of its production and operations, comprehensively identifies stakeholders and assesses materiality issues through methods such as industry research and expert discussions.

Materiality Issues Analysis Process

Understanding the Context of Company Activities and Business Relationships

The Company analyzes the external objective environment and internal business activities in light of national policies, industry trends, and corporate strategies, identifying and understanding key stakeholders.

Use the 21 issues set out in the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* as the basis for the issue list, supplemented by industry-specific characteristics and the Company's value chain, to refine the list of important topics.

Develop a list of issues

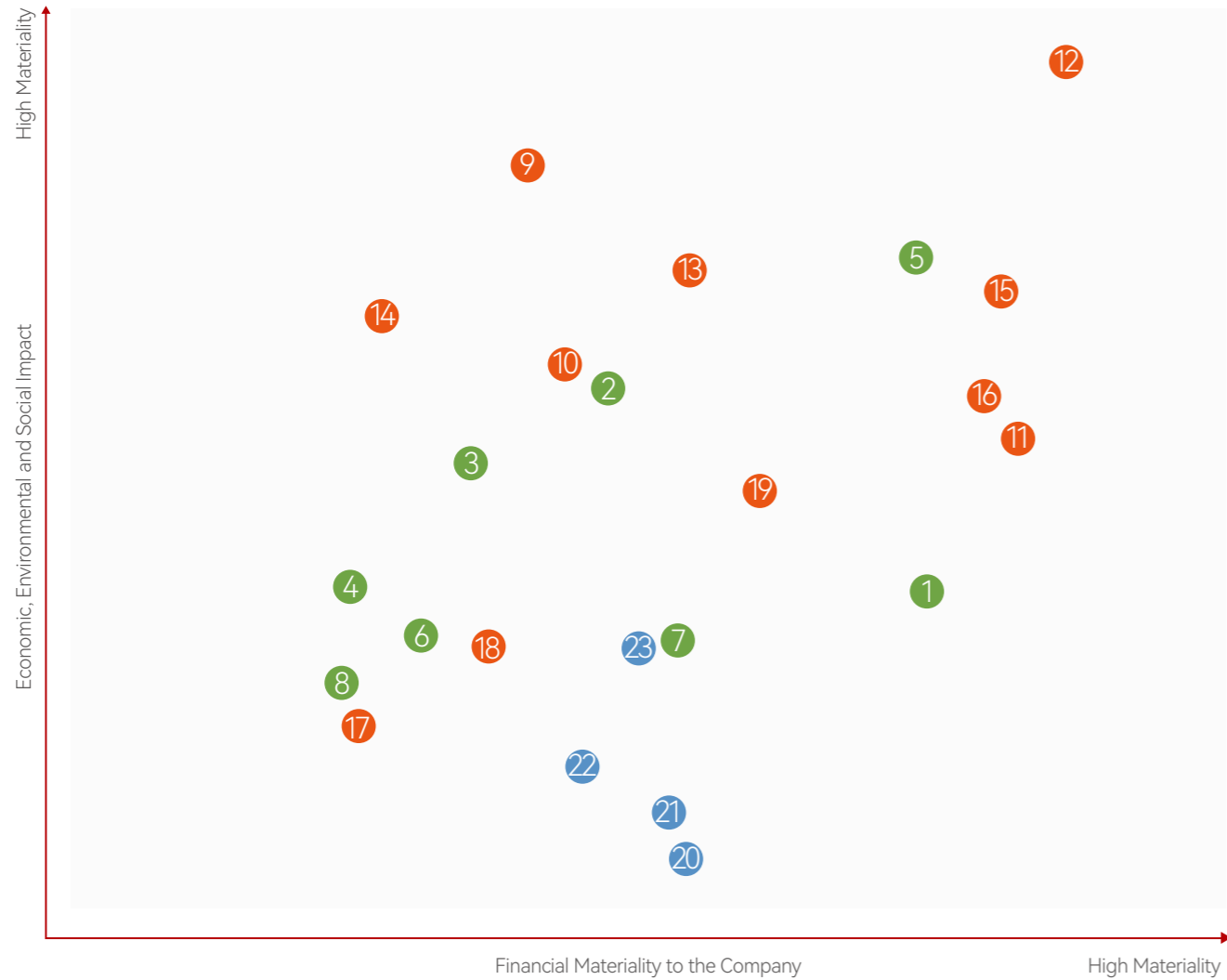
Materiality Assessment and Confirmation

Based on the characteristics of the industry in which the Company operates and its business activities, conduct stakeholder surveys, perform statistical analysis on the collected valid questionnaire data, and, considering input from internal management and external experts, evaluate the importance of topics from two dimensions: "Financial Materiality to the Company" and "Stakeholders Materiality."

Based on the assessment results of the materiality of the issues, form an Materiality Issue Matrix.

Issue Report

Materiality Issue Matrix

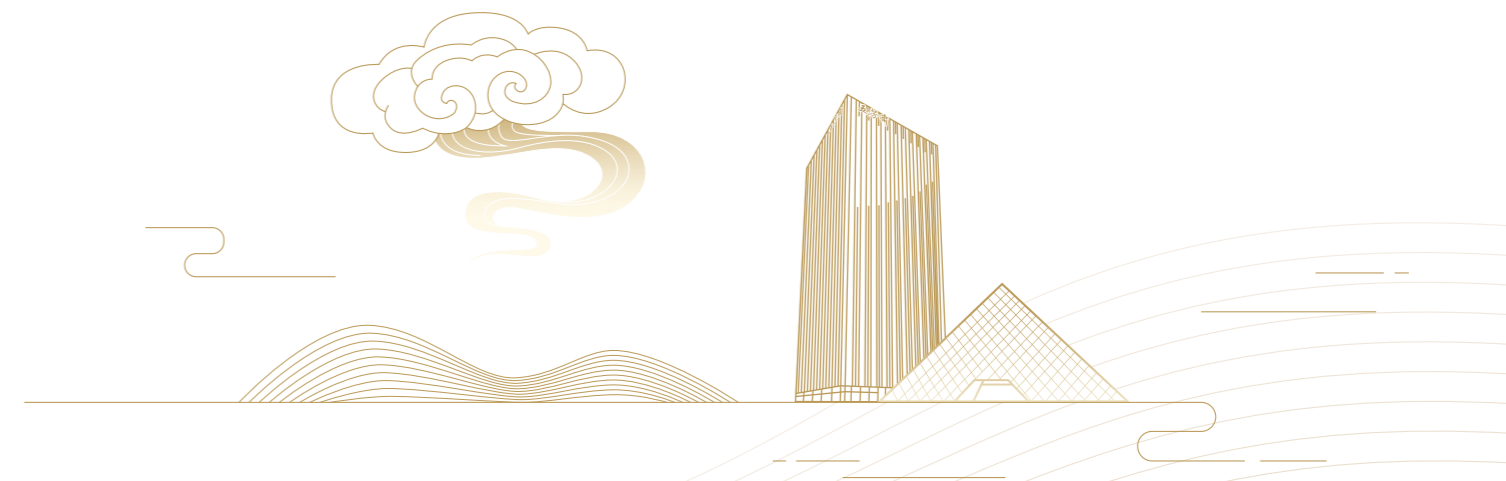


- ① Addressing Climate Change ② Pollutant Discharge ③ Waste Management ④ Ecosystem and Biodiversity Conservation
- ⑤ Environmental Compliance Management ⑥ Circular Economy ⑦ Energy Utilization ⑧ Water Resource Management
- ⑨ Employee Rights and Development ⑩ Information Security ⑪ Innovation-Driven ⑫ Food Quality and Safety
- ⑬ Customer Rights and Interests Protection ⑭ Rural Revitalization ⑮ Occupational Health and Safety (OHS) ⑯ Supply Chain Security
- ⑰ Equal Treatment of Small and Medium-sized Enterprises (SMEs) ⑱ Social Contribution ⑲ Nutrition and Health
- ⑳ Communication with Stakeholders ㉑ Anti-Commercial Bribery and Anti-Corruption ㉒ Anti-Unfair Competition and Due Diligence

Analysis Results of Issues Materiality

Materiality Statement	Issue
Dual Materiality	Environmental Compliance Management, Food Quality and Safety, Occupational Health and Safety
Financial Materiality	Addressing Climate Change, Innovation-driven Development, Supply Chain Security
Impact Materiality	Employee Rights & Interests and Development, Customer Rights & Interests Protection
General Materiality	Pollutant Discharge, Waste Management, Energy Utilization, Ecosystem and Biodiversity Conservation, Circular Economy, Water Resource Management, Information Security, Rural Revitalization, Equal Treatment of Small and Medium-sized Enterprises (SMEs), Social Contribution, Nutrition and Health, Communication with Stakeholders, Anti-Commercial Bribery and Anti-Corruption, Anti-Unfair Competition, Due Diligence

Note: 1. The Company's business operations have not had a significant impact on ecosystems or biodiversity. Therefore, we have not yet provided detailed disclosures on this topic.
2. The Company's business scope does not involve scientific research, technology development, or other activities in ethically sensitive fields such as life sciences and artificial intelligence. Therefore, "Technology Ethics" has not been included among the material topics.



01

Harmony in Five Elements: The Philosophy of Governance

Wufangzhai strictly adheres to laws, regulations, and regulatory requirements, including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*. With upholding the Party building leadership as the core guiding principle, the Company continuously refines its governance system. By consistently improving compliance management, internal control, and risk management mechanisms, Wufangzhai effectively strengthens its risk prevention and control capabilities, enhances overall governance efficiency, and firmly safeguards the legitimate rights and interests of the Company and all shareholders. This has laid a solid foundation for the Company's standardized operations and sustainable development.

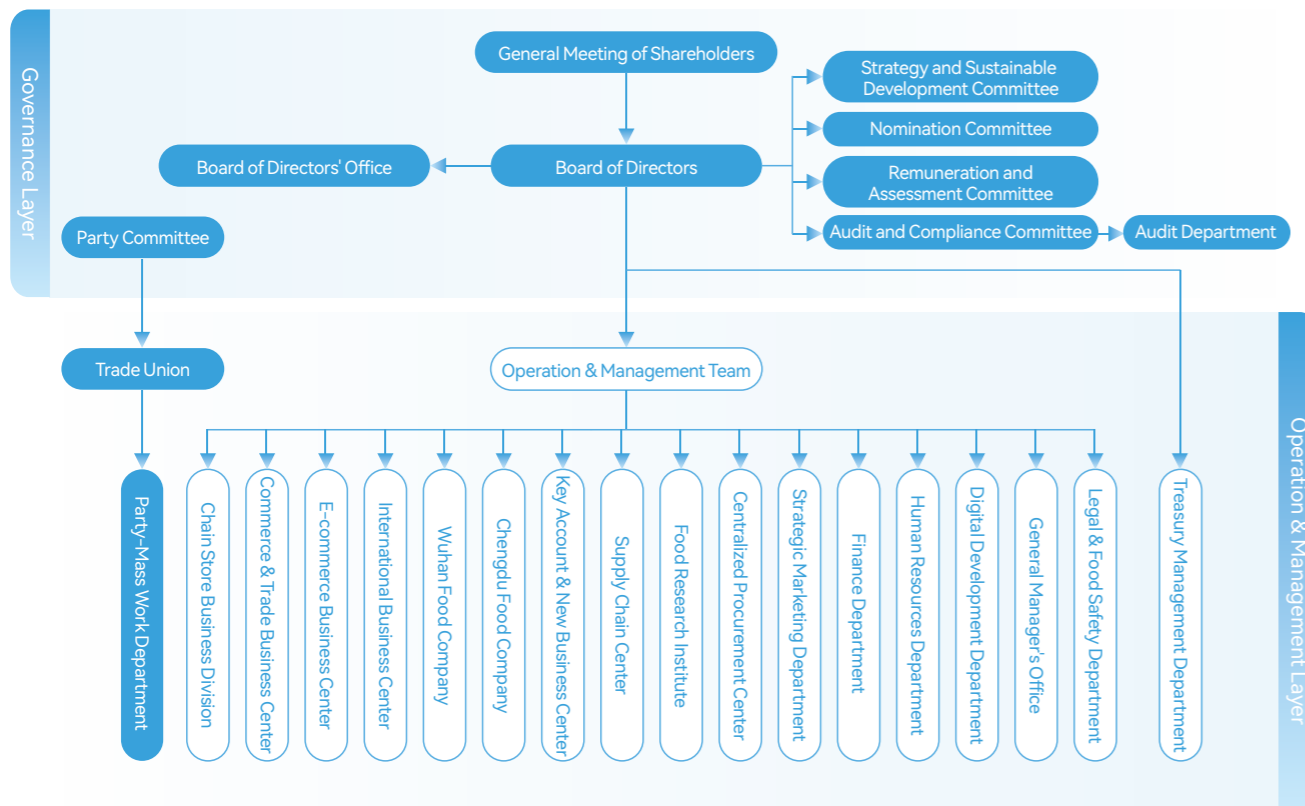
SDGs



Corporate Governance Standardize

The Company has established a modern governance structure with clear responsibilities, authority, and efficient operations. This structure positions the general meeting of shareholders as the supreme authority, the Board of Directors and its specialized committees as the decision-making core, and the management as the executive body. During the reporting period, the Company strictly completed the adjustment of the board of supervisors in accordance with laws and regulations, further improving the governance structure and consolidating the foundation for compliant governance.

2026 Wufangzhai Organizational Structure



Shareholders' Meeting

Wufangzhai strictly complies with laws and regulations such as the *Company Law of the People's Republic of China* and the *Rules Governing the Listing of Stocks on the Shanghai Stock Exchange*, as well as the requirements of the *Articles of Association* and the *General Meeting of Shareholders Rules of Procedure*, to standardize the convening and holding of shareholders' meetings. The meetings adopt a combination of on-site voting and online voting, and lawyers are invited to attend as witnesses and provide legal opinions, effectively safeguarding all shareholders' rights to informa-

tion, participation, and voting on major Company matters. This ensures that the legitimate rights and interests of shareholders, especially minority shareholders, are effectively exercised. All resolutions of the shareholders' meetings comply with legal, regulatory, and supervisory requirements, with lawful procedures and valid outcomes, providing a solid governance foundation for the Company's scientific decision-making and standardized operations.

Key Performance

During the reporting period, the Company held **3** regular shareholders' meetings, including **2** extraordinary shareholders' meetings, reviewing and approving **33** proposals.

Board of Directors

The Company's Board of Directors strictly adheres to the *Board of Directors Rules of Procedure*, is accountable to the shareholders' meeting, and earnestly implements all resolutions passed by the shareholders' meeting. The number and composition of the Board members comply with regulatory requirements. All directors diligently fulfill their duties, attend meetings conscientiously, actively participate in relevant training, and continuously enhance their capabilities in performing their roles. The Board has established four specialized committees: the Strategy and Sustainability Committee, the Audit and Compliance Committee, the Remuneration and Appraisal Committee, and the Nomination Committee. Each committee strictly follows its corresponding working rules, leverages its professional expertise to conduct prudent assessments of the Company's major matters, and provides strong support for the Board's scientific decision-making.

Key Performance

During the reporting period, a total of **8** meetings of The Board of Directors were held, during which **03** proposals were reviewed and approved, with an attendance rate of **100%**. **1** meetings of the Strategy and Sustainability Committee were held, during which **4** proposals were reviewed and approved; **8** meetings of the Audit and Compliance Committee were held, during which **17** proposals were reviewed and approved; **2** meetings of the Remuneration and Appraisal Committee were held, during which **3** proposals were reviewed and approved; **2** meetings of the Nomination Committee were held, during which **3** proposals were reviewed and approved.



Board of Directors Diversity

The Company values the diverse backgrounds of its board members and scientifically plans the composition of the board in terms of professional experience, industry background, and areas of expertise. The board members bring together professionals from various fields, including members of the Chinese Communist Party and the China Democratic League, among other diverse backgrounds. The Company is committed to enhancing the comprehensiveness and scientific nature of decision-making through reasonable configurations of gender, age, and expertise, thereby strengthening the board's overall perspective and inclusivity.

Board of Directors Diversity Composition	
Independent Directors	3 Persons
Non-Independent Directors	6 Persons
Gender Structure	
Male	6 Persons
Female	3 Persons
Age Structure	
41-50 years old	2 Persons
51-60 years old	2 Persons
61 years old and above	5 Persons
Educational Background Structure	
PhD	2 Persons
Master	4 Persons
Bachelor's degree and below	3 Persons

Independence of the Board of Directors

The Company has established and improved the *Independent Director Working System*, which clarifies that independent directors have fiduciary and diligent duties to the Company and all shareholders, requiring them to perform their duties independently without interference from the Company's major shareholders, actual controllers, or other interested parties.

Independent Directors on the Board of Directors play roles in decision-making participation, checks and balances, and professional consulting. They focus on potential major conflicts of interest between the Company and its controlling shareholders, actual controllers, directors, and senior management, ensuring they can independently and objectively provide professional opinions on matters such as related party transactions, major decisions, and issues involving shareholders' rights and interests. The Company has also established Special Meetings of Independent Directors to further guarantee that Independent Directors perform their duties independently and efficiently. This ensures that Board decisions align with the overall interests of the Company, effectively safeguards the legitimate rights and interests of minority shareholders, and provides professional and objective strategic advice for the Company's operation and development.

Key Performance

During the reporting period, a total of **2** special meetings for independent directors were convened, reviewing and approving **4** proposals.

Board of Directors Effectiveness Evaluation

The Company consistently focuses on the overall operational effectiveness and professionalism of the Board of Directors. By optimizing its member structure and improving its procedural rules, the Company continuously enhances the quality of strategic decision-making and risk oversight by the board. The Board of Directors and its specialized committees strictly adhere to regulatory requirements and internal bylaws in carrying out their work, ensuring that the corporate governance mechanism operates in a standardized and scientifically sound manner, thereby providing a solid governance foundation for the Company's long-term stability and sustainable development.

Remuneration Management for Senior Executives

The Company has formulated the *Remuneration Management System for Directors and Senior Executives*, which defines the composition of remuneration for directors and senior management. During the reporting period, the Board of Directors reviewed and adopted the *Proposal on the 2025 Annual Remuneration Plan for Senior Executives of the Company*. The 2025 annual remuneration plan for directors, supervisors and senior executives was formulated based on the Company's actual operating conditions, market environment and the performance of relevant personnel, with reference to industry remuneration levels, forming a remuneration system compatible with the Company's development stage and market positioning.

Protection of Investors' Right and Interests

Investor Relations Management

The Company places a high priority on investor relations management, strictly adheres to the *Investor Relations Management System*, and is committed to communicating the Company's value and safeguarding the rights and interests of investors through high-quality communication. The Company has established diversified communication channels and actively engages in in-depth exchanges with investors through methods such as holding shareholder meetings and organizing performance briefings. At the same time, the Company relies on channels such as the investor hotline, email, and the SSE e-Interaction platform to provide timely responses and communication regarding investor concerns, effectively safeguarding the right to information of investors. Additionally, the Company provides feedback on reasonable suggestions from investors to the management, promoting a positive two-way interaction.

Key Performance

During the reporting period, the Company responded to questions on the SSE e-Interaction platform **84** Times; held performance briefings **3** Times; and conducted online/offline research and participated in strategy meetings **5** Times.

In 2025, the Company implemented share repurchases via centralized bidding with cash as consideration, totaling RMB 59.3996 million (excluding transaction fees such as stamp duty and trading commissions). The total amount of cash dividends and share repurchases amounted to RMB 153.9054 million, accounting for 126.55% of the net profit attributable to shareholders of the listed company in the consolidated financial statements for 2025.

Cash Dividend Distribution in the Past Three Years				
Key Performance	Unit	2023	2024	2025(Proposed)
Cash dividend per 10 shares (including tax)	RMB	10	5	5
Total Cash Dividends (Including Tax)	RMB 10,000	13,904.44	9,675.72	9,450.59
Proportion of the net profit attributable to shareholders of the listed Company in the consolidated statements	%	83.89	68.07	77.71

⦿ Note: Data for 2023 and 2024 represent actual dividend amounts.

Information Disclosure Management

The Company strictly adheres to laws and regulations such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Administrative Measures for Information Disclosure of Listed Companies* and the *Rules Governing the Listing of Stocks on the Shanghai Stock Exchange*, as well as the provisions of the Company's *Articles of Association*. It earnestly fulfills its information disclosure obligations and continuously improves its information disclosure management system. The Board of Directors effectively assumes primary responsibility for information disclosure, strictly controls the quality of disclosures, and ensures that all disclosed information is truthful, accurate, complete, timely, and fair, with no false records, misleading statements, or significant omissions. This has effectively enhanced the Company's standardized operations and market transparency.

The Company rigorously implements the *Internal Information Insider Registration Management System*, continuously carries out the registration, filing, and confidentiality of internal information insiders. Throughout the year, no illegal or non-compliant activities, such as the leakage of internal information or insider trading, occurred, effectively safeguarding the compliance of information disclosure and market credibility.

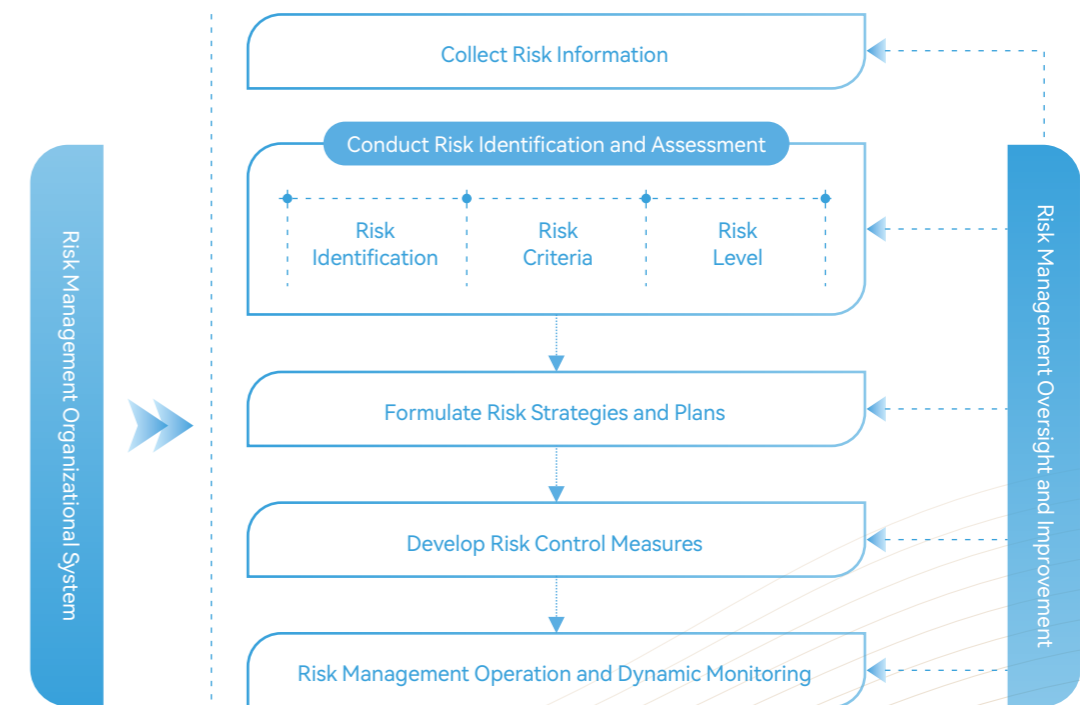
Key Performance

During the reporting period, the Company disclosed a total of **4** periodic reports and **84** interim reports. In regulatory evaluations, the Company was rated Class **A** for information disclosure by the Shanghai Stock Exchange.

Strengthen Risk Management

Risk Management System

The Company attaches great importance to comprehensive risk management. It has formulated the *Enterprise Risk Management Manual*, which clarifies risk management objectives, principles, key concepts, assessment tools, and responsibilities at all levels, providing systematic safeguards for compliant and stable operations. The Company has established a closed-loop management process covering risk identification, analysis, assessment, response, and monitoring. Through standardized frameworks and operational procedures, it achieves full-process control, enhances risk early warning and response capabilities, reduces operational risks, and ensures the achievement of strategic goals. Additionally, the Company continuously updates risk management outcomes to consistently improve overall risk awareness and performance capabilities.



Strengthening Internal Control

The Company has established a comprehensive internal control system, strictly adhering to laws and regulations, and formulated the *Internal Control Manual*, which covers key business processes such as procurement, sales, inventory, finance, contracts, and information security. This ensures that the internal control system aligns with the Company's strategy, business operations, and risk levels. The Company continuously optimizes process design, clarifies control points and responsibilities, and strengthens management of critical business and high-risk areas. Additionally, a regular evaluation and update mechanism has been established to dynamically refine internal control procedures and measures, ensuring compliance in operations and management, safeguarding assets, and maintaining the authenticity and reliability of financial information.

During the reporting period, the Company continued to enhance its internal control system by strengthening institutional development and process optimization. Throughout the year, the Company introduced **18** new regulatory documents, revised and optimized **21** existing ones, and abolished **1** outdated or redundant document. Through internal control self-assessments and special inspections, no material deficiencies in internal controls related to financial or non-financial reporting were identified.

Standardizing Tax Management

The Company has established a tax management system based on the *Tax Management Operation Standards* and the *Tax Risk Internal Control Measures*, clarifying that tax management covers all processes, standardizing the handling of tax matters for the Company and its subsidiaries and branches, and laying a solid foundation for compliance and collaboration. In terms of the management structure, the Company has set up a Tax Department under the Finance Center as the dedicated tax management authority, with the finance centers of each subsidiary and branch serving as the corresponding departments responsible for implementing tax-related duties within their respective units. At the same time, hierarchical responsibilities are clearly defined: the General Manager reviews and approves tax plans, while the Finance Center is responsible for researching fiscal and tax policies, conducting tax inspections, handling corporate income tax settlement and payment, and other tasks, thereby avoiding unclear responsibilities and management confusion.

In daily management, the Company implements full-process tax control and regularly conducts tax health checks. Since signing the *Tax Compliance Cooperation Agreement* with the Zhejiang Provincial Tax Service, State Taxation Administration in 2019, the Company has maintained an excellent compliance record. In terms of capacity building, the Company strengthens professional capabilities through "internal and external development": internally, the Finance Center leads the organization of fiscal and tax training; externally, the Company participates in industry discussions. Simultaneously, the Company optimizes processes to achieve standardization in tax management, dynamically monitors the implementation of regulations, standardizes tax data management, and regularly evaluates risk control mechanisms and tracks issue resolutions through the Finance Center, ensuring comprehensive and effective tax management compliance.

Related Party Transactions Management

The Company has formulated and implemented the *Related Party Transactions Decision-Making System*, strictly adhering to relevant regulations and clearly defining the review, disclosure, and execution procedures for related party transactions. The aim is to ensure fair transactions and transparent procedures, safeguarding the legitimate rights and interests of the Company and all shareholders, particularly minority shareholders.

Business Ethics

The Company consistently adheres to the principles of integrity in operations, strictly upholds business ethics, and maintains a "zero-tolerance" stance towards all forms of corruption. Based on internal policies such as the Anti-Fraud and Reporting Complaint Management System and the Anti-Commercial Bribery Provisions, an anti-fraud work mechanism has been established. The Board of Directors is responsible for supervision and authorizes the Audit and Compliance Committee to guide anti-fraud efforts. This includes establishing fraud risk assessment and anti-fraud procedures, setting up reporting channels, and implementing preventive measures. The Audit Department, as the core executive department, operates under the guidance of the Audit and Compliance Committee to carry out cross-departmental and cross-level anti-fraud responsibilities, including fraud risk assessment, handling of reports, investigation and resolution, and follow-up tracking. It also assists in promoting anti-fraud awareness and system development, thereby building a comprehensive anti-fraud system that integrates prevention, control, and punishment throughout the entire process.

The Company has incorporated fraud risk into its overall risk management framework. Management collaborates with various business departments to identify and assess risks simultaneously, focusing on high-risk areas such as commerce and trade and e-commerce sales, as well as procurement and supplier management, to evaluate the likelihood and impact of risks. By refining control mechanisms such as approval processes, verification, and segregation of duties, anti-fraud requirements are integrated into business systems. Special emphasis is placed on strengthening internal controls in critical areas such as financial reporting, management overreach, and information systems to mitigate fraud risks.

Anti-Commercial Bribery Management

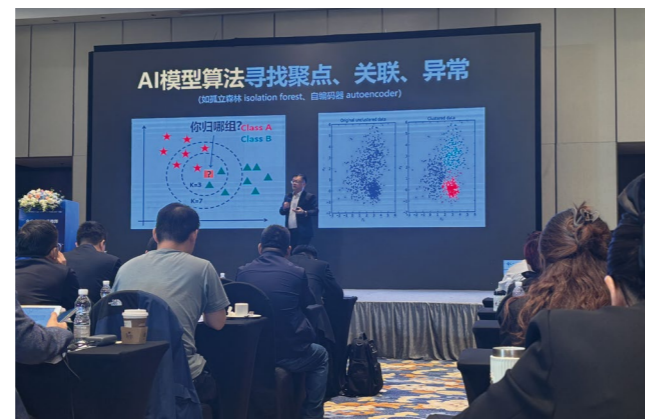
The Company adheres to integrity in its operations and maintains a "zero-tolerance" stance towards corruption. Through various means such as the *Employee Handbook*, the issuance of rules and regulations, and training sessions, the Company continuously promotes anti-fraud policies and ethical standards to all employees, ensuring they are well-informed and comply with regulatory requirements. At the same time, the Company clearly communicates its commitment to integrity to all stakeholders, including customers and suppliers, through forms such as "Integrity Agreements," ensuring that anti-corruption management policies comprehensively cover the entire business value chain.



◎ Business Ethics Promotion Manual



◎ Watch the Anti-Corruption Promotion Video



◎ Participate in the Specialized Training on Internal Control and Anti-Fraud for Enterprises organized by the Shanghai Federation of Social Science Associations

Initiatives	Specific Content
Public Advocacy	Produce Business Ethics Promotion Manual and broadcast anti-corruption promotional videos to strengthen the integrity and self-discipline awareness of all employees in an intuitive and vivid manner.

Initiatives	Specific Content
Specialized Training	By developing training materials and learning platforms, and organizing relevant personnel to participate in specialized training on internal control and anti-fraud conducted by external professional institutions, the ability to identify risks and the level of compliance in performing duties are enhanced through cutting-edge legal practices, case law references, and digital compliance strategies.
Partner Supervision and Collaboration	A Business Ethics Promotion Manual was compiled and printed, widely distributed to various business partners to clarify integrity standards and behavioral boundaries in cooperation, promoting the formation of a collaborative atmosphere of shared governance in integrity. Establish a regular supplier visit mechanism, concurrently conduct integrity evaluations, and focus on verifying whether Company employees engage in inappropriate behaviors such as accepting kickbacks or improperly accepting banquets during business dealings. This aims to standardize business operations and maintain a fair and just cooperative environment. The Company will take measures such as terminating cooperation, pursuing economic liability, and blacklisting suppliers to prohibit future collaboration in response to illegal activities by suppliers (partners), in accordance with laws, regulations, and contractual agreements. We adhere to the principles of lawful and compliant cooperation, working together to uphold an honest and healthy business environment.

Key Performance
During the reporting period, the Company organized two anti-commercial bribery and anti-corruption training sessions, with a total of 147 employees participating in business ethics-related training. The total training duration was 9.15 hours, with an average duration of 8 hours. The signing rate for the Employee Integrity and Self-Discipline Commitment Letter and the Supplier Integrity Agreement was 100% .



Reporting and Reporter Protection

To safeguard legitimate rights and interests, ensure the healthy development of business operations, and foster a clean and impartial working environment, the Company has established an anti-fraud reporting and reward mechanism. This encourages all employees and external parties engaged in economic relationships with the Company to actively report fraudulent and non-compliant activities. Relevant individuals may submit reports either anonymously or with their real names through on-site submissions at the Audit Department, designated reporting email addresses, or written correspondence. The Audit Department assigns dedicated personnel to receive and handle reported information, promptly categorizing, registering, and conducting preliminary investigations upon receipt. If the reported information is verified as true, the reporter will receive corresponding rewards based on the nature of the matter and the value of the information provided. Case materials will be promptly filed and archived, and investigation results will be reported in accordance with regulations, followed by corrective actions, disciplinary measures, or referral to judicial authorities as appropriate.

The Company concurrently implements measures to protect reporters, strictly maintaining confidentiality regarding their identity and reported materials. Any form of discrimination or retaliation is strictly prohibited. Individuals found to have disclosed information improperly or engaged in retaliatory actions will face disciplinary actions, including warnings, dismissal from positions, or termination of employment contracts. Cases involving suspected illegal activities will be referred to judicial authorities. The investigation of reports is conducted by the Audit Department in accordance with the principles of independence, objectivity, fairness, and professionalism.

Reporting Channels



On-site Reporting and Complaints to the Audit Department



Email: wfzjubao@wufangzhai.com

Anti-Unfair Competition and Anti-Monopoly

The Company strictly complies with the Anti-Unfair Competition Law of the People's Republic of China and the Anti-Monopoly Law of the People's Republic of China, adheres to the principle of fair competition, and explicitly prohibits and prevents participation in any unfair competition or monopoly activities that undermine market fairness. To strengthen related compliance management, the Company has established a specialized working group for anti-unfair competition and anti-monopoly, led by the Legal & Food Safety Department and implemented by the Legal Department, to promote the implementation and supervision of relevant policies.

The Company enhances the compliance awareness and practical capabilities of all employees through Business Ethics Promotional Manuals and specialized training. The training content covers key areas such as the legal framework, regulatory targets, behavioral identification, and legal

responsibilities of anti-unfair competition and anti-monopoly. In line with the Company's actual operations, the compliant use of trademarks is included as a key module. Through case studies and practical analysis, employees are guided to gain a deeper understanding of legal requirements, effectively prevent risks such as trademark infringement and counterfeiting, and improve the Company's overall compliance level and brand protection capabilities in market competition. During the reporting period, the Company did not experience any incidents related to unfair competition or anti-monopoly violations.

Key Performance

During the reporting period, the Company organized training on anti-unfair competition and anti-monopoly for employees through an online training platform, with a total of **32** employees participating and a cumulative training duration of **8.1** hours.

Responsible Marketing

The Company strictly adheres to the *Advertising Law of the People's Republic of China* and relevant regulations, formulates and implements the *Publicity Management System Standards*, and practices responsible marketing. The Company designates the Strategic Marketing Department to uniformly oversee the review of external brand communications and advertising content, as well as the standardized management and training of marketing formats and content, ensuring that publicity workflows are standardized and the content is truthful, accurate, and complete.

The Company has established an external information approval mechanism, following the "Two-reviews, Two-proofreading" principle for content review and implementing categorized approvals: daily information is approved by platform category, while important information undergoes centralized approval. All information released in the Company's name must comply with laws and regulations, avoiding exaggerated claims, disclosing Company secrets, or infringing on third-party intellectual property rights. This continuously improves the marketing content review system and upholds the Company's integrity responsibility to consumers and the market.

During the reporting period, Wufangzhai organized regular "mystery shopper" experience activities, providing cultural explanations of seasonal foods, demonstrations of innovative ways to enjoy them, and cooking instruction sessions. These efforts effectively educated consumers about traditional culinary knowledge, enhancing product experience and value perception.



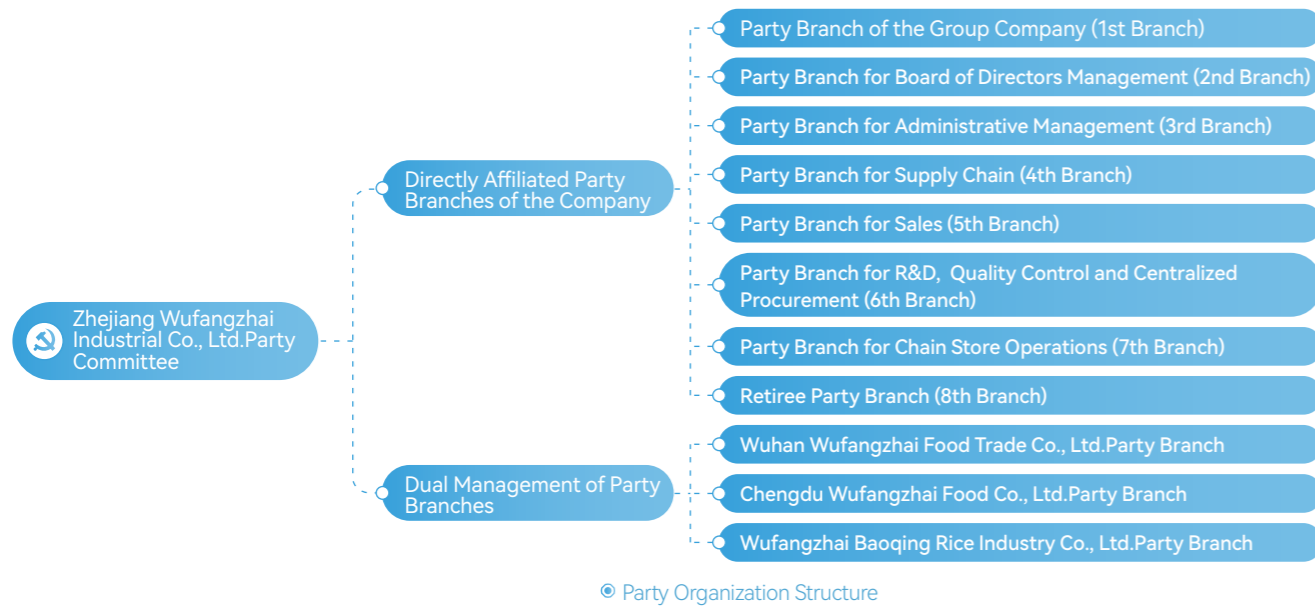
Chain Mystery Shopper Training

Uphold the Leadership of Party Building

The Leadership of Party Building

The Company adheres to integrating Party Building leadership into all aspects of corporate governance, establishing an organizational system led by the Company's Party Committee, with eight directly affiliated Party branches under it, and implementing dual management of the Party branches of subsidiaries, ensuring full coverage and effective extension of Party organizations.

The Company places great emphasis on Party building work, formulating the *Wufangzhai Party Committee 2025-2027 Three-Year Plan*, which clarifies the key priorities, main tasks, and specific measures for future work, providing a roadmap for high-quality Party building to lead the Company's development.



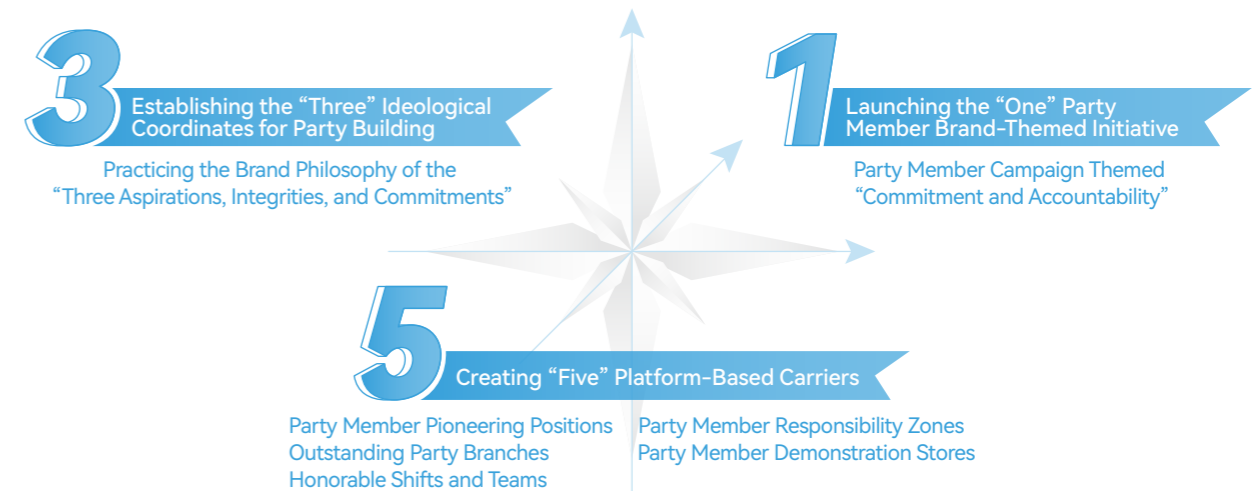
Key Performance

During the reporting period, the Company had **1** Party Committee, a total of **11** Party branches, and **318** Party members. A total of **4** Party Committee meetings were held, and each Party branch conducted **34** general Meetings of Party members.

Party Building Brand

The Company has advanced the construction of its Party building brand, establishing the core Party building brand "Fangxin:Fulfilling Commitments" and proposing the communication concept of "Fangxin to the Party, Upholding the City and Fulfilling Promises." It strives to build an integra-

tion-oriented and leading Party building brand system and has innovatively established a "Red Three-Dimensional Coordinate" Party building work model, forming a new pattern of Party building brand with distinctive concepts, a complete system and innovative models, which has effectively enhanced the leading role and influence of Party building work.



© "Party-Building Coordinate" Working Model of Wufangzhai's Party-Building Brand



© The "Five Fang Unity" Brand Matrix

Party Building Activities

The Company's Party Committee has standardized the implementation of systems such as the "Three Meetings and One Lecture" and themed Party Day activities, leveraging the 11 Party branches to create "one branch, one distinctive feature," and innovatively carrying out diverse organizational activities. Throughout the year, dozens of activities were conducted, including theoretical study, revolutionary education, and volunteer service. The branches collectively held 34 general meetings of Party members, 93 branch committee meetings, and 32 Party lectures, organized 936 person-times of Party member study sessions, and conducted 24 themed Party Day activities. The participation rate of Party members remained stable at over 95%, achieving comprehensive and thorough coverage of Party member learning, and continuously enhancing organizational cohesion and the advanced nature of Party members. Simultaneously, the Company has established and improved a regular employee care mechanism, conducting heart-to-heart talks through channels such as the "Progress Together 100" union dialogue and the "Party Committee Secretary Direct Line," gaining a deep understanding of and responding to employee concerns, and fostering a cohesive and aligned organizational atmosphere.

The Party Committee actively expanded the functions of Party-building platforms by integrating social responsibility practices, such as green public welfare and assistance for the disadvantaged, into themed Party Day activities. Initiatives such as tree planting, green protection, and garbage collection along the Yangtze River were organized. By leveraging Party building to drive mass organization building, the vitality of mass organizations was effectively stimulated, creating a synergy to promote enterprise development and fulfill social responsibilities. This approach effectively transformed the Party's political and organizational advantages into the endogenous driving force for the Company's sustainable and high-quality.



© Wuhan Party Branch Launches "July 1st Red Study Tour"

During the reporting period, the Company achieved multiple honors in Party building work. Comrade Wang Wei was awarded the title of "Outstanding Party Affairs Worker in Jiaxing City," Comrade Chen Chuanliang was recognized as an "Outstanding Party Affairs Worker in the High-Tech Zone," and Comrades Fan Zhuqin and five others were honored with the title of "Outstanding Party Members in the High-Tech Zone."



© Expanded Meeting of the Party Committee & Themed Party Day Activity



02

Inheriting Heritage, Innovating for Industrial Excellence

Wu Fang Zhai adheres to the vision of "A leading brand of Chinese seasonal food, with glutinous rice products at its core" persistently safeguarding and innovating Chinese culinary products. We actively explore innovative development paths, providing customers with high-quality and delicious food, we carries forward and innovate the Chinese nation's food heritage through concrete actions.

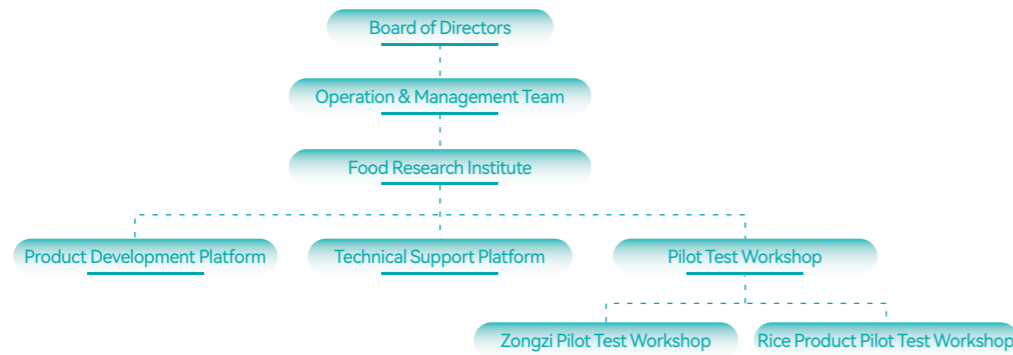
SDGs



Promote R&D and innovation

Governance

Wufangzhai focuses on the quality and nutrition of food products and adheres to an innovation-oriented approach. It has formulated a series of R&D and innovation systems, including the *Measures for the Approval of New Product R&D*, *Measures for the Approval of New Process R&D*, *Measures for the Administration of Design and Development*, and *Measures for the Feedback of R&D Achievements*. The Food Research Institute takes the lead in conducting R&D of new products under the decision-making of the Board of Directors and the management of the Operation & Management Team, so as to continuously standardize and strengthen the management process of scientific research. In order to fully mobilize enthusiasm for research and promote the transformation of scientific and technological achievements, the Company implements an innovation incentive mechanism in accordance with the *Performance Management System for R&D Personnel* and *Measures for the Administration and Reward of the Transformation of Scientific and Technological Achievements*, so as to enhance the Company's overall innovation initiative.



© R&D Innovation Organizational Structure

Strategy

Risk Category	Risk Description	Financial Impact Explanation	Impact Period	Value Chain Segment Affected	Countermeasures
Operational risks	The food consumption and catering market is highly competitive. As consumer demands diversify and consumption structures upgrade, if the Company's products fail to maintain innovation, keep up with market trends, and meet consumer needs, it will affect the Company's market share.	Revenue Decline	Long-term	Operations downstream	Centering closely on customer needs, the Company continues to invest in R&D and innovation, optimizes its product mix, provides customers with higher-quality and more diversified products, and continuously strengthens the Company's core market competitiveness.

Opportunity Category	Opportunity Description	Financial Impact Explanation	Impact Period	Value Chain Segment Affected	Countermeasures
Market opportunities	As living standards improve, consumers' demand for healthy foods is gradually increasing, with greater attention paid to nutritional content and the use of additives. Researching and launching healthy food products may help the Company seize new business opportunities.	Revenue increase	Long-term	Operations downstream	The Company continues to focus on nutrition and health research, and has innovatively launched a series of new products, such as low-sugar mooncakes, that align with the trend of healthy eating, meeting consumers' diverse and health-oriented needs.
Talent Opportunities	With the rapid iteration of artificial intelligence technology, the implementation of the Company's innovation-driven strategy increasingly relies on versatile talents who understand AI technology applications and possess cross-disciplinary thinking. If the Company has sufficient internal talent reserves and a well-developed training system, employee capabilities can support the implementation of the innovation strategy and accelerate the innovation process.	Revenue increase	Long-term	Operations downstream	The Company formulates targeted recruitment plans, focusing on attracting composite talents with both professional and management skills, conducts training for existing employees, provides specialized skill training for the core team, and enhances AI innovation strategy awareness among the management.

Risk Management

By deconstructing strategic plans and annual operational objectives and aligning them with market demands, the Company formulates effective and feasible R&D project proposals. It also standardizes and implements management practices related to R&D funding, progress, acceptance, assessment, and confidentiality. These measures ensure that limited R&D resources are transformed into product and technological innovations that meet market expectations, thereby effectively controlling the risks associated with R&D innovation.

Indicators and Targets

Key Performance	Unit	2023	2024	2025
R&D Investment	Million RMB	19,5279	27,4951	24,5724
Proportion of R&D Investment to Operating Revenue	%	0.74	1.22	1.10

R&D and Innovation Achievements

Product Innovation

The Company mainly focuses on the development of high-end, healthy and light food product lines, and continuously upholds innovation in such traditional food categories as zongzi products, Jiangnan-style pastries, mooncakes and glutinous rice balls, as well as convenience foods and baked goods. It has launched a host of nutritious, safe, delicious, healthy and trendy food products to meet consumers' diversified, differentiated and health-focused demands.

In 2025, responding to the new essential demand of the public for "Healthy Eating", the Company integrated the concept of "Medicinal and Edible Homology" into its product DNA. It fully upgraded its entire line of zongzi and non-zongzi products by replacing some traditional raw materials with medicinal edible ingredients and innovatively adopting low-sugar formulas, enabling seasonal delicacies to inherently feature health-preserving functions.

Medicinal and Edible Homology Product Series

Zongzi - Wufang Tanya Gift Box

Each product in the gift box contains more than one medicinal and edible ingredient, such as colla corii asini, dendrobium officinale, lily bulb, coix seed, ginseng and so on. The gift box features a balanced mix of meat and vegetarian offerings, catering to both taste preferences and health demands.



Rice Cake - Wufang Shanzhen Gift Box

The Company has cooperated with Jiaying Hospital of T.C.M. to integrate Chinese traditional medicinal food recipes into the sweet and healthy rice cakes, forming a distinctive series of medicinal and edible homology rice cake products.



Eight Treasures Qingtuan

Eight types of mild and precious ingredients are added to traditional Qingtuan, creating health-preserving featured Qingtuan.



Medicinal and Edible Homology Product Series

Tangyuan

On the basis of traditional Tangyuan, medicinal and edible ingredients such as dendrobium officinale powder, colla corii asini powder and red dates are added to create healthy Tangyuan products.



Low-Sugar Health-Preserving Product Series

Low-Sugar Cantonese-Style Mooncakes

The Company uses healthy sweeteners to replace traditional white sugar and maltose, achieving low sugar content while maintaining a satisfying chewy texture.



Xylitol Series Tangyuan

Xylitol is used instead of traditional white sugar in the production of Tangyuan, meeting the "sugar-free" requirement while preserving product sweetness.



Organic Product Series

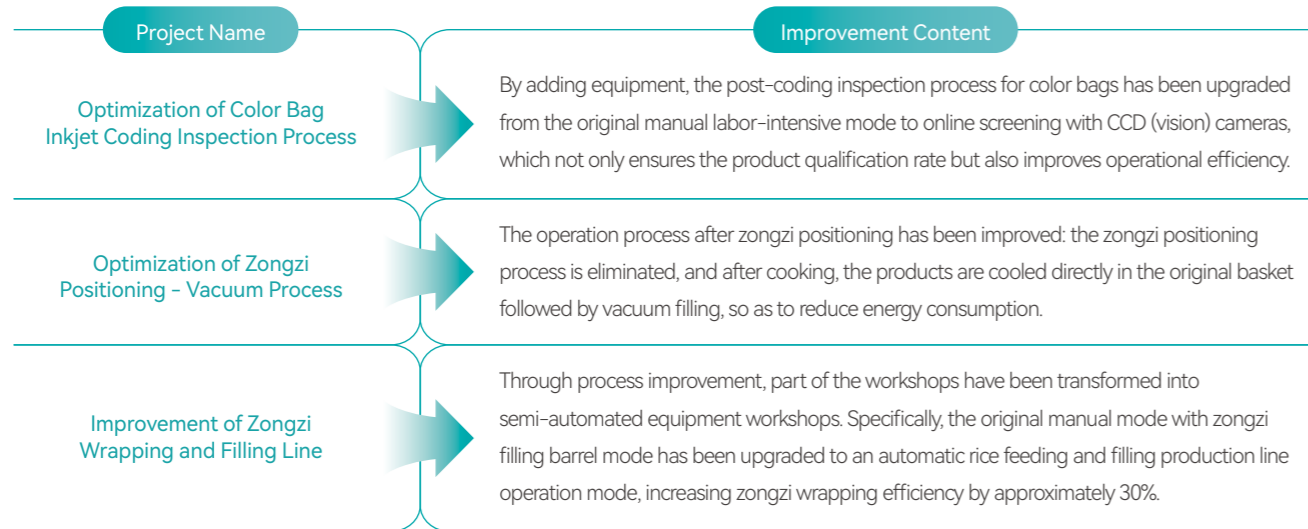
Timeless Premium Organic Zongzi

Selected organically certified ingredients are used to create more than ten flavors of organic zongzi, including Organic Quinoa Braised Pork Zongzi, Organic Chestnut Pork Zongzi, Organic Large Yellow Rice & Red Date Zongzi, and Organic Oat, Dendrobium Officinale & Red Bean Paste Zongzi.



Process Innovation

The Company firmly advances the transformation from traditional production to a process-oriented and digital enterprise, continuously strengthens the integration of process technology innovation and production application, and improves the level of mechanization. Through years of practical accumulation and continuous process upgrading, the Company has mastered a number of key technologies including quantitative filling of zongzi, fresh-keeping production, efficient cooking, and automatic vacuum packaging, and has effectively converted production technologies into scientific research achievements.



R&D Capability Building

R&D Team Building

The Company places high importance on the echelon construction and professional development of the scientific research team. By continuously expanding the talent reserve, optimizing the professional structure of the team, and enhancing the overall scientific research literacy, the Company systematically builds a talent system for technological innovation. The Company formulates and implements specialized systems such as the Scientific Research Personnel Management Measures, establishing a diversified cultivation mechanism that includes training from external professional institutions, internal training by industry experts, on-the-job practice, and cutting-edge technology seminars.

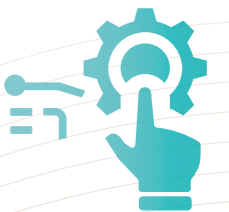
Key Indicators	Unit	2025
Total number of R&D team members	People	112
Proportion of R&D personnel to total Company employees	%	3.14

By educational background		
Below Bachelor's Degree	Person	67
Bachelor's Degree	Person	31
Master's degree and above	Person	14
By gender		
Female	Person	65
Male	Person	47
By Age		
Under 30 years old (excluding 30 years old)	Person	49
30-40 years old (including 30 years old, excluding 40 years old)	Person	34
40-50 years old (including 40, excluding 50)	Person	24
50 years old and above	Person	5

Construction of R&D Platforms

The Company actively builds high-level technological R&D platforms to drive product innovation and technological transformation innovation. After years of development, it has established a number of national, provincial and municipal technological R&D platforms as well as industry-university-research cooperation platforms, and efficiently advanced key scientific and technological research breakthroughs.

- 2006: Approved as Zhejiang Provincial Enterprise Technology Center.
- 2007: Approved as Zhejiang Provincial Agricultural Enterprise Science and Technology R&D Center.
- 2018: Approved as the National Professional Center for Rice Product Processing Technology R&D, and established Jiaying Academician and Expert Workstation.
- 2019: Cooperated with Jiangnan University to establish the Academician Chen Jian Workstation.
- 2020: Established Jiaying Key Laboratory for Rice Product R&D.
- 2022: Approved to establish Zhejiang Provincial Postdoctoral Workstation.
- 2023: Established a Provincial Key Agricultural Enterprise Research Institute.



● Focused on Innovation Research

Relying on the practical production experience accumulated over the years, the Company, on the basis of continuously strengthening its independent innovation capability, actively integrates superior external technical resources and strives to build a collaborative industry-university-research innovation system. By deepening technical cooperation with renowned domestic and foreign universities and scientific research institutions, it conducts joint research focusing on the field of food nutrition and health, promotes the innovative upgrading of production processes and key technologies, and effectively enhances the Company's innovation strength.

The Company has established stable cooperative partnerships with Jiangnan University, Jiaying Academy of Agricultural Sciences, Jiaying Nanhu University and other institutions. It has also hired Japanese rice technology experts as consultants for the Technology Center to provide regular technical guidance. Through various forms of technical cooperation, the Company has made substantial breakthroughs in new product development, process research and improvement, basic theoretical research on food science, and cutting-edge technologies. This has provided essential support for the Company's technological innovation and development, and strengthened its technological innovation capability in the food manufacturing sector.

Case Research and Industrial Application of Key Technologies and Nutritional Health of Fermented Rice Cakes Based on Digital Processing

To promote the modernization and upgrading of the traditional rice cake industry, the Company launched special research in collaboration with Jiangnan University. Taking fermented rice cakes as the research object, the project established a scientific evaluation standard system, analyzed its core probiotics and flavor substances using technologies such as bioinformatics and metabolomics, and clarified their impacts on product quality and health functions. Meanwhile, by introducing automated equipment and robotics technology, the project built a digital production line, achieved a systematic breakthrough for traditional fermented rice cakes from process analysis to industrialized production, and provided a replicable technical path for industry upgrading.

Intellectual Property Protection

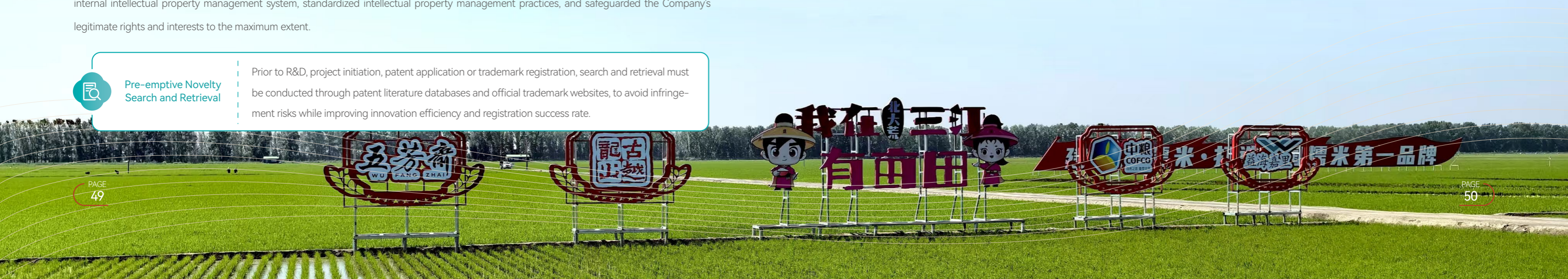
The Company strictly abides by laws and regulations including the Patent Law of the People's Republic of China and the Trademark Law of the People's Republic of China. It has formulated systems such as the Measures for the Administration of Intellectual Property Rights, established an internal intellectual property management system, standardized intellectual property management practices, and safeguarded the Company's legitimate rights and interests to the maximum extent.

Pre-emptive Novelty Search and Retrieval

Prior to R&D, project initiation, patent application or trademark registration, search and retrieval must be conducted through patent literature databases and official trademark websites, to avoid infringement risks while improving innovation efficiency and registration success rate.

- Dynamic Archive Management**
 Full-process archiving is implemented for all R&D projects, covering original materials such as experimental data and drawings. Ledgers for trademarks, patents and other intellectual property rights are subject to classified management and real-time updates.
- Confidentiality and Authority Control**
 Confidentiality management for intellectual property is fully implemented, including demarcating confidential areas and restricting access by unrelated personnel. The transmission of confidential information through non-secure channels is prohibited, and relevant documents must be marked with commercial secret symbols and classification levels.
- Infringement Monitoring and Rights Protection**
 Daily monitoring of the status of granted trademarks, patents and other intellectual property rights is carried out. Upon detection of any infringement, investigation and evidence collection will be launched immediately, and legal measures will be taken to ensure a rapid response to disputes.
- Protection Awareness Enhancement**
 Intellectual property training and publicity plans are formulated to build a long-term mechanism for intellectual property protection publicity, and continuously enhance the protection awareness of all employees.

Key indicators	Unit	2025
Cumulative Number of Valid Authorized Patents	Item	163
Cumulative Number of Valid Authorized Invention Patents	Item	39
Cumulative Number of Valid Authorized Utility Model Patents	Item	117
Cumulative Number of Valid Authorized Design Patents	Item	7
Cumulative Number of Software Copyrights	Item	2
Number of new papers published	Piece	4



Jointly Promoting Industry Development

Formulation of Industry Standards

As a century-old China Time-honored Brand, the Company has consistently actively participated in the formulation and revision of national and industry standards, transforming its extensive practical experience into standards to drive the advancement of the industry. By the end of the reporting period, the Company had cumulatively participated in the formulation and revision of 1 international standard, 8 national standards, 10 industry standards, and 11 group standards.

During the reporting period, the *General Rules for Zongzi Quality*, drafted by the Company as the primary drafting unit, and the *Test Methods for Pastry Quality* drafted with the Company's participation, were officially released. This initiative has led the zongzi industry into a phase of high-quality development, promoted zongzi enterprises to strengthen product quality, enhanced the Company's market competitiveness, and provided strong support for the global industry's development.

Standard Name (partially displayed)	Type	Standard Number	Issue Date	Participation Nature
Zongzi	International Standard	CXS355R-2023	2023.12	Primary Drafting Unit
Taosu (Crisp Peach Cake)	Group Standard	T/CABCI 005	2024.04	Participating Unit
Nian Gao (Rice Cake)	Industrial Standard	QB/T 8006	2024.03	Participating Unit
Frozen Tangyuan	Industrial Standard	QB/T 8010	2024.03	Participating Unit
Special glutinous rice for Zongzi	Group Standard	T/CCOA 85-2024	2024.08	Participating Unit
General Quality for Pastry	National Standard	GB/T 20977	2024.10	Participating Unit
Test Methods for Pastry Quality	National Standard	GB/T 23780	2025.06	Participating Unit
General Quality for Zongzi	National Standard	GB/T 46259	2025.08	Primary Drafting Unit

Industry Exchange and Cooperation

The Company actively participates in relevant industry exchange activities, carries out external strategic cooperation, and jointly promotes the sound development of the industrial chain with industry partners.



Wufangzhai Debuts at the 138th Canton Fair, Intangible Cultural Heritage Cuisine Secures Intentional Orders from Multiple Countries

From October to November 2025, Wufangzhai made its debut at the Canton Fair with three core product categories. As a traditional food brand with a century-long history, Wufangzhai's participation in this exhibition is a key move to accelerate its international layout. Going forward, the brand will focus on advancing the implementation of cooperation outcomes from the Canton Fair, further optimize its cross-border supply chain and overseas service network, and continuously promote intangible cultural heritage cuisine that embodies traditional Chinese culture to enter a broader global market.



Wufangzhai Appears at the 2025 China Festival in Japan, Building a Delicious Bridge for Overseas Expansion

The 2025 China Festival series of events was grandly held in Tokyo, Japan in September. As an outstanding representative of traditional Chinese food culture, Wufangzhai, a China Time-honored Brand, was invited to participate in the exhibition. With its exquisite traditional cuisine and intangible cultural heritage craftsmanship, it has built a delicious bridge for Sino-Japanese cultural exchanges. This is a successful practice of cultural communication. With its craftsmanship and delicacy, Wufangzhai has made positive contributions to promoting Sino-Japanese non-governmental friendship and spreading the fine Chinese food culture.



Food Quality and Safety

Governance

The Company strictly abides by relevant laws and regulations including the *Product Quality Law of the People's Republic of China* and the *Food Safety Law of the People's Republic of China*. It follows the quality management policy of "Harmony, Integrity, Excellence, Innovation", and has formulated systems including the *Control Procedure for Production and Service Provision*, *Measures for the Transmission and Reporting of Quality Information*, and *Measures for the Administration of QC Team Activities*. The Company carries out all quality-related work in a comprehensive and solid manner, continuously improves the operational effectiveness of the quality system, and ensures the steady improvement of product quality and safety management capabilities. In 2025, the Company did not experience any major product and service incidents.

The General Manager of the Company serves as the top manager of the quality management system and is responsible for its effectiveness. The General Manager formulates quality policies and objectives, ensures the integration of the system into business processes, approves the management system manual, organizes management reviews, appoints personnel for key positions such as the management representative, guarantees the provision of resources required for the management system, and drives continuous quality improvement. Food Safety Management Department is responsible for establishing an end-to-end full-chain quality system from suppliers to customers. It conducts quality inspection, acceptance and supervision of raw and auxiliary materials, semi-finished products, finished products and outsourced products, performs regular inspections and risk identification at key nodes throughout the entire production process, handles internal and external quality complaints, organizes root cause investigations, conducts regular analysis and summary of problems, and compiles complaint analysis reports and other related work.

The Company actively integrates into the industry's quality ecosystem. It has successively joined the *China Association for Quality Inspection*, *Zhejiang Association For Quality*, *Jiaxing Quality Association*, *Jiaxing Food Circulation Chamber of Commerce*, and *Shanghai Food Safety Federation*. Through these memberships, it participates in industry exchanges, keeps abreast of the latest developments in quality standards, and continuously strengthens the Company's professional commitment and practices in the fields of product quality, food safety and circulation specifications.

As of the end of the reporting period, Wufangzhai has obtained the certification of ISO 9001:2015 Quality Management System, ISO 22000:2018 Food Safety Management System, GB/T 33300:2016 Food industry enterprises integrity management system, and Hazard Analysis and Critical Control Point (HACCP) System. The Company's other frozen rice and flour products (eight-treasure rice, rice balls) and steamed and boiled pastries (zongzi products) have obtained Organic Product Certification.



Organic Product Certification.

Strategy

The Company regards food safety as its lifeline. We formulate and continuously optimize our food safety system across the entire value chain, with the strategic goal of ensuring compliance with national and industry legal requirements. We aim to set a benchmark for high-quality management in the industry and foster a Company-wide awareness of quality leadership.

Risk Category	Risk Description	Financial Impact Explanation	Impact Period	Value Chain Segment Affected	Countermeasures
Legal Risks	The government's requirements for food safety supervision and quality control are becoming increasingly stringent. Relevant laws and regulations impose strict requirements on the Company's production and operations from various aspects. Violation of these laws and regulations may result in fines.	Cost increase	Short, Medium, and Long Term	Upstream, Operations, Downstream	Establish a rigorous quality control system, improve the standardization and intelligent transformation of construction and production processes; strengthen quality control throughout the entire product lifecycle, implement targeted monitoring and rectification for key areas, and enhance the level of quality management.
Reputational risk	The food manufacturing industry has a long production chain and numerous management links, and traditional pastry production involves many manual processes. If product quality incidents occur due to management negligence or unforeseen reasons, or if industry-wide food safety incidents arise, it may adversely affect the Company's brand and operations, thereby impacting the Company's brand reputation.	Cost increase Revenue decrease	Short, medium, and long term	Upstream, operations, downstream	<ul style="list-style-type: none"> Improve the mechanisms for quality risk and food safety incident prevention and control; enhance food traceability and recall systems; foster a culture of quality. Strengthen supply chain management and improve the construction of supplier evaluation systems. Establish a mechanism for handling customer complaints, enhance customer communication and feedback, and regularly conduct customer satisfaction surveys.

Opportunity Category	Opportunity Description	Financial Impact Explanation	Impact Period	Value Chain Segment Affected	Countermeasures
Quality Improvement Opportunity	National regulators, the market and consumers are increasingly raising requirements for food safety. The Company continuously improves its food safety prevention and control mechanism, establishes new management systems, upgrades product quality, builds a positive brand image, and attracts more consumers.	Cost increase Revenue increase	Short, Medium, and Long Term	Upstream, Operations, Downstream	<ul style="list-style-type: none"> Introduce a new food safety management system, improve institutional documents, and realize PDCA closed-loop management. Upgrade laboratory equipment, and introduce testing technologies for pesticide residues, veterinary drug residues, mycotoxins and other items to guarantee product quality and safety.

Opportunity Category	Opportunity Description	Financial Impact Explanation	Impact Period	Value Chain Segment Affected	Countermeasures
Technical Opportunity	In the era of big data and intelligent AI, the Company can introduce Internet of Things (IoT) intelligent acquisition equipment and production equipment, continuously conduct monitoring, analysis and decision-making on the production process and workflow, optimize the production process through data analysis, and improve management efficiency and the precision of quality control.	Cost increase	Short, Medium, and Long Term	Operations	Introduce various types of intelligent equipment, networked counting equipment, and foreign body detection equipment with AI recognition function for quality control. Meanwhile, the Company continuously invests in IoT production traceability equipment, develops and upgrades systems to systematize traceability information of all materials, and achieve precise control of product quality.



The Company plans control measures for the identified and assessed high-level risks and opportunities, as well as the results of hazard analysis. Risk response measures include risk avoidance, risk reduction, risk acceptance and other categories. When formulating response plans, the Company takes into account optional technical solutions and financial, operational and business requirements. Among them, significant hazards are managed through the HACCP Plan, while control measures for other hazards are managed through Prerequisite Program (PRP) and Operational Prerequisite Program (OPRP). In addition, for scenarios involving malicious tampering and intentional adulteration, the Company has established a Food Defense Plan as the corresponding control measure.

Risk Management

Quality Risk Management Process

The Company establishes a quality risk management process, develops procedural documents such as the *Measures for the Standardized Management of Product Quality Control*, *Key Process Monitoring Management Measures*, and *Food Safety Control List*, and employs the PDCA methodology for process management. This approach covers key aspects of the production process, identifies core risks, formulates control measures for risk points, and ensures effective quality control.



Key Hazard and Quality Risk Control

The Company has formulated the *Hazard Identification, Assessment and Control Procedure*, *HACCP Plan*, *Procedure for the Prevention and Mitigation of Food Fraud* and *Allergen Control Procedure*, with the aim of effectively controlling critical hazard points in food safety through systematic hazard analysis.



Food Incident Emergency Management

To effectively prevent food safety incidents and efficiently organize emergency rescue efforts, the Company has established the *Food Safety Incident Emergency Response Plan Procedure*. This procedure clarifies the content related to incident warning, monitoring, analysis, emergency response procedures, and emergency drills. The aim is to minimize the harm caused by major food safety incidents, reduce losses, and protect consumers' health and safety.

The Company has established a *Procedure for the Prevention and Mitigation of Food Fraud and Allergen Control Procedure*, creating a risk assessment-based raw material anti-fraud control mechanism. This mechanism first identifies high-risk materials through a multi-dimensional scoring model. Then, for these high-risk points, mandatory additional safeguards are implemented, such as supplier guarantees, third-party verification, and traceability of source information. This systematically reduces the risk of raw material adulteration and fraud, ensuring product quality and safety from the source.

Indicators and Targets

The Company has set clear quality objectives. Based on the quality control performance in 2025, a quality improvement plan for 2026 has been developed. This plan covers systematic improvement measures across the entire chain of "People, Machine, Material, Method and Environment," aiming to continuously enhance food safety and production reliability.

Target Content	Completion Status for 2025	Achieved or Not
The Incidence Rate of Major Incidents Is Zero.	The Incidence Rate of Major Food Safety Incidents Is Zero.	The target has been achieved.

Full Lifecycle Quality Management

The Company implements full life cycle management of product quality and safety. It has formulated and strictly implemented corresponding quality standards and procedures for all links, including supplier access and review, procurement, acceptance, warehousing and storage of raw and auxiliary materials and packaging materials, production and processing operations, monitoring, inspection, storage and transportation of semi-finished and finished products, environmental hygiene of the plant area and production workshops, as well as employee health and personal hygiene. A series of control measures have been taken to guarantee product quality and safety.

Incoming Material Control

- ▶ Centering on the full chain of "supplier → procurement → arrival → inspection → warehousing", the Company realizes dual control of quality and process from the source to the warehouse, and prevents unqualified materials from entering the production link. The management covers supplier management, procurement execution, goods arrival and receipt, quality inspection and judgment, warehousing management, and non-conforming product disposal.
- ▶ The Company implements strict raw material inspection procedures, strengthens source supervision over the procurement of main raw and auxiliary materials by outsourced product processing suppliers, clarifies the access criteria, product quality monitoring and business operation procedures for entrusted processing suppliers, so as to improve the processing quality of outsourced products and reduce food safety risks.

Process Management

- ▶ The Company has formulated production process quality management systems and operating procedures including the *5S Management and Inspection System for Production Sites*, *Measures for Foreign Body Control and Management* and *Self-inspection System for Production Process*, clarified the management responsibilities of relevant departments such as the Manufacturing Process Quality Team and the Manufacturing Acceptance Quality Team, and continuously strengthened process quality management.
- ▶ In accordance with the *Procedure for the Prevention and Mitigation of Food Fraud and Allergen Control Procedure*, the Company updates the list of illegally used substances to reduce the risk of raw material procurement and ensure that product information is legal and authentic.
- ▶ The Company implements whole-process management and control of allergens and food additives to guarantee food safety.

Quality Inspection

- ▶ The Company has formulated the *Measures for Finished Product Inspection Management*, established a product quality inspection mechanism, and clarified the delivery inspection items, sampling frequency, sample size and judgment rules for various products. It has also formulated the *Product Release Management System* and set strict release conditions for different products.
- ▶ The Company is equipped with industry-leading R&D facilities such as the Zongzi Development Laboratory and Sensory Laboratory, and guarantees the stable quality of products through a professional R&D team and inspection system.

Improvement and Enhancement

- ▶ The Quality Improvement Team is mainly responsible for quality improvement work, supporting department-level and Company-wide overall quality improvement. Each production line of the Company has formulated the *Overall Quality Improvement Plan*, set overall objectives and broken-down sub-objectives, implemented the quality improvement plan, and realized closed-loop management of quality improvement.

Digitalization Management

- ▶ The Company's "Wufangzhai Catering Steward System" covers the whole process of in-store ordering and cashiering, supports menu management, dish customization and diversified payment methods, helps stores achieve efficient operation, and improves consumer experience.

Key indicators	Unit	2025
Annual Quality Internal Audit Sessions	Session	1
Number of third-party institution inspections	Session	1,274
Number of Quality Risk Assessments	Session	2
Product Qualification Rate	%	99.80
Product Recall Rate	%	0



Case Application of Raw and Auxiliary Material Quality Acceptance System

Wufangzhai has implemented a quality system for raw and auxiliary material acceptance, establishing a comprehensive quality assurance process from verification to traceability through electronic acceptance standards and documentation. The system provides real-time pending inspection lists and standards for acceptance personnel, ensuring batch-by-batch verification with reliable evidence. It records acceptance data and non-conformities throughout the process, supporting rapid traceability of problem sources and supplier evaluations. Management can dynamically monitor quality conditions through system data analysis and multi-dimensional reports, effectively intercepting non-conforming products, thereby reducing risks, enhancing customer satisfaction, and improving overall operational efficiency.

Product Traceability and Recall

The Company has established a series of institutional procedures, including the *Food Defense Plan* and the *Hazard Identification, Assessment and Control Procedure*, to build a food safety protection system. These measures standardize the implementation of food safety assessments and control measures across all operational stages, such as sourcing, processing, storage, transportation, and receiving. This effectively reduces the risk of food contamination or damage, ensuring the provision of safe and secure products to customers. In 2025, the Company recorded no product recalls or complaints due to safety and health reasons.

Product Traceability Management

- Establish systems such as the *Identification and Traceability Control Procedure* to form a product traceability mechanism. Through the identification and traceability management of materials, work-in-progress, and finished products, it ensures that problem points can be precisely located in the event of abnormalities, customer complaints, or safety incidents, enabling timely corrective actions such as recalls and other control measures to minimize negative impacts.

Food Safety Emergency Response

- Implement tiered control measures for food safety incidents. Immediately after an incident occurs, take control measures such as sealing off the food, raw materials, tools, equipment, etc., that caused or may cause the food safety incident. Cease the production and sale of unsafe food, promptly notify consumers, and recall the unsafe products.

Product Recall Management

- Establish the *Product Recall System*, develop a recall work procedure that includes processes such as recall information gathering, hazard assessment, recall registration evaluation, forming a recall team, implementing the recall, and summarizing the recall. Clearly define the responsibilities of specific implementation departments for each process to ensure the effective recall of products with food safety hazards or quality issues, thereby reducing and avoiding food hazards.

Product Recall Operation Mechanism



In terms of digital traceability construction, the Company has established a precise traceability system "From Farm to Table," implementing "Digital Identity" management for organic ingredients through the "One Piece, One Code" technology. Consumers can query the processing process, ensuring full transparency. As one of the first hundred pilot units of the "Zheshi Chain" (Zhejiang Closed-loop Management System for Food Safety Traceability), the Company has achieved closed-loop management of the entire process and chain of food from the field (workshop) to the table by connecting to the system since its activation in 2021. This initiative has pioneered a new path for food safety control, not only strengthening food safety assurance capabilities but also effectively enhancing consumer trust, benefiting the general public.

Quality Culture Development

The Company has established the *Food Safety Culture Control Procedure* to enhance employees' quality awareness and foster a strong cultural atmosphere where everyone values quality. This is achieved through quality and food safety culture training, "Employee of the Month" selections, and activities such as Quality Month events. In 2025, the Company will conduct targeted quality training for personnel at different levels, including on-site and sales teams. This training will cover areas such as new employee quality training, quality traceability management, and foreign object management.



© Sales Team: Quality Audit Training



© On-Site Team: New Employee Quality Training

Key Performance

In 2025, a total of **13** quality training sessions were conducted, involving **914** employee participants, with a cumulative training duration of **23.1** hours.

Optimizing Customer Service

Customer Service Management

The Company has established regulations such as the *Operation Management Service Manual*, *Product Quality Complaint Management Measures*, *Product Complaint Compensation Standards and Authorization Regulations*, and *Major Complaint Emergency Response Plan*. These regulations standardize requirements for customer service, complaint reception, handling, compensation, and emergency response mechanisms, aiming to provide consumers with satisfactory end-to-end services. The Company has established both online and offline complaint channels. By categorizing consumer complaints, clearly defining crisis events, and implementing tiered management for different types of crisis incidents, the Company's

Board of Directors and management are responsible for after-sales-related tasks. The Legal and Food Safety Department handles the reception, assignment, and resolution of both internal and external customer complaints, with various departments collaborating in complaint handling, forming a mature complaint resolution process.

During the reporting period, the Company handled 1,041 customer feedback and complaints through multiple channels, with a resolution rate of 98%. By addressing high-frequency issues through measures such as optimizing production and strengthening training, customer complaints decreased by 30% year-on-year.



© Emergency Complaint Q&A Experience Exchange Meeting

Key indicators	Unit	2025
Customer Complaint Response Training Participants	Participant	748
Total Training Hours for Customer Complaint Responses	Hour	22.6
Customer Complaint Response Training Sessions	Session	10

Customer Satisfaction Enhancement

The Company places great emphasis on the consumer experience, formulating the *Omni-Channel Membership Management Measures* based on a comprehensive marketing strategy to convey the brand's warmth of "Fragrance in Every Bite, Warmth in Every Home." In terms of online channels, the Company operates 50 direct e-commerce stores and over 400 partner stores. For offline channels, it has established 28 sales branches and offices, with a presence in more than 3,500 large supermarkets, 50,000 retail outlets, and over 480 dining establishments. The product coverage has expanded to key regions such as East China, Central China, Hong Kong, and Macau.

To gain deeper insights into consumer needs, the Company has established a multi-dimensional feedback and rapid response service optimization mechanism. This is achieved through the Strategic Marketing Department conducting promoter surveys, the Quality Management Department implementing a consumer complaint mechanism, and various business centers carrying out user satisfaction surveys. This approach enables targeted improvements to product shortcomings and accurate identification of market opportunities. Additionally, the Company has developed the *Customer Satisfaction Case Handbook*, which analyzes special cases and provides service process guidance on a monthly basis. These updates are shared simultaneously on the online learning platform.

Wufangzhai collaborates with multiple third-party research platforms to quantify service and rating consistency indicators based on consumer feedback from online social media and offline store research data. By leveraging big data analysis, the Company calculates consumer satisfaction with Wufangzhai. In partnership with professional market research service providers, the Company conducts continuous mystery shopper surveys at Wufangzhai chain restaurants using covert methods. These surveys comprehensively and deeply collect consumer evaluations across dimensions such as store environment, service quality, ordering processes, and food quality.

Key Performance

During the reporting period, the number of customers surveyed by the Company was **25**, accounting for **100%** of the total customer base, with a customer satisfaction score of **9.2/10**.

Consumer Communication and Promotion

The company has always adhered to its brand proposition of "Loving the Flavors of China". It focuses on enhancing consumer experiences across different scenarios through "user insights" and actively seeks innovative changes in marketing approaches. By leveraging offline pop-up events and other methods, the Company showcases the unique features of its products to customers, allowing them to personally experience the charm of the products' color, aroma, and taste.

Marketing Channels

Wu Fang Zhai, with its brand proposition "Passion for Chinese Flavors" pursues a dynamic balance between heritage and innovation. The Company actively implements a brand rejuvenation strategy, leading innovation among time-honored brands through dual-channel marketing and promotion both online and offline, thereby achieving continuous growth in brand value.

In 2025, we were honored with Forbes China's "2025 Consumer Sector Blue Chip Brand" and "2025 Consumer Trust Brand," and were listed on the 2025 The Reputation List of Listed Companies as "Outstanding Competitiveness Listed Companies in Consumer Sector" At the product level, our star products won the Bronze Award at the iSEE Global Food Innovation Awards, and were recognized as Famous, Special, and Quality Foods of Zhejiang Province and Yangtze River Delta Famous and Excellent Foods. Additionally, at the 19th China Zongzi Culture Festival National Skills Competition, we secured the Special Award for Zongzi and the Special Award for Rice Cake Products, and were designated as Iconic Products of Distinctive Flavored Foods.



We leverage leading Chinese social media platforms including Weibo, Xiaohongshu and Douyin to roll out product promotion and brand building, through immersive and interactive formats including co-branded trending topics, short videos and vertical mini dramas, authentic KOL product recommendations, and coupon giveaways via livestreaming.

The Company carries out product promotion and brand marketing through diverse offline scenarios including elevator advertising, pop-up events in supermarkets and hypermarkets, handcraft experience activities in ancient towns, refreshment supply for sports events, and overseas exhibitions and sales, via interactive forms such as on-site experience, check-in with complimentary gifts, and face-to-face on-site tasting.



Promotional Activities

Youthful Co-branding Promotion



◎ Weilong Co-branding



◎ Yili Co-branding



◎ Tuntunzai Co-branding

Advertising short video promotion



◎ Ode to Organic



◎ Mi Yue Series AI Vertical Mini Dramas

Civic Cultural Advocacy



◎ The 20th Asian Marathon Championships



◎ Pop-up Event at Puyuan Fashion Ancient Town

Civic Cultural Advocacy



◎ Zhejiang BA (Zhe-BA) City Basketball Championship



◎ Parent-Child Handcraft Pop-up Event with Hema (Freshippo)

Intangible Cultural Heritage (ICH) Events



◎ The 9th Chengdu International Intangible Cultural Heritage Festival of China



◎ Exhibition at Zhejiang Intangible Cultural Heritage Museum



◎ Jingshan Intangible Cultural Heritage Carnival

Responsible Supply Chain

Governance

The Company has built a supply chain management system covering the full life cycle of suppliers, and improved systems including the *Procurement Management System*, *Criteria for Supplier Management in Industrial Enterprises*, *Access Criteria for Raw and Auxiliary Materials and Packaging Suppliers*, and *Comprehensive Review Criteria for Outsourced Processing Manufacturers*. It has clarified the whole-process management requirements from supplier access qualification review, on-site factory audit and evaluation, to monthly and annual dynamic performance review, realized systematic and standardized management of suppliers of major categories such as raw and auxiliary materials and packaging materials, and guaranteed the stability of the supply chain as well as source quality and safety.

The Company has established a cross-departmental Procurement Committee as the highest decision-making body for supply chain management, and its members include the heads of demand departments, Strategic Marketing Department, Supply Chain Center, Quality Management Department, Finance Department, Centralized Procurement Center and other departments. As the centralized management department, the Centralized Procurement Center takes the lead in supplier development, access and daily management; the Quality Management Department is responsible for the qualification assessment of pre-qualified suppliers; the Finance Department is responsible for compliance supervision and payment settlement. Through coordinated collaboration with clear division of powers and responsibilities among multiple departments, the Company has built a three-in-one supply chain and procurement management system integrating decision-making, execution and supervision, which consolidates the organizational guarantee for the compliant and efficient operation of the supply chain.



Strategy

The Company systematically reviews potential variables across all stages of the supply chain lifecycle, identifying risks and opportunities such as price fluctuations, supply stability, consumption upgrades, and scenario expansion. It mitigates risks through diversified supply layouts and dynamic management mechanisms, continuously strengthening supply chain resilience and value creation capabilities.

Risk Category	Risk Description	Financial Impact Explanation	Impact Period	Value Chain Segment Affected	Countermeasures
Risk of Fluctuations in Raw Material Prices	The Company's main raw materials include glutinous rice, pork, and bamboo leaves, among other agricultural products. Extreme weather conditions increase the risk of reduced agricultural production. Additionally, the upward trend in the hog cycle has led to a year-on-year rise in pork prices, while adjustments in planting structures in glutinous rice-producing regions have tightened supply, widening fluctuations in overall raw material costs. Moreover, biological pest and disease incidents occur from time to time, which can also affect the yield and price of agricultural products, thereby impacting the Company's operational stability.	Cost increase	Short-term	Operations	<ul style="list-style-type: none"> Sign long-term agreements with cooperative societies in glutinous rice raw material production areas for "guaranteed purchase + price floating" to secure core raw material supply; Establish long-term, stable framework contracts for pork with leading domestic enterprises, leveraging both parties' information sources to promptly lock in and control prices; Enter into cooperation agreements with cooperative societies in high-quality bamboo leaves production areas, and by enhancing the cooperative societies' procurement and selection standards, improve quality while reducing procurement costs.
Raw Material Supply Risk	The competition in the food industry supply chain is intensifying, with leading companies seizing high-quality agricultural product base resources. The production capacity of small and medium-sized suppliers is constrained by environmental policies and is shrinking, posing risks of core raw material supply disruptions or fluctuations in quality batches.	Revenue decrease	Short-term	Upstream Operations	<ul style="list-style-type: none"> Utilize financial instruments such as agricultural futures to hedge against the risk of raw material price fluctuations, thereby reducing cost risks arising from material volatility. Leverage volume advantages to negotiate better prices with strategic suppliers while ensuring quality.

Opportunity Category	Opportunity Description	Financial Impact Explanation	Impact Period	Value Chain Segment Affected	Countermeasures
Opportunities for Health-Conscious and Traceability-Driven Consumption Upgrades	In the current food consumption market, consumers are increasingly concerned about the quality of raw materials, with products featuring "Natural and Traceable" attributes being more favored. At the same time, industry regulations and guidance on food traceability systems have created opportunities for brands with supply chain advantages to differentiate themselves in the market.	Revenue increase	Long-term	Operations Downstream	<ul style="list-style-type: none"> Launch a product series that emphasizes "Natural Ingredients + Full Traceability," establish standardized supply partnerships at the ingredient level, present ingredient information through packaging labels, and optimize product formulations by incorporating healthier food elements. Integrate offline premium channels with online content platforms to enhance the dissemination of "Quality Ingredients + Brand Stories," aligning with consumers' demands for health and transparency.
Opportunities for Seasonal Food Expansion Across All Dayparts	The consumption scenarios for seasonal foods are extending from traditional festivals to everyday life, with demand gradually emerging in non-seasonal settings such as breakfast and office snacks. Simultaneously, the growth in demand for short-shelf-life foods through instant retail channels provides space for full-day coverage of products. The Company can leverage its existing production and supply chain layout to expand into the daily consumer market.	Revenue increase	Short-term	Upstream Operations	<ul style="list-style-type: none"> Develop small-scale, short-shelf-life products tailored for daily scenarios to meet consumption needs such as breakfast and light meals; Optimize the packaging and distribution system on the production end, establish a regional distribution network suitable for short-shelf-life products, and improve the timeliness of terminal delivery.



In terms of warehousing and logistics, the Company continues to deepen its digital and intelligent layout. The already operational Digital Industry Smart Park integrates various warehousing and logistics functions, including raw and auxiliary material storage, finished product storage, frozen storage, e-commerce shipments, logistics shipments, and logistics distribution. At the same time, supporting information management software such as the Warehouse Management System, Demand Management System, Master Data Management System, and Inventory-side Supply Chain Visualization has been launched. This enables unified management of warehousing and logistics, providing solid data support for scientific decision-making in the supply chain, further enhancing the transparency, controllability, and operational resilience of the supply chain.



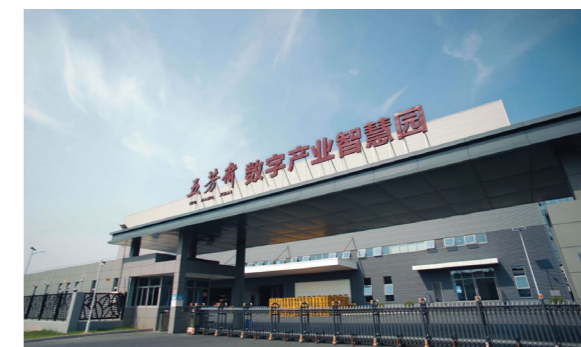
The Company has established strategic alliance partnerships with leading meat supply enterprises in China such as Shuanghui and Dahongmen. Suppliers stock high-quality meat ingredients based on the Company's annual demand, ensuring a stable supply and quality safety of meat ingredients for the Company's zongzi, reducing procurement costs, and improving the overall efficiency of the supply chain.



◎ Heilongjiang High-quality Rice Production Base



◎ Wufangzhai Digital Industry Smart Park Automated Warehouse



◎ Digital Industry Smart Park

Risk Management

The supply chain serves as the core foundation supporting the stable operation of an enterprise. The Company consistently strengthens its supply chain base from multiple dimensions, enhancing its resilience and market competitiveness across the entire chain. This approach effectively mitigates risks related to raw material supply and continuously builds a highly efficient, stable, and reliable supply chain system, adapting to market dynamics and long-term development needs.



The Company actively invests in the construction of raw material bases, establishing premium rice production bases and alpine bamboo leaf sourcing bases in locations such as Baoqing, Heilongjiang, and Jing'an, Jiangxi. This ensures a supply of high-quality, healthy raw materials, guaranteeing product quality and stable supply from the source. It also helps control procurement costs and avoids the risk of raw material supply disruptions.

Indicators and Targets

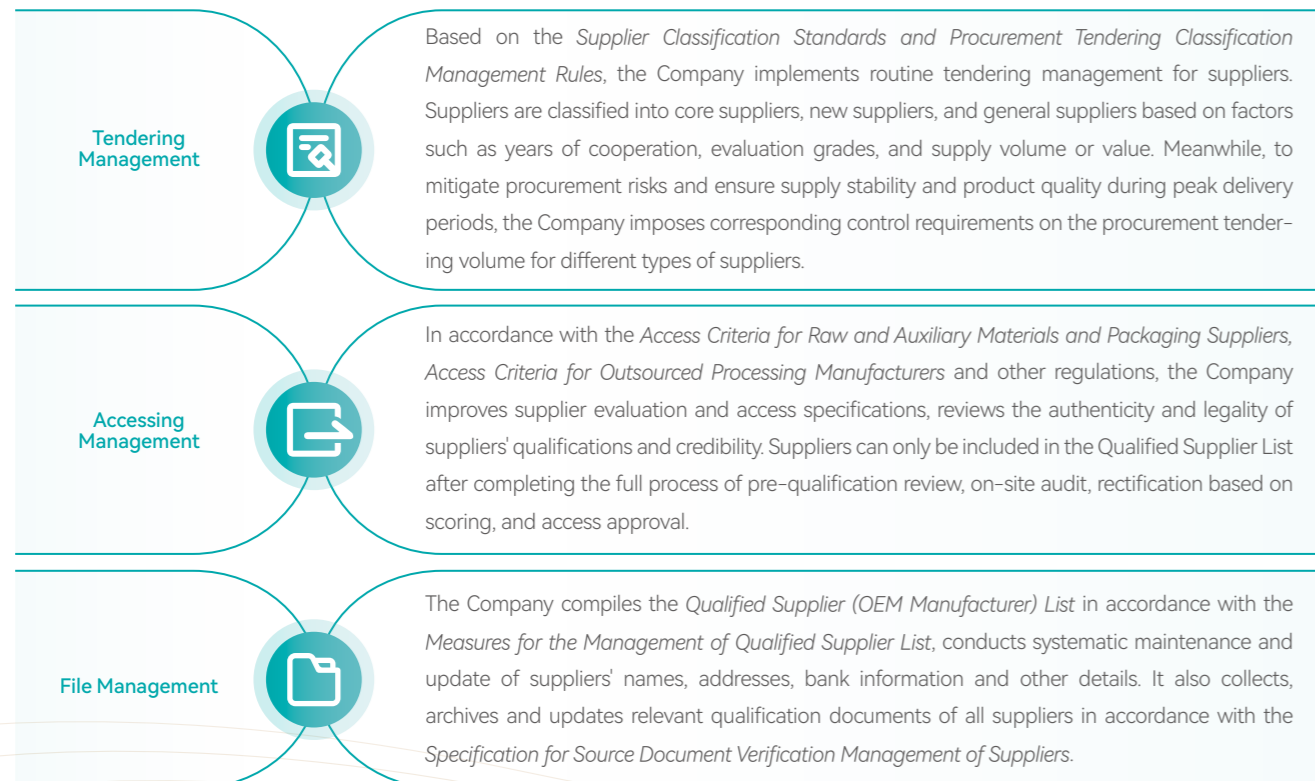
The Company has established a quantitative indicator system centered on enhancing supply chain resilience and achieving sustainable development goals. This system precisely anchors management direction to ensure the stable operation of the supply chain.

Key indicators	Unit	2023	2024	2025
Total Number of Suppliers	Unit	322	363	417
Localization Ratio of Suppliers	%	51.24	42.42	40.77
Ratio of Procurement Expenditure to Local Suppliers	%	49.93	44.60	47.64

Supplier Management

Whole-Process Management of Suppliers

To strengthen the full life cycle management of suppliers and fortify the risk barrier at the source, the Company has clarified core requirements including quality and safety, stable supply, price compliance and service guarantee for cooperative categories such as raw and auxiliary materials, packaging materials and outsourced processing. It has established a standardized management system covering supplier access qualification review, in-cooperation dynamic performance review and whole-process management and control, to promote collaborative compliance and sustainable development of the upstream and downstream of the supply chain.



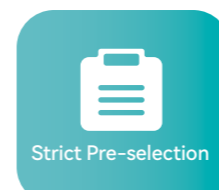
Evaluation Management

In accordance with the requirements of the *Criteria for Supplier Management in Industrial Enterprises*, *Comprehensive Capability Review Criteria for Outsourced Processing Manufacturers* and other regulations, the Company organizes relevant departments to conduct regular and annual reviews of suppliers in terms of product quality, cost, contract performance and other dimensions. Suppliers are classified into Grades A, B, C and D according to the review scores, and the review results are feedback to the suppliers. If the rectification of a supplier fails to meet the Company's requirements, it will be removed from the Qualified Supplier List.

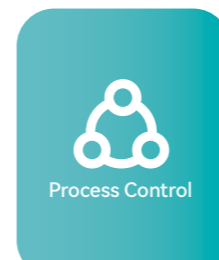
In addition, the Company has continuously deepened the standardization of business processes and focused on the digital and intelligent upgrading of the core value chain. It has built the Wufangzhai Supplier Collaboration Platform—the SRM (Supplier Relationship Management) system, which integrates full-functional modules including procurement management, reconciliation and settlement, and performance appraisal. The system realizes the seamless connection and data integration between the front-end and back-end systems of the supply chain, empowers the full life cycle management of suppliers with digital tools, and comprehensively improves the collaborative operation efficiency of the supply chain.

Supplier Product Quality Management

The Company attaches great importance to the overall performance of suppliers. In the audit of outsourced processing suppliers, it verifies their supply capacity by checking their production qualifications, financial and legal status, with a focus on reviewing environmental impact assessment (EIA) and quality and production-related documents. Meanwhile, focusing on product quality, the Company strengthens the supervision of outsourced production, traces quality problems of suppliers through internal and external complaints, and consolidates the food safety barrier.



Pre-selected manufacturers are required to obtain certifications for quality systems such as ISO 9001, ISO 22000 and HACCP. Manufacturers that have been notified by government regulators or exposed by the media due to product quality issues, or that have had major non-conformities in unannounced inspections by government regulators, shall not be included in the Company's preliminary selection scope for a certain period after resuming production.



Based on the characteristics of outsourced products, the Company conducts risk identification throughout the entire production process of outsourced processing manufacturers, covering raw materials, production procedures, finished product distribution and warehouse management. When necessary, it organizes relevant departments to set up a joint coaching team to provide short-term on-site coaching to manufacturers. Unannounced inspections and daily supervision are carried out. For manufacturers with frequent or recurring production quality problems, the frequency of supervision and inspection is increased or on-site personnel are assigned to oversee rectification.



In the event of quality problems such as the illegal addition of prohibited substances or the use of expired raw materials, accountability shall be pursued in accordance with the *Detailed Rules for the Handling of Quality Problems of Raw Materials, Packaging Printed Materials and Outsourced Products*.

Supplier ESG Management

The Company thoroughly integrates ESG concepts into supplier management. During the supplier access and review stage, it takes environmental impact assessment (EIA) compliance as a key inspection item in factory audits: it focuses on verifying whether suppliers have legally obtained the Sewage Discharge Permission (including filing of pollutant discharge registration forms), relevant approval documents or filing procedures for environmental impact reports of construction projects, and confirms that the Pollutant Discharge Permit is valid and in effect. Suppliers that fail the EIA compliance review are directly determined as “not recommended for adoption” by the Company. The Company controls the environmental compliance of the supply chain from the access source and urges suppliers to jointly fulfill their green and environmentally friendly responsibilities. During the reporting period, the Company conducted one ESG-related training session for 272 suppliers to convey ESG concepts and enhance their ESG compliance and practice capabilities.

Distributor Management

The Company has formulated the *Omni-channel Distributor Management Measures* to improve the management of distributors. During the reporting period, the Company attached great importance to feedback on its products from distributors. Through systematic surveys of multiple distributors in such dimensions as product quality and stability, market competitiveness and rationality of product line planning, the Company gained an in-depth understanding of product performance in the terminal market and actual evaluations from distributors, providing an important basis for product strategy optimization and channel collaboration.

Equal Treatment of Small and Medium-sized Enterprises (SMEs)

The Company always adheres to the principle of fair cooperation in daily operations, treats all small and medium-sized enterprise (SME) partners equally, and actively builds long-term and stable cooperative relationships based on mutual trust and win-win results. During the reporting period, the Company strictly fulfilled its payment agreements, and no overdue payment to SMEs occurred.

Digitalization of the Supply Chain

The Company continues to deepen the digitalization of its supply chain, focusing on process efficiency and data-driven decision-making. By empowering the entire business chain through digitalization, it drives collaborative efficiency improvements across all supply chain segments, aiming to enhance operational efficiency and resilience. This lays a solid digital foundation for achieving agile response and lean management. During the reporting period, the Digital Development Department made significant progress in standardizing supply chain business processes and enhancing the informatization of core value chains, while ensuring the stable operation and security of the Company’s networks, systems, and data.

In terms of business processes, the Company has completed the organization and standardization of three core business processes: supply chain workshop management, logistics management, and master planning management. In terms of system construction, the self-developed TMS logistics tracking system and POS supply chain system have been successfully launched, enabling real-time tracking and visualization of distributor

order logistics, and improving the accuracy of store inventory management. In terms of data collection in production processes, the deployment of automated equipment and systems plans to complete real-time data collection in key areas such as the zongzi-wrapping workshop, packing workshop, and pre-treatment workshop (leaf-washing workshop, meat-preparation workshop), laying a data foundation for transparent control and efficiency improvement in the production process.

RPA (Robotic Process Automation) tools have been implemented in the procurement function, realizing the automation of procurement payables, procurement payments, and manual/Kingdee invoicing, which has significantly improved the efficiency of procurement settlement and invoicing. Meanwhile, the finance team has leveraged RPA to achieve end-to-end process automation, including automatic settlement of sales collections, breakfast sales-accounts receivable management-voucher generation, and franchise store sales-accounts receivable management-invoicing, effectively enhancing the efficiency of daily settlement operations.

Green Supply Chain

Natural Farm

Ingredients are the foundation of food quality, taste, and health. The Company is deeply committed to the principles of green and sustainable development, continuously improving its green supply chain management system to ensure that the raw materials used in food production are purely natural and cultivated sustainably. This approach strengthens both product quality and ecological protection from source to end product.

The Company has continuously deepened the "Company + Base + Farmer" model at the raw material end, and operates a rice base in Baoqing, Heilongjiang and a bamboo leaf sourcing base in Jing'an, Jiangxi. Among them, the premium rice nurtured by the black soil in Northeast China endows zongzi with a unique glutinous and fragrant taste. The high-quality bamboo leaves strictly selected from the natural wild environment of Jing'an, Jiangxi contain a variety of trace elements and active substances beneficial to the human body. Wrapping zongzi with these leaves can retain the natural flavor, bringing consumers a safe and reassuring tasting experience.

The Company has accelerated the green transformation of the production and logistics links, and was successfully selected as a 2025 Zhejiang Green and Low-carbon Factory. By upgrading the manual zongzi filling barrel mode to an automatic rice filling and feeding production line through digital and intelligent integration, the Company has improved efficiency while reducing resource waste. The Company has built distributed PV projects on the rooftops of its logistics plants to replace traditional energy sources, and rolled out "Bamboo Pulp + Bagasse" environmentally friendly packaging with natural biodegradability, so as to reduce environmental impacts across the entire life cycle.

Responsible procurement

The Company has established the *Procurement Management System*, building and continuously improving the internal supervision and control mechanisms for the entire procurement process. By specifying supplier behavioral standards through contract terms, the Company actively practices the concepts of clean procurement and green procurement, collaborating with suppliers to jointly build a sustainable supply chain ecosystem.



The Company ensures the integrity and fairness of the procurement process by signing Transparency Agreements in sales and procurement contracts, clearly outlining commercial compliance requirements. In the procurement bidding process, tasks such as supplier selection, factory audits, price comparisons, and bidding are assigned to different departments. The procurement process is conducted through a digital procurement system, minimizing human intervention to ensure fairness and impartiality in procurement.

The Company actively selects materials with environmentally friendly and low-carbon characteristics, procuring green packaging materials and other eco-friendly supplies based on the standards and requirements provided by departments and demand parties, in order to reduce the environmental impact of packaging waste.



Partner Communication

The Company upholds the core philosophy of "Harmonious Business", creates customer value with integrity and pragmatism, and deeply strengthens close collaboration with partners. It pools development momentum through sincere cooperation, jointly builds a value chain ecosystem, and achieves a sustainable development pattern of mutual benefit and win-win results for all parties. To continuously improve the quality and efficiency of cooperation, the Company holds regular monthly communication activities with suppliers, conducts in-depth analysis of problems exposed in reviews, and jointly discusses and implements practical improvement measures. Meanwhile, relying on the SRM system, the Company promptly and accurately informs suppliers of policy requirements and new system functions in accordance with the latest policy updates, and distributes standardized operation manuals simultaneously. This ensures that suppliers fully grasp relevant policies, regulations and operation essentials of new functions, and strictly abide by cooperation requirements.

Strictly Safeguard Information Security

Information Security Management

To ensure the secure, reliable and stable operation of information systems, the Company has formulated and continuously improved institutional documents including the *Information Security Management System*, *Personal Information Collection and Management Measures* and *Information Security Management Measures - Account Management Measures* in light of actual business operations. It reduces or prevents security threats to the confidentiality, integrity and availability of the Company's information systems posed by human and natural factors from multiple dimensions such as management, technology and processes.

The Company has established the Digitalization Development Department as the core department for the overall planning and implementation of information security management. It has three subordinate departments: Basic Operation and Maintenance Department, Project Management Department and Supply Chain Digital Operation Department, which are fully responsible for the organization, coordination and implementation of information system security management across the Company. It is mainly responsible for information system planning, infrastructure and opera-

tion security, data security management, network security protection, supplier security management, and emergency response to information security incidents. The Audit Department independently performs supervisory duties. It regularly organizes annual reviews on the adaptability, adequacy and effectiveness of information security strategies, and launches special reviews when there are major changes in the Company's structure or business model, so as to ensure that the strategies and systems continuously align with the Company's development and regulatory requirements.

Key Performance

During the reporting period, the Company's investment in information security amounted to RMB **0.1397** million, and the number of information security and privacy protection violations was **0**. The Company conducted **2** information security training sessions with **620** participants, covering **15.82%** of its employees.

Normal Information Security Management

Management Approach		Specific Measures
Information System Security Management	Physical and Environmental Security	<ul style="list-style-type: none"> Strengthen the security management of computer rooms by implementing protective measures in the physical surroundings and entrances to ensure the physical security of information systems.
	Asset Management	<ul style="list-style-type: none"> Establish an asset ledger and conduct regular inventory, with equipment users identifying assets. Record device information uniformly through the device management module to achieve full device ledger management and status monitoring.
	Access Control and Operational Security	<ul style="list-style-type: none"> Define the security levels for system operation, establish user identification and verification mechanisms, and formulate corresponding strategies; Conduct regular security checks on system operation, regularly back up critical systems, configurations, and applications, and standardize backup management. Implement zero-trust tunnel application protection to isolate and control access to business applications, and centrally manage the activation and monitoring status of applications through an application publishing platform.
	Network and Communication Security	<ul style="list-style-type: none"> Regularly inspect network equipment and back up configuration files; Strengthen internal, external, and internet security management, such as implementing zone isolation, restricting software installations, and encrypting data transmissions.
	Device and Terminal Security Management	<ul style="list-style-type: none"> Maintain comprehensive device information through the device management module to achieve device classification and status tracking.

Management Approach	Specific Measures
Account and Authority Management	<p>User Role Management</p> <ul style="list-style-type: none"> Unified management of user/role information, organizing user groups by department, linking account permissions, and achieving corresponding control between roles and users
	<p>Standardizing the Account Usage Process</p> <ul style="list-style-type: none"> Manage Company information management accounts centrally, and departments must apply for usage.
	<p>Regularly Review Account Authorities</p> <ul style="list-style-type: none"> Regularly review accounts and permissions at both the application and system levels, promptly clean up accounts, and handle accounts promptly when employees leave.
	<p>Strengthen user account password management</p> <ul style="list-style-type: none"> User account passwords are kept strictly confidential, with requirements set for length and complexity, and are changed regularly.

Customer Privacy Protection

The Company has established a sound management system for the protection of members' personal information in accordance with the *Omni-Channel Membership Management Measures*. The Member Management Department under the Omni-channel Marketing Center, as the core executive department, coordinates the full life cycle management of members' personal information, and ensures that all links of information collection, storage and use comply with the principles of lawfulness, legitimacy, necessity and minimization, thus building a solid line of defense for members' information security from the institutional source.

At the specific business implementation level, the Omni-channel E-commerce Sales Center is responsible for the management of personal information on Internet e-commerce platforms such as Tmall, JD.com and Pinduoduo; the Warehousing and Logistics Department of the Supply Chain Center focuses on the protection of consumers' information in the delivery process; and the Product Center strictly manages the personal information actively collected in market research. All departments collaborate and consolidate their protection responsibilities within their respective business scopes, so as to protect the personal information rights and interests of consumers and members in an all-round way.

Emergency Incident Management

The Company strictly abides by laws and regulations including the *Cybersecurity Law of the People's Republic of China* and the *Emergency Response Plan for Cybersecurity Incidents*, and has established a systematic information security emergency response mechanism. In accordance with the *Emergency Information Security Incident Disposal Process*, it has clarified the definition and classification of information security incidents, and established a temporary disposal team consisting of the person in charge of the Digital Development Department, information security post, server operation and maintenance post, and software operation and maintenance post. The team is responsible for the closed-loop management of the entire process from the detection, assessment and emergency disposal of information security incidents to post-incident rectification reports, ensuring rapid response and effective disposal in the event of security incidents involving customer privacy, so as to minimize negative impacts.

To proactively enhance protection capabilities and prevent security incidents, the Company continuously optimized its technical protection system during the reporting period. In response to issues identified in external attack and defense drills, such as excessive exposure of external network surfaces and limited threat identification capability, the Company has planned and promoted a number of improvement measures, including deploying a threat intrusion detection system, building a centralized log audit and analysis platform, and reducing the exposure of public network services. By adopting both technical reinforcement and process optimization, the Company is committed to building a more proactive and intelligent security defense system to provide solid protection for consumers' personal information and the Company's core data assets.

03

Guarding Pure Flavors, Upholding Environmental Stewardship

Wufangzhai has fully recognized the profound impact of environmental and climate factors on the food industry, and actively responds to national environmental protection and the goals of "Carbon Peaking and Carbon Neutrality". To mitigate the negative impacts on the external environment, guided by the principle of "Energy Conservation, Carbon Reduction and Clean Production", the Company is committed to promoting near-zero emissions of pollutants and greenhouse gases. Meanwhile, it strives to build a more resilient system to address environmental and climate risks. From green raw material procurement to clean production, from clean energy substitution to the development of a low-carbon logistics network, the Company fully promotes the low-carbon transformation of the value chain through technological innovation and model upgrading, and continuously enhances the climate adaptability of products throughout their full life cycle.

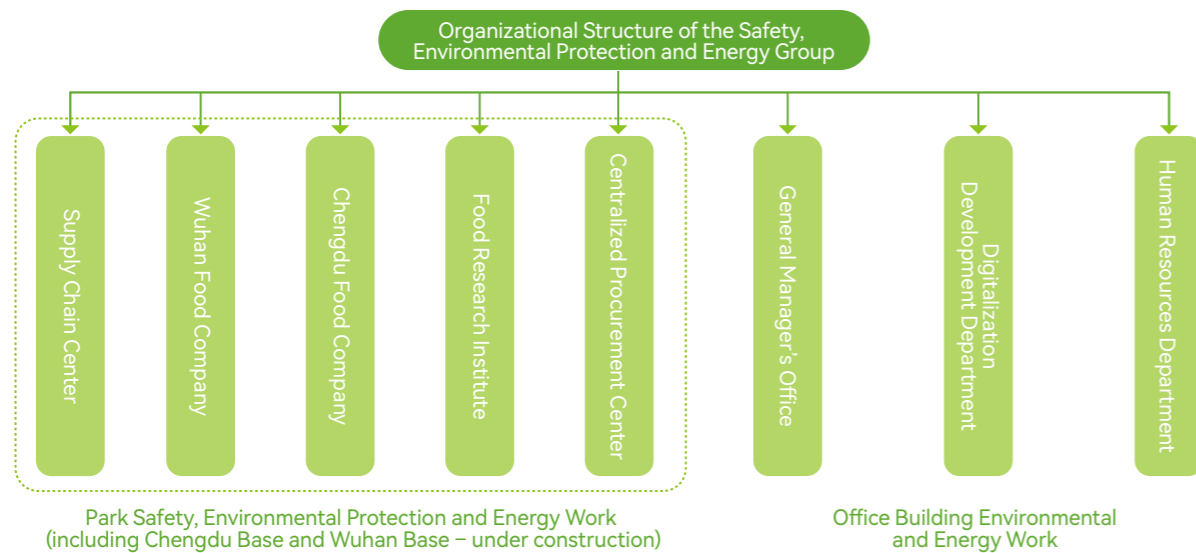
SDGs



Protect the Natural Environment

Governance

The Company consistently adheres to the environmental management philosophy of "Ecological priority and Green development," strictly complies with relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, and fully integrates the concept of green ecological protection into all aspects of its production and operations. With sustainable development as the core focus, the Company scientifically formulates environmental goals and implementation plans, prioritizing three key directions: reducing pollutant emissions, advancing energy conservation and carbon reduction, and optimizing resource utilization. By establishing and improving a systematic environmental governance system, the Company coordinates efforts in work safety, environmental protection, and energy conservation and carbon reduction, while ensuring effective implementation by responsible departments. The Company incorporates environmental performance into the performance evaluation system of relevant management personnel, continuously monitors and drives improvements in environmental management, and diligently fulfills its environmental responsibilities.



Department	Responsibilities
General Manager's Office	<ul style="list-style-type: none"> As the leading department of the Safety, Environmental Protection and Energy Group, it formulates the Company's environmental management policies and objectives, and supervises the implementation and completion of environmental protection work. In addition, it is responsible for energy management, wastewater and waste management of the office building, and formulates water and electricity conservation targets and plans for the office building.
Chain Center, Wuhan Food Company, Chengdu Food Company	<ul style="list-style-type: none"> Conduct strict acceptance inspections in accordance with environmental protection standards provided by the Food Research Institute to ensure production processes comply with environmental protection requirements. Manage pollutants, carbon emissions and safety risks generated during the production of zongzi and non-zongzi products, implement emission reduction and water conservation measures, and formulate emission reduction targets, safety objectives and plans for product production. Manage waste generated in the logistics process, and formulate targets and plans for waste recycling and reduction. Manage waste generated in the logistics process.
Food Research Institute	<ul style="list-style-type: none"> Conducts research on green design and green packaging, provides standards for emission reduction, energy conservation and resource utilization to production and procurement departments, and offers planning suggestions for the Company's environmental work.
Centralized Procurement Center	<ul style="list-style-type: none"> Formulates green procurement plans, and establishes targets and plans for waste recycling and reduction.
Digitalization Development Department	<ul style="list-style-type: none"> Coordinates with the General Manager's Office to formulate green office plans, and reduces emissions in office areas through digitalized means.
Human Resources Department	<ul style="list-style-type: none"> Responsible for environmental protection and energy conservation-related training and publicity for the office building and parks.

During the reporting period, the Company has passed the ISO 14001 Environmental Management System certification and been awarded the titles of Provincial Green Factory.



Wufangzhai Environmental Management System certification

Provincial-level Green Factory

Strategy

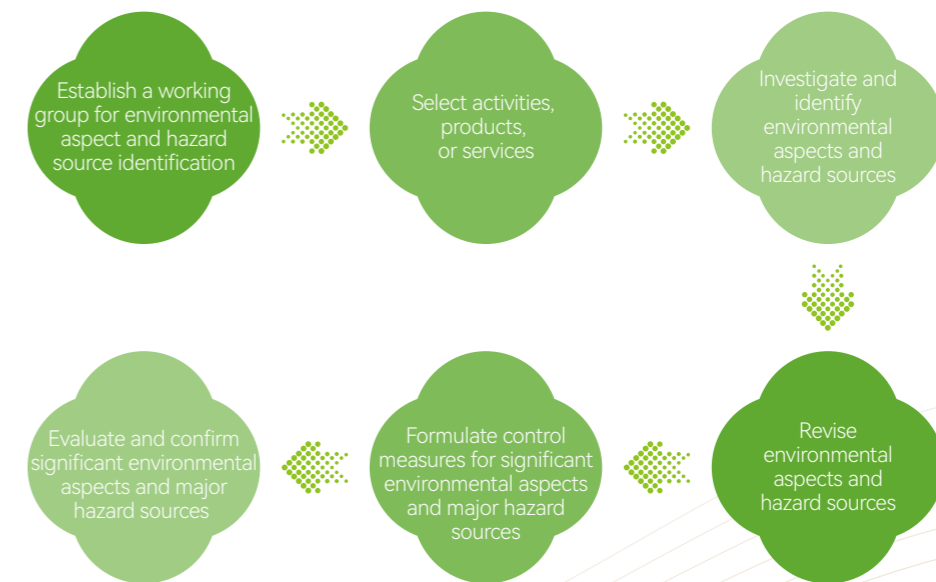
Risk Category	Risk Description	Financial Impact Explanation	Impact Period	Value Chain Segment Affected	Countermeasures
Legal Risks	As environmental laws and regulations become increasingly stringent, companies need to mitigate environmental risks and prevent penalties and reputational damage resulting from environmental non-compliance.	Cost increase	Medium to long term	Operations	The Company continues to invest in environmental protection, managing the generation of pollutants and reducing the resulting negative impacts; The Company closely monitors and keeps up with the latest environmental policies and regulatory developments, promptly adjusting and optimizing its environmental protection plans.
Technical Risks	Abnormal operation of environmental facilities may lead to the direct discharge of pollutants such as wastewater and waste gas into the environment without adequate treatment, thereby adversely affecting ecological balance and public health.	Cost increase	Medium to long term	Operations	Regularly inspect and maintain environmental protection facilities to ensure their normal operation and compliance with emission standards; Establish and improve environmental management systems and operational procedures, conduct environmental training to ensure that employees operate in accordance with specifications and meet environmental requirements.
Leakage Risks	Unforeseen factors such as natural disasters and equipment failures may lead to environmental accidents like pollutant leakage, which not only cause severe pollution to the surrounding environment but may also result in severe penalties from regulatory authorities.	Cost increase	Medium to long term	Operations	Establish and improve the emergency response plan system, develop detailed emergency response procedures and handling measures for potential pollutant leakage accidents caused by natural disasters, equipment failures, etc., to ensure a rapid and effective response in the event of an accident.

Opportunity Category	Opportunity Description	Financial Impact Explanation	Impact Period	Value Chain Segment Affected	Countermeasures
Market Opportunities	By strengthening environmental compliance management, the Company can further demonstrate its social responsibility, enhance its brand image, and increase consumer trust.	Revenue increase	Medium to long term	Operations	Continuously increase investment in environmentally friendly facilities, optimize and upgrade environmentally friendly facilities to ensure efficient treatment and stable, compliant discharge of pollutants generated during the production process; regularly disclose environmental information, actively accept social supervision, and strive to enhance the Company's environmental credibility.

Impact, Risk, and Opportunity Management

Environmental Impact Identification and Assessment

The Company has established the *Environmental Factors and Hazard Source Identification and Assessment Procedure*, which clarifies the process for identifying and assessing environmental risks. It provides scientific and effective guidance for recognizing potential environmental risk factors, conducting reasonable evaluations, and subsequently formulating and implementing targeted response measures.



Environmental Risk Assessment Flowchart

The Company regularly compiles and publishes the *Environmental Risk Assessment Report* based on the environmental risk assessment process, conducting comprehensive pollutant identification across the production processes of various products and accurately pinpointing key stages where pollutants are generated. Based on the assessment results, the Company formulates targeted optimization plans and emission reduction goals to ensure the systematic and effective management of environmental practices.

The Company conducts environmental impact assessments for construction projects in accordance with the law, prepares environmental impact assessment documents, and submits them for approval following the prescribed procedures. At the same time, the Company strictly implements the "Three Simultaneities" system, ensuring that environmental protection facilities are designed, constructed, and put into operation simultaneously with the main project. This effectively prevents and controls environmental pollution risks, ensuring that construction projects comply with national and local environmental protection standards.

Environmental Emergency Response Management

The Company has prepared the *Compilation Instructions for Emergency Response Plans for Sudden Environmental Incidents* and the *Investigation Report on Emergency Resources for Sudden Environmental Incidents*, establishing and improving the emergency response mechanism for environmental pollution incidents. By setting up an emergency command headquarters for sudden environmental incidents, clarifying the emergency organizational structure, division of responsibilities, and response procedures, a systematic emergency response plan is formed. This ensures timely reporting of pollution incidents and the rapid and effective organization of personnel evacuation, on-site cleanup and decontamination, environmental monitoring, dynamic tracking of pollution, information dissemination, as well as ecological and environmental impact assessment and restoration, minimizing accident losses and environmental harm to the greatest extent possible.



Emergency Drill for Gas Storage Tank Leakage Incident



Emergency Drill for Steam Pipeline Leakage Incident

In addition, the Company regularly conducts quantitative environmental risk assessments in accordance with the *Enterprise Environmental Emergency Risk Classification Method*, compiles and publishes the *Environmental Emergency Risk Assessment Report*, and identifies and classifies the Company's environmental risks. Based on the assessment results, the Company scientifically allocates emergency resources at corresponding levels to ensure that emergency response efforts are more targeted and efficient.

Strengthening Environmental Awareness

The Company irregularly conducts environmental protection training for employees across various departments, covering topics such as environmental laws and regulations, interpretation of policies and standards, as well as environmental risk points and corresponding prevention and control measures in daily operations. Through professional explanations and case analyses, the training helps employees intuitively understand the importance of environmental protection and ensures they can respond quickly and accurately in emergency situations, thereby effectively reducing the Company's environmental accident risks. During the reporting period, the Company organized 10 environmental protection training sessions, with 600 Participants and a total training duration of 1,200 Hours.

Indicators and Targets

The Company has set clear wastewater reduction targets: by 2025, the Company's sewage discharge will decrease by 5% compared to the same period in 2024. During the reporting period, the Company has already achieved the target, with wastewater discharge decreasing by 7.5% compared to 2024(Note: Data only includes Jiaxing and Chengdu bases).

Key indicators	Unit	2025
Total Environmental Protection Investment	Million RMB	162.97
Environmental Violations and Illegal Incidents	Piece	0
Major Environmental Pollution Incident	Piece	0
Qualification Rate of Pollutant Monitoring	%	100

Pollution Prevention and Control

Wastewater Management

The Company strictly adheres to the *Water Pollution Prevention and Control Law of the People's Republic of China* and has established regulations such as the *Wastewater Discharge Control Procedures* and the *Wastewater Management System*. These regulations clarify the division of responsibilities for wastewater treatment and standardize the operational procedures for the separation of clean and polluted water. The Company has established a pollution prevention and control organizational structure that spans from the general manager to specialized departments, effectively managing the compliant discharge of pollutants.

Organizational Structure	Responsibilities
General Manager	<ul style="list-style-type: none"> Holds overall responsibility for sewage treatment and integrates water pollution prevention into the Company's development plan. Organizes the formulation of sewage treatment plans, objectives and implementation schemes, supervises all departments in implementing relevant measures to ensure the normal operation of facilities, conducts regular inspections and solves problems, and provides necessary personnel and equipment to support the work.
Environmental Protection Department	<ul style="list-style-type: none"> Implements sewage treatment in practice; responsible for the daily operation, maintenance and management of treatment facilities, monitors operational data to ensure compliant discharge, carries out technical renovation, equipment procurement, installation and commissioning of facilities, and reports work progress on a regular basis.
Other Departments	<ul style="list-style-type: none"> Production Department: Reduce wastewater generation, optimize production processes and lower pollutant emissions. Equipment Management Department: Conduct regular inspection and maintenance of sewage treatment facilities to ensure stable and normal operation. Human Resources Department: Strengthen personnel training and improve the professional skills of relevant operators.

The wastewater generated by the Company mainly includes production wastewater, domestic sewage and steam condensate. The Company has built its own integrated sewage treatment station for advanced sewage treatment. The effluent complies with the *Integrated Sewage Discharge Standard*, and key indicators such as ammonia nitrogen and phosphorus are controlled to meet the requirements of the *Indirect discharge for emission limitation of nitrogen and phosphorus for Industrial Wastewater*. The treated wastewater is safely discharged into the municipal sewage pipe network.

During the reporting period, the Company's wastewater treatment facilities operated stably. All treated pollutants met the Class III discharge standards specified in the pollutant discharge permit, achieving 100% compliant discharge.

Indicator	Unit	2025
Wastewater Discharge Volume	Ton	368,656.11
Wastewater Discharge per Million Revenue	Ton per Million RMB revenue	164.41
Chemical Oxygen Demand (COD)	Ton	50.80
Ammonia Nitrogen Emission	Ton	1.15
Total Phosphorus (TP)	Ton	0.59
Total Nitrogen (TN)	Ton	0.42

Note: The environmental data is calculated on a basis covering all production bases of the company, which has resulted in significant changes in some data compared with last year. Unless otherwise specified, the environmental data in the following sections shall be consistent with this calculation scope.

The Company implements wastewater reduction and recycling. Through advanced water treatment technologies, the daily cleaning wastewater is purified and recycled for the production process, which effectively improves water resource utilization efficiency, reduces the consumption of fresh water resources, and ensures the hygiene of water used for food cleaning. The Company has promoted the renovation of production equipment such as the water-saving bamboo leaves cleaning production line and the upgraded rice washing production line, increasing the internal recycling of cleaning water and fully realizing the rational utilization of production water resources.

Measures	Specific Content
Recycled Water Recycling System for Cooling Water of Breakfast Porridge Sterilization Kettle	<ul style="list-style-type: none"> The cooling water from the sterilization kettle is recycled into a 33 m³ cooling water tank, cooled by a cooling tower and then reused. This can save 132 m³ of water per day and reduce sewage discharge.
Water Recycling for Sterilization Kettle	<ul style="list-style-type: none"> Tap water is treated by the RO system and stored in a mixing water tank (90 m³ in volume) for repeated use by the sterilization kettle. About 320 m³ of water can be saved per day during the peak production period, with a corresponding reduction of 320 m³ in sewage discharge.
Water Recycling for Rice Washing Production Line	<ul style="list-style-type: none"> The rice washing machine realizes internal water circulation through pumping for rice cleaning. 6.4 m³ of water can be saved per day during the peak production period, reducing sewage treatment and discharge.
Water Recycling for Bamboo Leaves Cleaning Machine	<ul style="list-style-type: none"> The spray water during the cleaning process is collected and returned to the water collection tank at the bottom of the equipment for recycling. 97.2 m³ of water can be saved per day during the peak production period, reducing sewage discharge.

Wastewater Recycling Measures

Waste Gas Management

The Company strictly abides by the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, and has formulated systems including the *Waste Gas Emission Control Procedures* and *Wastewater Management System*. It clarifies the control and monitoring procedures for waste gas emission, standardizes the operation procedures of waste gas treatment equipment, and ensures that all indicators of waste gas emission comply with relevant national standards. In terms of management responsibilities, the Safety and Environment Department is responsible for the supervision, management, inspection, assessment and upward reporting of air pollution prevention and control. The Production Management Department is responsible for the operation, management and synchronous scheduling of pollution prevention facilities, and implements production suspension and restriction measures during periods of heavy air pollution.

The waste gas generated in the Company's production area mainly includes oil fume from workshops, natural gas combustion waste gas, odor from production and the sewage treatment station, as well as canteen oil fume. Every year, the Company entrusts qualified third-party testing institutions to monitor the emission of air pollutants, and implements classified treatment for various types of waste gas.

Indicator	Unit	2025
NO _x	Ton	0.29
VOC	Ton	0.16
PM	Ton	0.03

Waste Gas Type	Disposal Measures and Standards
Workshop Oil Fume	<ul style="list-style-type: none"> Complies with the <i>Emission Standard of Cooking Fume (Trial)</i>(GB18483-2001). Gas collecting hoods (collection rate ≥ 85%) and oil fume purifiers (purification efficiency ≥ 85%) are installed in the stir frying and frying areas. The treated waste gas is discharged through a 15 meter high exhaust pipe.
Natural Gas Combustion Waste Gas	<ul style="list-style-type: none"> Complies with Grade II standards of the <i>Integrated Emission Standard of Air Pollutants</i> (GB16297-1996). The waste gas is collected by gas collecting hoods and discharged at high altitude through the shared pipeline with oil fume waste gas.
Canteen Oil Fume Waste Gas	<ul style="list-style-type: none"> Complies with the <i>Emission Standard of Cooking Fume (Trial)</i> (GB18483-2001). The stoves are equipped with high efficiency oil fume purification facilities (treatment efficiency ≥ 90%).
Odor Treatment	<ul style="list-style-type: none"> Complies with Grade II standards of the <i>Emission Standard for Odor Pollutants</i> (GB14554-93). All odor generating units in the sewage treatment station are fully enclosed and collected. The odor is treated by two stage spraying and discharged up to standard through a 15 meter high exhaust pipe, ensuring no obvious odor outside the plant boundary.

Noise Management

The Company strictly abides by the *Law of the People's Republic of China on Prevention and Control of Pollution From Environmental Noise*, and has formulated the *Noise Control Procedures* to manage the noise generated during the operation of various production and public utilities such as water pumps, generators, air compressors and other equipment. Specific control measures include giving priority to low-noise equipment, installing vibration isolation pads and silencers during the installation phase to reduce vibration and noise transmission, and adopting special sound insulation or isolation treatment for key equipment such as generators and air compressors. The Company has also established a daily noise monitoring mechanism to continuously track the effect of noise control.

During the reporting period, the noise at the plant boundary stably met the requirements of Class 3 standards in the *Environmental Noise Emission Standard for Industrial Enterprises Noise at Boundary* (GB12348-2008), and no adverse impact was caused to the surrounding environment.

Waste Management

The Company strictly abides by the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes* and other relevant laws and regulations, and has formulated the *Solid Waste Control Procedures and Solid Waste Management System*. These documents clearly specify the classification standards, collection and treatment procedures of wastes, ensure the legality and compliance of the treatment process, and keep *Waste Disposal Records* to effectively prevent and control environmental pollution. All departments generating solid wastes are responsible for implementing classification, reduction and resource utilization at the source, systematically carrying out collection, storage, transfer and ledger management, so as to realize the standardized disposal of wastes in the whole process.

During the reporting period, all wastes of the Company were disposed of in accordance with national laws and regulations, and no major adverse impact was imposed on the surrounding environment.

Category	Waste Type	Management Measures
General Non-recyclable Waste	<ul style="list-style-type: none"> General solid waste generated from employee life and office activities, as well as general solid waste from equipment maintenance 	<ul style="list-style-type: none"> Ordinary waste is entrusted to a third party for unified removal and disposal. Cardboard boxes, waste packaging, etc., are irregularly organized and sent out for disposal by the qualified suppliers contracted by the park's logistics service department with the centralized procurement center. Chemicals temporarily stored are sealed and placed in designated locations, arranged neatly, and properly labeled and recorded. The water treatment sludge is entrusted to designated units for regular removal and disposal.
Recyclable Waste	<ul style="list-style-type: none"> Waste paper, waste plastic, waste fabric, etc. 	<ul style="list-style-type: none"> Each department shall set up recyclable waste bins and label them for collecting recyclable waste. The laboratory shall set up chemical recovery containers. Office buildings and factories are equipped with corresponding waste recycling bins. Takeout disposals are conducted irregularly and uniformly to achieve resource recycling and utilization.
Hazardous waste	<ul style="list-style-type: none"> Waste engine oil, ink cartridges, toner cartridges, etc. 	<ul style="list-style-type: none"> Set up dedicated recycling containers for the classified collection of hazardous waste. Entrust qualified institutions to carry out regular removal and disposal. Conduct regular inspections to ensure that all departments handle hazardous waste in accordance with regulations.

Key Performance

During the reporting period, the Company generated **383.06** Tons of general waste and **0.32** Tons of hazardous waste.

Green Operations

Green Office

The Company advocates for green office practices, encouraging employees to adopt environmentally friendly ways of working to collectively create a green, healthy, and sustainable work environment. Additionally, the Company actively carries out environmental protection promotional activities, such as posting environmental awareness posters and displaying environmental knowledge on electronic display screens, to actively promote environmental concepts. Employees are particularly encouraged to choose green commuting methods like cycling or taking public transportation to reduce carbon emissions.

Green Office Initiatives



Paperless Office, promoting electronic file and paperless voucher management, effectively reducing the use of consumables such as paper and ink, while also lowering energy consumption during storage and transportation. Through electronic and digital management methods, the Company has successfully integrated the concept of sustainable development into daily operations, making substantial contributions to environmental protection.



Promote the concept of water conservation and enhance employees' awareness of water saving.



Implement shared printers to reduce the number of printers; reset printers to eliminate ineffective printing caused by blind serial connections, and set limits on the office expense budget for each department.



Promote the use of electronic displays.



Office buildings and public areas are equipped with green plants to beautify the environment, and the surrounding greenery is regularly trimmed and maintained.



A smoke-free office zone is established, and smokers are required to use outdoor smoking rooms.



Battery recycling bins are set up in office areas, and the collected batteries are uniformly recycled and processed by suppliers.

Green Office Initiatives



All types of ordinary and high-power light tubes have been replaced with LED lighting, reducing electricity consumption for illumination. During work breaks (or lunchtime), all electrical equipment (including lighting) is turned off.



Air Conditioning Usage Requirements and Restrictions: Cooling activation requires indoor temperature to remain consistently above 28°C; heating activation requires indoor temperature to remain consistently below 3°C. Additionally, the cooling set temperature must be above 26°C.

Energy-Saving Building Renovation

To achieve energy conservation and consumption reduction while meeting the relevant requirements of food safety regulations, the Company implemented hardware renovations for its production workshops. Through these upgrades, the overall thermal insulation performance of the workshops has significantly improved, and temperature fluctuations have been minimized. While reducing the energy consumption of air conditioning and heating, these measures also provide more stable and compliant operating conditions for the production environment.



Optimizing the building envelope: 60% of the workshop's original windows were converted into walls, effectively reducing heat loss through windows and enhancing thermal insulation.

Upgrading window thermal insulation: All remaining windows were replaced with double-glazed insulating glass to further reduce heat exchange between the interior and exterior, maintaining stable temperatures within the workshop.



Ecological Environment and Biodiversity Conservation

Wufangzhai supports the protection of ecosystems and biodiversity, fulfilling its corporate responsibilities by advancing green production and sustainable supply chain management. The Company actively carries out energy-saving and carbon-reduction retrofits as well as cleaner production to reduce pollutant emissions, while improving resource utilization efficiency through the establishment of a waste sorting and recycling system. Furthermore, the Company emphasizes supply chain sustainability by prioritizing the procurement of eco-friendly raw materials, promoting eco-friendly practices in the agricultural sector, and optimizing logistics and packaging to minimize environmental impacts throughout the entire value chain. Through these systematic initiatives, Wufangzhai indirectly supports ecosystem health and biodiversity conservation on the basis of compliant operations.

Addressing Climate Change

Governance

Against the backdrop of intensifying global climate change and the deep advancement of China's "Carbon Peaking and Carbon Neutrality" goals, the state has successively introduced policies and regulations such as the *Action Plan for Carbon Dioxide Peaking Before 2030*, encouraging enterprises to incorporate climate governance into their long-term development strategies. Wufangzhai strictly adheres to relevant national and industrial laws and regulations, actively addresses climate risks, and is dedicated to driving a green and low-carbon transition through institutionalized and professional management.

Strategy

In accordance with relevant guidelines and standards, the Company proactively identifies climate risks and opportunities from aspects such as raw materials, production, logistics, and consumption trends, and develops corresponding measures.

Risk Category	Risk Description	Financial Impact Explanation	Impact Period	Value Chain Segment Affected	Countermeasures
Physical risks	<p>Acute risks</p> <p>Production facility damage: Natural disasters such as gale-force winds, heavy fog, and typhoons may cause damage to equipment and facilities, leading to production disruptions and increased costs.</p> <p>Supply risk: Frequent extreme weather events (such as floods, droughts, and typhoons) may affect the yield and transportation efficiency of core agricultural products like glutinous rice and meat, leading to disruptions in raw material supply or increased costs</p>	Cost increase	Short, Medium and Long Term	Upstream, Operations, Downstream	Develop emergency plans such as on-site disposal plans for natural disasters, lightning strike accidents, and collapse accidents, and establish emergency response procedures for natural disaster incidents.
	<p>Chronic Risks</p> <p>Rising temperatures lead to intensified pest and disease pressures in major producing areas for glutinous rice and bamboo leaves, compromising yield and quality stability in the long term.</p> <p>Uneven seasonal precipitation in the Yangtze River Basin disrupts the harvesting cycles of bamboo leaves and escalates raw material storage costs.</p>	Cost increase, revenue decrease	Long-term	Upstream, operations, downstream	Implement energy-saving and emission-reduction actions, establish a sustainable development committee, and include environmental work in future strategic planning.

Risk Category	Risk Description	Financial Impact Explanation	Impact Period	Value Chain Segment Affected	Countermeasures
Transition Risks	<p>Policy Risks</p> <p>Domestic and international carbon pricing mechanisms (e.g., carbon taxes and the EU Carbon Border Adjustment Mechanism, or CBAM) may increase corporate carbon-related costs, particularly posing challenges to the competitiveness of export-oriented businesses.</p>	Cost increase	Long-term	Operations	Selected products feature green packaging under the "Bamboo-for-Plastic" initiative, effectively reducing the generation of packaging waste. Prioritizing energy conservation and carbon reduction, the Sustainable Development Office (SDO) conducts regular monitoring and research on overseas ESG policy developments.
	<p>Technical Risks</p> <p>As the industrial chain transitions towards lower emissions, it faces challenges such as immature emission reduction technologies.</p>	Cost increase, revenue decrease	Medium to long term	operations,	Implement green procurement, install green power facilities, and reduce carbon emissions.
	<p>Market Risks</p> <p>Climate change may increase the frequency of floods and droughts in major producing areas for agricultural products like glutinous rice and pork, triggering price fluctuations and driving up raw material procurement costs;</p> <p>With rising environmental awareness, consumers and clients are increasingly favoring green and low-carbon products. Consequently, products lacking sustainable attributes may lose their competitive edge in future market competition.</p>	Cost increase, revenue decrease	Medium to long term	Upstream, operation, downstream	Accelerate the R&D and iteration of green and low-carbon products, strengthen green brand marketing and market promotion, and communicate the Company's sustainable development and ESG practices to the market

Opportunity Category	Opportunity Description	Financial Impact Explanation	Impact Period	Value Chain Segment Affected	Countermeasures
Market Opportunities	Implement ESG, promote low-carbon concepts, and meet the ESG supply chain requirements of major clients.	Revenue increase	Medium to Long Term	Operations	Practice low-carbon Principles, Improve ESG Ratings.
Technical Opportunities	Enhance climate resilience by collaborating with upstream partners to strengthen the disaster resistance of raw agricultural products, thereby reducing the supply risks of raw materials caused by climate risks.	Cost decrease	Medium to Long Term	Upstream, Operations	Build a sustainable supply chain to reduce supply risks.

Impact, Risk, and Opportunity Management

The Company, in reference to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), analyzes the risks posed by climate change to the Company's operations, supply chain, market, regulations, and other aspects across three major categories: physical risks, transition risks, and opportunities, while also identifying potential opportunities in the low-carbon transition. For the identified risks and opportunities, the Company develops response measures and action plans to ensure it has sufficient capabilities and resources to address climate change risks, seize climate change opportunities, and establish a closed-loop management mechanism for climate change risks.

Indicators and Targets

Key indicators	Unit	2025
Total GHG Emissions(Scope 1 and Scope 2)	tCO ₂ e	9,913.84
Scope 1 Total GHG Emissions	tCO ₂ e	2,170.83
Scope 2 Total GHG Emissions	tCO ₂ e	7,734.00
GHG Emission Intensity	(tCO ₂ e/Million RMB Revenue)	4.42
GHG Emission Reduction (Photovoltaic Power Consumption)	tCO ₂ e	2,016.26

The greenhouse gas (GHG) calculation standards are formulated with reference to the *Requirements of the Greenhouse Gas Emission Accounting and Reporting—Food, Tobacco, Alcohol, Beverage, and Refined Tea Enterprise (Trial)* issued by the National Development and Reform Commission (NDRC). The GHG emission data are converted and calculated based on the energy consumption data.

Establishment of Carbon Management System

To achieve scientific management of carbon emission reduction targets, the Company has completed product carbon footprint verification and is actively planning corporate-level carbon inventory. Through systematic inventory of the Company's carbon emissions, we will map out emission reduction pathways, set clear carbon emission targets, and conduct regular monitoring and evaluation of emission reduction progress, so as to ensure the orderly advancement of carbon management work.



Product Carbon Footprint (PCF) Verification Statement

Photovoltaic(PV) Project Construction

The Company actively utilizes clean energy and develops PV projects to reduce the consumption of traditional energy. PV power generation equipment has been installed by utilizing the rooftop space of factory buildings. As of the end of the reporting period, the Company's installed PV capacity reached 4.62 MW. In 2025, the total power generation amounted to 2,347,100 kWh, resulting in a reduction of 1,290.88tCO₂e in greenhouse gas (GHG) emissions.



Installing rooftop PV systems



Optimizing Resource Utilization

Energy Management

◎ Governance System

The Company is committed to building a resource-conserving and environment-friendly development model. It strictly abides by the *Energy Conservation Law of the People's Republic of China* and other relevant laws and regulations, and actively carries out the construction of an energy management system. The Company has formulated the Resource and Energy Control Procedures. The Supply Chain Center takes overall charge of the control and management of the Company's energy consumption, and each user department is responsible for the rational use and control of resources and energy in the areas under its management. As of the end of the reporting period, the Company has obtained the ISO 50001 Energy Management System Certification.



◎ Energy Management System Certification

◎ Energy Saving and Consumption Reduction Practices

In the field of energy saving and carbon reduction, the Company has formulated a clear and systematic plan that runs through full-process management from the front end to the back end, to ensure the efficient achievement of emission reduction targets.

■ Optimization of Production Processes

In the production link, the Company continuously invests resources to advance process improvement and technological innovation. Through continuous innovation in production processes and the introduction of advanced production technologies and equipment, the Company has further optimized the production flow, effectively improved energy utilization efficiency, and reduced energy consumption per unit product.

■ Heat Recovery of Cooking Lines

Heat recovery renovation has been implemented for the unmanned rice dumpling cooking lines and bamboo leaf cooking pots. During operation and pressure relief, the cooking pots and bamboo leaf cooking pots generate a large amount of high-temperature steam condensate (with a temperature above 100°C). By recovering this part of heat, the tap water in the hot water tank is preheated. The preheated hot water is used for personnel washing and disinfection in the workshop and R&D laboratory, as well as for bamboo leaves cooking, thereby cutting down energy consumption from additional heating.

■ Centralized Cooling Water Supply

The air conditioning systems and vacuum cooling units in the production workshops have been converted to share centralized cooling from ice water units, supplemented by plate heat exchangers and cold water storage tanks for storing chilled water. This design allows vacuum coolers to use RO water as the cooling source, while air conditioning units use normal-temperature tap water, replacing the original low-efficiency one-to-one air-cooled module cooling mode. The system adopts a combination of fixed-frequency and variable-frequency operation that can be adjusted according to seasons. The two units are installed in parallel with redundant backup capability; if one unit fails, the other can continue operating to avoid production interruption.

■ Temperature and Humidity Linked Control

Firstly, linked control of the unmanned cooking line and exhaust system. Stainless steel exhaust air ducts are installed above cooking pots. By collecting the pot-opening signal, the variable-frequency fans connected to corresponding valves are activated in a linked manner to discharge steam outdoors in a timely manner. The exhaust system stops operating when the cooking pots are not in use, helping to maintain the cooling capacity of the workshop air conditioning. Secondly, temperature control in the filling stir-frying room. Compared with the old workshop's cooling method of air supply combined with large-volume exhaust, the pilot workshop is equipped with air supply hoods outside the smoke exhaust hoods. The air supply volume is less than the smoke exhaust volume, forming an air curtain isolation in the smoke exhaust area, which improves local temperature control and reduces energy consumption.

■ Integrated "Cooking-Vacuum" Production Process

Through R&D investment, the Company has innovatively adopted a high-temperature steaming process for cooking zongzi, integrating the original multiple processes including cooking, bag filling, water injection, vacuum packaging and sterilization into two main processes: vacuum packaging and sterilization. This process achieves sterilization while cooking zongzi, helping to reduce the thread-loosening rate of zongzi, improve the quality of vacuum-packed zongzi products, and reduce water, electricity and gas consumption as well as wastewater discharge during cooking.



Energy Management Objectives

The Company focuses on green development and profit growth as its core strategic direction, actively carrying out special research on energy consumption to understand the actual energy usage of each department, identify energy-saving potential, and improve energy utilization efficiency. In 2025, the Jiaxing base of the Supply Chain Center formulated an implementation plan for electricity conservation measures, promoting the phased implementation of energy management plans and tracking the achievement of targets year by year.

Energy Use Strategic Targets			
Indicators	Strategies and Targets	2025 Interim Targets	2025 Target Achievement
Proportion of Green Power Used	By 2030, the proportion of green power used shall be no less than 25%.	The proportion of PV power generation used shall exceed 20%.	Photovoltaic power accounted for 20.96% of total electricity consumption.

Electricity Conservation Measures Implementation Plan	
Measures	Specific Content
<p>Conduct Research on Electricity Consumption Resources</p>	Carry out a detailed investigation of electricity consumption in various departments, including equipment power, operating hours, etc.
<p>Promote Energy-Saving Equipment and Technologies</p>	Analyze and determine adjustment directions based on research results, introduce advanced energy-saving production equipment and upgrade energy-saving lighting.
<p>Conduct Electricity Conservation Publicity</p>	Enhance employees' awareness of electricity conservation, ensure no or minimal idle operation of equipment, and turn off lights when leaving.

Key indicators	Unit	2025 (Aggregated Data of All Bases)
Natural Gas	10,000 m ³	100.30
Steam	10,000 m ³	36,787.65
Total Electricity Consumption	Kwh	17,493,080.36
Photovoltaic power consumption (including purchased volume)	Kwh	3,665,931.66
Proportion of photovoltaic power consumption (including purchased volume)	%	20.96
Purchased Heat	GJ	1,255.19
Renewable Energy Consumption	Ton of standard coal equivalent	450.54
Proportion of Renewable Energy in Total Energy Consumption	%	13.21
Total Energy Consumption	Ton of standard coal equivalent	3,411.27
Energy Consumption Intensity	Tons of standard coal per Million RMB revenue	1.52

Note: The calculation of total energy consumption is based on *General Principles for Calculation of Comprehensive Energy Consumption (GB/T 2589-2020)*.

Water Resource Utilization

Wufangzhai actively responds to the national "Water Conservation Priority" strategy, reducing production water consumption costs. In accordance with regulations such as the *Water Law of the People's Republic of China*, the *Chengdu Water Conservation Management Regulations*, and the *Water-saving Requirement for Food Fabrication Plant*, the Company has formulated the *Water Conservation Management System*, the *Water Use Measurement Management System*, and the *Water Conservation Target Responsibility and Assessment System*. Guided by the fundamental principles of "Hierarchical Management, Circular Utilization, Full Staff Participation," the Company strictly controls water resource utilization across all departments and water usage processes.

The Company has established a Water Conservation Management Leading Group, with the General Manager as the group leader and the heads of the Equipment Team, all workshops and the Logistics Team as members. The group is responsible for approving annual water conservation targets, holding regular special meetings on water conservation, and coordinating capital investment in water-saving technological transformation. In April 2025, the Company entrusted a third-party institution to conduct a water balance test, which passed the acceptance inspection.

Water Conservation Measures

The Company's production and domestic water supply is entirely sourced from municipal water supply networks, with no direct extraction from natural water bodies such as rivers and lakes. Additionally, all operational sites are located far from water source protection areas. This ensures compliance with water usage regulations at the source and effectively avoids potential impacts on the surrounding water environment and ecological protection zones due to water extraction activities.

In the course of production and operations, the Company fully considers the water resource carrying capacity to avoid overuse and waste. It reduces water consumption by replacing sterilization equipment, adding water storage tanks, recycling brush cleaning water, establishing sewage treatment systems, and collecting and redistributing steam condensate.

 Water Conservation in Production Processes	<ul style="list-style-type: none"> ▶ Optimize raw material cleaning processes to enhance water-saving efficiency; ▶ Install condensate recovery systems for steam boilers to improve recycling; ▶ Refine flushing procedures to reduce the frequency of flushing.
 Auxiliary Water Conservation Measures	<ul style="list-style-type: none"> ▶ Install water-saving flush valves in restrooms and enhance inspections to prevent leaks and spills; set up "residual water collection buckets" for bottled water and water dispensers to be used for mopping floors and watering plants; ▶ Tableware cleaning follows a three-step method: "centralized soaking → efficient rinsing → disinfection"; an oil-water separator is installed, and the treated wastewater is used for cleaning the garbage room. ▶ The greening of plant area utilizes an intelligent drip irrigation system, with rainwater collection tanks prioritized for water supply during non-rainy seasons.
 Training and Promotion	<ul style="list-style-type: none"> ▶ New Employee Onboarding Training adds a "Water Conservation Operation Procedures" course; Every March (National Water Conservation Awareness Week), water conservation promotion.

Water Conservation Goals

The Company actively promotes water conservation equipment and technology, explores potential water conservation points and sets water conservation goals, establishes a water resources database, regularly tracks completion progress, records water usage by each department, and provides a scientific basis for water resources management decisions.

Water Resources Utilization Goals		
Strategies and Targets	2025 Interim Targets	2025 Target Achievement
Based on the benchmark year of 2024, water allocation is targeted to decrease by 15% by 2030	Annual water allocation usage decreased by 10%	Compared to 2024, water usage in 2025 decreased by 28.73%

Key indicators	Unit	2025
Total Fresh Water Withdrawal	Ton	337,600.30
Total Water Consumption	Ton	385,430.30
Water Recycling and Reuse Volume	Ton	15,484
Water Recycling and Reuse Rate	%	4.02

Circular Economy

The Company actively implements the green concept in material use, and has formulated the Measures for Material Recycling Management. The Warehouse Department, Logistics Department and Administration Department are jointly responsible for material management, and standardize the recycling, classification, treatment and reuse processes of recyclable materials in warehousing and logistics links, so as to reduce material loss, cut environmental waste and improve the resource recycling and reuse rate.

The Company continuously innovates and develops green and environmentally friendly packaging, actively collaborates with packaging suppliers, and uses natural plant materials for packaging production to reduce ecological damage. It ensures that packaging is environmentally friendly and pollution-free through measures including the "Bamboo-for-Plastic" initiative, the application of degradable packaging and packaging reduction.

 "Bamboo-for-Plastic" Initiative	<ul style="list-style-type: none"> ▶ Increase the proportion of environmentally friendly and recyclable materials such as bamboo baskets and paper rattan in the packaging materials of zongzi gift boxes, to reduce the use of plastic consumables.
 Degradable Materials	<ul style="list-style-type: none"> ▶ Vest bags, straws and other materials used in takeaway packaging are all made of degradable materials.
 Packaging Reduction	<ul style="list-style-type: none"> ▶ Optimize packaging structure to reduce the use of plastic consumables. The gram weight of plastic trays is reduced on the premise of ensuring product quality. At present, the gram weight of plastic trays for mung bean cakes has been reduced by about one-third, and that for Qingtuan has been reduced by one-quarter.

04

Uniting for Collective Well-being, Advancing Toward Shared Success

Wufangzhai attaches great importance to the value of talents. It focuses on talent development and team building, cares for employees' occupational health and rights and interests, and stimulates the innovation vitality of the team. On the one hand, the Company optimizes its talent structure to meet the needs of strategic goals; on the other hand, it adheres to the "internal first, external second" principle, builds a dual-channel career development system covering management and professional tracks, provides a safe and comfortable production and office environment as well as compensation and benefits matching employees' value contributions, so as to enhance employees' sense of professional well-being and belonging.

SDGs



Employee Rights and Interest Protection

Talent Recruitment and Attraction

The Company strictly complies with the *Labor Contract Law of the People's Republic of China* and other relevant laws and regulations. It has established a comprehensive human resources management system, including the *Employee Handbook*, *Recruitment Management Measures*, and *Training Management Measures*, to effectively protect the legitimate rights and interests of both the Company and its employees. In 2025, the Company's labor contract signing rate reached 100%.

The Company strictly prohibits any form of forced labor. By implementing a standardized identity verification process, it explicitly forbids the hiring of individuals under the age of 18 to prevent the recruitment and inadvertent hiring of child labor. During the reporting period, the Company had no incidents of child labor misuse or forced labor.

The Company has always regarded excellent talent as a cornerstone of the enterprise. To attract outstanding individuals, it actively builds diverse recruitment channels. It demonstrates diversity and innovation in its recruitment approaches and methods, attracting multifaceted talent through various channels such as university campus recruitment, social recruitment, internal referrals, and Liepin. During the reporting period, the Company recruited 1,393 new employees.

Campus Recruitment	<ul style="list-style-type: none"> Introduce outstanding graduates through the Management Trainee program, seeking "flavor creators" with innovative spirit and professional capabilities to jointly drive brand rejuvenation and innovative development. In 2025, the Company recruited 16 management trainees. Actively establish school-enterprise partnerships with major universities to ensure a stable inflow of fresh talent. For example, the Company has established a partnership with Jiangnan University, a prestigious institution specializing in food science, to recruit graduates majoring in food research and development, food safety, and related fields.
Social Recruitment	<ul style="list-style-type: none"> Break down the barriers of time and space by developing social recruitment channels such as human resource service companies, headhunters, and recruitment websites.
Diverse Recruitment	<ul style="list-style-type: none"> Conduct recruitment targeting veterans and individuals with disabilities, actively providing comprehensive support and care for potential candidates, including veterans.
Internal Referral	<ul style="list-style-type: none"> Publish internal job postings on the intranet and encourage current employees to recommend outstanding talent, thereby broadening talent sources through employees' social networks.

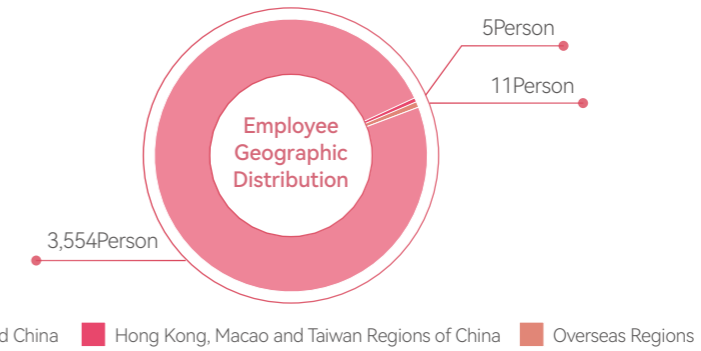
Equality and Inclusion in the Workplace

The Company attaches great importance to building an equal and inclusive workplace. In the recruitment process, it always adheres to the principle of "Openness, Equality, Competition and Merit-based Selection", ensures that no differential consideration is given to candidates based on their gender, race, religious belief or recommender, and guarantees equal opportunities for all applicants. During the reporting period, the Company revised the *Employee Handbook*, added a chapter on "Employee Rights and Interests Protection", and formulated relevant regulations covering anti-discrimination and anti-harassment, forced labor prevention, and management of child labor and juvenile workers, to continuously advance the development of a harmonious and inclusive workplace.

Employee Anti-Discrimination and Anti-Harassment	<p>All members of the Company shall be free from any form of discrimination and harassment in the workplace, so that all members can fully leverage their professional expertise and maximum potential with peace of mind, and safeguard their physical and mental health. The Company commits to providing a harassment-free workplace environment and adopts a zero-tolerance policy towards any form of discrimination and harassment. The Company takes issues of discrimination and harassment reported by members seriously, and ensures such issues are effectively resolved.</p>
Forced Labor Prevention	<p>The Company commits to providing a safe, healthy and fair working environment for employees, promoting labor-management harmony and achieving sustainable development. Any department or individual in violation of relevant regulations will be severely dealt with in accordance with laws and regulations.</p>
Management of Child Labor and Juvenile Workers	<p>The Company commits to strictly implementing the <i>Provisions on the Prohibition of Using Child Labor</i> and other applicable laws and regulations. It has formulated corresponding policies and procedures, and communicated them to all employees and other stakeholders. For juvenile workers, the Company strictly abides by the <i>Special Provisions on the Protection of Juvenile Workers</i>.</p> <p>The Company has set up age verification in the recruitment and onboarding processes. Candidates are required to fill in and sign the job application form (including ID card information). After a candidate is offered employment, the incoming staff shall provide the original and copy of their ID card as part of the onboarding materials for the final pre-employment age verification.</p>

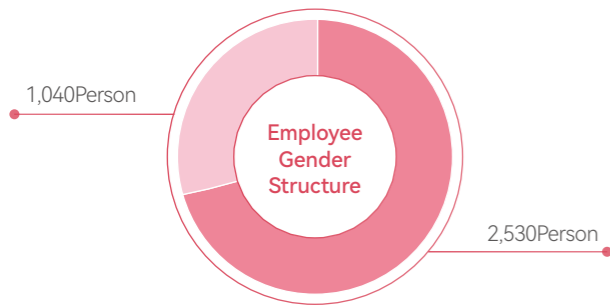
The Company has set up a dedicated reporting email address for the above-mentioned human rights-related incidents:
gonghui@wufangzhai.com

Key indicators	Unit	2025
Number of Labor Discrimination Incidents	Case	0
Number of Employees with Disabilities	Person	16
Number of Ethnic Minority Employees	Person	91
Proportion of Ethnic Minority Employees	%	2.55
Number of Ethnic Minority Employees in Management	Person	4

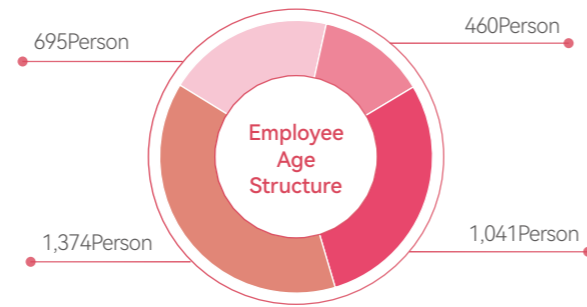


Employee Diversity Structure

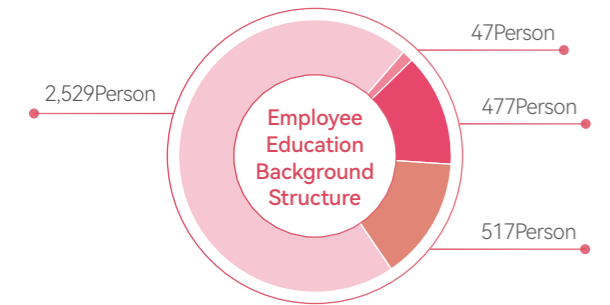
During the reporting period, adhering to the diversity and inclusive employment philosophy, the Company actively recruited outstanding talents of different ages and educational backgrounds. Among them, the Company hired 137 part-time employees and did not hire any dispatched employees.



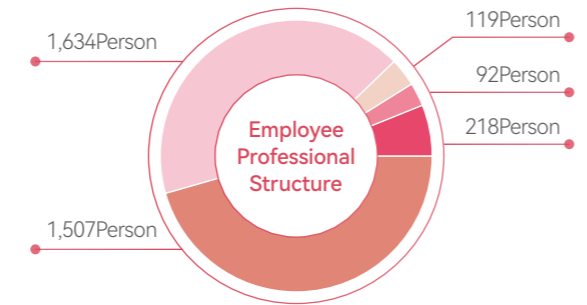
Total Number of Employees: 3,570 Person
 Female Male



Under 30 years old (excluding 30)
 30-40 years old (including 30, excluding 40)
 40-50 years old (including 40, excluding 50)
 50 years old and above



Master's Degree and Above Bachelor's Degree
 Junior College Diploma Below Secondary Technical School



Production Sales Technical
 Finance Administration

The Company strictly abides by laws and regulations including the *Law of the People's Republic of China on the Protection of Rights and Interests of Women*. It has established prenatal check-up leave, maternity leave and breastfeeding leave for female employees, to ensure they get sufficient rest during special periods and effectively safeguard women's rights and interests. The Company has set up mother and baby rooms to provide private spaces for breastfeeding female employees and their children, to meet the needs of female employees during special periods. In addition, the Company organizes annual specialized gynecological physical examinations for female employees, distributes International Women's Day gifts to all female employees, and holds a variety of festive activities such as flower arrangement events and lectures, to fully implement care measures for female employees.



Health Science Popularization and Free Clinic Activities for Female Employees



International Women's Day Series Activities



Key Performance

In 2025, the proportion of female employees in management was **50.41%**, and the proportion of female employees reached **70.87%**. The number of employees who took maternity leave was **70**, with a return-to-work rate after maternity leave of **67.14%**.

Employee Remuneration and Benefits

The Company adheres to the philosophy of "pay for position, pay for competence, pay for performance", has formulated the *Measures for Remuneration Management*, optimized the remuneration structure, and continuously improved the remuneration and benefit system. Guided by strategic performance and centered on value creation, it has built a scientific and fair incentive and restraint mechanism to stimulate employees' enthusiasm and creativity, and improve their work efficiency. If employees have any objection to the performance appraisal results, they may first communicate with their direct supervisor. If the communication fails, they may further submit an appeal to the Human Resources Department. The Human Resources Department will launch an investigation procedure after accepting the appeal, complete the verification and give feedback on the final handling opinion within three working days.

In accordance with relevant national laws and regulations, the Company has clearly stipulated working hours, holidays and attendance management in the *Measures for Attendance Management*. The Company lawfully implements the corresponding working hour management system according to the production and operation characteristics and actual conditions of different positions.

The Company has built a multi-level and multi-dimensional employee welfare system, which mainly consists of four categories: statutory benefits, general benefits, special benefits, as well as commendation and incentive benefits. It effectively practices the corporate values of "Harmony, Integrity, Excellence, Innovation". Through a design that attaches equal importance to material security and spiritual incentives, and balances universal coverage and targeted support, the Company continuously enhances employees' sense of belonging and organizational cohesion, and injects talent vitality into sustainable development.



Other Benefits and Welfare

The Company grants Long Service Awards to employees with a length of service of 5, 10, 20 and 30 years with the Company every year.

At the end of each year, the Company conducts consolation visits to the families of seconded employees and presents gratitude and consolation gifts.

The Company holds quarterly retirement commendation ceremonies, and issues a retirement honor certificate and retirement souvenir to each retired employee.

Key Performance

In 2025, the Company's social insurance coverage rate was **100%**, and employee welfare expenditure was RMB **24.9077** million .

Employee Democracy and Communication

The Company fully leverages the function of its trade union organizations, establishing and improving the Workers' Congress system. Through channels such as the Workers' Congress and employee symposiums, it effectively safeguards the legitimate rights and interests of employees and enhances their sense of belonging. During the reporting period, the Company implemented the "Progress Together 100" annual trade union dialogue initiative, where the Union Chairman randomly selected 100 employees for face-to-face communication, promptly addressing and resolving practical difficulties faced by employees. Concurrently, members of the Party Committee Committee also connected with external Party branches to consolidate development synergy. The Company convened a total of 3 employee representative symposiums. In response to 13 suggestions and opinions raised by employees concerning talent development, remuneration and benefits, and other areas, the Party Committee and trade union provided detailed responses and solutions. During the Workers' Congress, concerns were addressed directly through on-site Q&A sessions. Information regarding major decisions, rules and regulations, and welfare distributions that affect employees' immediate interests was disclosed promptly through internal websites, work group chats, and team meetings, ensuring employees' rights to information, participation, and supervision.

Key Performance

In 2025, the number of proposals reviewed and adopted by the Company's Workers' Congress was **13**.



Case Convening of the Fourth Workers' Congress

On March 28, 2025, the first meeting of the Fourth Workers' Congress of Wufangzhai was successfully held at the headquarters. The meeting reviewed four documents, including the *Group Business Report* and the *Trade Union Work Report*, reported on the handling status of proposals from 2024, voted on the draft proposals for 2025, and recognized trade union activists. Employee representatives raised proposals concerning issues of interest, and relevant departments provided responses one by one. This fully leveraged the role of proposals in connecting with employees and consolidating strength, effectively safeguarding employee interests.



◎ Commend the 2024 Annual Trade Union Activists

The Company advocates for an open-door policy and a harmonious and friendly work atmosphere, encouraging employees to file complaints with relevant departments when their personal interests are improperly infringed upon or when they discover any violations of Company regulations. Departments and employees receiving complaints must maintain strict confidentiality for the complainant, handle the complaint promptly, and provide a response.

Trade Union Email
gonghui@wufangzhai.com

Human Resource Department Email
renliziyuanbu@wufangzhai.com



◎ 2025 Spring Festival Welcome Employee Symposium

Employee Satisfaction

Beginning in 2025, the Company optimized its satisfaction survey efforts. Guided by employee engagement and satisfaction metrics, it surveyed individual employee engagement and satisfaction levels, as well as the drivers of these metrics. The Company generated comprehensive employee engagement and satisfaction reports for all staff, analyzed the driving factors, and implemented improvements to foster the mutual growth and development of both employees and the Company. During the reporting period, the Company conducted an engagement/satisfaction survey covering all 2,737 employees. Overall employee engagement and satisfaction increased by 2.36% year-on-year.

Employee Satisfaction

Adhering to a people-oriented philosophy, the Company organizes multiple employee care activities annually. These activities give back to employees, acknowledge their hard work, and promote a balance between work and rest. The Company strives to ensure every employee achieves work-life balance and is committed to building a happy workplace filled with a sense of belonging and identity.

Based on in-depth research into employee interests and needs, the Company's trade union has established various types of clubs and interest classes and invested funds in supporting facilities for employees' recreational activities. The Company houses the Wufangzhai Branch of Jiaxing Cultural Center and the Wufangzhai Branch of Xiuzhou District Cultural Center. Within the Wufangzhai Branch, there are eight activity areas, including a fitness center, reading room, table tennis room, and spinning room, all dedicated to fully meeting employees' needs for sports and a healthy lifestyle, helping them balance work and life. The Wufangzhai Branch of Jiaxing Cultural Center offers 11 club courses, including calligraphy, guzheng (a traditional Chinese musical instrument), dance, traditional Chinese painting, band, choir, yoga, spinning, football, basketball, and badminton. By the end of 2025, the clubs had provided 385 training sessions, with a total of 2,265 participants and 385 training hours.



◎ Spinning Club



◎ Guzheng Club



◎ Wufangzhai "1921" Band



◎ Dance Club



◎ 10th Employee Fun Sports Meeting

◎ Retirement Honor Certificate

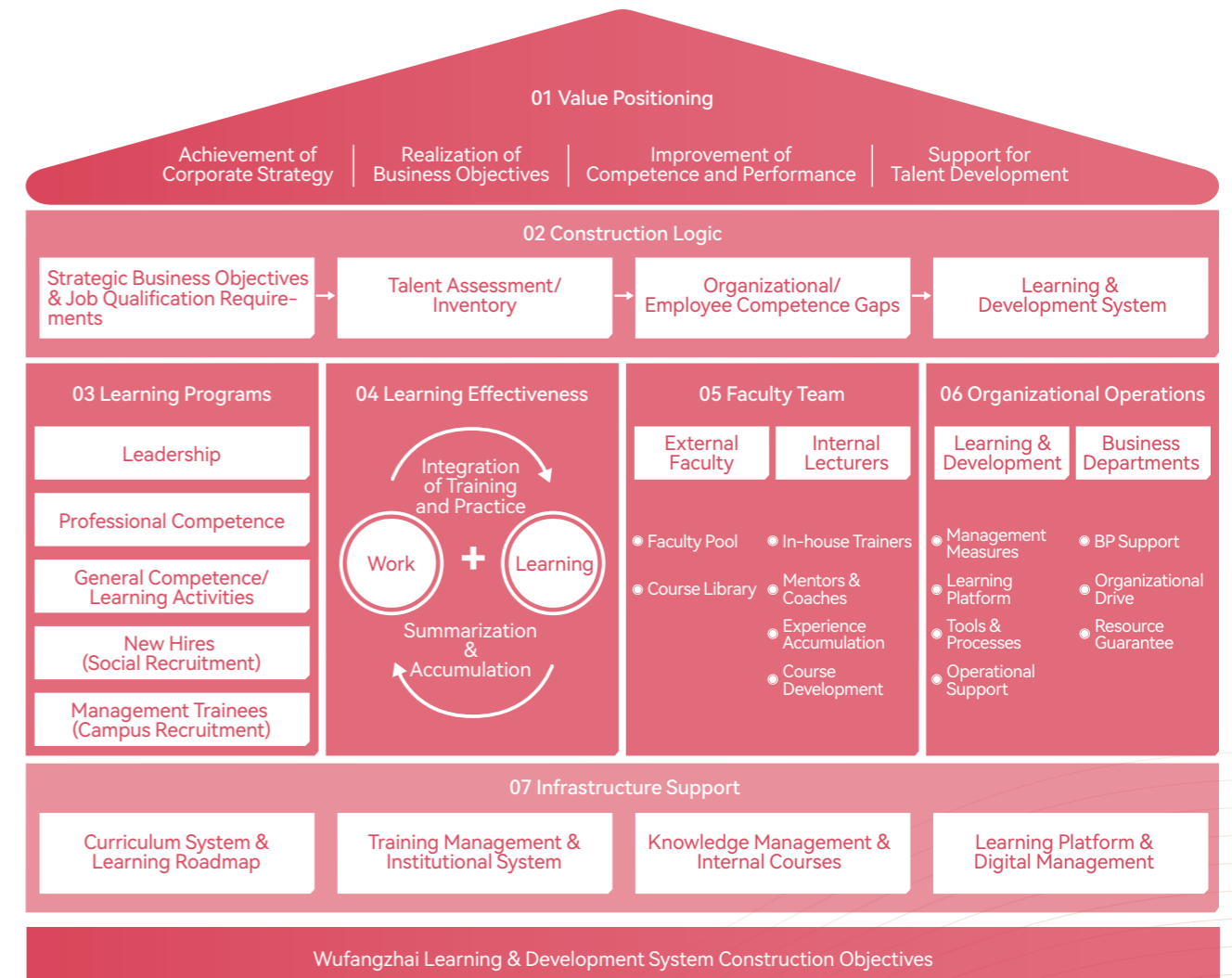
◎ "Coolness in High Temperature" Condolence Activity

The Company has established the *Employee Hardship Assistance Policy* to effectively support employees facing difficulties and address their practical needs and alleviate difficulties. In 2025, the Company put into practice the principle of "Care, Concern, and Compassion" by organizing personnel to extend holiday greetings and best wishes to employees in difficulty, conveying the "Family-like" support of the trade union as their "home". In 2025, the Company provided assistance to 1 employee in difficulty, with total hardship assistance amounting to 3,000 Yuan.

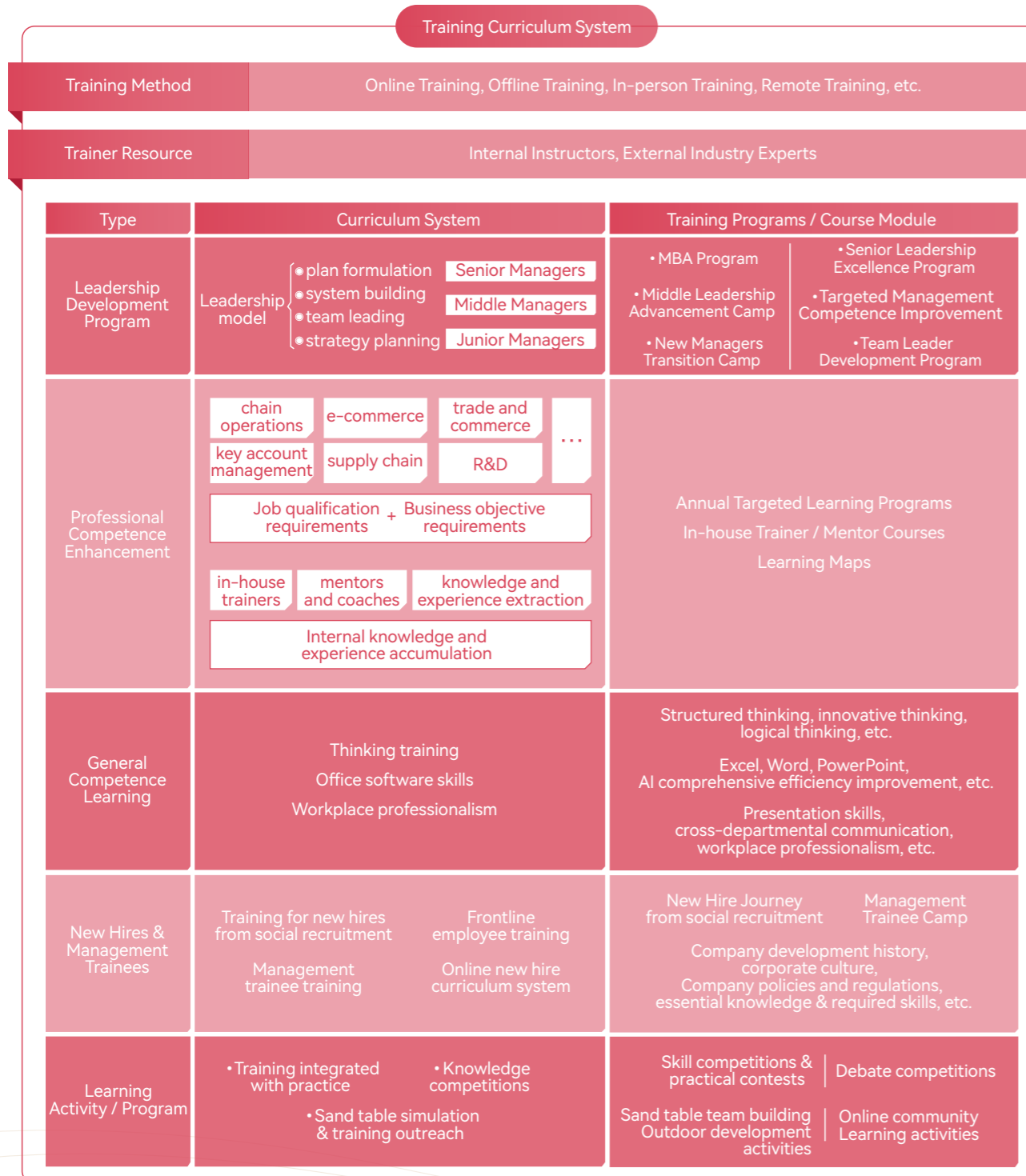
Employee Training and Development

Employee Training System

The Company places great emphasis on the cultivation and development of its talent teams. It systematically and institutionally constructs its training system to build a learning organization. This involves conducting valuable training and effectiveness evaluations, emphasizing the feedback and output of learning outcomes in business results. A train-the-trainer mechanism has been established to enhance the implementation of training effectiveness, ultimately empowering talent and improving performance results. Through digitalized training management, a learning mechanism involving multiple participants—including business partners (BPs), HR, employees, managers, and corporate coaches—has been formed. This enhances the efficiency of training operations and ensures the effective implementation of the learning operation process.



Through the design and implementation of various training programs, the Company optimizes and institutionalizes its operational processes, ultimately forming the "Wufangzhai Curriculum System" that aligns with business development needs and is recognized by employees.



The Company has built a comprehensive and multi-level training curriculum system to provide growth and development support for all employees. The training content is rich and diversified, which precisely matches the needs of different positions and career development stages.

For newly hired employees, the Company has designed new employee training programs to help them quickly integrate into the corporate culture and master basic skills. For managers at all levels, the Company provides leadership training from junior to senior levels, to improve their leadership capabilities and drive team development.

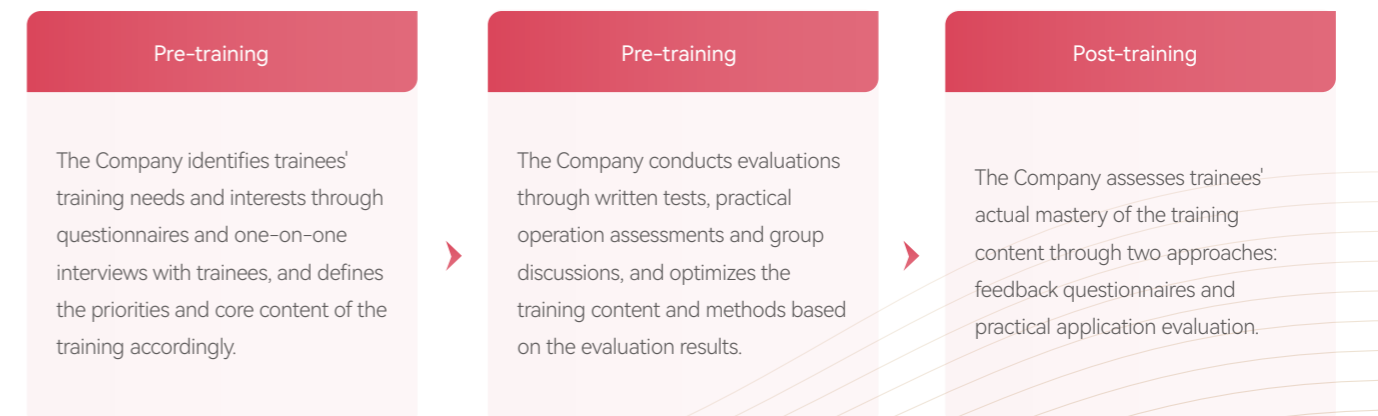
In addition, the Company has launched targeted training programs. By analyzing the competencies required for "key business tasks", it identifies personnel in key positions and customizes learning programs for them. At present, targeted training has covered areas including marketing capabilities, production management, quality control and food safety, Finance/Human Resources BP, chain store operations and visual design.

To promote the effective inheritance and management of employees' knowledge and skills, the Company has cultivated and built an efficient, professional and innovative in-house trainer team. As of December 31, 2025, the in-house trainer team had a total of 45 members, with 50 existing in-house training courses.

Employee Growth Empowerment

To build a systematic learning and development system and meet the needs of employee training and business operation, the Company has completed the selection, framework construction and internal launch of the learning platform. Through measures including continuous course updating, extraction and accumulation of internal knowledge, and activity operation optimization, the Company has effectively improved employees' learning participation and job-related professional skills. As of December 31, 2025, the learning platform had 3,273 courses, including 1,161 internal knowledge courses and 2,112 external courses.

The Company has established a full-process evaluation and assessment mechanism covering all links of pre-training, during-training and post-training. Through a scientific and systematic evaluation method, it ensures that the training content is closely aligned with employees' career development plans, business needs and corporate strategy, so as to stimulate employees' enthusiasm and improve overall team effectiveness.



Key indicators	Unit	2025
Employee Training Investment	Million RMB	0.3524
Number of Training Sessions	Session	170
Total Number of Trained Employees	Person	2,548
Of which: Total Number of Trained Female Employees	Person	1,737
Of which: Total Number of Trained Male Employees	Person	811
Total number of people receiving training	Person	6,531
Employee Training Coverage Rate	%	67.94
Total Training Hours	Hour	30,565
Average Annual Training Hours Per Employee	Hours/Person	11.99
Of which: Average Training Hours Per Female Employee	Hours/Person	12.08
Of which: Average Training Hours Per Male Employee	Hours/Person	11.81

Support for Continuing Education

The Company has established in-depth cooperation with the College of Continuing Education of Jiaying University, set up the Wufang Academy, and fully developed a College-to-bachelor's Degree continuing education program for employees. The establishment of Wufang Academy has enhanced Wufangzhai's reputation in talent development, built a premium employer brand image, and improved the comprehensive quality of the Company's junior managers and core technical backbones. Meanwhile, through school-enterprise cooperation and the integration of industry and education, it supports the attraction, retention and motivation of key grassroots talents.

In 2024, Wufang Academy organized employees to take the National Adult Higher Education Entrance Examination, with 34 employees finally passing the exam and gaining admission. In the spring of 2025, Wufangzhai's exclusive college-to-bachelor's degree advancement class officially commenced.

The launch of Wufang Academy not only elevates Wufangzhai's reputation in talent cultivation and builds a strong employer brand, but also upgrades the overall competence of the Company's grassroots management personnel and core technical talents, while facilitating the recruitment, retention and incentive of key grassroots talents.

Clear Development Pathways

The Company supports the personal development of employees and provides them with well-defined career development paths, divided into a management track and a professional track, enabling employees to select the most suitable career development route based on their interests and strengths. Meanwhile, the Company has established an internal job transfer mechanism, which encourages and supports eligible employees to switch development tracks and achieve cross-track development upon passing competence certification.

The Company is committed to providing broad career development prospects for every employee, and addresses diverse career development needs through the establishment of multi-dimensional promotion tracks. The management track offers a clear growth path from junior to senior levels for employees aspiring to take on management roles, with core responsibilities including team member promotion and performance appraisal. The professional track is tailored for employees dedicated to deepening their expertise in specialized fields, covering 40 job categories across 13 job families including marketing and branding, R&D, production and manufacturing, sales and service, etc., empowering employees to fully leverage their professional skills in targeted fields.

Occupational Health and Safety

Governance

The Company complies with the requirements of laws and regulations such as the *Work Safety Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*. It conscientiously implements the safety policy of "Safety First, Prevention Foremost," and has established and implemented an occupational health and safety management system in accordance with the requirements of GB/T28001. This ensures employee occupational health and safety and fosters a safe and healthy work environment. During the reporting period, the Company experienced no major work safety accidents or work-related fatalities.

The Company has formulated a comprehensive set of management systems, including the *Measures for the Management of Work Safety Responsibility System*, *Measures for the Management of Hazardous Operations* and *Measures for Occupational Health Management*. These systems ensure standardized implementation of work safety and occupational health management, comprehensively strengthen risk prevention and control in relevant fields, effectively protect employees' life and health, and build a safe, stable and harmonious working environment. The Company clearly defines the occupational health and work safety management responsibilities of each department. The Work Safety Leading Group, as the supreme safety governing body, is responsible for policy formulation, supervision and coordination, performance appraisal organization, and accident investigation. The Office of the Work Safety Leading Group, as the permanent executive body, takes charge of daily safety supervision, inspection, training, hidden danger identification and rectification, and professional safety management. The Occupational Health Leading Group is responsible for formulating occupational disease prevention and control plans, establishing management systems, organizing monitoring and evaluation, and emergency management. General Manager / General Manager of Supply Chain Center serve as the primary persons responsible for work safety, with overall accountability for safety management, ensuring sufficient resource investment and eliminating potential safety hazards. As of

the end of the reporting period, the Company has obtained ISO 45001 Occupational Health and Safety Management System certification.

The Company has formulated the *Measures for the Administration of Work Safety Education and Training* to standardize safety education and training. It ensures that all employees have the necessary safety knowledge and skills, are familiar with national safety laws, regulations and standards, as well as the Company's safety management rules and safety operation procedures, and master job-specific safety knowledge and operation skills, to prevent and reduce work safety accidents, and protect employees' life safety and the Company's property safety.

During the reporting period, the Company delivered targeted training on work safety, occupational health and job-specific professional skills for personnel in key positions, especially frontline employees, to enhance their work safety awareness. Meanwhile, the Company dispatched employees in safety management functions to participate in external specialized training, to improve the Company's overall safety risk prevention and control capacity.

Indicator	Benchmark Unit	2025
Number of Safety Training Sessions	Session	25
Total Person-Times of Safety Training Participation	Person-time	1,067
Total Safety Training Hours	Hour	4,593
Average Safety Training Hours Per Employee	Hour	4.3
Employee Coverage Rate of Safety Training	%	28.45

Strategy

Risk Category	Risk Description	Financial Impact Explanation	Likelihood of Occurrence	Size of Impact	Impact Period	Value Chain Segment Affected	Countermeasures
Legal Risks	The Company may face risks such as penalty fines or orders to suspend operations for rectification due to non-compliant operations, potentially leading to hindered normal production and business activities, increased operational costs, and damage to the brand image.	Cost increase	Medium	High	Short to Medium Term	Operations	Establish and improve the work safety and occupational health management system; closely monitor updates to safety-related laws, regulations, and standards; strengthen employee training to ensure full compliance in all operations.

Risk Category	Risk Description	Financial Impact Explanation	Likelihood of Occurrence	Size of Impact	Impact Period	Value Chain Segment Affected	Countermeasures
Operational Risks	If a fire or other safety incident occurs at the Company, it could lead to asset loss, business interruption, production stoppage, and supply chain disruption, subsequently affecting market supply and the ability to meet customer demand.	Cost increase	Medium	High	Short to Medium Term	Operations, Downstream	Establish and improve an emergency response mechanism for accidents; conduct regular safety inspections and maintenance; promptly eliminate potential safety hazards; strengthen employee safety education and training to comprehensively enhance safety awareness and emergency response capabilities among all staff.
	During high summer temperatures, excessively high temperatures in workshops without adequate ventilation or cooling, or prolonged working hours in high-temperature environments, may cause heat-related illnesses such as heatstroke among workers.	Cost increase	Medium	Medium	Short to Medium Term	Operations	Implement enhanced heat dissipation and cooling measures in workshops; develop emergency response plans for heatstroke incidents.

Risk Category	Risk Description	Financial Impact Explanation	Likelihood of Occurrence	Size of Impact	Impact Period	Value Chain Segment Affected	Countermeasures
Work Safety Standardization Opportunities	Implementing work safety standardization to enhance the level of safety management.	Operational cost decrease	Medium	High	Short to Medium Term	Operations	Improve the occupational health security system; strengthen safety skills education and training; enhance the safety and quality management system.

Impact, Risk, and Opportunity Management

Safety Risk Management and Control

The Company has formulated systems including the *Measures for Risk Assessment and Control Management* and *Measures for Hazard Source Management*, which clarify the processes of risk identification, assessment and control. It timely registers and files the identified hazard sources, and regularly carries out inspection, assessment, testing and filing work, to ensure the standardized and orderly implementation of risk management, and comprehensively improve the Company's risk prevention and control capacity.

Hidden Danger Identification and Rectification

The Company has formulated systems including the *Measures for Hidden Danger Identification and Rectification Management* and *Measures for Safety Inspection Management*, which clarify the workflow and responsibility division for hidden danger identification and rectification. It ensures that identified problems are timely recorded, effectively fed back, and rapidly responded to and rectified, to guarantee the Company's work safety. In 2025, the Company carried out work safety hidden danger inspections and compiled the *Checklist for Safety Hidden Danger Identification and Rectification*. The work safety risks identified in the inspection mainly included issues such as incomplete protective equipment and exposed wires, and the rectification and implementation rate of related issues reached 100%.

Emergency Management

The Company has formulated systems including the *Regulations on Emergency Response to Work Safety Accidents* and *Measures for the Administration of Emergency Plans for Work Safety Accidents*. These systems clarify the emergency response process, responsibility division and coordination mechanism for work safety accidents, and standardize the full-process management of emergency plans including formulation, review, filing, drill and revision, to ensure that emergency rescue operations can be carried out quickly, orderly and efficiently in the event of an accident.

The Company irregularly organizes emergency drills throughout the year, which effectively improves the emergency awareness and emergency response capacity of all employees. Employees' capabilities of risk prevention and control and rapid response to emergencies have been significantly enhanced, providing a solid guarantee for the Company's work safety. During the reporting period, the Company organized a series of specialized emergency drills including confined space accident drills, elevator entrapment drills and forklift accident drills. Through simulated actual combat, the emergency plans were effectively tested and optimized, and the emergency response and coordinated rescue capabilities of personnel in relevant positions were practically improved.



Emergency Drill for Elevator Trapping Accident



Fire Safety Training

Indicators and Targets

In terms of occupational health and work safety, the Company has set an annual target of zero major accident rate. During the reporting period, this target was fully achieved, and relevant work has been continuously optimized.

Key indicators	Unit	2025
Amount of Work Safety Investment	Million RMB	3.4826



Strengthening Safety Assurance

The Company continuously improves its multi-level safety protection network to prevent and reduce the occurrence of safety accidents, and comprehensively safeguard the health and life safety of employees.



The Company has formulated the *Measures for the Management of "Three Types of Violations"*, organizes the investigation and punishment of illegal command, illegal operation, and violation of labor discipline during operations. It widely publicizes the importance of abiding by rules and disciplines and the harm of violations, exposes "Three Types of Violations", and imposes penalties according to the severity of the circumstances and the degree of harm caused. It guides and educates employees to develop good safety behavior habits, so as to ensure the stability of work safety conditions.



The Company has formulated the *Measures for the Safety Management of Special Operations*, which standardizes the safety requirements for special operations such as hot work, work at height, and confined space operation. It identifies hazardous and harmful factors in the operation site and process, carries out job hazard analysis, formulates and implements safety risk management and control measures, including equipment and facility treatment, wearing of personal protective equipment (PPE), and provision of emergency facilities, to strengthen the effective management and control of special operations and prevent accidents.



The Company has formulated systems including the *Measures for Related Party Management* to standardize the safety behaviors of related parties. Before the start of operations, it comprehensively reviews their safety qualifications to ensure that related parties have project execution capabilities and good safety performance. It also regularly organizes training for related parties to improve their safety awareness and operation skills, so as to ensure the safe and smooth progress of the operation process.

Occupational Health Protection

The Company strictly abides by laws and regulations including the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and the *Measures for the Supervision and Administration of Employers' Occupational Health Surveillance*. It has formulated the *Measures for Occupational Health Management*, established complete employee health archives, and conducts annual physical examinations for operators in posts with occupational hazard factors, to fully safeguard employees' physical health and effectively prevent and control occupational diseases.

The Company has also established a comprehensive management system including the *Measures for Physical Examination Management of Posts with Potential Occupational Disease Hazards* and *Measures for the Management of Hazardous Operations*. It sets up safety warning signs in hazardous areas, implements strict access control for personnel, and provides corresponding labor protective equipment for every employee exposed to occupational disease hazard factors. For these employees, the Company builds dedicated occupational health archives to document their successive physical examination results and exposure history to occupational disease hazards, and develops targeted prevention and control measures based on examination results, to further reduce the incidence of occupational diseases.

In 2025, the Company arranged physical examinations for all male and female employees, with a total of 2,393 employees completing the examinations.

Key indicators	Unit	2023	2024	2025
Amount of Work Injury Insurance Investment	Million RMB	1.1511	0.9446	1.233
Work Injury Insurance Coverage Rate	%	84.47	89.30	93.51
Number of New Occupational Disease Cases	Case	0	0	0
Number of Employees Suffering from Work Injuries	Person	18	24	19
Number of Workdays Lost Due to Work-related Injuries	Workdays	989	1,124	1,119

05

Shouldering Revitalization Duty, Acting on Inheritance Commitment

Wufangzhai actively assumes social responsibility, dedicating itself to charitable causes and rural revitalization, and preserving its intangible cultural heritage. Always acting as a pioneer, it gives back to society, constructing a practical paradigm of doing good through business.



SDGs



Social Public Welfare

The Company is committed to charitable and public welfare activities. Adhering to the philosophy of "Fulfilling Commitments with Responsibility," it actively undertakes social responsibilities, supports social public welfare causes, and sincerely gives back to society. From 2003 to the end of 2025, cumulative monetary and in-kind donations totaled RMB 26.7028 million.

In 2025, leveraging its "Liufang Yishan" brand and Care Fund, the Company systematically advanced its public welfare and charitable endeavors through multiple dimensions, including establishing physical charitable spaces, providing targeted assistance to patients in need, organizing employee voluntary blood donations, and supporting educational development. These efforts covered various social fields such as medical care and education support, forming a sustained, in-depth, and brand-distinctive system of philanthropic practices. The Company established the "Liufang Yishan" Care Fund, which is specifically designated for charitable activities such as poverty alleviation, public welfare assistance, and paired-up support within and outside the province, supporting social public welfare causes through concrete actions. During the reporting period, the Company was recognized as "Jiaxing Outstanding Contribution Collective for Charity and Dedication" and "Jiaxing Advanced Unit for Voluntary Blood Donation."

Practicing Charity and Public Welfare

The Company deeply integrates corporate development with social responsibility, giving back to society through concrete actions and demonstrating the responsibility and commitment of this China Time-honored Brand.

Case Wufangzhai "Liufang Yishan" Charity Spaces: Building a Localized Public Welfare Service Network

The Wufangzhai "Charity Space" project is a key charitable initiative developed since 2024. The project funds the creation of a series of charity spaces throughout Jiaxing City. By leveraging diverse venues such as schools, public spaces, and charitable organizations, and integrating their unique characteristics, these distinctive and richly featured charity spaces are established. This multi-location deployment of charity spaces shapes and promotes more charitable benchmarks, promoting the high-quality development of Jiaxing's charitable sector. As of December 2025, 15 physical spaces have been successfully established in Jiaxing, Zhejiang, forming a public welfare service system covering diverse scenarios.

Precisely Meeting the Needs of Different Groups: Serves outdoor workers at Federation of Trade Unions service stations; establishes makerspaces in schools to stimulate student innovation; creates rest areas and children's play zones in hospitals to alleviate the stress associated with medical visits; upgrades public facilities in communities to promote neighborly interaction; and most recently, set up the "Buyi Jiaojiao" rest corner at the South High-speed Rail Station to provide brief respite for travelers, extending services to transportation hubs.

Case Wufangzhai "Liufang Yishan" Charity Spaces: Building a Localized Public Welfare Service Network

- **Layout and Diverse Co-creation Model:** Collaborates with institutions such as trade unions, schools, hospitals, and communities to ensure the long-term sustainable operation of each space. By manifesting in physical form, it makes public welfare "visible, perceptible, and usable," upgrading corporate philanthropy from one-way output to an open platform. This creates a warm network integrated into the city's fabric, continuously transmitting the philosophy that "everyone can be charitable, and charity can be found everywhere." On September 9, 2025, Wufangzhai launched the fourth batch of "Liufang Yishan" charity spaces at Jiaxing First Hospital, specifically including the "Anxin Post" (Peace of Mind Station) and "Nuanxin Post" (Warm Heart Station).



© Build the "Liufang Yishan" Charity Space

Case Charitable Assistance for Vulnerable Groups

On December 11, 2025, Wufangzhai participated in the "Warm Heart Medical Aid" charity assistance ceremony in Xiuzhou District. For the year 2025, the Company distributed a total of RMB 0.23 million in relief funds and condolence supplies to representatives of 77 female uremia patients aged over 60 who met the assistance criteria (originating from households with minimum living security, households on the margin of minimum living security, and families with expenditure-based poverty). This marked the third consecutive year since 2023 that Wufangzhai has donated to and supported this specific group, benefiting nearly 300 individuals with a cumulative total of RMB 0.66 million.



Case Organizing Voluntary Blood Donation

On June 19, 2025, the Wufangzhai Trade Union organized the 14th Voluntary Blood Donation Day event, with 33 employees actively participating. Adhering to the Company's communication philosophy of "fulfilling commitments with responsibility," the Voluntary Blood Donation Day activity has been carried out for 14 consecutive years, with a cumulative total of 1,262 volunteer participants.



Case Supporting Education through Scholarship and Teaching Award Funds

Wufangzhai continuously pursues charitable initiatives in the field of education. These efforts include establishing the "Wufangzhai Scholarship" at Jiaxing No. 1 High School, partnering with Dulan County Senior High School in Qinghai to establish the "Wufangzhai Teaching and Research Center," and setting up the "Wufangzhai" Scholarship and Teaching Award Fund at Jiaxing University. On September 19, 2025, the Deputy Party Secretary of Wufangzhai was invited to attend the opening ceremony for the Class of 2025 at Jiaxing Nanhu University and presented awards to 37 recipients of the "Wufangzhai" Outstanding Student Scholarship. This scholarship originated from a university-enterprise cooperation agreement signed between Wufangzhai and the university in 2024, involving a donation of RMB 2 million to establish the "Wufangzhai" Award for Outstanding Teaching Masters, the Award for Teaching Rising Stars, and the Outstanding Student Scholarship. This initiative is scheduled to be implemented over ten years. The fruitful results of this cooperation were vividly demonstrated at the 2025 freshman opening ceremony.





Case

Environmental Protection:
"Protecting the Yangtze River Ecology" Themed Party Day Activity

In 2025, the Second and Third Party Branches of Wufangzhai carried out a themed Party Day activity focused on "Protecting the Yangtze River Ecology" at the Wusong Paotaiwan National Wetland Park, located at the Yangtze River estuary. After receiving training on tidal debris collection, Party members divided into groups to clean up 废弃物 such as plastic bottles and glass along the shoreline. The activity integrated Party-building efforts with environmental protection. Through the Yangtze River No. 11 Themed Post Office, they connected with volunteers from post offices along the Yangtze River to share experiences in ecological conservation. This activity marked the third consecutive year of Wufangzhai's participation in Yangtze River protection initiatives, demonstrating the Company's social responsibility in practicing green development guided by the leadership of Party building.



Volunteer Service Brand

The Company focuses on building its mass organization brands, including those of the Trade Union, Youth League Members, Women's Federation, and Public Welfare Charities, closely linking corporate social responsibility with the Company's Party-building efforts. Adopting a "Party Building + Social Responsibility" approach, the Company established the "Wufang Youth Volunteer Service Team." This initiative fully leverages the guiding role of Party-building, integrating the development of the Party brand with youth volunteer service activities. Volunteer activities are incorporated into routine management, with the commitment to building a youth volunteer team characterized by "Youthful Dedication and Willingness to Contribute."

Key Performance

In 2025, the Company conducted **2** volunteer activities, with **57** participant engagements, totaling **114** hours of volunteer activities.

Rural Revitalization

The Company actively responded to the national policy call for rural revitalization, making targeted efforts across multiple dimensions such as industrial revitalization, cultural revitalization, talent revitalization, and ecological revitalization. Through concrete actions, it has consolidated and expanded the achievements in poverty alleviation, continuously injecting vitality into rural revitalization.



Supporting Farmers
in Increasing Income
and Generating
Revenue

Leveraging its strengths in the food industry, the Company promotes the coordinated development of upstream and downstream industries, helping farmers increase their income. By directly sourcing raw materials from individual farmers and agricultural cooperatives, the Company ensures stable earnings for farmers during the planting and harvesting stages. As of December 31, 2025, the Company has directly purchased agricultural products worth RMB 105 million, laying a solid foundation for farmers' income growth from the source of the industrial chain.

In addition, the Company actively engages in live-streaming activities to support agriculture, expanding sales channels and breaking geographical barriers to bring its products to the national market. Through online live-streaming, the Company showcases the quality and characteristics of agricultural products in a direct and engaging manner, enhancing consumer trust.



Providing employment
opportunities
and positions

Wufangzhai collaborates with partners and suppliers to distribute orders to rural villagers, thereby creating employment opportunities. For example, through cooperation with the Jiansanjia Beidahuang Planting Base, the Company engages in construction and grain storage businesses, providing farmers with training and job opportunities related to harvesting and planting.

In Anji County, we collaborate with packaging material suppliers to create employment opportunities for local residents. The task of producing bamboo basket materials is assigned to underprivileged farming households, supporting their home-based production. Meanwhile, suppliers provide technical training, raw material supply, and sample support to ensure order fulfillment. By 2025, this assistance model has been in place for several years, cumulatively addressing the employment needs of over 2,000 surplus rural laborers in Anji County, including 1,200 women and 23 individuals with disabilities.

In Lishui County, the Company has launched the "Mountain-Sea Collaboration, Boosting Common Prosperity" initiative, creating seasonal flexible employment opportunities to help local farmers increase their income by harvesting and selecting bamboo leaves. Currently, Lishui is one of the Company's eight designated bamboo leaves supply regions.

In Luotian County, the Company purchases chestnuts, a key ingredient for zongzi, from local farmers. This initiative provides employment opportunities for farmers through harvesting, thereby increasing their income.

In partnership with Jiaying Lvjia Agricultural Development Co., Ltd., we jointly established Hetianxia (Jiaying) Agricultural and Sideline Products Co., Ltd. The Company selects distinctive agricultural products under the "One County, One Product" initiative, creating nine high-end gift series under the "Wufang Selection" brand to help specialty agricultural products achieve premium sales. In 2025, the second batch of Jiaying's top ten souvenirs (such as Tongxiang Hangju chrysanthemum tea and Shenduang yellow wine) were introduced to over a hundred stores in Jiangsu, Zhejiang, and Shanghai, with cumulative procurement exceeding RMB 0.03 million. This initiative continues to build a market platform for local specialty agricultural products, enhancing their market competitiveness.



Cultural Revitalization

By organizing seasonal cultural activities in rural areas, traditional seasonal culture is brought to the countryside, allowing villagers to gain a deeper understanding of the connotations and significance of traditional festivals and enhancing cultural confidence. In 2025, over 30 visits and study tours were hosted, including the "Zongzi Joy" parent-child wheat harvesting study activity, which attracted families from Shanghai to participate in agricultural experiences. This initiative reinforced the modern value of farming culture and strengthened the recognition of its significance in contemporary society, contributing to the revitalization of rural culture.



Talent Revitalization

The Company deeply understands that talent is the key pillar of rural revitalization and continues to carry out educational support initiatives. In collaboration with Dulan County High School in Haixi Prefecture, Qinghai Province, the Company established the "Wufangzhai Teaching and Research Center," donating RMB 0.25 million annually for teaching and research funding. This project is planned to donate a total of RMB 1 million in four phases, with a cumulative donation of RMB 0.75 million by 2025. It fully supports the educational counterpart assistance between Jiaxing and Dulan, providing resource guarantees for cultivating rural talent in remote areas.



Ecological Revitalization

The Company adheres to the environmental management philosophy of "Ecological priority and Green development" and participates in supporting public welfare activities for the protection of the Three Rivers Source. In May 2025, through the "Protecting the Yangtze River Ecology" series of activities, the Company donated materials worth RMB 0.03 million to "Green Rivers." As of December 2025, the cumulative donations exceeded RMB 0.08 million, demonstrating the Company's commitment to promoting green development along the Yangtze River and contributing to the goal of "Ensuring Clear Water Flows into the East Sea," thereby highlighting the Company's ecological responsibility through concrete actions.

Inheritance and Revitalization of Intangible Cultural Heritage

The Company has internally established the *Measures for the Administration of Representative Inheritors of Intangible Cultural Heritage* and established an Intangible Cultural Heritage Master Studio, providing organizational support for the protection and inheritance of intangible cultural heritage and the revitalization of traditional crafts. Over the years, the Company has actively supported events such as the China Zongzi Cultural Festival and Jiaxing Dragon Boat Festival Folk Culture Festival, endowing intangible cultural heritage skills with new contemporary connotations and guiding more people to experience such skills in an immersive way. By the end of 2025, the Company had 7 representative inheritors of intangible cultural heritage and 560 zongzi masters. Among them, 5 were inheritors of the intangible cultural heritage of Wufangzhai zongzi-making techniques, and 2 were inheritors of the intangible cultural heritage of Wuhan Wufangzhai tangyuan-making techniques.

The Company attaches importance to fulfilling its inheritance responsibility as a guardian of intangible cultural heritage, and is committed to revitalizing the millennium-old culture in contemporary society through innovative practices, effectively enhancing cultural confidence and identity. In 2025, the Company systematically promoted the living inheritance of intangible cultural heritage skills through festivals and cultural events, skill exhibitions, study tours, cross-border integration and other forms, deepening the public's understanding and emotional connection with traditional culture.

Jiaxing Dragon Boat Festival Folk Culture Festival

As a long-term participant and sponsor of this iconic cultural festival, the Company supports and sponsors the "Wufangzhai Cup" dragon boat race, tabai boat performance race and other traditional water events. Meanwhile, it holds the "Wufangzhai Cup" zongzi wrapping competition at main venues including Zicheng Square, with inheritors offering on-site guidance, enabling citizens to experience the joy of zongzi wrapping at zero distance and effectively revitalizing the millennium-old Dragon Boat Festival traditions.



Participation in Exhibition Activities

From the Dragon Boat Festival to the Golden Autumn season, Wufangzhai has taken part in various exhibitions with its bamboo leaves and tea fragrance. The Company participated in the Cultural and Natural Heritage Day events held in Jiaxing, Wuhan and other cities through intangible cultural heritage demonstrations and food exhibitions and sales.



◎ The 9th Chengdu International Intangible Cultural Heritage Festival of China



◎ Jingshan Intangible Cultural Heritage Carnival



◎ "Intangible Cultural Heritage Tea Space" Made Its Debut at Zhejiang Provincial Intangible Cultural Heritage Museum



Case

Skill Inheritance: Building a Multi-level Inheritance and Education System

Little Zongzi Masters Study Practice: In cooperation with local authorities including the New Era Civilization Practice Institute, the Company jointly held the "Fragrant Zongzi Leaves · Ingenuity Inheritance" Little Zongzi Masters experience activity at Wufangzhai Intangible Cultural Heritage Experience Hall. Through guided tours and hands-on zongzi wrapping, children experience the craftsmanship spirit in fun practices and cultivate cultural identity.



Case Space Empowerment: Building a Platform for Cultural Inheritance and Integrated Innovation

Wufangzhai Intangible Cultural Heritage Experience Hall: As a core venue for the living inheritance of traditional culture, the Hall was successfully selected into the second batch of Zhejiang Provincial "Intangible Cultural Heritage Tea Spaces" in 2025. In addition to regular study tours, it launched innovative activities such as the "Joyful Zongzi Experience" parent-child wheat-harvesting study tour and cultural exchange workshops for American teenagers. It also integrated Jiaxing's local intangible cultural heritage resources to provide experiences including silk fan making and palm-leaf weaving, promoting the in-depth integration of intangible cultural heritage and cultural tourism. In 2025, the Intangible Cultural Heritage Experience Hall hosted more than 50 visits and study activities, reaching over 5,000 people.

"Zongyun Nuoxiang" Intangible Cultural Heritage Tea Space: In 2025, the space planned activities themed on the 24 solar terms. It regularly invited tea culture experts and intangible cultural heritage inheritors to hold master classes, and provided ICH experiences such as Xiuzhou peasant painting and Jinhuidui brick rubbing. Nearly 10 events were organized throughout the year, attracting over 1,000 participants, successfully balancing historical heritage with modern needs.



Case Cross-border Innovation: Expanding the Contemporary Expression and Influence of Intangible Cultural Heritage

The Company actively explores the integrated model of "Intangible Cultural Heritage +", enabling traditional culture to reach the public in a more contemporary way.

As the official sponsor of the 20th Asian Marathon Championships & 2025 Jiaxing Marathon, the Company set up energy supply stations along the race track, integrating traditional Intangible Cultural Heritage foods such as zongzi and Dingsheng Cake into the event. With the blessing message of "Yi Ju Gao Zong, Ding Sheng Tiao Zhan" (Succeed with Zongzi, Win the Challenge), traditional delicacies have become a unique cultural symbol supporting the spirit of sports.

"Intangible Cultural Heritage + Media Communication" In 2025, focusing on digital intelligent production and Dragon Boat Festival culture, the Company organized more than ten interviews with central mainstream media including People's Daily Online and Xinhua News Agency. The related topics achieved over 10 million exposures. Relying on authoritative media platforms, the Company widely communicated the charm of intangible cultural heritage and strengthened the brand's cultural image and social responsibility.



Report Appendix

Key Performance Table

Indicators	Unit	2023	2024	2025
Economic Performance				
Operating income	Million RMB	2635.3083	2251.3550	2242.3291
Net Profit Attributable to Shareholders of The Listed Company	Million RMB	165.7376	142.1413	121.6186
Total Assets	Million RMB	2335.6990	2258.6527	2312.6903

Indicators	Unit	2024	2025
Governance Performance			
Shareholder Meetings	Session	3	3
Board of Directors Meetings	Session	5	8
Attendance Rate of Board Members	%	100	100
Special Committee Meetings	Session	7	13
Signing Rate of Integrity Agreements	%	100	100
Publicly Disclosed Announcements & Documents	Copy	63	170
Rated for Information Disclosure by the SSE	-	A	A
Proportion of Independent Directors	%	33.33	33.33
Proportion of Female Directors	%	22.22	33.33
Cash dividend per 10 shares	Yuan	5	5
Cash Dividend Amount	Million RMB	96.7572	94.5059
Cash Repurchase Amount	Million RMB	479509	593996
Proportion of Total Dividends in Net Profit Attributable to Shareholders	%	101.81	126.55
Signing Rate of <i>Anti-Commercial Bribery</i> Clauses with Suppliers	%	100	100

Note: The 2025 data is based on the proposed profit distribution plan, and the actual implementation shall prevail.

Indicators	Unit	2024	2025
Environmental Performance			
Environmental Protection Investment	Million RMB	1.6592	1.6297
Environmental Protection Training Sessions	Session	8	10
Person-Times of Environmental Protection Training	Participant	800	600
Hours of Environmental Protection Training	Hour	800	1,200
Electricity Consumption	Kwh	6,979,285.13	17,493,080.36
Total Energy Consumption	Ton of standard coal equivalen	997.60	3,411.37
Energy Consumption Intensity	Tons of standard coal per Million RMB revenue	0.44	1.52
Total GHG Emissions (Scope 1 & 2)	tCO ₂ e	3,442.76	9,913.84
GHG Emission Intensity	Tons of standard coal per Million RMB revenue	1.53	4.02
Fresh Water Consumption	Ton	313,273.01	337,600.30
Wastewater Discharge Volume	Ton	398,653.66	368,656.11
Wastewater Discharge per Million RMB Revenue	Tons of standard coal per Million RMB revenue	177.07	164.41
Chemical Oxygen Demand (COD)	Ton	32.48	50.80
COD Emissions per Million RMB of Revenue	Ton per Million RMB revenue	0.01	0.02
Ammonia Nitrogen Emission	Ton	1.07	1.15

Note: The environmental data covers all production bases of the Company, resulting in noticeable changes in some figures compared with the previous year.

Social Performance			
R&D Investment	Million RMB	27.4951	24.5724
Proportion of R&D Investment in Revenue	%	1.22	1.10
R&D Personnel	Person	90	112

Indicators	Unit	2024	2025
Proportion of R&D Personnel	%	2.52	3.14
Cumulative Number of Authorized Patents	Item	163	163
Labor Contract Signing Rate	%	100	100
Work Safety Investment	Million RMB	7.2003	3.4826
Rectification Rate of Investigated Potential Safety Hazards	%	100	100
Number of New Occupational Disease Cases	Case	0	0
Major Safety Accidents	Case	0	0
Person-Times of Quality Training	Participant	468	914
Total Hours of Quality Training	Hour	761.5	23.10
Quality Training Sessions	Session	20	13
Annual Internal Quality Audit Sessions	Session	1	1
Times of Entrusting Third-Party Institutions for Inspection	Session	1,039	1,274
Person-Times of Customer Complaint Response Training	Participant	204	748
Customer Complaint Response Training Sessions	Hour	540.5	22.60
Customer Complaint Response Training Sessions	Session	3	10
Product Recall Rate	%	0	0
Total Number of Employees	Person	3,565	3,570
Proportion of Female Employees	%	71.42	70.87
Employee Welfare Expenditure	Million RMB	25.5281	24.9077
Work Injury Insurance Investment	Million RMB	0.9446	1.2330
Number of proposals reviewed and adopted by the Company's Workers' Congress	Item	11	13
Proportion of Female Management Staff	%	49.16	50.41
Total Employee Training Investment	Million RMB	1.7481	0.3514
Employee Training Coverage Rate	%	52.40	67.94
Average Training Hours Per Person	Hour	14.28	11.99

Indicators	Unit	2024	2025
Total Number of Suppliers	Unit	363	417
Localization Ratio of Suppliers	%	42.42	40.77
Proportion of Procurement from Local Suppliers	%	44.60	47.64
Charitable Donations Amount	Million RMB	1.3945	1.2776
Person-Times of Volunteer Activity Participation	Participant	48	57
Number of Volunteer Activities	Session	2	2
Total Hours of Volunteer Activities	Hour	132	114

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Feedback Form

Thank you for taking time from your busy schedule to read the Zhejiang Wufangzhai Industrial Co., Ltd 2025 Sustainability (ESG) Report. We highly value and look forward to hearing your valuable opinions and suggestions regarding the Company's sustainability efforts and management. Your feedback serves as an important basis for us to continuously improve our sustainability work and enhance our sustainability management. We sincerely invite you to share your feedback with us through the following channels. Thank you once again for your tremendous support for our sustainability efforts!

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