



Crafting For Beauty



2024 YUGA

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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About this report

Report introduction, enter Yuga
ESG Strategy and Management

Report summary

This report is the first Environmental, Social, and Governance (ESG) Report issued by Suzhou Youjia Plastic Technology Co., Ltd. (hereinafter referred to as "Yuga," the "Company," or "we") to its stakeholders. It systematically outlines the company's management strategies, practices, and performance in the areas of environment, social responsibility, and corporate governance.

Time frame

This report is an annual report with a time frame of January 1, 2024 to December 31, 2024 ("Reporting Period") and some parts may be traced back to previous years or extended to 2025.

Basis of compilation

Global Reporting Initiative Sustainable Development Reporting Standards (GRI Standards)
United Nations Sustainable Development Goals (SDGs)
Guide to Writing CSR Reports of Chinese Enterprises (CASS-ESG 5.0) by Chinese Academy of Social Sciences

Report data

The data, management mechanisms and cases in the report are derived from original records or financial reports of the company's actual operations. The financial data in the report is in RMB.

Reference description

For ease of expression and reading, the report uses the following references:

Yuga, we, the company
Taizhou Facility
Zhongshan Facility

Suzhou Yuga Plastic Tech Co., Ltd
Taizhou Jinyuan Packaging Container Co. LTD
Zhongshan Yuga Plastic Products Co., LTD

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Reliability commitment

Yuga undertakes that there is no false record, misleading statement or material omission in the contents of this report, and the board of directors of the Company shall be individually and jointly liable for the authenticity, accuracy and completeness of the contents.

Reporting obtained

This report is published in both print and electronic form, with the printed version kept in the general manager's office.
The electronic version can be found on the company's website (www.yuga-tech.com).

Contact way

Yuga encourages all stakeholders to make suggestions or comments on the company's sustainable development and social responsibility management.

For any enquiries, please contact:

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Message from the CEO

“

In 2024, Suzhou Yuga Plastic Technology Co., Ltd. worked closely with all stakeholders through an extraordinary year. Despite global economic pressures and slowing demand growth, we remained committed to sustainable development to ensure long-term competitiveness and adaptability.

We embraced innovation, seized the opportunities of the national “dual carbon” strategy, and advanced industry consolidation, product optimization, focused resources, increased R&D investment, and accelerated transformation. ESG strategy was fully integrated into operations and decision-making, continuously improving governance and systematization.

We focused on enhancing product quality and efficiency, strengthening R&D and innovation, and proactively addressing technological challenges. Our leading products are moving toward higher-end, smarter, greener, and more efficient directions, making the company more resilient and supporting high-quality, sustainable growth.

”

1. Improve governance and make development more resilient.

In terms of governance structure, we have restructured the company to strengthen foundational systems, standardize management practices, and implement lean management improvements, resulting in a refreshed production environment. In our decision-making process, we adhere to scientific, democratic, and legal principles, ensuring that every decision is thoroughly discussed and researched through a multi-level management structure, including the board of directors, supervisory board, and management level, to minimize decision-making risks. We also emphasize transparency by regularly disclosing the company's operational status, including financial reports, business developments, and significant events, and conducting investor research activities to ensure all stakeholders can stay informed about the company's real-time dynamics. These measures have enhanced the company's operational efficiency and earned high trust from shareholders, employees, and the public.

2. Stimulate scientific and technological innovation to energize the vitality of industries.

On the path of technological innovation, we have increased our investment in research projects, encouraging employees to apply their creativity in daily work and propose innovative solutions. This has led to the successful discovery of a series of promising innovation and improvement projects, laying a solid foundation for the company's long-term development. We actively engage in industry exchanges and share experiences, strengthening cooperation with peers and universities, and widely absorbing external resources to provide a broader space for the company's growth. For key clients, we provide more timely, accurate, comprehensive, and customized services by deeply understanding their needs, thereby earning their satisfaction and trust.

3. Promote the construction of multiple systems and implement the concept of sustainable development.

We have successfully passed multiple system audits, including quality, environment, occupational health, social responsibility, and dual carbon goals. This recognition reaffirms our management standards and lays a solid foundation for our future growth. To further enhance system management, the company has established an ESG working group, directly managed by senior leadership, to improve environmental protection, health, and safety management. Additionally, we have implemented a monthly routine inspection system for safety, environmental, and fire prevention, ensuring production safety through regular checks and enhancing employees' safety awareness. In terms of energy management, the company has invested in a new photovoltaic power generation project, contributing to our green and sustainable development.

4. Adhere to the people-oriented approach, implement occupational health and fulfill social responsibilities.

In our commitment to providing high-quality services to society, we are dedicated to strengthening our talent pipeline, enhancing employee well-being, and fully implementing talent acquisition policies. We aim to comprehensively boost our talent pool and improve employee benefits. Additionally, occupational safety is crucial for the company's stable growth. We steadily advance safety management and conduct various safety production activities. We also actively engage in social charity activities, demonstrating our commitment to corporate social responsibility through concrete actions.

In an era where opportunities and challenges coexist, Yuga has always embraced the concept of sustainable development. We contribute to society through technological innovation and a commitment to excellence in our products, aiming to build long-term, mutually trusting, and sustainable partnerships with all stakeholders. We firmly believe that only through proactive, active, and comprehensive participation can we achieve true dual growth in environmental and social value. Let us unite, strive forward, and work together to create a beautiful and happy future.

CEO: Pete Zhang



About Yuga

Company profile

Yuga Group consists of three production bases located in Kunshan, Taizhou, and Zhongshan, with its headquarters situated in Kunshan. The Kunshan base, located in Kunshan City, Jiangsu Province, primarily focuses on injection molding, secondary processing, and product assembly. It also houses the R&D Technology Center, which drives Yuga's technological innovation. The Taizhou base is undergoing continuous expansion and is set to become the company's main mass production facility, equipped with full-process capabilities including metalworking, injection molding, painting, printing, and assembly. The Zhongshan base serves domestic clients, mainly handling local brand business, flexibly and swiftly adapting to the fast-paced domestic market, thereby empowering business development and cooperation within China. Founded in 2003 and registered in Kunshan, Yuga is a professional manufacturer and distributor of cosmetic packaging containers. The company mainly produces plastic cosmetic packaging containers and various accessories, offering hundreds of varieties and specifications. Yuga possesses independent R&D capabilities for plastic cosmetic packaging containers, able to meet customers' requirements for new product development.

The company's major clients include internationally renowned cosmetics companies primarily from the U.S., Canada, Japan, Europe, and Asia, such as L'Oréal, Estée Lauder, Dior, Chanel, Mentholatum, and Perfect Diary. Yuga's entire process—from mold design and development to product manufacturing—is supported by a range of processing equipment, including dozens of specialized machines for injection molding, printing, hot stamping, and assembly. Its injection molding machines and automated assembly lines boast a high level of automation, ensuring the quality requirements of its customers are met. Upholding a spirit of continuous improvement and emphasizing "Customer First," Yuga strives to provide the most competitive products and the highest quality, cost-effective services. The company also embraces a culture of continuous innovation to satisfy diverse customer needs. Looking ahead, Yuga plans to strengthen capacity expansion and accelerate industrial upgrading, moving towards internationalization to offer more convenient services to its global clientele.



Group headquarters Yuga R&D technology center

Yuga core manufacturing plant

Metal and plastic products production

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Yuga Group consists of three production bases in Kunshan, Taizhou, and Zhongshan, with its headquarters located in Kunshan. The Kunshan base focuses on injection molding, secondary processing, and product assembly, and also hosts the company's R&D center, serving as the engine of technological innovation. The Taizhou base, currently under expansion, is set to become the main mass production site with full-process capabilities including metalworking, injection molding, painting, printing, and assembly. The Zhongshan base serves domestic clients, focusing on local brands and responding quickly to the fast-paced domestic market, supporting business development and collaboration in China.



Taizhou base

The metal workshop covers an area of 18,000 square meters, including 8 polishing lines, 6 sets of electrolytic tanks, 6 sets of anodizing tanks and 2 sets of chemical polishing tanks. The plastic workshop covers an area of 18,000 square meters, including injection molding, printing/stamping, assembly, electroplating and UV spraying

The process line is planned to be further expanded to 40,000 square meters



Zhongshan base

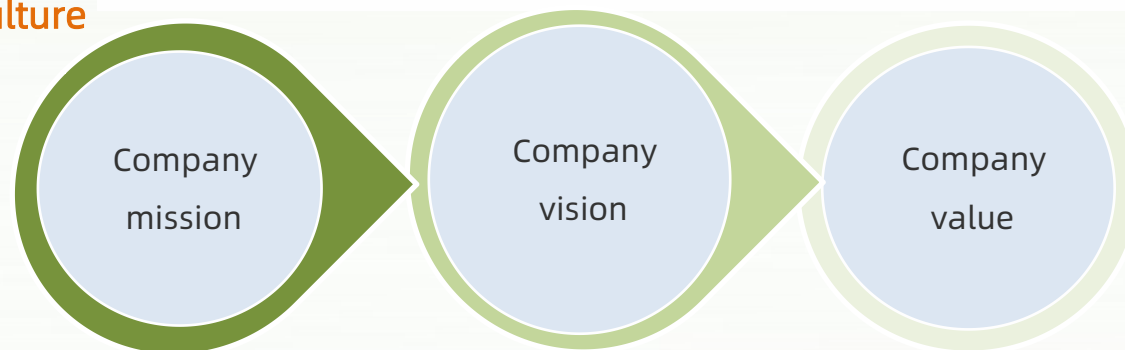
Highly automated and ecological workshop, 8000 square meters, 2000 employees, manufacturing process: injection molding, secondary processing, assembly



development history



Corporate culture



Company mission

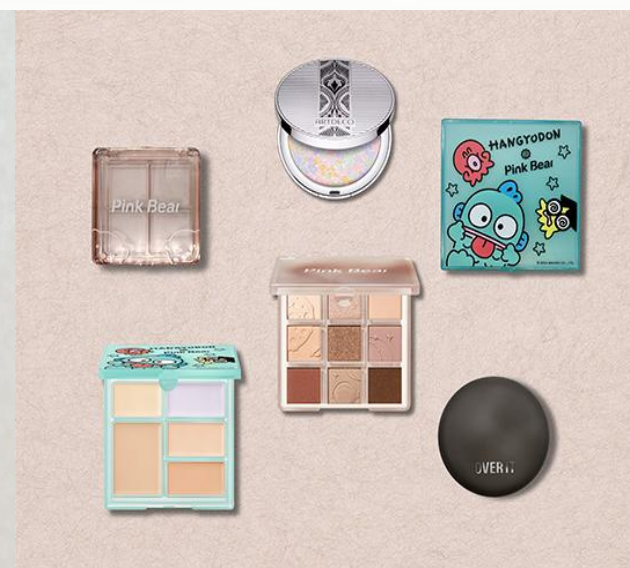
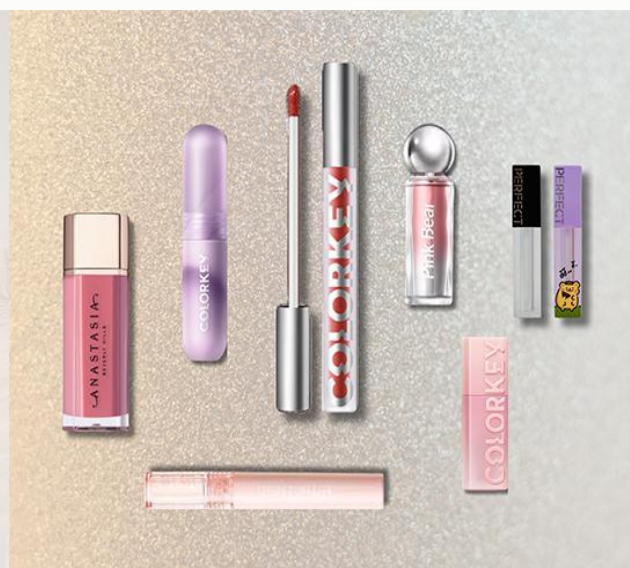
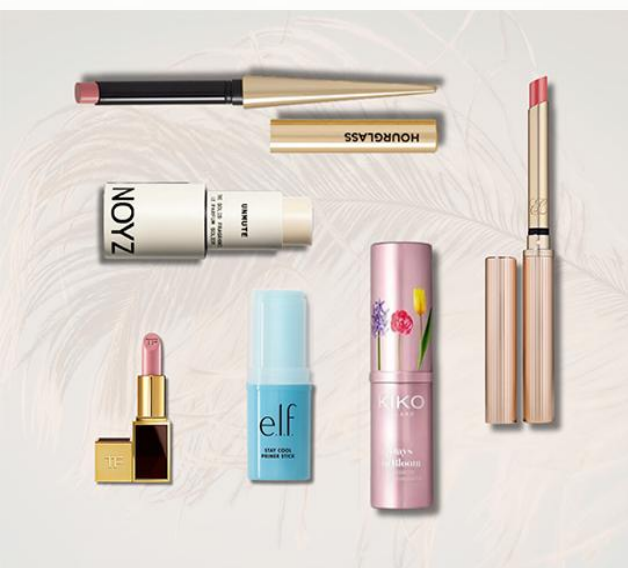
Create customer value with a customer focus

Corporate vision

To be the most trusted innovative partner and supplier in the cosmetics packaging industry

Company value

Honesty, tolerance, cooperation and sustainable development





YUGA

Environmental, Social and Corporate Governance (ESG)

Qualification honor

- ※ JALA Group Emerging Potential Award
- ※ Outstanding Supplier of Shangmei Group
- ※ Training Partnership Base with Tongji University, Shanghai
- ※ Member of Packaging House Association
- ※ GR Certification
- ※ QUADPACK Improved Supplier Recognition
- ※ QUADPACK Development Partner
- ※ Member of the Safety Production and Environmental Protection Association, Kunshan Economic and Technological Development Zone
- ※ Carbon Footprint Management System Certificate
- ※ Forest Management Certification (FSC or equivalent)
- ※ International Sustainability and Carbon Certification (ISCC)
- ※ SA8000 Social Accountability Management System Certification
- ※ ISO 14001 Environmental Management System Certification
- ※ ISO 9001 Quality Management System Certification
- ※ ISO 45001 Occupational Health and Safety Management System Certification
- ※ ISO 9001 quality management system certification
- ※ ISO 45001 Occupational Health and Safety Management System certification





ESG manage

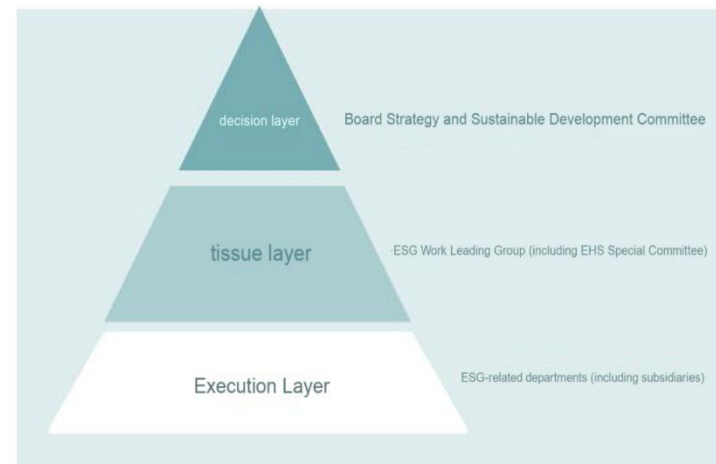
Sustainable development is not only a call of the times, but also an inherent requirement for the long-term growth of enterprises. Yuga is committed to embedding the concept of sustainability into all aspects of its daily operations and management, striving to balance environmental, economic, and social values while actively fulfilling its social responsibilities.

To support the achievement of sustainable development goals, the company continuously improves its ESG governance framework and enhances its governance capabilities. In response to broader socio-economic changes, Yuga regularly conducts assessments of material ESG issues to ensure that its strategies align with sustainability objectives. At the same time, the company organizes and participates in ESG-related training to strengthen employees' awareness of social responsibility and deepen their understanding of ESG importance, thereby laying a solid foundation for robust ESG management across the organization.

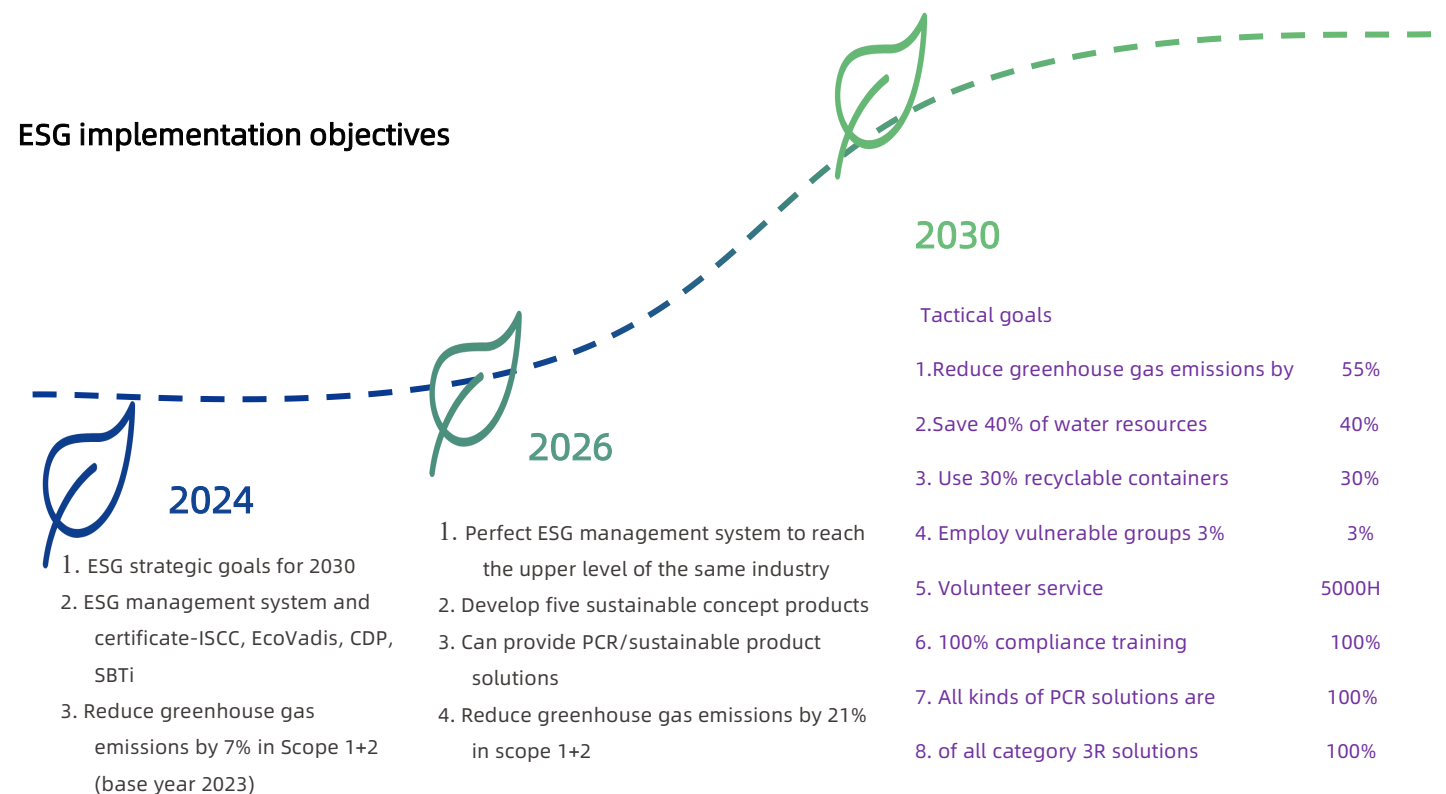
ESG organizational implementation structure

To standardize ESG management and enhance its effectiveness, Yuga has established an ESG governance structure with the Board of Directors as the highest decision-making body responsible for ESG matters. The Board holds overall responsibility for the company's ESG strategy and affairs.

The ESG Leadership Group serves as the core management and coordination body for ESG initiatives. It provides unified leadership over the company's ESG efforts, continuously improves the ESG management system and operational mechanisms, and promotes the integration of ESG principles into Yuga's development strategy, brand, image, and operations.



ESG implementation objectives



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Stakeholder Engagement and Response

The company places a high emphasis on meeting the needs of stakeholders and maintains close ties with all stakeholders. By organizing various exchange meetings and other forms, the company comprehensively understands the concerns of stakeholders and responds promptly through diverse channels. Based on its industry and operational uniqueness, the company draws on the experiences and practices of leading domestic and international companies, identifying key stakeholders as shareholders, government, customers, employees, suppliers, communities, and the environment, and actively engages in deep communication with them through multiple channels.

Stakeholders	Issues of concern	Communication and response methods
Investor	• Business performance • Compliance • Risk management	• General meeting of stockholders • Offline roadshows • Disclosure of information (annual report, ESG report, etc.) •Online communication
Government and regulators	• Comply with laws and regulations • Promoting local economic development • Promoting employment	• Communication and reporting • Policy implementation • Disclosure • Site visits • Council of Governments
Consumers and customers	• product quality • Information and privacy security • High-Quality Service	• Customer satisfaction survey • Company phone number and email address
Supplier	• Honest trade •Sunshine procurement	• Supplier meetings • Supplier training
Staff	• Compliance employment • Promotion and training • Remuneration system • Employee care and well-being •Occupational health and safety	• Staff training • Staff mailbox training • Staff mailbox • Employee satisfaction survey • Trade union activities - Smooth promotion channel • Official website and official account of the company
Community	• Community engagement • Environmental compliance • Discharge of wastes • Volunteering	• Community welfare projects • Community volunteer activities • Green production • Standard emissions
Environment	• Resource efficiency •Addressing climate change • Discharge of wastes	• Energy-saving and emission-reduction • Climate risk identification and response • Standard emissions



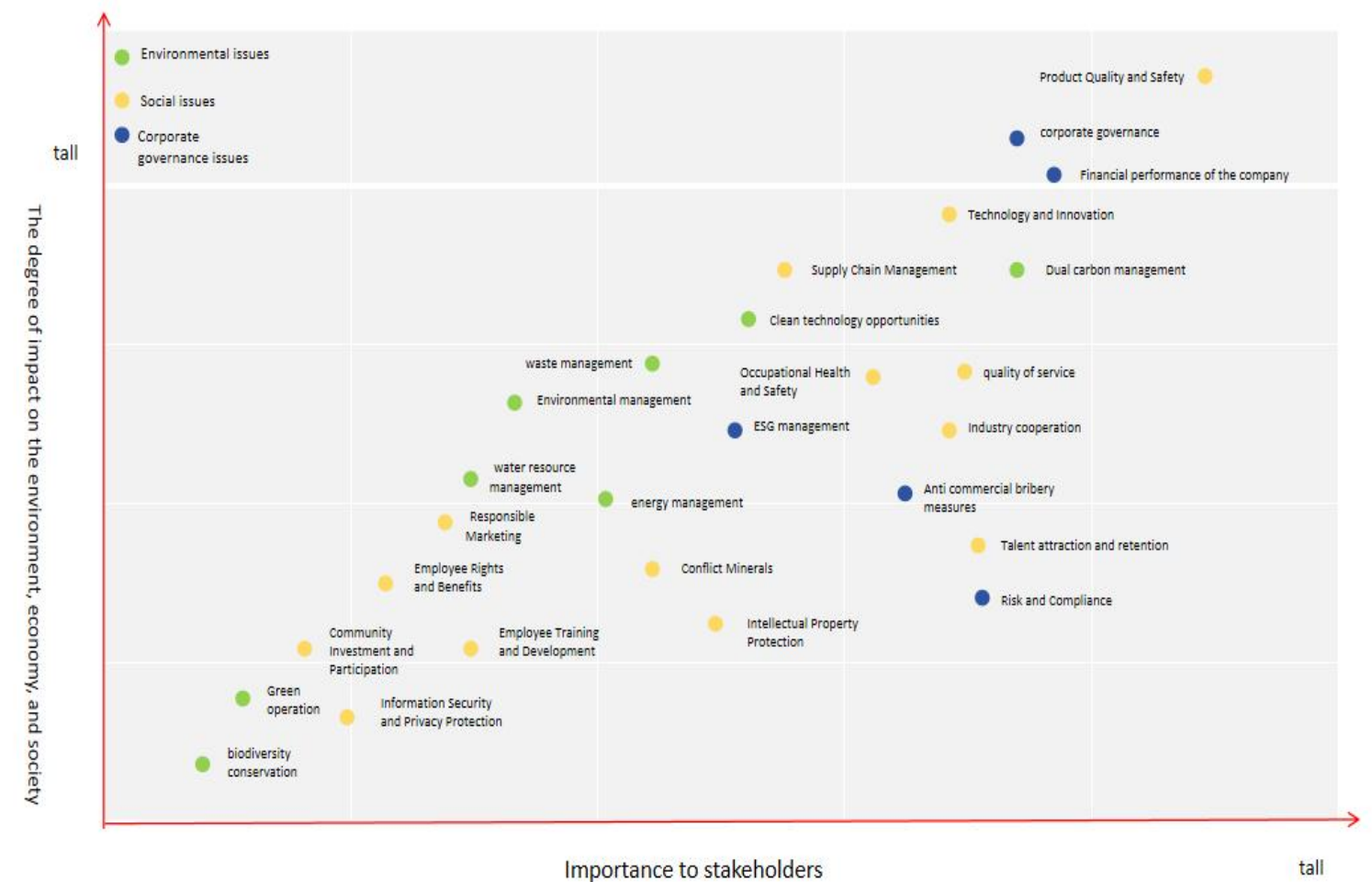
Identification of substantive issues

Based on our business model, Yuga conducted a materiality analysis of ESG topics by referring to the GRI Standards issued by the Global Reporting Initiative (GRI), in combination with national policies and best practices from leading peers.

Following a structured process of identification, assessment, and selection, we identified 16 ESG topics of high material significance, which serve as key focus areas for our ESG management and disclosures in this report.

Substantive issue dimension	Substantive issues
E (environment)	• Waste and emissions management • Energy management • Water resources management • Environmental control • Addressing climate change
S (society)	• Product quality and safety • Occupational health and safety • Customer service • Employee rights • Employee promotion and training • Information security and privacy protection • Supply chain management • Public welfare
G (administer)	• Business ethics • Compliance • ESG risk management

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Responding to the United Nations Sustainable Development Goals (SDGs)





Solid Foundations, Better Performance

Yuga continuously improves its corporate governance practices, strictly complies with applicable laws, regulations, and industry standards, and ensures the timely and effective disclosure of material information to stakeholders. The company values communication with investors and actively fosters transparent engagement.

In addition, Yuga strengthens its risk and compliance management, enhances anti-fraud mechanisms, and safeguards information security—demonstrating its commitment to long-term, sustainable development through concrete actions.

Our actions

- | | |
|--|---|
|  corporate governance |  ESG risk management |
|  business ethics |  information safety |



Corporate governance

Yuga continues to improve the corporate governance structure, attaches importance to the protection of investors' rights and interests, implements the principles of anti-corruption and fair competition, and strives to become the corporate governance benchmark in the industry. We strictly abide by local tax rules and actively fulfill our tax obligations in all our global operations.

Compensation policy

Talent is the core driver of Yuga's development. The company has built a talent management system centered on performance-driven development, talent pipeline building, and organizational empowerment. Through well-designed human resource development plans, Yuga has established a comprehensive system for training, compensation, performance evaluation, and incentives, aiming to maximize the potential of its workforce and provide strong support for sustainable growth.

Yuga's future talent strategy combines external recruitment with internal talent cultivation, tailoring human resource implementation plans to the specific needs of different business units, teams, and departments. This includes targeted actions in recruitment, performance management, succession planning, talent development, and optimized workforce allocation to accelerate talent acquisition and reserve building.

The company adopts a performance-based compensation system guided by the principles of position-based grading, grade-based pay, role-person matching, and flexible adjustment, and is committed to building an international talent supply chain and talent pool. Yuga continues to strengthen its leadership development framework, advance performance-sharing mechanisms, and cultivate a strong corporate culture, ensuring the company maintains a leading position in a highly competitive market through continuous talent optimization.

Protection of investors' rights and interests

Yuga attaches great importance to investor relationship maintenance, improves the shareholder rights and interests protection system and smooths diversified communication channels, so as to protect the legitimate rights and interests of investors and long-term returns.

Business ethics

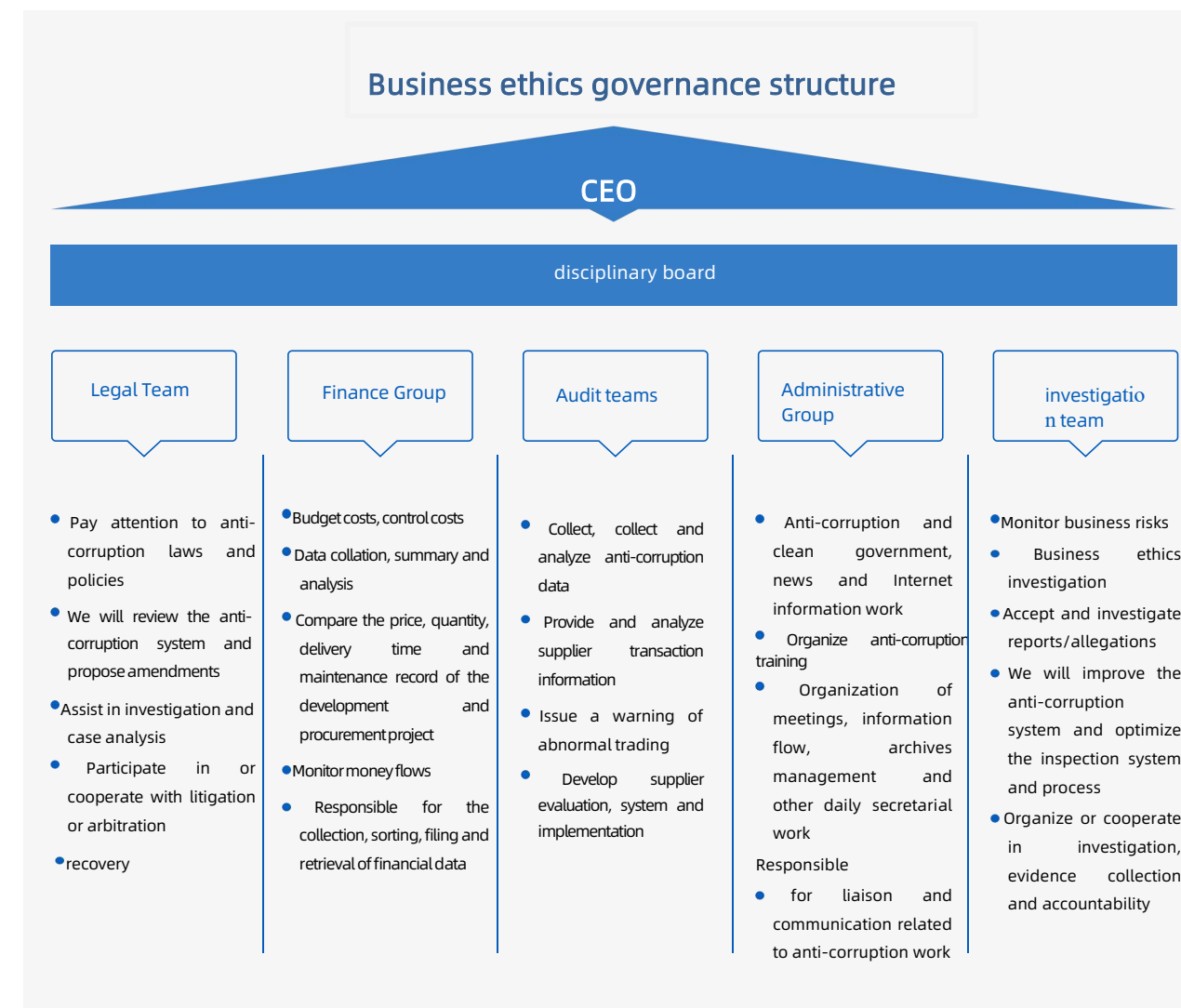
Yuga actively promotes fair competition and maintains market order. It strictly adheres to the Anti-Unfair Competition Law of the People's Republic of China, the Advertising Law of the People's Republic of China, the Provisions on Prohibiting Infringement of Trade Secrets, and relevant laws and regulations in the countries or regions where it operates. Yuga has established a Code of Ethics and Procedures, which explicitly prohibits employees from using illegal means to obtain third-party trade secrets or other confidential information, including illegal intrusion, theft, eavesdropping, bribery, and theft. It also prohibits the publication of false or misleading advertising information, colluding with competitors to set prices, and disrupting market order.

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Enhancing Corporate Integrity Building

Yuga adheres to the legal provisions concerning anti-corruption and anti-bribery, formulating a series of regulations including the 'Code of Ethics and Procedures,' the 'Global Code of Business Conduct and Ethics' (COC), the 'Employee Integrity Management System,' and the 'Procurement Business Ethics Management System.' These regulations aim to standardize and control the business practices of employees, managers, suppliers, and other partners. During the reporting period, the company did not face any significant penalties or rectifications.

Yuga has established a business ethics governance structure under the direct leadership of the chairman, and the disciplinary committee coordinates the work of the subordinate groups. The chairman regularly listens to relevant reports and is responsible to the board of directors.





Anti-corruption declaration and reporting management

Yuga places a high emphasis on internal management and the integrity of business transactions, requiring employees and suppliers to submit the 'Employee Voluntary Declaration' and the 'Supplier Voluntary Declaration,' respectively. The company has legally established the 'Reporting and Whistleblower Protection System' and other anti-corruption reporting management systems to standardize the reporting process and ensure multiple reporting channels are accessible. By combining 'voluntary declaration + supervision through reporting,' Yuga aims to prevent and control integrity risks.

According to the size, nature and other factors of the reported cases received, the company divided different special case personnel to carry out investigations. In 2024, we updated the upper limit of the reward for reporting to encourage more people to participate in the construction of Yuga's integrity.

Reporting management flow chart



Special mailbox for reporting jubao@yuga-tech.com

During the reporting period

The total number of training sessions on business ethics for the company is 2

The total number of business ethics training is 256

Business ethics training coverage rate 100%

ESG risk management

Internal Control

To standardize management and control operational risks, the company has established a comprehensive and scientific internal control system that spans all operational processes. This system is based on the 'Basic Standards for Enterprise Internal Control' and related guidelines, as well as other internal control regulatory requirements for listed companies. Under the strong leadership and guidance of the company's management, the company has implemented risk management and built an internal control system to ensure that internal controls fulfill their intended roles. This enhances operational efficiency and effectiveness, thereby facilitating the company's strategic development.

During the reporting period, the company initiated self-inspection and self-assessment of its internal control system based on business development and management requirements. It established and improved over 70 management systems (regulations), further standardizing procurement, sales, and technical management. The company also revised internal control systems, including the 'Management Measures for Standardization Construction' and the 'Internal Audit System.' Based on the identification of significant internal control deficiencies, as of the benchmark date of the internal control evaluation report, the company found no significant internal control deficiencies in either financial or non-financial reporting.

Risk management

The company has a sound risk management organizational structure covering the board of directors, management and various functional departments, industries (business divisions), subsidiaries and all employees. Through identifying and analyzing internal and external uncertain factors that may endanger the interests of the company in every link of management and operation process, the company implements corresponding risk control measures and carries out comprehensive risk management.

In terms of risk identification, the company focuses on managing five key areas: strategic, financial, market, operational, and legal risks. For risk assessment, the company conducts qualitative or quantitative evaluations of identified major risk areas through joint discussions among multiple departments and, when necessary, expert consultations. In response to risks, the company aligns its strategies with internal conditions and external environments, focusing on its development goals. This involves adjusting and enhancing organizational structures and functions, establishing internal control systems, and increasing investment in human and financial resources for risk-prone areas. Additionally, the company regularly organizes business knowledge training for procurement, marketing, and other functional departments to enhance all employees' risk prevention awareness and improve their ability to identify and analyze risks.

Anti-competition

The company strictly adheres to the Anti-Monopoly Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, and other domestic and international laws, regulations, and standards, conducting business activities on the foundation of fair, transparent, and free competition. We commit to not initiating or participating in industry gatherings that could be misinterpreted as violating the Anti-Monopoly Law. Additionally, we do not use improper means to obtain others' confidential information for unfair competition, ensuring the market's fairness and vitality.





Risk identification and management

kind of risk	Risk projects	Coping strategy
Strategic risk 	Corporate governance risks	We will continue to improve the company's system, standardize the company's production and operation, improve the corporate governance structure, pay attention to the protection of shareholders' rights and interests and investor relationship management, and constantly improve the level of corporate governance
	Product competitiveness risk	The company's products and business layout are diversified and vertically integrated, comprehensively covering components, modules and system assembly, providing one-stop professional services in an all-round way, and accelerating the application of intelligent manufacturing and big data operation management platform
Operational risk 	Risks of new technology and product development	Continue to actively invest in the research and development of new technologies and products, introduce and cultivate talents for the development of new technologies and products, and enhance the research and development capability
	Product quality risk	Optimize the quality management process, continue to promote intelligent testing and intelligent quality management system, and improve the quality management level at all stages including supplier management
	Climate change risk	Regular monitoring of climate change status, setting scientific carbon targets in line with the 1.5°C path requirements, which have been formally verified and approved by SBTi, identifying climate risks, regularly reviewing short-, medium-and long-term carbon reduction targets and action progress, and management taking measures for risks of high importance and urgency
	Risk under TCFD framewor	Through the combination strategy of "policy compliance + supply chain coordination + technology reserve + market adaptation", we can realize risk hedging and long-term transformation resilience. Specifically: We will actively respond to the "double carbon" policy, establish a carbon emission accounting system, lay out clean energy (such as photovoltaic) in advance to reduce energy costs, and explore the carbon trading market to hedge risks.
		Promote supplier green certification, sign low-carbon procurement agreements, and develop recycled plastic technology to improve the competitiveness of product carbon footprint and meet customer ESG requirements.
		Invest in low-carbon processes (such as waste plastic recycling equipment) in stages, jointly build technology platforms with universities or research institutions to reduce trial and error costs, and apply for emission reduction subsidies. Integrate carbon costs into budget management, develop environmentally friendly product lines (such as bio-based plastics), diversify traditional plastic dependence, and enhance brand premium through green certification.
Compliance risk 	Business moral hazard	Establish a discipline committee, led by the CEO to manage business conduct compliance, and carry out regular internal audit of business ethics
	Intellectual property management and protection risks	Establish an intellectual property management system to investigate and confirm the intellectual property rights of other companies during the design and development phase
Information safety risk 	information safety	The coverage of business continuity and factory audit have been expanded, and the security of weak electrical security and intelligent plant has been strengthened
	privacy protection	Provide training and assessment on privacy protection for employees. When confidential information is not used, it should be placed in a locked file cabinet, safe deposit box or other form of safe furniture, and the key should be kept by a designated person



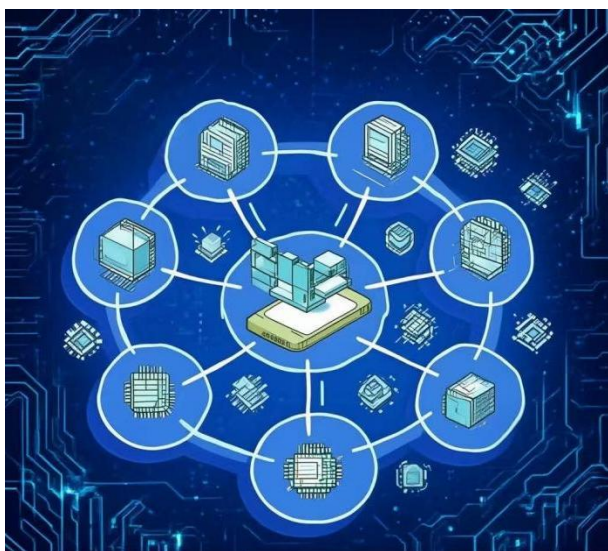


Information safety

The company attaches great importance to data security and network security, and is committed to realizing the digital construction of enterprises. In 2024, the company will carry out information audit action, and take effective measures to create a safe network environment.

Important measures for corporate network security

Through the deep trustworthiness network behavior management system, the company uses a purified Internet behavior rule base to filter the Internet behaviors of the Internet clients in the company and its subsidiaries, including bad information, illegal information, dangerous information and other content. Through active strategies, the network security is effectively purified and strengthened.



The company has deployed a network firewall, and the firewall has been upgraded several times during this period. In 2024, the firewall was upgraded to effectively improve the ability to defend against various viruses and Trojan attacks, and strengthen network security in an all-round way.

The company installs legitimate anti-virus software on the Intranet client, adjusts the brand of anti-virus software according to the actual use, and updates it in time to ensure the last line of defense for network security.



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Digital construction

In order to optimize business processes, reduce repetitive work and improve work efficiency, the company completed the customer relationship management (CRM) system, product life cycle management (PLM) system phase II and collaborative office automation (OA) system in 2024.

Key measures for digital construction of the company

CRM system

The company has successfully completed the construction of its Customer Relationship Management (CRM) system, achieving comprehensive management throughout the customer lifecycle. This includes contract management, lead management, team management, and opportunity management. The system is integrated with ERP to help companies reduce sales cycles and costs, increase revenue, and enhance customer value, satisfaction, profitability, and loyalty. It enables sales personnel to gain a complete view of customers, conduct in-depth analysis, and review key sales and customer metrics, allowing them to focus on acquiring new customers while retaining existing ones.

The system construction has achieved comprehensive lifecycle management for customers, covering areas such as contract management, lead management, team management, and opportunity management. It is integrated with ERP systems to break down information barriers between sales, marketing, and customer service departments, ensuring seamless integration of customer data, order information, and financial accounting processes. This creates a closed-loop management system for sales, delivery, and service, helping companies build an integrated customer management system that emphasizes efficiency, growth, and loyalty, thereby continuously enhancing market competitiveness. The system also collects and analyzes customer data to gain deep insights into customer behavior, preferences, and market trends, providing data support for company decision-making and aiding in the formulation of more precise marketing strategies and product planning.

PLM system

The company has successfully completed the second phase of its Product Lifecycle Management (PLM) system, achieving comprehensive management of the entire product lifecycle. This includes product planning, design management, drawing and document management, signature management, and coding management. The system is integrated with ERP to create a clear and complete product lineage. Through the drawing design interface, components, BOMs, and drawings can be directly imported into the PLM system, ensuring data flows in and out seamlessly. This ensures that components, drawings, and technical documents are fully linked and easily accessible for queries. The system also enables the unified distribution of components and drawings, with controlled access permissions. This helps companies innovate and optimize their designs, significantly enhancing product quality and competitiveness.

OA system house

The upgrade of the Collaborative Office Automation (OA) system has achieved collaboration among multiple levels of internal users and application systems, thereby enhancing office efficiency. A unified modern office collaboration platform and internal information portal, based on the Internet and integrated electronically, covering Yuga Information Industry, has been established. This platform meets Ruike's requirements for cross-time, cross-regional, and cross-departmental collaborative office work, closely integrating personnel, processes, and business knowledge to promote the effective use and centralized management of information. The upgrade of the OA system has created a key support for Yuga Information Industry by building an electronic integration modern office collaboration platform based on the Internet. It integrates personnel, processes, and business knowledge, meeting the enterprise's needs for cross-time, cross-regional, and cross-departmental collaborative office work, helping the enterprise stand out in the fierce market competition.

Intelligent Manufacturing, Quality Assurance

Yuga insists on leading with science and technology, serving the industrial sector in multiple dimensions, promoting the joint construction and development of the industry, and working together with upstream and downstream customers to make progress.



Our actions



Strengthen quality management



Pursue scientific and technological innovation



Improve customer service



Build a supplier ecosystem



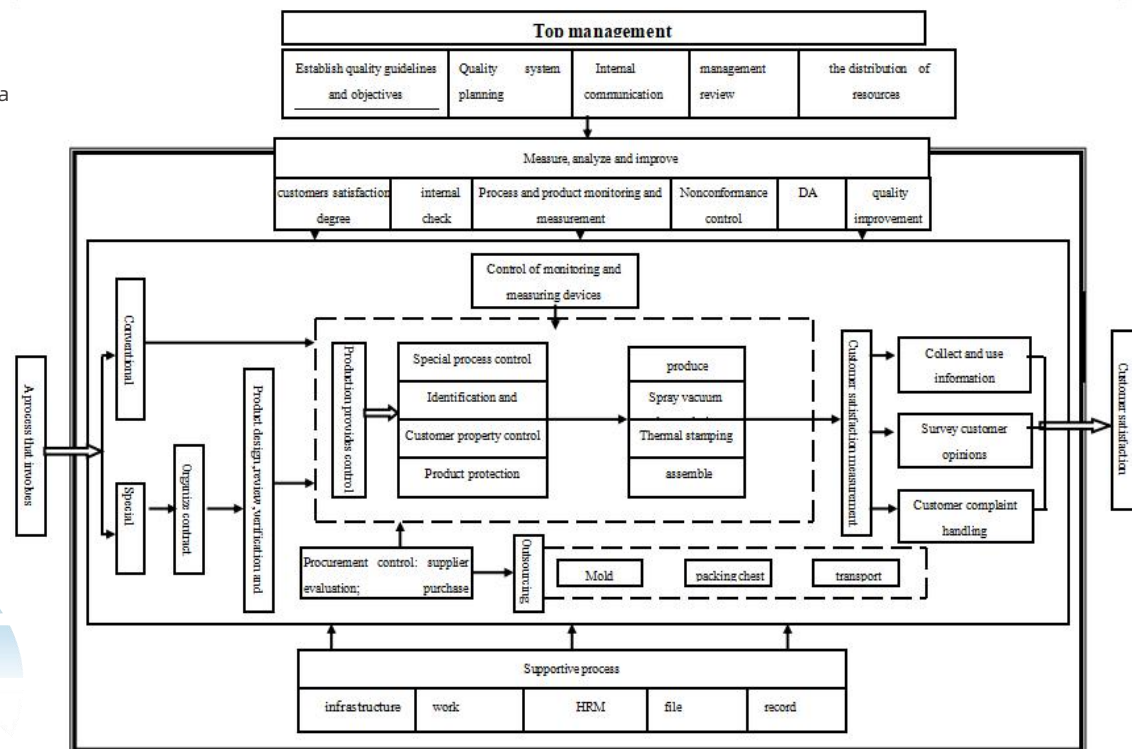
Strengthen quality management

Yuga adheres to high-quality development, takes quality first as the guidance, always puts quality work in a prominent position, comprehensively promote quality improvement work, improve the quality mechanism, consolidate the quality foundation, quickly and effectively solve quality problems, and enhance the quality awareness of all staff.



Quality management system

Yuga has established and improved its quality management system in accordance with GB/T19001-2016, the 'Quality Management System Requirements.' It has revised the 'Product Quality Control Management Measures' and other relevant systems to ensure effective product quality control and supervision, enhance the company's product quality management level, and clarify quality management responsibilities. Additionally, in line with the requirements of the company's 'Internal Audit Control Procedures' and 'Management Review Control Procedures,' Yuga conducts internal audits and management reviews to ensure the implementation of the quality management policy and objectives. As of the end of the reporting period, Yuga's quality management system has consistently passed third-party certification, obtaining the ISO9001 Quality Management System Certification.



Improve the quality level

In order to improve the quality level of the company's products, the company collects key quality problems every month, organizes and holds quality improvement meetings, strengthens process quality inspection, strictly controls the quality, and carries out whole-process quality management in each circulation link from product design, procurement cooperation, production, quality inspection to product delivery.

The company implements and executes the quality accident identification and management assessment, announces the results of rewards and punishments, clarifies the responsibilities of each post through performance management, further clarifies the inspection responsibility division of each section, each project order, each quality problem handling, etc., and specifies the implementation to individuals.

At the same time, the flexibility of quality management should be strengthened to stimulate the quality management level and efficiency of each industry and subsidiary. The company requires each industry and subsidiary to formulate their own "Product Quality Control Management Measures" based on the actual operation situation of the company.

Quality culture construction

The company attaches great importance to the construction of quality culture. Through quality training, quality culture month activities and other activities, the company further strengthens the quality awareness of all employees, creates a good atmosphere in which everyone pays attention to quality and pursues quality, establishes the value orientation of advocating quality, and ensures the effective operation of the quality management system.



2024 Quality Management Training

The company implements quality management in product supply, production, and outbound processes through traceability management, enhancing accountability for quality issues and the management of non-conforming products. The company actively conducts pre-job training, developing work instruction manuals, inspection standards, calibration guidelines for three major instruments, and equipment operation procedures for practical training and learning. The company is committed to enhancing the informatization of quality management, digitizing processes such as incoming material inspection, production, quality audits, and laboratory testing, achieving digital quality supervision. This approach continuously improves product quality and management levels, thereby increasing customer satisfaction and competitiveness.



Reporting period

The company has not had any product violations or recalls



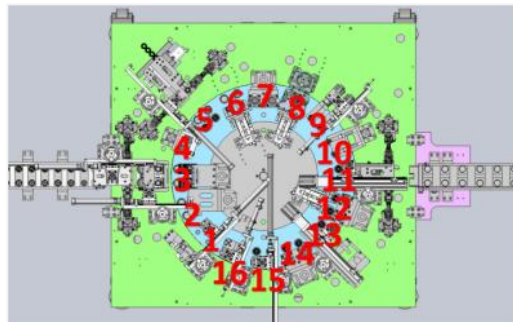
ISO 9001 quality management system certificate



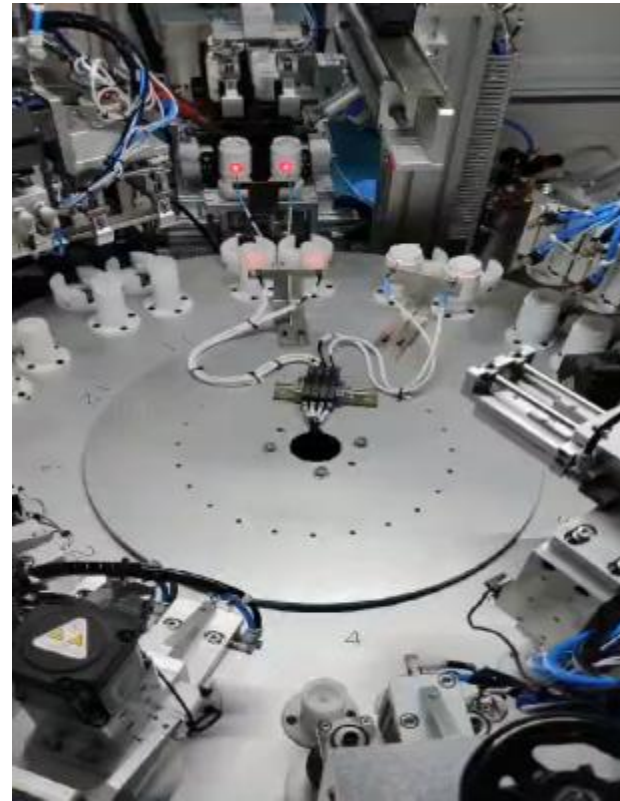


Pursue scientific and technological innovation

Yuga values and strengthens the construction of its innovation system. To coordinate the company's technical resources and enhance technological competitiveness, we have established a Technology Committee that covers all major technical fields of the company. This committee facilitates the integration of resources and information across different R&D departments, enabling the sharing of technical capabilities and platforms. We have set up a research and development center at our Kunshan base, featuring highly automated and eco-friendly workshops. Through continuous technological innovation in products and services, we lay a solid foundation for the ongoing development



Injection molding production line



Assembly and spraying line



Target 2030: 80% of parts are domestically produced



Reporting period

The localization rate of company parts is **75%**

The number of domestic aluminum replacement statistics projects is **159**

It has become the **50th** aluminum in China



Opening Consolidate the foundation, improve quality and efficiency, **Intelligent manufacturing, quality assurance, Dual carbon management, sustainable development, Putting people first, occupational health, appendix**

Intellectual Property Protection

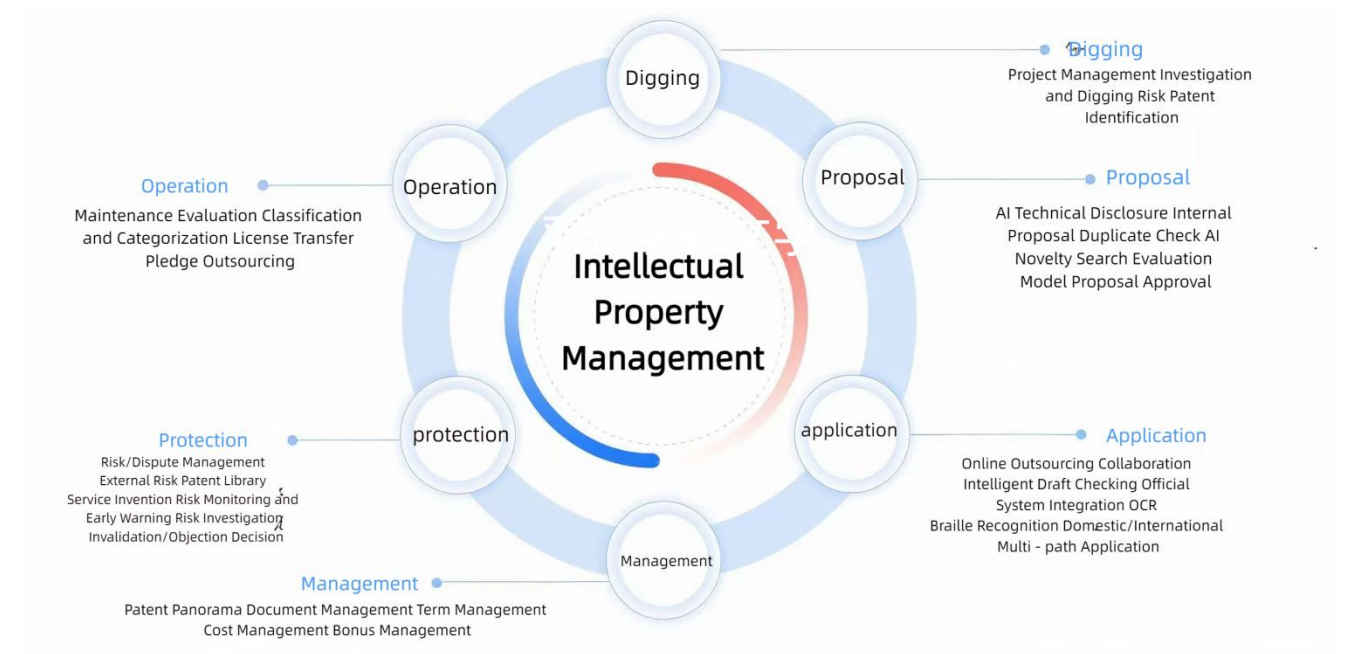
Yuga places a high emphasis on intellectual property management, continuously enhancing the management, protection, and utilization of intellectual property. Based on the Patent Law and its Implementing Regulations, and other relevant laws and regulations, Yuga has formulated the Patent Management Measures and other related systems to suit its specific circumstances. The company is committed to strengthening its intellectual property management system, regularly holding meetings to discuss and refine the management systems and procedures for intellectual property. It focuses on the research and development of new products and projects, as well as technological innovation, and ensures effective patent mining, application, and management. By the end of the reporting period, Yuga has obtained certification for its intellectual property management system.

The company regularly identifies management risks related to intellectual property protection, conducts intellectual property risk analysis, establishes an intellectual property risk early warning mechanism, and comprehensively prevents and responds to intellectual property disputes. For production and operation equipment, software and products, the possibility of infringement is investigated through retrieval and novelty search to avoid or reduce the risk of infringing others' intellectual property rights.

To strengthen the management and protection of intellectual property, the company has established a classified management system for intellectual property. It regularly assesses intellectual property to ensure effective tracking and management. Additionally, all intellectual property managers are involved in patent value assessments, evaluating patents from multiple perspectives to develop a patent evaluation system that aligns with the company's production, operations, and development goals. The company respects others' intellectual property while protecting its own, working with stakeholders to combat intellectual property infringement and continuously enhancing employees' awareness of intellectual property protection.

Reporting period

The company has applied for **10** patented products





Improve customer service

The company has always adhered to the corporate value of "customer satisfaction is our eternal pursuit," continuously enhancing its service quality and collaborating with global customers to move towards a brighter future. By improving the customer system, listening to customer needs, optimizing complaint processes, and conducting customer satisfaction surveys, we are dedicated to providing the best product experience for our customers.

Service Philosophy

Yuga has consistently adhered to the service philosophy of 'customer-centric' by establishing and improving its customer service management system, continuously enhancing its customer service capabilities. In terms of pre-sales management, to enhance customer service efficiency, the company optimized its customer management system during the reporting period. It launched a CRM (Customer Relationship Management) system, creating a closed-loop sales process to achieve digital and refined customer management. This initiative aims to focus sales resources, precisely target marketing efforts, improve service levels for key customers, facilitate the landing of major orders, and ensure the continuous and stable growth of the company's core business.

In terms of after-sales service, the company has formulated the "Customer Complaint and Return Control Procedure" and other systems to implement the customer service and complaint process quality management process. The company has formulated the "After-sales Service System" according to the actual production and operation situation and product characteristics, and implemented it after filing.

Customer service process

pre-sales

Keep in touch with customers actively

• Provide relevant information to the marketing management department

. Guide customers to visit the company



On sale

Conduct contract review and arrange production

Product acceptance and shipment



customer service

• Quality tracking of sold equipment

Telephone return visits for comments and business visits for comments

• Complaints or feedback on equipment quality are handled uniformly

• Maintenance treatment

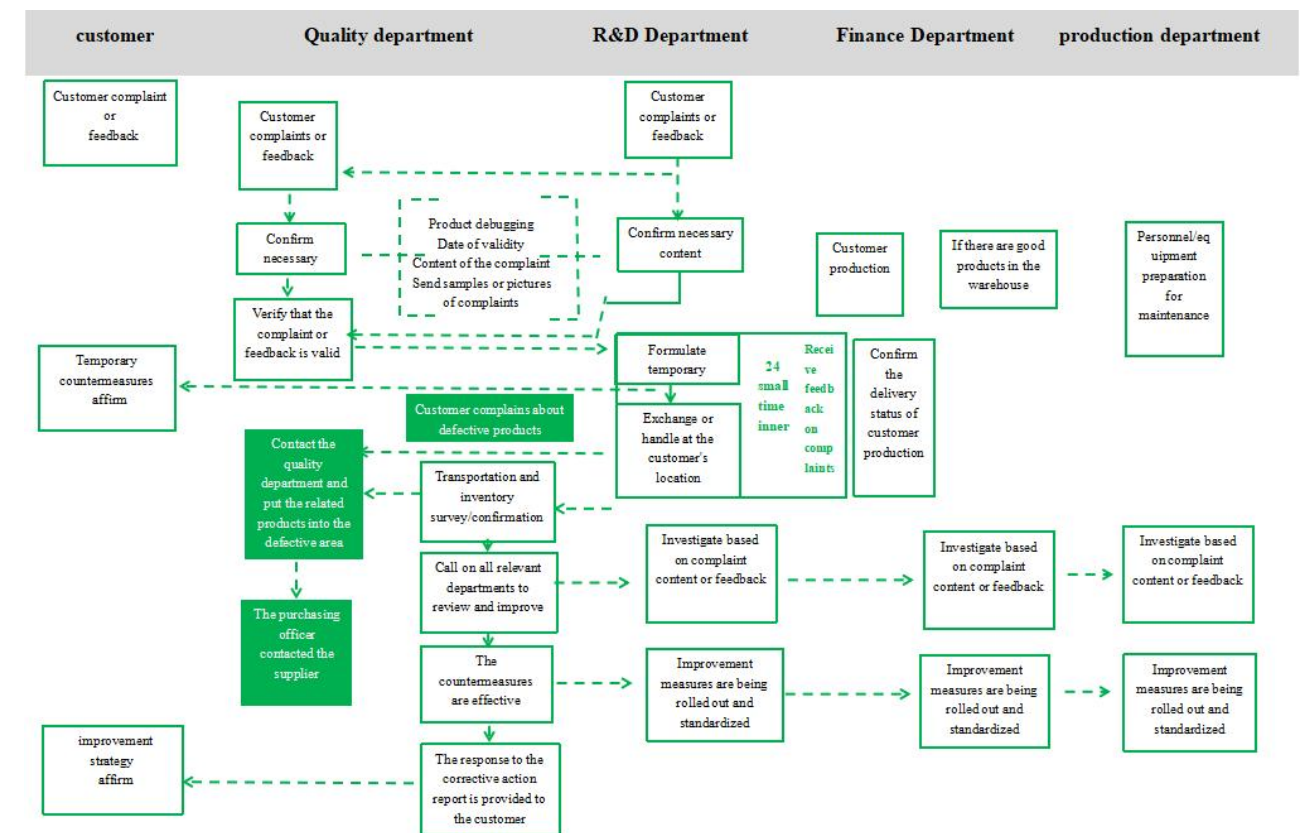


Opening Consolidate the foundation, improve quality and efficiency, **Intelligent manufacturing, quality assurance,** **Dual carbon management, sustainable development,** **Putting people first, occupational health,** **appendix**

Customer complaint management

The company has formulated the "Customer Complaint Handling Process", which defines the departments and relevant responsible persons involved in the process from complaint to temporary countermeasure confirmation to improvement countermeasure confirmation, and actively promotes the implementation of customer complaints and suggestions to improve customer satisfaction.

Customer complaint handling process



Satisfaction survey

To enhance communication with customers, understand their needs, and improve product service levels, Yuga has developed the 'Customer Satisfaction Control Procedure.' This procedure includes establishing a customer satisfaction performance evaluation model and regularly conducting customer satisfaction surveys. The survey dimensions cover the company's product quality, service satisfaction, and the collection and transmission of relevant opinions and suggestions. Yuga uses customer satisfaction data to assess service quality and promptly addresses or feeds back any issues or suggestions raised by customers during the survey period to internal departments for improvement, refinement, and further enhancement.



Promote win-win industry

Yuga actively participates in industry exchanges and sharing, and pays attention to cooperation with companies in the same industry. Through information sharing and communication improvement, Yuga improves the efficiency and quality of communication between upstream and downstream parties in the industrial chain, promotes the rational utilization of resources, and is of great significance to improving the existing corporate system and expanding new markets.

Strategic cooperation

Yuga actively explores strategic cooperative relations with other industry leaders, gives full play to the advantages of technical precision manufacturing and technological innovation, carries out strategic cooperation in the field of cosmetic packaging, and contributes to a beautiful China and a harmonious world.

Yuga team 2024 Hong Kong Asia Pacific Beauty Show



Opening Consolidate the foundation, improve quality and efficiency, **Intelligent manufacturing, quality assurance,** **Dual carbon management, sustainable development,** **Putting people first, occupational health,** appendix



The 2024 Asia Pacific Exhibition in Hong Kong



The 2024 CBE exhibition site



Build a supplier ecosystem

Yuga attaches great importance to cooperation with suppliers. In the selection of suppliers, Yuga takes ensuring product quality and service quality as the first principle. Through close collaboration and communication, Yuga establishes long-term and stable cooperative relations with suppliers, and jointly improves to provide impetus for future sustainable development.

Supply chain management

The company has established the 'Supplier Management System,' which clearly outlines the management of suppliers from the initial review and procurement cooperation evaluation to their elimination throughout the entire lifecycle, ensuring effective supplier management. During the reporting period, the company further developed its process system, completed revisions to various systems, including the 'Procurement Collaboration Management Measures,' 'Procurement Supply Agreement,' 'Procurement Control Procedures,' 'Supplier Evaluation Control Procedures,' and 'Supplier and Material Grading Assessment and Evaluation System.'

In 2024, the company will accelerate the professional management of its supply chain, further implement the price and procurement separation model to ensure mutual checks and balances between price approval and procurement execution, thereby fostering mutual trust. The company will establish a consignment warehouse for suppliers to enhance execution efficiency while reducing capital expenditure. It will also complete on-site inspections of all external processing partners, issue inspection reports, conduct a thorough analysis of their strengths and weaknesses, improve the transparency and systematic nature of supplier management processes, and build strategic partnerships with suppliers based on win-win cooperation.



Opening Consolidate the foundation, improve quality and efficiency, **Intelligent manufacturing, quality assurance,** **Dual carbon management, sustainable development,** **Putting people first, occupational health,** **appendix**

Supply chain assessment

The company carries out the management of raw material suppliers' access, audit, evaluation and classification according to the internal Supplier Management Measures.

Supplier access

- Fill in the supplier basic information form
- Review supplier qualification requirements (business license, environmental protection certification, quality system certification, etc.)
- Classify the purchased materials (ABC three categories) and match the corresponding audit methods (one category on-site audit, two and three categories need to provide qualification certificates)
- The supplier must sign the "Commitment Letter of Integrity of Partner" during the cooperation process
- For qualified suppliers with safety and environmental protection factors, they shall sign the supplier's environmental and safety management commitment letter

Suppliers are evaluated

regularly

- The performance of suppliers is evaluated every year in four core aspects: delivery quality, cost, delivery quality and service
- Each year, the top 10 suppliers are re-evaluated and field visits are conducted

Supplier rectification

- If the minor nonconforming items are returned by the supplier for rework until they are qualified, or the nonconforming items are rectified at the supplier's factory
- If the supplier is seriously unqualified, a rectification notice will be issued. If the rectification fails, the supplier will be kicked out of the list of qualified suppliers



Transparent Procurement

The company engages in deep communication with suppliers through various channels, promoting the latest concepts and requirements of Yuga's procurement practices. This initiative aims to foster a win-win relationship and promote coordinated development within the company's supply chain. Additionally, the company has established a reporting channel for suppliers, implemented a code of integrity, and regularly conducts training sessions to enhance anti-corruption efforts.





Dual-Carbon Management and Sustainable Development

Yuga has always attached importance to green and sustainable development in its operation, and actively applied innovative green technologies. It has taken comprehensive actions in energy saving and carbon reduction, pollution prevention and control, water resources management and other directions, so as to contribute to a sustainable future.

Our actions

- | | |
|---|---|
|  Strengthen environmental management |  Sustainable green development |
|  Focus on low-carbon production |  Addressing climate change |

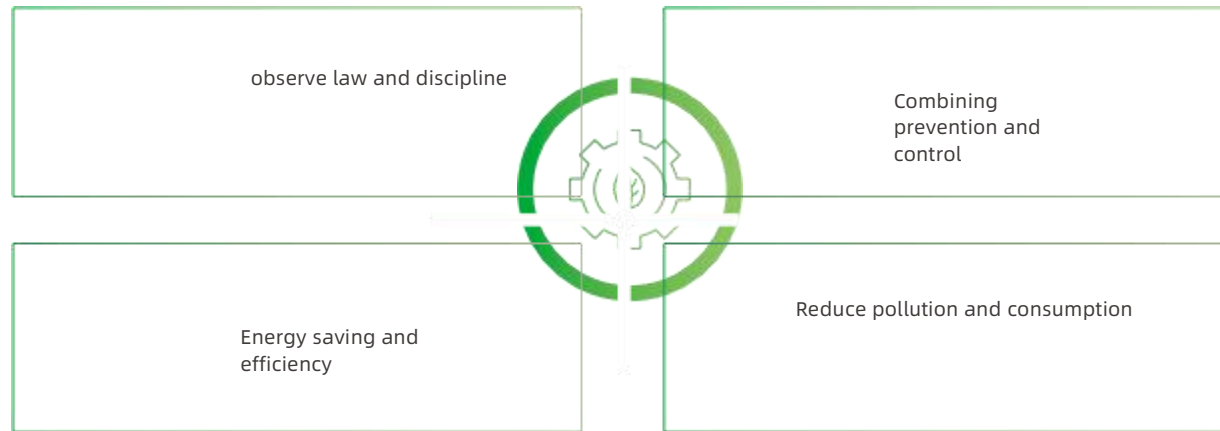




Strengthen environmental management

The company strictly adheres to environmental protection laws and regulations, including the Environmental Protection Law, and has established and continuously improved its environmental management system based on ISO 14001:2015 standards. It rigorously implements environmental impact assessments for new, renovated, and expanded projects, ensuring compliance with the 'three simultaneous' requirements for environmental protection. The company constructs and maintains environmental facilities as required, conducts annual environmental monitoring, and keeps records to ensure compliance with emission standards, thereby minimizing the environmental impact of its operations. By the end of the reporting period, the company had obtained ISO 14001 environmental management certification.

Environmental policy



Establish environmental emergency response mechanism

In 2024, the company will upgrade the Safety Production Committee to the EHS (environment, health and safety) management committee. The EHS management committee is responsible for organizing the formulation of the company's environmental protection, occupational health and safety management policies, objectives and medium-and long-term management plans.

The company, in accordance with the 'Emergency Management Measures for Sudden Environmental Incidents' and the 'Law on Emergency Response to Sudden Incidents,' has developed the 'Emergency Plan for Sudden Environmental Incidents.' This plan standardizes emergency management and response procedures for sudden environmental incidents. The company has established an emergency command center to conduct risk assessments of sudden environmental incidents, thoroughly investigate potential environmental risks, and take appropriate measures to actively prevent, promptly control, and eliminate these risks.



Waste water, waste gas and plant boundary noise meet nationalemission standards



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Training on safe storage and use of chemicals and emergency and fire fighting knowledge

To enhance employees 'safety awareness, strengthen safety protection, and ensure they understand the importance of safety, the company has launched training programs on' Mastering the safe storage and use of chemicals and emergency and fire safety knowledge 'and' Understanding the hazards of confined spaces and mastering the safety skills for confined space operations.'



Exercise procedures

1. Chemical leakage was found in the mixing room
2. Report to the leader and receive the order to start the emergency plan
3. Press the alarm button
4. Waste shall be put into the hazardous garbage can and stored in the hazardous waste warehouse for treatment

Chemicals fell from the ink mixing room and leaked into the ground
Absorb cotton and other chemicals to clean up the leak

The number of accidental chemical leaks was

Zero times



Reporting Period:

The company invested 1.959 million yuan in environmental protection

The company's EHS team organizes the environment every month

The completion rate of health and safety supervision and inspection and rectification of problems was 100%





Resource management

Water resources management

The head office and its subsidiaries attach great importance to water resources issues, and promise to reduce the use of water resources, formulate the regulations on water conservation management, and formulate the annual development plan for water conservation. The company's water source is municipal water.

Key performance: During the reporting period
The company uses 152,200 tons of water
Save water resources by 4.5%



Target 2030: Save 40% of water resources

Prevention and control of pollution

Yuga promises to strictly abide by the relevant laws and regulations on pollution discharge management, establish and improve the management system related to waste, conduct regular testing of waste, and continue to improve and perfect the management of waste, and actively take measures to reduce the emission of waste gas, waste water and solid waste.

Exhaust emission management

The main types of gas emissions from the parent company and its subsidiaries are nitrogen oxides, sulfur oxides, particulate matter, non-methane total hydrocarbons and volatile organic compounds. During the reporting period, the company has set up waste gas disposal devices and waste gas treatment processes to improve the treatment efficiency of pollution prevention facilities and effectively reduce the external emission of pollutants.

Green packaging

The R&D department and purchasing department of Yuga Group regularly inspect the packaging methods with suppliers and customers, try to use environmentally friendly turnover boxes, reduce and reuse packaging waste, so as to reduce environmental pollution caused by excessive packaging, establish recycling and recycling mechanism, and empower the circular economy industry chain.

Key performance: During the reporting period
The company uses 17% recyclable containers



Target 2030: Use recyclable containers

30%



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Waste water discharge management

The parent company and its subsidiaries differentiate between wastewater from production and operation processes and design appropriate measures for wastewater treatment to meet discharge standards. The company's wastewater mainly consists of domestic sewage from employees and production wastewater, which includes surface treatment cleaning wastewater, tank liquid, and UF membrane backwashing wastewater. Additionally, the company has implemented a rainwater and sewage separation system, with rainwater collected and discharged into nearby rivers.

Key performance: During the reporting period
The total amount of wastewater discharged was 113,300 tons

Waste management

The company has consistently focused on reducing waste generation during operations, establishing the 'Solid Waste Ledger Management System.' The company's solid waste is categorized into three main types: general waste, household waste, and hazardous waste. General waste is sorted within the factory premises and then recycled and disposed of by resource recovery companies. Household waste is collected and disposed of by local sanitation departments. Hazardous waste is managed according to legal requirements, with specific procedures for collection, storage, transportation, and disposal, and is entrusted to qualified hazardous waste disposal facilities. During the reporting period, the company signed a recycling contract with a recycling company to ensure the recycling of production waste, laying the groundwork for the development of a circular economy.

Key performance: During the reporting period
The total amount of general waste produced was 2107.46tons
General waste recovery rate 63.17%

Noise management

In order to prevent and control noise pollution, ensure the health of employees and create a quiet and comfortable office environment, the company regularly monitors the noise to meet the environmental noise emission standard GB12348-2008 for industrial enterprises.

Conduct Environmental Protection and Energy-Saving Training

To further implement the company's environmental protection responsibilities, enhance environmental management, and support green development, we focus on areas such as laws and regulations, environmental procedures, on-site environmental management, post-permit management, hazardous waste management, and environmental safety emergency response. We conduct environmental training and awareness campaigns. Yuga places great emphasis on employee environmental education, requiring its subsidiaries to regularly organize environmental protection and energy-saving training sessions. These sessions help employees fully understand the importance of environmental protection, acquire relevant knowledge and skills, and apply them actively in their daily work.





Addressing climate change

Advocating green operations

The company adheres to the concept of green operation, builds a green factory, advocates green office culture, and constantly strengthens employees' awareness of environmental protection, so that energy saving and carbon reduction become work and living habits.



Apply for SBTi science carbon targets in 2024



Target 2030: Reduce greenhouse gas emissions **55%**

Greenhouse gas management

The company actively responds to the national strategic goals of carbon peak and carbon neutrality, effectively controls the company's greenhouse gas emissions, reduces carbon emission intensity, and promotes the green and sustainable development of the company. At the same time, it follows the principles of prevention first, energy conservation and emission reduction, full participation and continuous improvement, and integrates greenhouse gas management into the whole process of the company's production and operation.

The company took the following emission reduction measures during the reporting period

- Energy saving transformation: carry out energy saving transformation on the company's production equipment, lighting system, air conditioning system, etc., promote the use of energy saving equipment and technology, reduce energy consumption and greenhouse gas emissions. For example, replace high-efficiency energy saving motors, install intelligent lighting control system, optimize air conditioning operation parameters, etc.
- Optimize production process: Improve production efficiency and reduce waste of raw materials and energy by improving production process, so as to reduce greenhouse gas emissions. For example, adopt advanced injection molding process to improve the first forming rate of products and reduce waste production and energy consumption.
- Application of clean energy: Actively explore and apply clean energy, such as solar energy to replace traditional fossil energy and reduce greenhouse gas emissions. For example, install solar photovoltaic power generation system on the roof of the company to provide clean energy for some of the company's electrical equipment.
- Resource recycling: Strengthen the recycling of resources, reduce the generation and discharge of waste, and reduce greenhouse gas emissions. For example, recycling and reuse of waste materials and packaging materials generated in the production process, and recycling and reuse of wastewater after treatment.

Greenhouse gas emissions data for 2024

Greenhouse gas emission categories	Scope 1	Scope II	Scope 3
Co2	822.06	8059.27	20.47
CH4	41.43	0	0
N2O	2.01	0	0
HFCs	12.71	0	0
Total (tCO2e/year)	878.21	8059.27	20.47

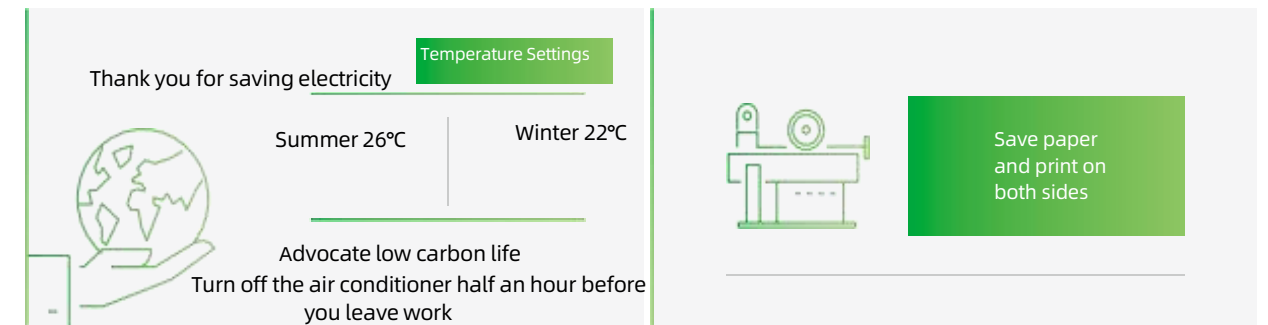


Green factory

In order to standardize the management of factory appearance, environmental sanitation and greening, and to protect environmental sanitation and greening and create a good production and working environment, the company formulated the "Management Measures for Factory Appearance and Greening", divided the factory into several responsibility zones, and carried out the management of internal and external environmental sanitation, surrounding greening and beautification, equipment and tool cleaning and other environmental sanitation.

Green office

In the internal management of the company, the concept of energy conservation and environmental protection runs through every link of the company's operation. Through technological innovation, process optimization, the use of new environmental protection materials, reduce energy consumption, save resources, advocate green office, and actively participate in environmental protection work.



Green office initiatives

Implement electronic office, actively promote video conference, and try to implement paperless office through OA system, email, wechat and other ways to reduce the consumption of office paper, ink and electricity.

In the daily procurement process, the company prefers energy-saving and environment-friendly products, such as office equipment, packaging boxes, paper, lighting fixtures, etc

Save social resources as far as possible and promote the more reasonable allocation of resources.

To improve the peak, employees of the company try to minimize the lighting equipment in corridors and offices, in accordance with the call of energy conservation and emission reduction in the corresponding countries. At the same time, various posters on energy conservation and emission reduction are posted in important and eye-catching positions to play a supervisory role.

The "three ones" project of saving "a drop of water, a kilowatt hour of electricity and a piece of paper" has been implemented to continuously improve the environmental awareness of employees.



Focus on low-carbon production

The company is committed to low-carbon production by optimizing processes, implementing energy-saving renovations, and enhancing energy management. In terms of process improvement, the company has enhanced injection molding and other procedures to increase product formation rates and reduce waste and energy consumption. For equipment upgrades, the company has replaced outdated devices with more energy-efficient models and installed intelligent monitoring systems to precisely control energy usage. Regarding energy management, the company promotes the use of clean energy sources like solar power generation and strengthens resource recycling efforts. This includes the classification and reuse of scrap materials and wastewater, which helps reduce carbon emissions, promote green and sustainable development, and fulfill the company's environmental responsibilities.

Low carbon product management

The company's low-carbon products incorporate environmental protection principles from the design stage. They use recyclable and low-pollution materials, and during production, advanced energy-saving technologies and precise process controls are employed to minimize energy consumption and carbon emissions. The products are lightweight, reducing energy consumption during transportation. Additionally, they are highly durable, extending their lifespan and reducing the need for frequent replacements. For instance, the company's plastic products, while maintaining high quality, have significantly lower lifecycle carbon emissions compared to similar products, helping customers achieve their low-carbon goals and contributing to environmental protection efforts.

Environmental materials solutions

Yuga Ecological Materials Solutions provides packaging solutions for Clean Beauty through the development of PCR materials, bio-based materials and de-S materials.



Alternative solutions

Yuga's alternative packaging solutions encourage packaging recycling and make a significant contribution to improving plastic pollution in the cosmetics industry.



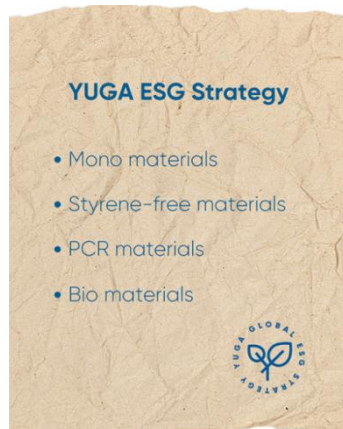
Easy recycling solutions

Yuga's easy-to-recycle products are designed for rapid disassembly and classification of single-material components, streamlining the recycling process and enhancing the brand's sustainability advantage.



Target 2030:100% of all PCR solutions

All categories of 3R solutions are 100%



Reporting period

51% of the company's various PCR solutions

All categories of 3R solutions 38%

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Energy saving and consumption reduction to increase

In terms of reducing energy consumption, the company mainly improves the energy efficiency in the production process by eliminating and replacing high-energy and low-efficiency equipment, improving production technology, and upgrading and transforming the energy system.

The company actively promotes a green office culture by formulating the 'Management System for Saving Water and Electricity Resources and Energy Consumption.' It encourages employees to enhance their sense of responsibility and environmental awareness, using LED energy-saving lamps in office areas. The company advocates energy-saving lighting, water conservation, waste sorting, and paperless operations. It also fosters low-carbon habits, strengthens internal environmental protection and energy-saving campaigns, and creates a positive atmosphere for green office practices, encouraging employees to adopt green office and living habits.

Energy management

The company has always adhered to the concept of sustainable development, focusing on refined operations, energy conservation, and emission reduction. It is dedicated to green and sustainable development, contributing to the country's goals of achieving carbon peak and carbon neutrality. The company has initiated photovoltaic projects, and after installation, power generation will reduce municipal electricity usage and lower the company's energy consumption indicators. By 2028, the goal is to reach 100%.

Company	Electricity (kWh)	Natural gas (m3)	Diesel (l)
Kunshan base	5176200	0	1
Taizhou base	8797624	364175	0

Yuga will carry out the construction of photovoltaic projects and reduce the use of municipal electricity after the installation of power generation, reducing the energy consumption index of the company. In 2028, it will reach 100%

Reporting period

The company's external photovoltaic power generation reaches
70,244 kilowatt-hours



The estimated annual output of the photovoltaic project is about
Kunshan base --- 650,000 KWH
Taizhou base --- 450,000 KWH

Accounting for about 10% of the total annual electricity consumption of each company

Kunshan Base --- 12%

Taizhou base --- 7%



People-Oriented Approach to Occupational Health

Yuga respects its employees, creates a diversified and fair working environment, improves the welfare system, improves the talent training mechanism, and is committed to safe and healthy production. The company actively promotes social welfare activities and practices social responsibility.

Our actions

-  People oriented
-  public welfare
-  safety in production

3

GOOD HEALTH AND WELL-BEING



4

QUALITY EDUCATION



5

GENDER EQUALITY



8

DECENT WORK AND ECONOMIC GROWTH



10

REDUCED INEQUALITIES





People oriented

Yuga adheres to the concept of people-oriented employment, creates a humanized employee management system, standardizes employment and salary management, protects the legitimate rights and interests of employees, continuously improves the promotion channel and training system, actively organizes cultural and sports activities to enrich the life of employees, and provides a fair and harmonious growth platform for employees.

Safeguard the rights and interests of employees

Yuga fully respects its employees, protects their rights and interests in accordance with the law, establishes and improves employment management system, respects the diversity of employees and opposes any form of employment discrimination, and creates an equal and open working environment.

Standardize employment

The company adheres to the principle of equal employment and strictly complies with laws and regulations such as the Labor Law and the Labor Contract Law. It has established internal management documents, including the Employee Recruitment Management Measures, the Labor Contract Management Measures, the Interim Measures for Talent Recommendation Rewards, the Special Appointment Personnel Management Measures, and the Employee Retirement and Rehiring Management Measures. The company legally signs labor contracts with employees, protects their legal rights and interests, and prohibits forced labor and illegal employment practices involving child labor. During the reporting period, the company did not experience any labor disputes.

In 2024, the company revised its 'Employee Recruitment Management Measures,' aiming to continuously standardize the recruitment process and broaden recruitment channels. Building on traditional methods such as campus recruitment, job fairs, online recruitment, and talent markets, the company has further deepened its collaboration with headhunting firms to attract more high-level talents. Additionally, the company has adopted innovative talent cooperation models, collaborating with institutions like the Shaoxing Research Institute of Shanghai University to bring in a group of high-level professors, doctors, and other expert talents, significantly enhancing the quality and efficiency of talent acquisition.



SA8000 certificate

Reporting period

The company has introduced 17 people with bachelor's degree or above

65 people with college degree or below

The labor contract signing rate is 100%

Opening Consolidate the foundation, improve quality and efficiency, **Intelligent manufacturing, quality assurance,**
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Company employee recruitment process

Recruitment requirements

Each department shall submit the personnel demand plan, which shall be reviewed by the general manager of the company and approved by the CEO, and then the human resources department shall implement the recruitment.

Recruitment channels

On-site recruitment (talent market, campus recruitment, special recruitment, etc.), employment agencies, online recruitment, media advertising, headhunting, internal recommendation and other methods.

Resume screening

The received resumes should be preliminarily selected and classified in time. After the preliminary examination, the recruiter will conduct the preliminary interview by telephone. After the approval of the person in charge of the employing department, the recruitment manager will arrange the interview.

Recruitment process

The human resources department will issue a letter of appointment or telephone notice to the prospective employee, and clearly inform him/her of the employment information. After both parties reach an agreement through communication, the recruitment person in charge will fill in the "Applicant's Employment Approval Form" and submit it to the management at all levels of the company for approval.

Interview procedure

It consists of five steps: determining the interview time, sending the interview notice, determining the interview method, processing the interview results and archiving the files after the interview.

Safety Training for New Employees

Our company places a high emphasis on the training of new employees. Through a series of meticulously designed training programs, we aim to help new employees quickly integrate into our corporate culture and gain a comprehensive understanding of our company structure, business processes, and core values. The training content includes professional skills training, enhancing team collaboration and communication skills, as well as career planning and development guidance. By combining theory with practice, we ensure that new employees not only acquire essential job skills but also can fully utilize their potential within the team, contributing to the achievement of our company's goals.

Reporting period

The company employs vulnerable groups	0
Volunteer service	0
Compliance training	100%



Target 2030: 3 per cent of the workforce from disadvantaged groups

Volunteer service 5000h

Volunteer service: 5000h



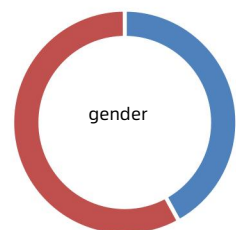
Target 2030: 100% compliance training



Workplace equality and diversity

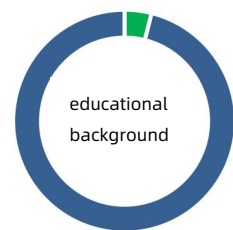
The company firmly resists any employment discrimination, treats employees from different nationalities, races, ages, genders, religious beliefs and cultural backgrounds fairly and justly, supports the employment of disabled persons, protects the equal employment rights of disabled persons, and strives to create a fair and diversified working environment.

Staff composition



Men: 42%

Women: 58%



Bachelor degree or above:

3.91%

Specialist and below:

96.09%

Listening to employees' voices

The company is dedicated to establishing vertical internal communication channels to enhance employees' engagement in corporate life, address challenges in the work environment, and foster a harmonious and positive working atmosphere. We have set up an online platform for employee mailboxes, offering diverse communication methods. This encourages employees to actively provide suggestions for improvement, monitor actions that do not align with our company's rules and culture, and listen to their feedback. Our staff can express their concerns and thoughts anonymously, and those who receive feedback will respond promptly and continuously follow up on improvements to ensure the effectiveness of these communication channels and address every real issue and challenge. For valuable feedback and suggestions, we have established a reward system to acknowledge and thank the employees who contribute.



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Performance management and talent motivation

Yuga provides competitive compensation system for employees, builds a market-oriented performance mechanism, fully mobilizes the enthusiasm of employees, and creates a positive and relaxed working atmosphere.

Adhering to the principle of fairness and distribution according to work, the company has established a scientific salary management system and performance appraisal mechanism, formulated internal management documents such as "Salary Management Measures" and "Performance Management Measures", and implemented different salary forms according to the different nature of employees' positions.

The company adheres to a market-oriented approach, linking employees' salary adjustments to their performance and the company's overall performance. It implements long-term incentive plans, such as equity incentives, for eligible senior management to fully engage employees' enthusiasm and creativity. The company uses the key performance indicator method for performance evaluations. Each functional department, industry level, and subsidiary undergoes annual and monthly assessments, while employees below the department head level are assessed monthly. If employees feel they have been unfairly treated or are dissatisfied with the evaluation results, they can file a complaint through the 'Performance Evaluation Appeal Form' to the company, which will then be investigated and resolved by the company's evaluation committee.

In 2024, the company revised the Performance Management Measures and formulated the Piece-rate Salary Settlement Management Measures to further promote the standardization and scientific management of performance and compensation.

Form of remuneration	Salary composition	Employee positions
Piece-rate (hourly) wage system	According to the production quota, it is calculated according to the effective workload and qualified product quantity completed by employees	Production line staff
Commission wage system	It consists of two parts: monthly salary and commission based on business volume (mileage)	Sales staff, after-sales service personnel and other employees related to the market and sales performance
Monthly salary system	It consists of basic salary and post salary	Administrative personnel, professional and technical personnel and other non-production personnel and some special staff
Annual salary system	It consists of monthly salary and year-end bonus	All cadres, assistant designers and above professional and technical personnel and some special personnel

The company's current salary form





Democratic management

The company actively safeguards employees' rights to information, participation, expression, and supervision. It actively conducts staff congresses, fulfills the functions of the trade union, distributes employee satisfaction surveys, and takes concrete actions to improve employee conditions. It also establishes an open and inclusive platform for democratic communication. During the reporting period, the company widely solicits employee opinions through questionnaires and staff seminars, identifies the key areas of concern, and formulates the '2024 Employee Happiness Project.' The company issues a notice titled 'Notice on the Release of the Company's 2024 Employee' Top Ten Happiness Projects' to implement the employees' concerns and needs.

In the future, the company will further improve the construction of employees' advice channels, continue to listen to the voices of employees, and effectively do practical things for employees, so that employees can truly experience a sense of identity, belonging, happiness and achievement, and achieve common growth and mutual success with employees.

Open Dialogue, Shared Vision for Growth



During the reporting period, to further establish effective communication channels between the company and its employees, understand their true thoughts and work conditions, and genuinely assist employees in addressing issues in both their work and personal lives, the company organized a 2024 Employee Seminar. The seminar aimed to help employees solve practical problems in their work and personal lives, listen to their concerns and suggestions, and implement improvement measures to continuously enhance the company's management and operational methods. Employee representatives, driven by the desire to contribute to the company's development, shared their insights based on their work experiences, focusing on topics such as business processes, collaborative work, logistical support, meticulous management, and employee growth.



Reporting period

The company held one staff congress

Five symposiums of employee representatives were held

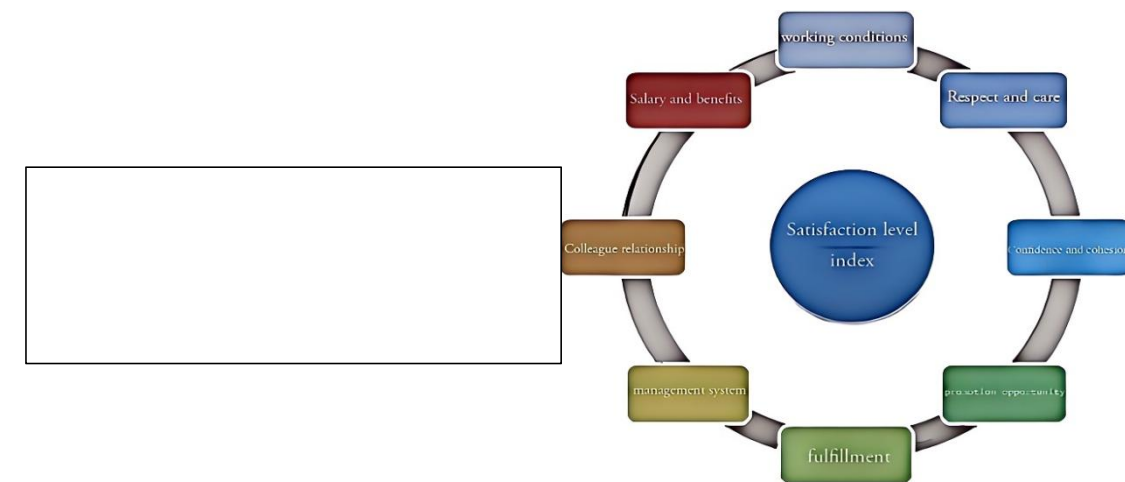
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Labor rights complaint mechanism

The company has clearly outlined the employee appeal process in internal management documents, including the 'Employee Reward and Punishment Management Measures,' 'Performance Management Measures,' and 'Piece-rate Wage Settlement Management Measures.' These documents require that when the company's management makes decisions on rewards and punishments, they must thoroughly investigate the facts and gather evidence. If an employee is dissatisfied with the evaluation results or feels they have been unfairly treated, they can appeal through the specified procedures, which will be investigated and handled by the Human Resources Department.

Staff satisfaction survey

The company carries out regular employee satisfaction/commitment survey every year to understand the needs of employees, listen to their voices, improve the current work process, analyze the deficiencies and formulate corresponding improvement plans. In order to continuously improve employee satisfaction and happiness.



Based on the results of the 2024 annual employee satisfaction survey, the company proposes suggestions to improve and perfect the communication management mechanism



Organize communication skills training for middle and senior managers, improve their communication awareness and skills, conduct regular interviews with employees, pay attention to the physical and mental health of employees, encourage employees timely, and make communication a soft incentive measure of the company.



Strengthen the communication between departments, so that employees can fully understand the work process of each department. Actively hold inter-departmental communication activities, continue to carry out outdoor expansion, fun sports meeting and other activities, enhance the cohesion of the company.



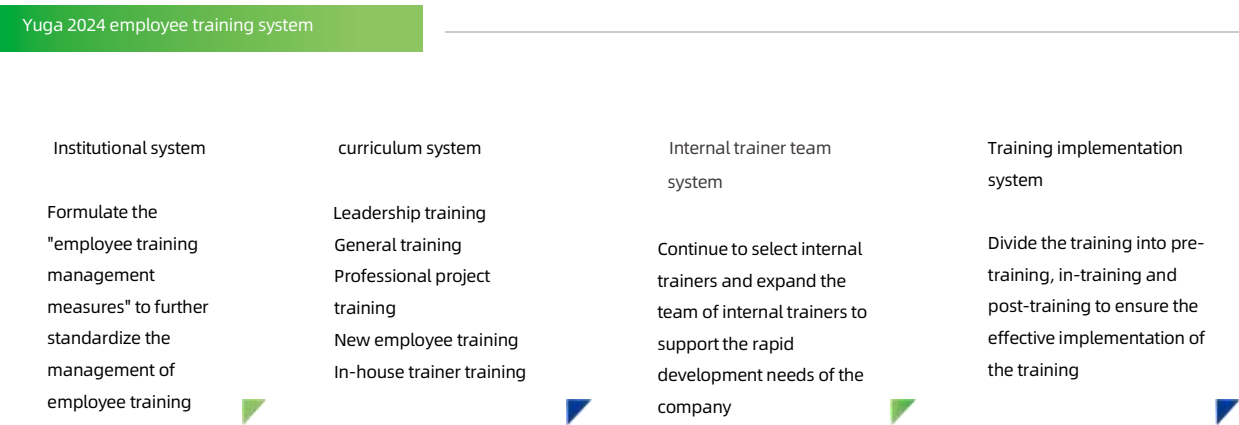
Establish channels for employees to make rational suggestions, so that employees have the opportunity to express their wishes, give suggestions for company management, and timely reflect the problems in company management. The company should carry out evaluation and investigation according to the reasonable suggestions of employees in time and publish the results.



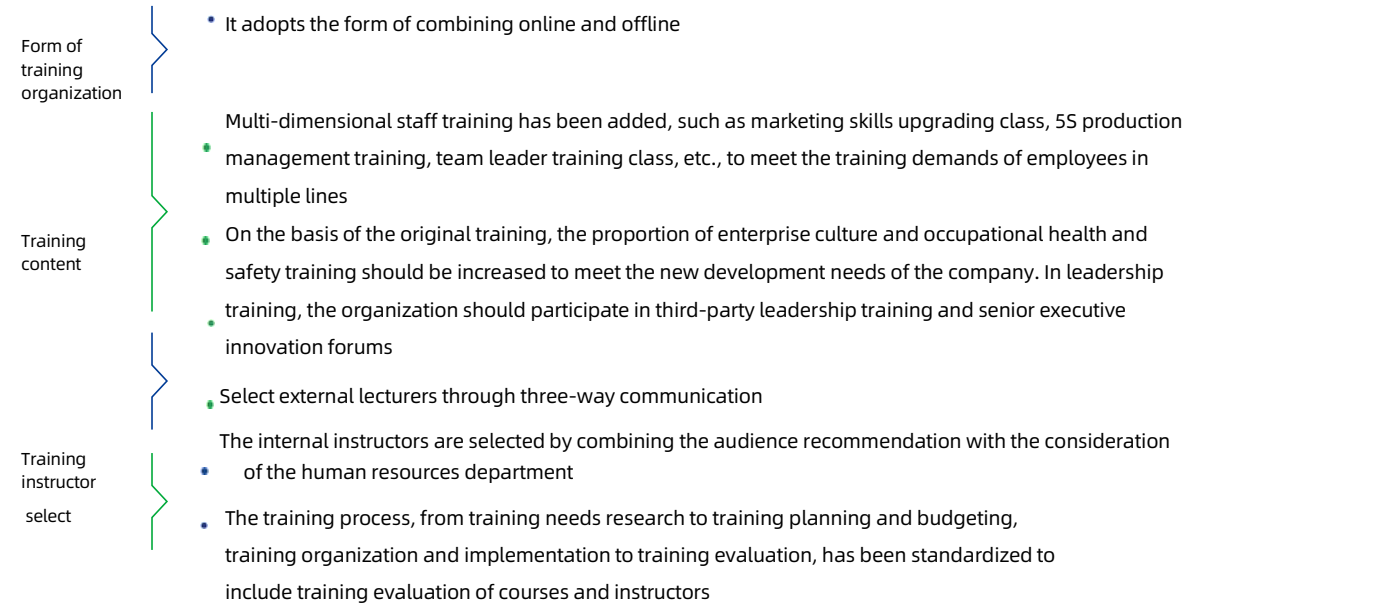
Staff training

The company attaches great importance to staff training, and has established a diversified training system. The training content covers professional skills and professional quality, etc. By effectively integrating various training resources, the company continuously improves the professional quality of employees, and cultivates and delivers excellent talents for each position.

In 2024, the company revised the 'Employee Training Management Measures' to further enhance the management of employee training, improving the planning, effectiveness, and systematic nature of the training. This ensures that the training is smoothly integrated into the strategic plan of 'focusing on carbon neutrality and technology leadership.' The training courses cover a wide range of areas, including management development, administrative management, human resources, financial management, R&D management, procurement management, marketing services, quality management, production management, and operational skills.

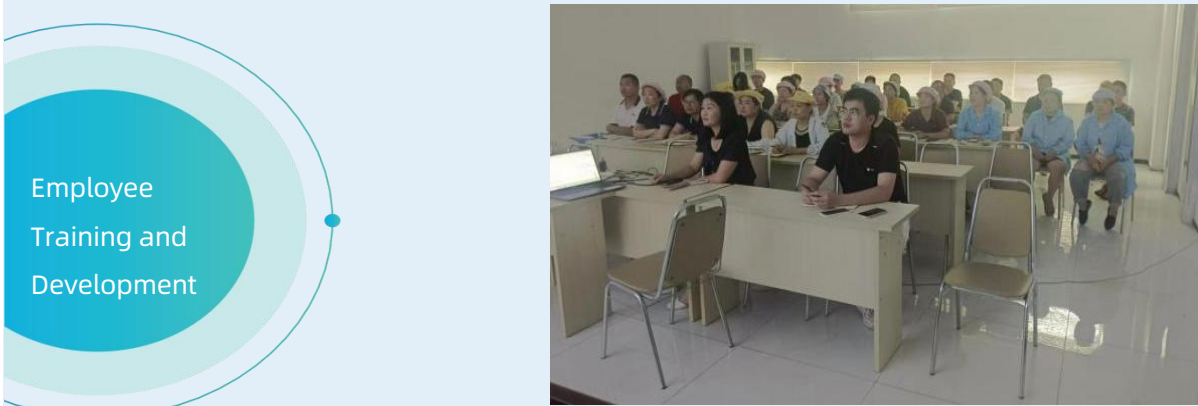


Yuga 2024 employee training management optimization content



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The company places a high emphasis on employee training, offering a series of meticulously designed programs aimed at helping employees quickly integrate into the corporate culture and gain a comprehensive understanding of the company's structure, business processes, and core values. The training covers professional skills, team collaboration and communication techniques, as well as career planning and development guidance. By combining theory with practice, the company ensures that employees not only acquire essential job skills but also can fully utilize their potential within the team to collectively advance the company's goals.



Personnel training

In 2024, the company will focus on enhancing the development of a reserve cadre talent pool, building upon its existing talent development system. Through the company's training platform, a three-tier cadre development system will be established for grassroots, middle, and senior cadres, promoting the youthification of the cadre team. Additionally, technical competitions and skill level exams will be used to enhance the skills of frontline employees, fostering the development of skilled craftsmen. The company will conduct training and certification for technicians and senior workers, complemented by courses in marketing, production, and management to further improve the effectiveness and flexibility of the training programs. Each year, the company will develop department-specific skill competition plans based on the characteristics of each department's employees 'positions. These competitions aim to boost employees' enthusiasm for production work and promote a comprehensive improvement in their overall

Reporting period

The company invested 2,425,900 yuan in staff training
The company invested 2,425,900 yuan in staff training

The total number of employees who received training was 3,294
The total number of employees who received training was 3,294

The total training hours for employees are 60,648 hours
The total training hours for employees are 60,648 hours





Care for employee happiness

The company attaches great importance to the welfare of employees, providing various holiday benefits and allowances for employees, actively holding various cultural and sports activities, adding employees' sense of belonging and happiness, and maintaining their physical and mental health.

Employee welfare

The company has established internal management documents, including the 'Employee Welfare Management Measures' and the 'Transportation Subsidy Management Measures,' to build a comprehensive employee welfare system. This system clearly outlines various benefits for employees, with regular health check-ups for current staff and efforts to support their accommodation and leisure activities. In 2024, the company introduced the 'Annual Leave Management Measures' to further enhance its leave and welfare policies.

Company welfare system

Health care

Provide medical insurance, employee mutual assistance insurance, commercial insurance, annual physical examination, health consultation, health lectures and other health care and activities.

Leave of absence

Provide a variety of rich holidays such as two days off per week, annual leave, parental leave, only child accompanying parents leave, marriage leave, travel leave, nursing leave, maternity leave and so on.

Special benefits

Provide housing benefits, meal benefits, transportation benefits, communication benefits, holiday benefits, birthday gifts, staff comfort, hardship subsidies and other special benefits.



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Retirement send-off party

"Years practice the original aspiration and honor the prime of life"

To further convey the company's care and concern for retired employees, enhance their sense of honor and organizational belonging, and boost the enthusiasm, cohesion, and appeal of current employees in their work, the company organized a retirement ceremony. The ceremony aimed to thank the employees for their hard work and dedication and to express the company's respect and affection for its staff. Representatives from the company's leadership team and all employees attended the event.



When jade sees Kunshan, it is easy to have a happy New Year

In late 2024, the company held a "Spring Festival and Spring Festival couplets" activity in the staff home, and made special Spring Festival benefits for all employees.



Welcome the New Year, send Spring Festival couplets



Yuga employee benefits

- ➡ To achieve year-on-year revenue and management profit growth

On the premise of 30%, per capita income will increase 15%

- ➡ Set up a fund for departmental team building activities,

The department carries out a variety of activities regularly or irregularly

The team building activities enhance the cohesion of Employees centripetal force.

- ➡ Provide financial aid and purchase for employees in need

Interest discount loans for housing and car purchases.

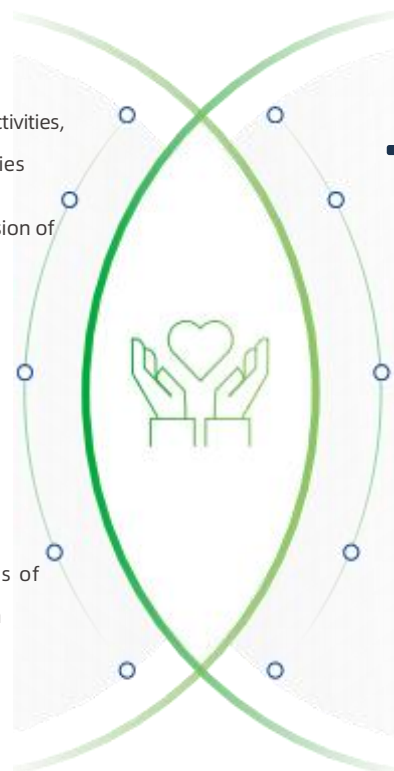
- ➡ The company's employees enjoy all kinds of professional skills and Education promotion subsidy policy.

- ➡ Create a healthy place for staff to relax (package

Including gym, table tennis room, billiard room and basketball

Additional measures are required to ensure safety

Organize a variety of party, labor and youth activities.



- ➡ Further improve the workshop front-line working environment, Such as a unified lunch room, etc., to allow various industries Workers are more at ease and comfortable.

- ➡ Create a sense of pride and happiness among employees

Career development plan and salary and welfare system

- ➡ Improve the hardware and software environment of the canteen, enrich the staffFood choice is selective.

- ➡ Establish Yuga employee care fund, give

Help employees who have practical difficulties

Assistance (such as serious illness, difficult workers, etc.).

- ➡ Provide more comfortable and safer for front-line workers

Labor protection supplies, such as labor with better air permeability

Keep shoes, enough work clothes / protection to change

Clothing, etc., to better protect the lives of workers

All is well and healthy.



Summer brings coolness



Staff holiday benefits



Employee birthday benefits

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"Looking back on the past, looking forward to the future, creating a better tomorrow" 2024 Yuga Festival



Through regular activities, the company constantly strengthens the interaction and communication between employees, improves the cohesion of the enterprise, and at the same time, through a variety of colorful employee activities, so that employees can relax their body and mind and feel the warmth and care of the company in addition to busy work.



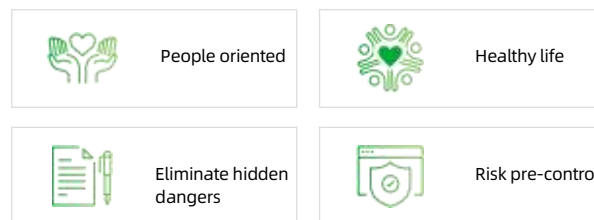
Safety in production

Yuga has always adhered to the safety concept of "the biggest responsibility", "the biggest welfare" and "the biggest benefit". While improving the governance structure, Yuga has steadily promoted the safety management work, deepened the results of safety and health training and drills, and created a "safe" and "reliable" working environment.

Work safety management

To enhance the company's safety production efforts, the company has implemented safety production responsibilities at all levels to prevent and minimize various safety incidents, ensuring the health of employees and the security of company assets. The company strictly adheres to the 'Occupational Safety and Health Law' and other relevant laws and regulations, and follows standards such as ISO45001 to promote the development of a comprehensive safety production system. It has revised the 'Safety Production Management Measures' and formulated 'Safety Operation Procedures' for each team based on production processes and procedures, providing targeted safety guidance for specific work processes.

Occupational health and safety policy



Security system certification

During the reporting period, the company successfully passed the ISO45001 occupational health and safety management system audit. To ensure fair and impartial information on the performance and effectiveness of the occupational health and safety management system, the company has established the 'Internal Audit Procedure' and regularly conducts internal audits to ensure the effective implementation and maintenance of the system. Additionally, the company has established the 'Management Review Control Procedure,' stipulating that a management review of the system must be conducted at least once every 12 months, chaired by the General Manager or the Management Representative.



ISO 45001 Occupational Health and Safety Management System certification

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Number of personal annual injury accidents

Zero times



Number of fire and explosion accidents

Zero times



Number of serious injury accidents

Zero times

Reporting period

The company's investment in production safety

two million, fifteen thousand yuan

The company signed safety responsibility letters with all the security responsibility subjects, covering the coverage rate

100%

Security risk management

Yuga places a high emphasis on the management of safety risks, establishing a system that is based on the identification and graded control of safety risks, and uses the investigation and rectification of hidden dangers as a means. The company has formulated systems such as the 'Safety Risk Graded Control System' and the 'Hidden Danger Investigation and Rectification System.' These systems outline the methods and steps for building the safety risk control system, including the classification of hazards, risk assessment, determination of control measures, and graded control principles. They guide the company in all aspects of safety risk management.

Five requirements for security risk control



Everyone participates and takes responsibility at different levels



Organize effectively and operate efficiently



The key to incentive and restraint is implementation



System standardization and integration are deepened

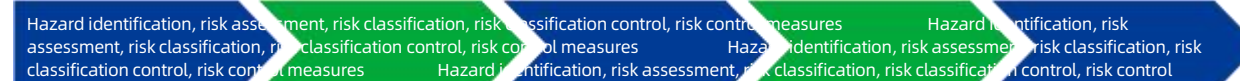


Independent construction and continuous improvement

Security risk investigation

To identify hazardous and harmful factors affecting safety across the company, the company evaluates the risk levels of these factors and implements effective controls to prevent, reduce, or eliminate risks. The company organizes a collective discussion involving managers and frontline workers from departments such as safety, production, technology, and equipment. Based on the division methods and principles, and considering the company's specific circumstances, the company reasonably identifies risk points.

Security risk control process





Hidden danger investigation and treatment

To ensure the effective implementation of safety hazard inspections and management, the company has established a 'Safety Production Inspection Hazard Registration Ledger.' Regular inspections are conducted, and based on the type and severity of the hazards, the responsible units and individuals for rectification, along with the deadlines for rectification, are determined. The hazard notification form and rectification notice are filled out accordingly. Upon receiving the rectification notice, the responsible units and individuals must complete the required rectifications on time.

Emergency management and drills

Yuga carried out fire safety emergency drill in 2024

During the reporting period, the company organized fire drills. All participants not only enhanced their awareness of fire safety but also improved their firefighting skills through practical exercises. The company will continue to conduct fire safety training to strengthen all employees 'sense of responsibility and emergency management capabilities, create a safe fire environment, and further enhance the company's emergency response capabilities.



Escape summary, fire extinguisher

Prepare equipment, tools and items needed



Organize the evacuation of department staff



On-site fire hose use drill



The staff of the workshop took fire extinguishers nearby for practice

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Safety culture construction

In order to implement the national safety production policy, continuously improve employees 'safety awareness and enhance the company's safety management level, in combination with the theme of the 2024 Safety Month activities, a subsidiary has carried out targeted occupational health and safety related activities.

Work safety training

The company attaches great importance to the publicity and implementation of production safety awareness, carries out extensive production safety education, so that cadres at all levels and the majority of employees realize the importance and necessity of production safety, understand the scientific knowledge of production safety; firmly establish the idea of safety first, consciously abide by all production safety laws, regulations and systems.



Content of work safety education

- ideological and political education
- Typical experience and lessons learned
- education of legal system
- Labor discipline education
- Safety technology knowledge education

Methods of safety education

- Functional department new employee safety education
- Third level safety education for new employees in the workshop
- Special work safety education
- Safety education for new employees, employees who have changed their jobs and production interns

Production safety activities

The company attaches great importance to the publicity and implementation of production safety awareness, carries out extensive education on production safety, so that cadres at all levels and the majority of employees realize the importance and necessity of production safety, understand the scientific knowledge of production safety; firmly establish the idea of safety first, consciously abide by various production safety laws, regulations and systems.

Yuga Safety Production Month 2024

- A mobilization ceremony for "Safety Month" was held, in which leaders spoke and employees shared their speeches
- Post posters and banners
- High temperature sympathy
- Organize a series of production safety knowledge training
- Mechanical injury accidents should be rescued and practiced
- Re-identification and analysis of hazard sources
- Carry out a "big action to eliminate hidden dangers"





Yuga made solid progress in the "Work Safety Month" activities

Yuga closely follows the theme of 'Everyone Talks Safety, Everyone Knows Emergency Response.' It has issued the '2024' Work Safety Month 'Activity Plan' and organized a series of diverse mobilization and training activities. These efforts aim to deepen and solidify the 'Work Safety Month' activities, continuously enhance employees 'safety awareness, and ensure the continuous stability of the company's overall work safety situation. The 'Work Safety Month' campaign comprehensively promotes work safety learning, making all employees deeply understand the importance of work safety. This has further improved the safety prevention and self-rescue capabilities of employees, laying a solid foundation for special inspections, rectifications, and emergency drills.



Occupational health

Starting from the needs of employees, Yuga continues to strengthen occupational protection measures, and ensures the physical and mental health of employees by equipping relevant equipment, labor protection supplies, carrying out equipment use training, physical examination, and detection of occupational disease hazard factors.

Health monitoring

Conduct long-term periodic occupational health monitoring for employees, identify occupational health hazard sources, establish the Hazard Identification and Evaluation Form, propose hazard control measures, and avoid employee exposure and health risks.

Health check-ups

For the company's workers engaged in toxic and harmful work, an annual occupational health examination is required. At the same time, employees diagnosed with occupational diseases are immediately reported to the company's human resources department, timely treatment is given, and the job position is adjusted according to the situation.

Reporting period

The monitoring rate of occupational hazard factors in the company is

100 %

Occupational health examination coverage

100 %

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Public welfare

Public welfare and charity



Reporting period

The amount of social welfare and charity donations of the company is

three hundred and seventy-eight thousand yuan

Appendix

Key performance indicators

Corporate governance performance

metric		unit	2024	2023	2022
Number of general meetings held		Times	2	2	\
Number of board meetings held		Times	6	7	\
Number of meetings held by the board of Supervisors		Times	5	6	\
Number of meetings held by the specialized committees of the Board of Directors	nomination committee	Times	1	1	\
	Compensation and Assessment Committee	Times	1	1	\
	audit committee	Times	3	3	\
Total number of patents		piece	46	36	28
Localization rate of components		%	75	60	35
The proportion of clean energy increased		%	0.5	0	0
Proportion of recyclable containers used		%	17	5	2
PCR material solutions are available for all categories of products		%	51	23	11
The "3R" (reduce, reuse, recycle) concept is available for all new product categories		%	38	27	14

Employee performance

metric		unit	2024	2023	2022
Total number of employees		person	554	565	542
By gender	male	person	232	215	206
	female	person	322	350	336
By age	Over 50 years old	person	94	54	83
	30 to 50 years old	person	375	459	393
	Under 30	person	85	53	67
research staff		person	/	/	/

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metric		unit	2024	2023	2022
By degree	Master's Degree	person	0	0	0
	Bachelor's Degree	person	17	14	13
	Below Associate Degree	person	472	52	45
Number of persons with disabilities		person	0	1	1
Number of new hires		person	80	93	56
Investment in staff training		RMB 10,000 yuan	242.59	190.76	157.93
Total number of employees trained		person	554	565	542
By sex	Number of male employees trained	person	232	215	206
	Number of female employees trained	person	322	350	336
By category of employees	Number of junior staff trained	person	418	551	530
	Number of middle management employees trained	person	136	145	140
	Number of senior management staff trained	person	8	14	12
The total duration of the employee's training		hour	60648	47691	39484

metric		unit	2024	2023	2022
Training data	Total training expenditure	RMB10,000 Yuan	242,59	190.76	157.93
	Total hours of training	hour	60648	47691	39484
	Total number of trainees	person-time	3294	2861	3139
safety in production	Investment in production safety	RMB10,000 yuan	201.5	179.59	148.14
	Number of employees who have received safety training	human being	554	565	542
	Total hours of safety training attended by employees	hour	246	576	504

Environmental performance

metric		unit	2024	2023	2022
External power purchase		kilowatt-hour	13973824	13288149	14338400
natural gas		stere	364175	418467	430987
diesel oil		rise	1	2	0
water consumption		ton	19745.26	161883	127570
displacement		ton	111345	109752	77949
Total solid waste		ton	1072.37	1368.40	1440.35

Feedback

Thank you for reading the Yuga 2024 ESG Report on Environment, Society and Corporate Governance. In order to provide more valuable information to you and other stakeholders and improve our company's ability and level of sustainable development management, we sincerely welcome your comments and suggestions on the report.

Company email: shannon.yu@yuga-tech.com

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Index of indicators

GRI content index		Yuga reported the information referenced in this GRI content index in accordance with the GRI standards from January 1, 2024 to December 31,2024.		
direction for use				
Use GRI 1		GRI 1: Basics 2021		
GRI standard		Disclosure project		Corresponding chapter
GRI 2 Generally disclosed in 2021	ive Organizations and their reporting practices	2-1	Organizational details	Come to Yuga
		2-2	Entities included in the organization sustainability report	About this report
		2-3	Reporting period, reporting frequency and contact person	About this report
	Activities and workers	2-5	Activities, value chains and other business relationships	Come to Yuga
		2-7	staff	Safeguard the rights and interests of employees
		2-9	Governance structure and composition	corporate governance
	Governance	2-10	Nomination and selection of the highest governing body	corporate governance
		2-11	The chairman of the highest governing body	corporate governance
		2-12	In terms of management impact, the supervisory role of the top governing body	corporate governance
		2-13	Delegation of responsibility for managing impact	corporate governance
		2-14	Role of the highest governing bodies in sustainable development reporting	ESG manage
		2-15	conflict of interest	ESG manage
		2-16	Communication of key concerns	ESG manage
		2-17	Common knowledge of the highest governing bodies	corporate governance
		2-22	Statement on the sustainable development strategy	ESG manage
		2-25	Procedures for remedying negative effects	Improve customer service
		2-26	Mechanisms for seeking advice and raising concerns	ESG manage
GRI 3 substantive issues 2021	Strategies, policies and practices	2-27	Obey laws and regulations	Strengthen the foundation, improve quality and efficiency Intelligent manufacturing, quality assurance Dual carbon management, sustainable development People first, occupational health
		2-29	Methodologies for stakeholder engagement	ESG manage
		2-30	Collective bargaining agreements	People oriented
		3-1	The process of identifying substantive issues	ESG manage
		3-2	List of substantive issues	ESG manage
GRI 3 substantive issues 2021		3-3	Management of substantive issues	ESG manage



GRI standard		Disclosure project	Corresponding chapter
GRI 201 Economic Performance 2016	201-1	The direct economic value generated and distributed	corporate governance
	201-3	Firmly fixed benefit plan obligations and other retirement plans	People oriented
GRI 202 Market performance 2016	202-1	The ratio of the starting salary level to the local minimum wage based on gender	People oriented
	202-2	The percentage of executives hired from local communities	People oriented
GRI 203 Indirect economic impact 2016	203-1	Infrastructure investment and support services	public welfare
	203-2	Significant indirect economic impact	uninvolved
GRI 204 Procurement Practices 2016	204-1	The proportion of expenditure on purchases from local suppliers	Build a supplier ecosystem
GRI 205, Anti-Corruption 2016	205-1	Operations sites that have undergone a corruption risk assessment	combat corruption and build a clean government
	205-2	Communication and training on anti-corruption policies and procedures	combat corruption and build a clean government
	205-3	Confirmed cases of corruption and action taken	combat corruption and build a clean government
GRI 301 Material 2016	301-1	The weight or volume of the material used	Focus on low-carbon production
	301-2	Recycled feed used	Focus on low-carbon production
	301-3	Recycled products and their packaging materials	Focus on low-carbon production
GRI 302 Energy 2016	302-1	Energy consumption within the organization	Focus on low-carbon production
	302-2	Organizational external energy consumption	Focus on low-carbon production
	302-3	energy intensity	Focus on low-carbon production
	302-4	Reduce energy consumption	Focus on low-carbon production
	302-5	Reduce the energy demand for products and services	Focus on low-carbon production
GRI 303 Water Resources and Sewage 2018	303-1	The interaction between organizations and water as a shared resource	Focus on low-carbon production
	303-2	Management and drainage related impacts	Focus on low-carbon production
	303-3	water intaking	Focus on low-carbon production
	303-4	drain off water	Focus on low-carbon production
	303-5	water deprivation	Focus on low-carbon production
GRI 306, Waste 2020	306-1	Waste generation and significant impact of waste	Focus on low-carbon production
	306-2	Management of significant impacts related to waste	Focus on low-carbon production
	306-3	Waste generated	Focus on low-carbon production
	306-4	Waste transferred from disposal	Focus on low-carbon production
	306-5	Waste entering disposal	Focus on low-carbon production
GRI 401 Employment 2016	401-1	New employee hiring rate and employee turnover rate	People oriented

GRI standard		Disclosure project	Corresponding chapter
GRI 401 employs 2016	401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	People oriented
	401-3	Parental leave	People oriented
GRI 402 Labour Relations 2016	402-1	Minimum notice period for operational changes	People oriented
	403-1	Occupational health and safety management system	safety in production
GRI 403 Occupational Health and Safety 2018	403-2	Hazard identification, risk assessment and accident investigation	safety in production
	403-3	occupational health services	safety in production
	403-4	Occupational health and safety matters: worker participation, consultation and communication	safety in production
	403-5	Worker occupational health and safety training	safety in production
	403-6	Promoting worker health	safety in production
	403-7	Prevent and mitigate occupational health and safety impacts that are directly related to the business relationship	safety in production
	403-8	Workers covered by the occupational health and safety management system	safety in production
	403-9	injury suffered on the job	safety in production
	403-10	Work-related health issues	safety in production
	404-1	The average number of hours per employee trained per year	People oriented
GRI 404 Training and Education 2016	404-2	Staff skills enhancement programme and transitional assistance programme	People oriented
	404-3	Percentage of employees who receive regular performance and career development reviews	People oriented
GRI 405 Diversity and Equal Opportunity 2016	405-1	Diversity of governing bodies and employees	People oriented
	405-2	The ratio of basic wages and remuneration for men and women	People oriented
GRI 406, Anti-discrimination 2016	406-1	Discrimination incidents and corrective actions taken	People oriented
GRI 407 Freedom of Association and Collective Bargaining, 2016	407-1	Points of operation and suppliers where freedom of association and collective bargaining rights may be at risk	People oriented
GRI 413 Local communities 2016	413-1	Sites where local communities are involved, impact assessments and development plans are in place	public welfare
GRI 414 Supplier Social Assessment 2016	414-1	New suppliers selected using social evaluation dimensions	Build a supplier ecosystem
	414-2	Negative social impacts of supply chains and actions taken	Build a supplier ecosystem
GRI 416 Customer Health and Safety 2016	416-1	Assess the health and safety impacts of product and service categories	Strengthen quality management
GRI 417 Marketing and Identification 2016	417-1	Requirements for product and service information and identification	Improve customer service
	417-2	Violations involving product and service information and identification	Improve customer service
	417-3	Violations involving marketing communications	Improve customer service
GRI 418 Customer Privacy 2016	418-1	Confirmed complaints involving customer privacy violations and loss of customer data	Improve customer service



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