

LEADING GLASS FIBER
TOWARDS A SUSTAINABLE
FUTURE



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2024 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

CHINA JUSHI CO., LTD



2024
CHINA JUSHI
Environmental, Social and
Governance (ESG) Report

Report Statement

This report faithfully reflects the ESG practices and performance of China Jushi Co., Ltd. ("China Jushi" or "the Company").

Reporting Cycle

The report covers the period from January 1, 2024 to December 31, 2024. In light of the continuity of business operations or project developments, certain content pertaining to the first quarter of 2025 has been indicated in the report.

Reporting Period

Periodic report (Annual)

Organizational Scope

Wholly-owned and controlled (including those under absolute and relative control) member enterprises of China Jushi Co., Ltd., For the convenience of expression, terms such as "China Jushi," "the Company," and "we" are used interchangeably in this report.

Data Notes

The information and data presented in this report are derived from the headquarters of China Jushi and its member enterprises. External data sources are duly referenced within the report. Unless otherwise specified, all monetary amounts in the report are expressed in Renminbi (RMB).

Languages used in this Report

This report is available in both Chinese and English. In the event of any discrepancies in interpretation, the Chinese version shall prevail.

What report number is this one that has been released? How to access it?

This report is the 9th printed version of Social Responsibility Report and the 5th ESG Report published by China Jushi. Electronic versions of previous annual reports can be accessed by scanning the QR code or visiting the Company's website (www.jushi.com). By navigating to the "Investor Relations - ESG Management" section, you can download reports and gain further insights into our initiatives related to corporate responsibility.



How is data accuracy ensured?

The financial data of China Jushi in the report are sourced from its 2024 financial report, and have been independently audited by ZhongShen ZhongHuan Certified Public Accountants (Special General Partnership).

The external data cited are sourced from third-party public disclosures, with specific sources explicitly indicated.

The non-financial data related are derived from official Company official documents or internal statistics compiled by the headquarters' functional departments and member enterprises.

How was the report prepared?

China Jushi Environmental, Social and Governance (ESG) Report Preparation Process

1. Project Initiation:

Develop the work plan, hold meetings and distribute documents.

2. Core Issue Identification and Report Boundary Confirmation:

Analyze stakeholder concerns, identify annual key issues, review domestic and international ESG standards/guidelines, and study emerging standards/trends.

3. Material List Issuance:

Confirm metric systems and draft annual exemplary case lists.

4. Report Material Collection:

Facilitate inter-departmental and inter-organizational collaboration, gather feedback from member enterprises and functional departments, conduct desk research on existing materials and compile information from media reports.

5. Report Drafting:

Draft the report framework, determine the report theme, develop the initial draft of the report

6. Feedback Solicitation from Stakeholders:

Solicit feedback from the ESG leadership team, headquarters' functional departments, member enterprises, stakeholders and ESG experts.

7. Report Refinement:

Revise the text, verify data and conduct self-checks against standards.

8. Report Design:

Ensure readability, innovation and continuity.

9. Report Release:

Distribute to stakeholders through multi-platform and multi-channel approaches.

10. Post-Release Review:

Analyze the shortcomings and formulate improvement plans.

Report standards and benchmarking

This report aligns with the Global Reporting Initiative's Sustainability Reporting Standards, the UN Sustainable Development Goals (SDGs), GB/T 36001-2015 Guidelines for Social Responsibility Reporting, the ESG Standards for Central State-Owned Listed Companies, the State Council SASAC's Guidance on Social Responsibility for Central Enterprises, and the Shanghai Stock Exchange's Self-Regulatory Guidelines for Listed Companies No.14 – Sustainability Report (Trial).

How to provide feedback and contact us?

You can submit feedback by visiting the Company's website or scanning the QR code on the right to access the online form or WeChat channel. Alternatively, contact us directly using the contact details provided on the back cover.



China Jushi
QR Code



Shanghai Stock Exchange
QR Code

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President's Message



Excellence through Responsibility, Shared Future through Symbiosis: Jointly Building a New Blueprint for Sustainable Development in the Fiberglass Industry

At present, sustainable development has emerged as a global consensus. Topics such as green and low-carbon practices, compliant operations and social responsibility have become focal points within the industry. Integrating ESG criteria into corporate strategy as well as production and operations has become an imperative question for business development in our times. ESG serves not only as a roadmap for China Jushi to address contemporary challenges but also represents a strategic choice for creating long-term value in collaboration with global partners.

In 2024, amid a complex and ever-evolving global economic landscape characterized by intensifying industry competition, China Jushi, as a global leader in the fiberglass sector, remains steadfastly mission-driven and committed to its responsibilities. With unwavering determination and an unwavering spirit, China Jushi actively engages in fulfilling its social responsibilities while delivering steady operational performance and sustainable development practices. China Jushi is dedicated to creating value for its customers, employees, shareholders, and society at large.

Advancing Low-Carbon Strategy, Leading Harmonious Development

Green and low-carbon practices are not just a call of the times but a corporate responsibility. We are committed to the goals of "achieving carbon peak by 2027 and carbon neutrality by 2057", in alignment with the "Harmonious Development" strategy. As pioneers in the sector, we were the first to implement the EATNS Carbon Management System and have been awarded the inaugural carbon management certificate within our sector. Additionally, we released the first "Dual Carbon" Initiative in the fiberglass sector, titled the China Jushi Carbon Peak and Carbon Neutrality Action Plan – providing guidance and reference for the green and low-carbon transformation of the fiberglass sector industry. and have been awarded the inaugural carbon management certificate within our sector, the China Jushi Huai'an 233 MW Wind Power Project, was successfully integrated into the grid and started power generation. This marks a pioneering path from fiberglass production to its application, utilizing green energy to produce high-performance fiberglass for the wind power industry. Green has emerged as the most prominent theme in Jushi's development, while low-carbon initiatives have become a fundamental consensus driving Jushi's growth.

Fulfilling Social Responsibility, Co-Creating a Better Future

As a chain leader in the fiberglass industry, we are keenly aware of our responsibilities and mission. We strengthen industry self-discipline, safeguard the ecosystem, and reject "rat race competition". We invest continuously in fostering and developing new quality productive forces tailored to local conditions, maintaining our leading position in core technologies such as glass formulations and sizing agents. We collaborate closely with clients and suppliers to expand the application fields of fiberglass composites, share experiences in constructing green industrial chains, engage in carbon sequestration projects, and drive upstream and downstream enterprises in the industrial chain towards green and low-carbon transformation. We cherish the rights and development of every employee, emphasizing mutual growth

between employees and the Company, with per capita compensation continuously increasing. We actively engage in social welfare initiatives, continuously conduct external charitable donations, and actively organize volunteer activities. We understand that a company's growth is supported by society, and its value lies in giving back to society.

Improving Corporate Governance, Fortifying a Solid Foundations for Development

We steadfastly pursue the mixed-ownership development model, further exploring differentiated governance approaches to leverage the formula "SOE strength + private enterprises' vitality = the Company's corporate competitiveness", enhancing the Company's overall competitiveness. We are committed to continuously enhancing our ESG governance capabilities by establishing a robust governance framework characterized by a clear hierarchy and well-defined responsibilities. Adhering to legal and compliant business practices, we have further enhanced our internal control systems by conducting regular compliance evaluations. As one of the first companies, we have renewed our tax compliance cooperation agreement with the Zhejiang Provincial Tax Service. We have also improved our anti-commercial bribery and anti-corruption risk management mechanisms, striving to build an "integrity-driven organization" and providing a robust foundation for the Company's sustainable development. We recognize that exceptional governance is the cornerstone of enterprise development and a critical factor in building a world-class enterprise.

"The taste of things reveals their sweetness or bitterness; the path's ease or peril is known only to those who tread it." Over the past year, we persevered under pressure, confronted challenges, embraced responsibilities, and achieved breakthroughs that expand our horizons. Looking ahead, we will steadfastly adhere to the principles of high-quality development, actively fulfill our social responsibilities, leveraging our strengths to foster new advancements in the sector, and collaborate with stakeholders to chart a new sustainable blueprint for the fiberglass industry.

Party Secretary and President of China Jushi

Guoming Yang

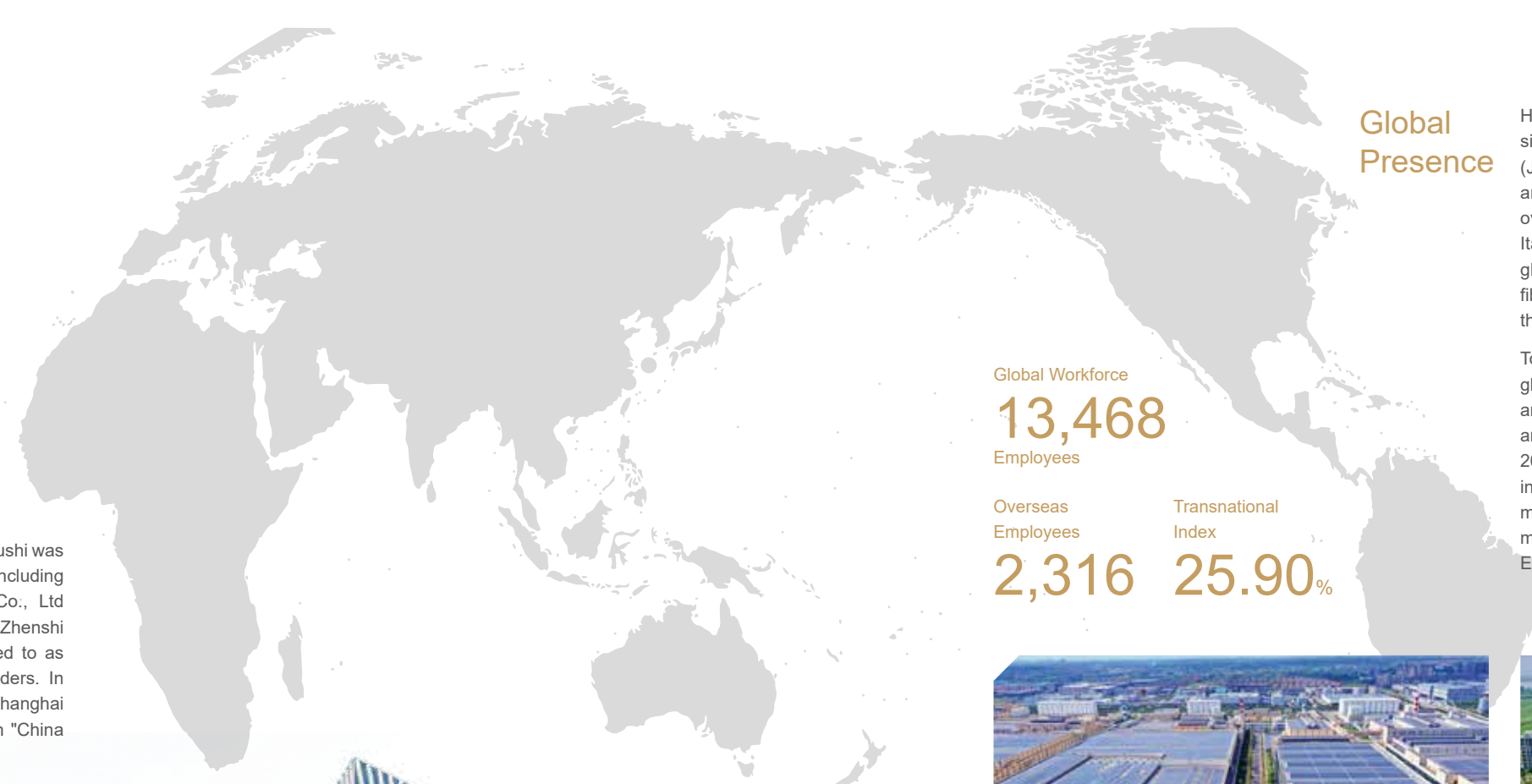
About Us

Company Profile

China Jushi Co., Ltd ("China Jushi" or "Jushi") is a global leader in the fiberglass industry. The Company primarily engages in the production and sales of fiberglass and its products, maintaining a consistent leading position globally in terms of scale, technology, cost, market presence, quality, and profitability.

Jushi was founded in 1993. In 1998, China Jushi was established jointly by four shareholders, including China National Building Material Group Co., Ltd (hereinafter referred to as "CNBM Group"), Zhenshi Holding Group Co., Ltd (hereinafter referred to as "Zhenshi Group"), and two other shareholders. In 1999, the Company was listed on the Shanghai Stock Exchange with the stock abbreviation "China Jushi" and stock code: 600176.

MISSION	Advance Material Innovation to Drive High-quality Development.
VISION	Maintain the Leadership in the World Fiberglass Industry.
CORE VALUES	Integrity, Innovation, Responsibility, Learning, Passion.



Global Presence

Headquartered in Tongxiang, Zhejiang, China Jushi operates six manufacturing bases in Tongxiang (Zhejiang), Jiujiang (Jiangxi), Chengdu (Sichuan), Huai'an (Jiangsu), Suez (Egypt), and South Carolina (USA), along with overseas subsidiaries in over 10 countries and regions including Japan, South Korea, Italy and France. Its production and sales network spans the globe. The Company's annual production capacity for fiberglass yarn exceeds 3 million tons, accounting for 28% of the world's fiberglass production capacity and 40% of China's.

To date, China Jushi has successfully established itself as a global leader in thermoset roving, thermoplastic reinforcement and electronic fabric. Its fiberglass product range is both diverse and comprehensive, encompassing over 20 major categories, 200+varieties, and 3,000+ specifications. These products include alkali-free fiberglass untwisted roving, chopped strand matting, grid cloths, and electronic fabrics. They are exported to more than 100 countries and regions across the Americas, Europe, Southeast Asia, the Middle East, and Africa.

Global Workforce
13,468
Employees

Overseas Employees Transnational Index
2,316 **25.90%**

Six manufacturing bases



Honors and Awards

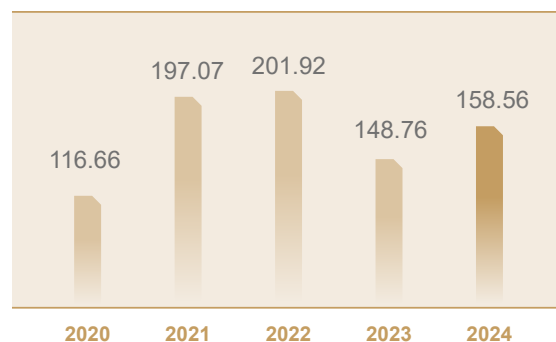
- China Industrial Grand Award
- National Science and Technology Progress Award
- China Patent Gold Award
- National Manufacturing Single Champion Demonstration Enterprise
- National Enterprise Technology Center
- National Technology Innovation Demonstration Enterprise
- National Intelligent Manufacturing Demonstration Factory
- National Excellence-Level Smart Factory
(Jushi Group Co., Ltd., Jushi Group Jiujiang Co., Ltd.)
- National Green Factory
(Jushi Group Co., Ltd., Jushi Group Jiujiang Co., Ltd., Jushi Group Chengdu Co., Ltd.)
- National Green Design Demonstration Enterprise for Industrial Products (Jushi Group Co., Ltd., Jushi Group Jiujiang Co., Ltd.)
- National Green Supply Chain Management Enterprise
(Jushi Group Co., Ltd., Jushi Group Jiujiang Co., Ltd.)
- National Industrial Carbon Peak Leader Enterprise
- National Best Practice Case for Building a Beautiful China
- National Exemplary Case for Quality Enhancement and Brand Building in Industry and Informatization
- National Exemplary Case for Chief Quality Officer-Led Quality Transformation and Innovation
- National Professional Demonstration Base for Foreign Trade Transformation and Upgrading
- State Council SASAC World-Class Professional Leader Demonstration Enterprise
- National May 1st Labor Award
- National Women's Pacesetter Team
- National Harmonious Labor Relations Demonstration Enterprise
(Jushi Group Jiujiang Co., Ltd., Jushi Group Chengdu Co., Ltd.)
- National Model Workers' Home
(Jushi Group Co., Ltd., Jushi Group Chengdu Co., Ltd.)
- Zhejiang Provincial Government Quality Award
- Zhejiang Province "Future Factory"
- Zhejiang Province "Eagle Enterprise"
- Zhejiang Province Zero-Waste Factory
- Zhejiang Province Water Conservation Benchmark Unit
- Zhejiang Province Top 500 High-Tech Innovation Capability Enterprise
- Zhejiang Provincial Science and Technology Progress Award
- Excellent Product Made in Zhejiang
- Zhejiang Outstanding Contribution Unit for Craftsman Cultivation
- Zhejiang Province Pilot Enterprise for the "New Eight-Level" Vocational Skill Grading System
- Jiangxi Province Manufacturing Single Champion Enterprise (Jushi Group Jiujiang Co., Ltd.)
- Sichuan Province Green Supply Chain Management Enterprise (Jushi Group Chengdu Co., Ltd.)
- Jiangsu Province Carbon Peak & Carbon Neutrality Pilot Enterprise (Jushi Group Huai'an Co., Ltd.)
- Jiangsu Province Four-Star Cloud-Integrated Enterprise (Jushi Group Huai'an Co., Ltd.)

ESG Recognition and Honors

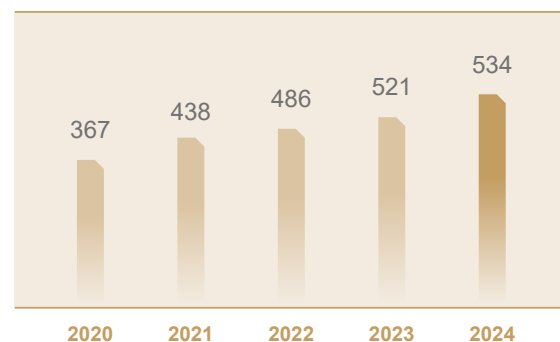
<p>MSCI ESG Rating</p> <p>BBB</p>	<p>EcoVadis Sustainability Rating</p> <p>BRONZE Tongxiang Headquarters</p>	<p>Wind ESG Rating</p> <p>BBB</p>	<p>Eight consecutive years of "A" rating in information disclosure evaluations by the Shanghai Stock Exchange</p> <p>A</p>
<p>Global Best Poverty Reduction Cases</p>	<p>Top 10 Cases in The Belt & Road ESG Action Report</p>	<p>ESG Pioneer 100 Index for Central State-Owned Enterprises</p>	<p>Golden Bull Award for Chinese Listed Companies Golden Information Disclosure Award</p>
<p>Best Board Practices of Chinese Listed Companies</p>	<p>China's Top 100 Listed Companies for ESG</p>	<p>Outstanding ESG Case of Chinese Enterprises</p>	<p>Industry Benchmark of Carbon Companies in China</p>
<p>Top 100 Zhejiang Listed Company for ESG Performance</p>		<p>Benchmark Enterprise for Corporate Social Responsibility and Environmental Protection in Zhejiang Province</p>	

Jushi in Figures

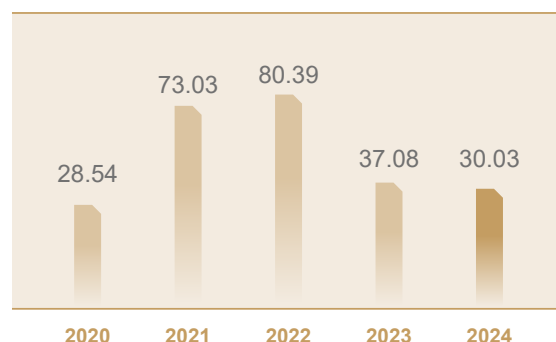
Operating Income RMB 100 million



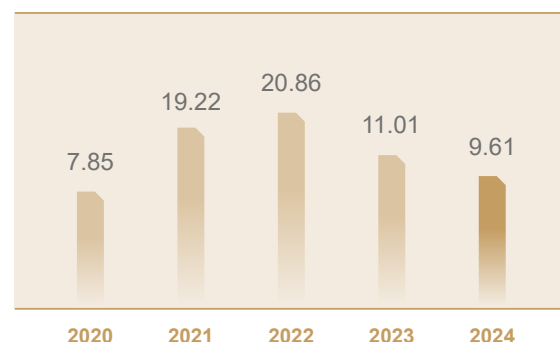
Total Assets RMB 100 million



Total Profit RMB 100 million

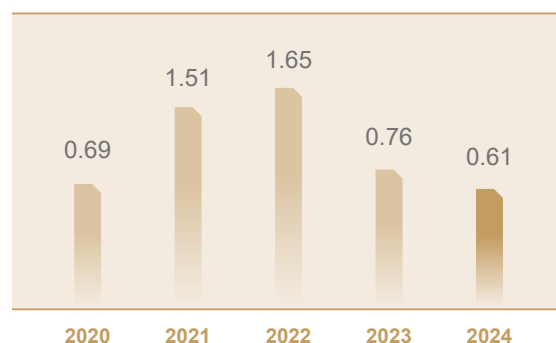


Cash Dividend RMB 100 million

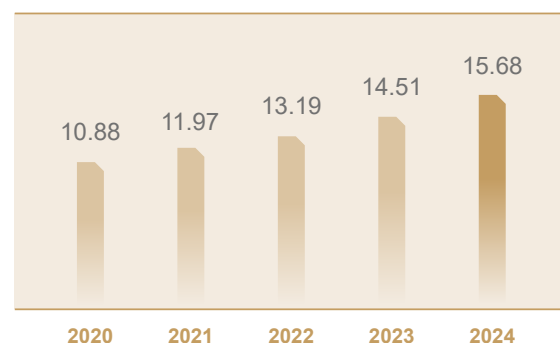


Note: The dividend amount for 2024 is subject to approval at the shareholders' meeting.

Earnings Per Share (EPS) RMB /Share



Per Capita Income RMB 10,000 /year



Key ESG Performance

Governance Performance

- Dividend payout ratio exceeds **30%**
- Cumulative cash dividends over the past three years exceed RMB **41** billion
- Total tax payment amounts to RMB **1.442** billion
- Annual contract fulfillment rate reaches **100%**
- Employee coverage ratio for business ethics training approximates **100%**
- Tax compliance rating is **A**

Environmental Performance

- Proportion of green products reaches **100%**
- Wind power generation through clean technology development: **138,293.5** MWh
- Photovoltaic power generation through clean technology development: **181,818.9** MWh
- GHG emission intensity: **152** tons of CO₂e per RMB million revenue
- Electricity saved through energy-saving and carbon-reduction technological upgrades: **36,839** MWh
- Water saved through energy-saving and carbon-reduction technological upgrades: **117.754** tons
- Total waste recycled through energy-saving and carbon-reduction technological upgrades: **54,517** tons
- Total green and low-carbon investment: RMB **266** million
- Participation rate in environmental protection training reaches **100%**

Social Performance

- Cumulative number of patents: **1,023**
- Innovation platforms: **17**
- Total employees: **13,468**
- Employee training coverage rate: **100%**
- Average annual training hours per employee: **34** hours
- Total investment in occupational health and safety: RMB **47.25** million
- Employee satisfaction rate: **98%**
- Total suppliers: **3,178** (including **2,145** long-term partners)
- Total external donations: RMB **5.324** million
- Total customers: **936** (customer satisfaction rate: **93%**)

Social Focus

In 2024, China Jushi made steadfast efforts across various fields, garnering widespread societal attention and acclaim. Major domestic media outlets extensively covered the Company's ESG achievements from diverse perspectives and levels. **Annual media coverage exceeded 220 instances, including 70 reports by national and provincial/ministerial-level media.**



An Industrial New City Rises on the Red Sea Coast.



From Catching Up to Leading the Pack—An Exemplary Innovation: A Frontline Investigation into the Development of New Productivity Qualities at China Jushi Group



How Does Hair-Thin Fiberglass "Transform the Ordinary into the Valuable"?



From Fiberglass to Wind Power: China Jushi Charts a New Course in Renewable Energy.



Unlocking Vast Blue Oceans for Transformation and Upgrading.

New Ideas Guide the New Journey: Painting a Refreshed Vision for a Beautiful China.



Zhejiang: Bridging Mountains and Seas to Embrace the World – Enterprises Actively Expand Overseas Markets.

China Jushi: Practicing High-Quality Sustainable Development with ESG Principles.



01

GOOD GOVERNANCE LEADING TO EFFICIENT DEVELOPMENT

We remain committed to building and refining a scientific and efficient governance system, guided by sustainable development strategies that ensures the Company's steady progress in an increasingly complex and dynamic environment. We continuously optimize modern corporate institutions to drive endogenous growth and innovation, strengthen risk prevention and control, ensure compliant operations, deepen the cultivation of business ethics, and cultivate a clean and harmonious cooperative relationships.



Improving Sustainable Development Governance

We regard ESG as a management transformation pathway for business growth and value creation. By enhancing ESG governance frameworks and strategic oversight, we proactively engage in stakeholder communication to advance sustainable development and ensure orderly progress.

Optimizing Structure and Strengthening Foundations

During the reporting period, we continuously deepened and enhanced ESG governance capabilities by establishing the Board Strategy and Sustainability Committee at the board level. This initiative created a clear and hierarchical ESG governance structure with well-defined levels and responsibilities, ensuring top-down implementation of ESG initiatives.



Board Strategy and Sustainability Committee

The Committee is responsible for researching and advising on long-term strategic development plans, identifying and assessing major ESG risks and opportunities (environmental, social, and governance), proposing ESG strategies, including strategic planning, goal-setting, policy formulation, execution oversight and risk evaluation; overseeing ESG initiatives and offering recommendations; reviewing ESG reports and offering recommendations, implementing other matters authorized by the board of directors, overseeing the progress of ESG-related initiatives; inspecting the implementation of the aforementioned matters.

ESG Promotion Leadership Group

Headed by the President as the group leader, with senior executives as members, the Group is responsible for leading and decision-making on the Company's ESG efforts, integrating ESG into the Company's development plans and work objectives; reviewing and approving the Company's ESG strategies, goals, plans, annual plans, major projects, ESG budget and management systems; identifying, assessing and deliberating on the Company's ESG management performance, trends, risks and opportunities, evaluating the adequacy and effectiveness of the working mechanisms; overseeing the implementation and development of ESG work as well as the channels and methods for communicating with relevant parties; reviewing and approving ESG information disclosure, awards and branding. The ESG Task Force Leadership Group has a permanent functional department responsible for implementing its work.

Environmental Working Group

The Group is responsible for environmental aspects including the development of clean technologies and opportunities, the advancement of green product initiatives, formulation of green standards, climate change mitigation, emissions and waste management, energy use management, water resource management, and the management of ecosystem and biodiversity.

Social Responsibility Working Group

The Group is responsible for social aspects, including employment and employee rights, employee development and training, occupational health and safety, equality, inclusion and diversity, innovation-driven initiatives, innovation system development, intellectual property rights and protection, products and services, safety and quality, supply chain management, corporate culture, rural revitalization and social responsibility.

Governance Working Group

The Group is responsible for governance-related matters, including governance structure (board composition, equity structure, ownership structure, and governance diversity), governance mechanisms (voting mechanisms, accountability mechanisms, and executive incentives), governance efficacy (information disclosure, compliance development, finance and tax, privacy and data security, business ethics, risk control, and tax responsibility), anti-corruption efforts, and corporate culture initiatives.

Linking Sustainability Metrics to Management Performance

The evaluation metrics for operating performance have been established for management members, who have signed annually the 2024 Operating Performance Responsibility Agreement at all levels, linking sustainability metrics to management performance and achieving full coverage of management members. Among these, ESG-related elements are embedded in individual performance evaluation metrics for management members, veto metrics, departmental performance metrics under executives' purview, and operating performance criteria for areas managed or co-managed by management members. These elements include safety, environmental protection, energy conservation and emission reduction, carbon peak and carbon neutrality, integrity, employee development, ESG disclosure and ESG ratings. Notably, "Energy Conservation and Ecological Protection" accounts for 15% in the President's individual operating performance evaluation.

Management Incentive Clawback Mechanism

The Company has established The Measures for Accountability for Non-Compliant Business Investments which includes a compensation clawback system. Management members who violate national laws and regulations, or whose failure to perform or improper performance of duties results in loss of company assets, deductions will be made from their current-year performance-based annual salary, or part or all of the already disbursed performance-based annual salary and mid-to-long-term incentive gains will be clawed back.

Strategic Guidance and Direction Setting

During the reporting period, the document titled the China Jushi Sustainable Development Strategy was released, defining three strategic directions, nine core modules and safeguard mechanisms for sustainable development. Building upon this strategy, 24 topics related to sustainable development were identified, with corresponding action plans developed and responsible departments assigned to ensure their implementation.

Remain a global leader in the fiberglass industry

GLASS FIBER UPSTREAM AND DOWNSTREAM INDUSTRY ECOSYSTEM

GREEN MANUFACTURING LEADS NEW QUALITY PRODUCTIVITY

- Green Product Development
- Green Standard Formulation
- Clean Technology Development
- Addressing Climate Change
- Emissions and Waste Management
- Energy Usage Management
- Water Resource Management
- Ecosystems and Biodiversity



DEVELOPING HARMONIOUSLY AND CONSOLIDATING SOCIAL COHESIVE FORCE

- Employment and Employee Rights
- Staff Development and Training
- Equality, Inclusion, and Diversity
- Corporate Culture
- Employee Occupational Health and Safety
- Innovation Driving
- Intellectual Property and Protection
- Innovation System Building
- Products and Services, Safety and Quality
- Supply Chain Management
- Rural Revitalization
- Social Contribution

GOVERNANCE MODERNIZATION AND BUILDING HIGH-QUALITY LEADERSHIP

- Corporate Governance
- Business Ethics
- Compliant Operation
- Tax Responsibilities

Enhancing Communication and Sharing Outcomes

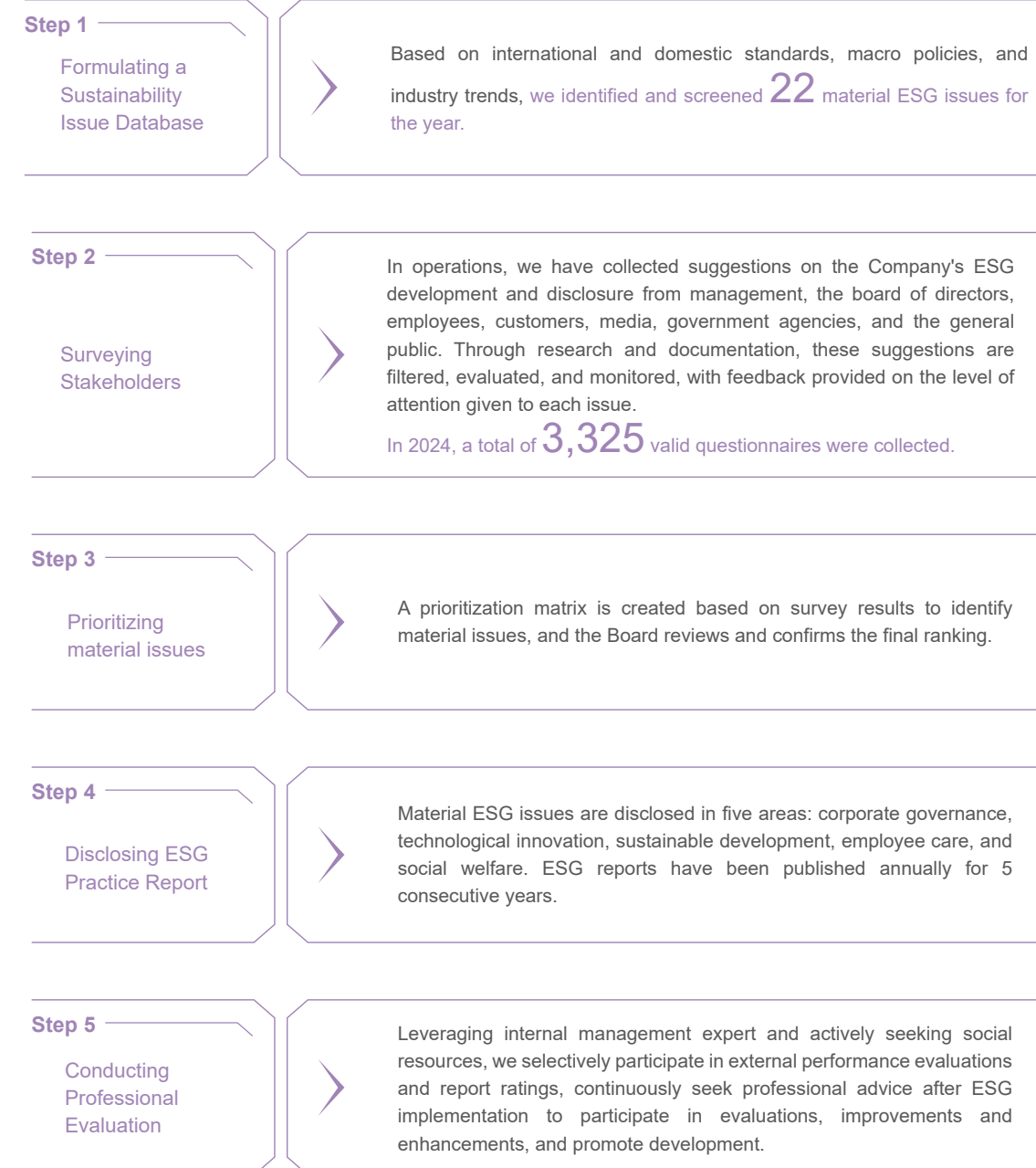
Through diversified communication channels, the Company has actively engaged stakeholders to understand their expectations and demands, and integrate their concerns regarding ESG issues and opinions into decision-making, translating these insights into tangible ESG practices.

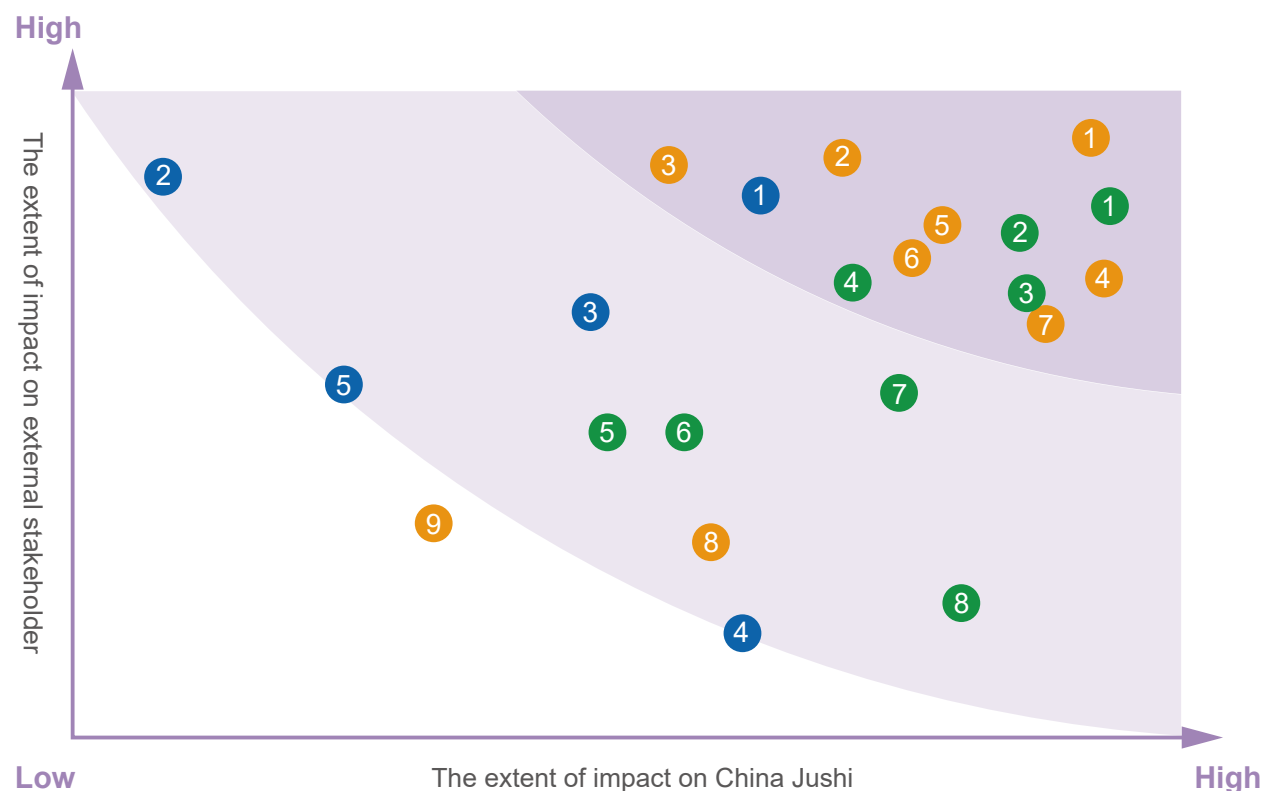
Stakeholder	Expectations	Communication Channels
Government	<ul style="list-style-type: none"> Compliant operations Job opportunities creation Tax obligations Risk prevention 	<ul style="list-style-type: none"> Work reporting and communication Participating in meetings and major events Submitting documents and special reports Accepting supervision
Shareholders Investors	<ul style="list-style-type: none"> Generating steady returns Improving corporate governance Strengthening investor relations management Disclosing information in a timely, accurate, and comprehensive manner 	<ul style="list-style-type: none"> Shareholders' meetings Periodic reports Strategy meetings Investor and analyst research Telephone calls, meetings, and roadshows
Employees	<ul style="list-style-type: none"> Protection of basic rights and interests Compensation and welfare Occupational health and safety Job promotion and career growth 	<ul style="list-style-type: none"> Employee self-service salary inquiry platform Employee representative congress Staff meetings Employee training Assistance for employees in need Conducting employee needs and satisfaction surveys
Customers	<ul style="list-style-type: none"> Providing safe, eco-friendly, and high-quality products Continuously improving service quality Conducting business with integrity 	<ul style="list-style-type: none"> Needs/Satisfaction Survey Service hotline Customer complaint handling Featured services for strategic major customers
Partners	<ul style="list-style-type: none"> Fair competition Integrity and mutual benefit Fair and transparent procurement Supply chain management 	<ul style="list-style-type: none"> Conducting tendering meetings Participating in industry association activities Sharing management experiences and technical standards Contract negotiations and routine meetings Annual International Conference on Fiberglass
Community and Non-Governmental Organizations	<ul style="list-style-type: none"> Protecting the community environment Participating in social public welfare Driving community economy Rural revitalization Serving people's livelihood 	<ul style="list-style-type: none"> Social communication and research Conducting public welfare activities Volunteer services Business support, industrial support, educational support

Issue Assessment and Key Disclosures

Material Issue Identification Methodology

By integrating development planning, the Reference Indicator System for ESG Special Reports of State-Owned Enterprise-Controlled Listed Companies and the Shanghai Stock Exchange's Self-Regulatory Guidelines for Listed Companies No. 14 – Sustainability Report (Trial), the Company has actively identified and responded to stakeholder concerns on ESG issues, determined their materiality, and disclosed key topics in this report.





E (Environmental) Issues	S (Social) Issues	G (Governance) Issues
1 Emissions Management	1 Occupational Health & Safety	1 Integrity Building
2 Water Resource Management	2 Technological Innovation	2 Business Ethics
3 Energy Management	3 Contribution to Industry Advancement	3 Compliance & Risk Management
4 Green Products	4 Employment & Employee Rights	4 Corporate Governance
5 GHG Emissions	5 Responsible Supply Chain	5 Corporate Information Disclosure
6 Waste Management	6 Employee Development & Training	
7 Ecology & Biodiversity	7 Product Responsibility & Safety	
8 Climate Change Response	8 Equality, Inclusion & Diversity	
	9 Social Development & Philanthropy	

Aligning with UN Sustainable Development Goals (SDGs)

The Company has deeply implemented the United Nations Sustainable Development Goals (SDGs). In 2024, we mapped out China Jushi's contributions to the SDGs and aligned them with the material ESG issues.

Information Disclosure Sections	SDGs	Material ESG Issues
Good Governance Leading to Efficient Development	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	<ul style="list-style-type: none"> Corporate Governance Compliance & Risk Management Integrity Building Business Ethics Corporate information Disclosure
Innovation-Driven Smart Development	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	<ul style="list-style-type: none"> Technological Innovation
Advancing Green Practices for Sustainable Development	6 CLEAN WATER AND SANITATION, 7 AFFORDABLE AND CLEAN ENERGY, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION, 14 LIFE BELOW WATER, 15 LIFE ON LAND	<ul style="list-style-type: none"> Climate Change Response GHG & Carbon Management Energy Management Water Resource Management Waste Management Ecology & Biodiversity Protection Emissions Management Green Products
Talent-Centric Collaborative Development	3 GOOD HEALTH AND WELL-BEING, 4 QUALITY EDUCATION, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES	<ul style="list-style-type: none"> Employment & Employee Rights Employee Development & Training Occupational Health & Safety Equality, Inclusion & Diversity
Shared Responsibility & Harmonious development	1 NO POVERTY, 2 ZERO HUNGER, 11 SUSTAINABLE CITIES AND COMMUNITIES, 17 PARTNERSHIPS FOR THE GOALS	<ul style="list-style-type: none"> Product Responsibility & Safety Responsible Supply Chain Contribution to Industry Advancement Social Development & Philanthropy

Note: Bolded items indicate important ESG issues identified for the year.

Enhancing Corporate Governance Efficiency

The Company strictly adheres to the relevant provisions of laws and regulations such as Company Law of the People's Republic of China, Securities Law, and the Articles of Association to optimize the Company's governance systems, reinvigorate reform momentum, and comprehensively enhance governance efficiency.

Standardized Structure & Diligent Accountability

Strengthening Market Cap & Equity Management

The Company has established China Jushi Market Capitalization Management System and announced the Shareholder Return Plan for the Next Three Years (2024-2026) of China Jushi Co., Ltd.

During the reporting period, the first and second largest shareholders of the Company launched a share buyback plan, with each committing to repurchase shares worth no less than RMB 500 million and no more than RMB 1 billion, further boosting investor confidence. The Company does not have 'Golden Shares'.

Note: Golden shares are a special type of shares granting the holder veto power or special control over specific matters, typically held by the government or specific entities to ensure control over key enterprises.)



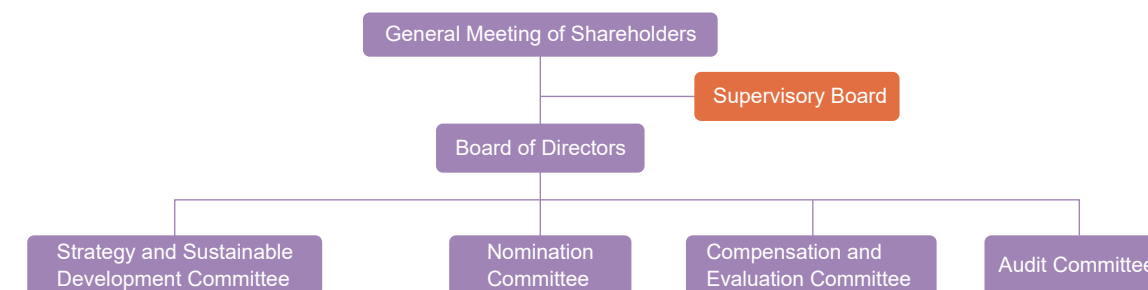
Note: As of February 2025



The Cadre Meeting was convened and the leadership team of China Jushi was readjusted

Continuous Optimization of Board Construction

The Company has established a governance structure comprising the general meeting of shareholders, the board of directors and its specialized committees, the supervisory board, and senior executives, and progressively advances the work of the general meeting of shareholders, the board of directors, and the supervisory board, clearly defining the relationships of authority and responsibility.



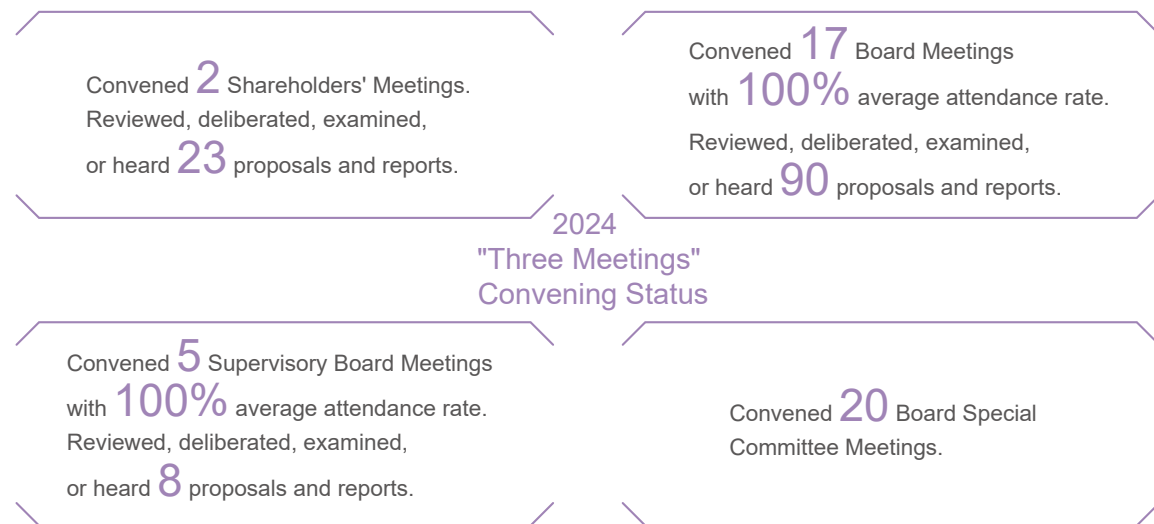
Board of Directors

The Board of Directors serves as the permanent executive body of the Shareholders' General Meeting, is responsible to the Shareholders' General Meeting, and operates with a high degree of independence. In 2024, the Company's Board of Directors consists of 9 directors, including 2 executive directors, 4 non-executive directors, and 3 independent directors, accounting for one-third of all directors. There is 1 female director, representing 11.11% of all directors. The positions of Chairman and General Manager are held by separate individuals.

Name	Gender	Role	Audi Committee	Nomination Committer	Compensation and Evaluation Committee	Strategy and Sustainable Development Committee	Expertise
Liu Yan	Male	Chairman, Non-Executive Director		√	√	√	
Zhang Yuqiang	Male	Vice Chairman, Non-Executive Director		√			
Yang Guoming	Male	General Manager, Executive Director					
Shao Xiaoyang	Male	Non-Executive Director	√				
Zhang Jiankai	Male	Non-Executive Director					
Shang Deying	Male	Non-Executive Director				√	
Tang Yunwei*	Male	Independent Non-Executive Director	√	√	√	√	Accounting, finance, risk management
Wu Yajun	Male	Independent Non-Executive Director	√	√	√	√	
Wang Ling*	Female	Independent Non-Executive Director		√	√	√	Risk management

Note*1: Mr. Tang Yunwei, Director, once worked at Shanghai University of Finance and Economics, holding positions such as lecturer, associate professor, president's assistant, full professor, vice president, and president. He has been honored as an honorary member of the Institute of Chartered Accountants in England and Wales, a distinguished international visiting professor of the American Accounting Association, and an honorary fellow of Lingnan University, Hong Kong. He once served as a member of the Chinese Accounting Standards Committee, a member of the Ministry of Finance's Auditing Standards Committee, the President of the Shanghai Institute of Accounting, and a listing committee member of the Shanghai Stock Exchange. He holds a Ph.D. in Accounting from Shanghai University of Finance and Economics and is the founder of the Chinese Accounting Professors Association. He has expertise in accounting, financial management, and risk management.

Note*2: Ms. Wang Ling, Director, Professor at University of Political Science and Law, PhD Supervisor, Vice Chair of the Special Committee on Innovation and Entrepreneurship, China Society for Technological Economics, Member of the Academic Committee on Intellectual Property, China Intellectual Property Research Association, engaged in research on corporate innovation management and intellectual property risk.



Supervisory Board

As a permanent oversight body, the Supervisory Board oversees the Company's operational activities and the conduct of the Board and management in accordance with laws, regulations and the Articles of Association. It consists of **3** supervisors: **1** Chairman of the Supervisory Board and **1** employee representative supervisor.

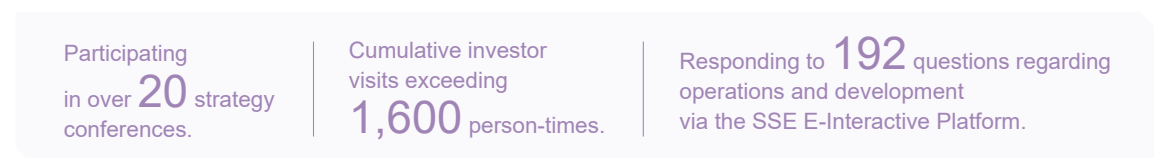
Senior Management

The Company's senior management includes the General Manager, Deputy General Managers, Chief Financial Officer, and Board Secretary. The Company has **1** General Manager, who is appointed or dismissed by the Board of Directors. Deputy General Managers are appointed as needed. The General Manager, Chief Financial Officer, and Board Secretary are nominated by the Chairman and appointed/dismissed by the Board of Directors. Other senior executives are nominated by the General Manager and appointed/dismissed by the Board of Directors. Directors may concurrently serve as senior executives, provided such concurrent roles do not exceed half of the total Board membership. Currently, **1** director (**11%** of the Board) concurrently holds a senior executive position.

Investor Rights Protection

Establishing Systems and Expanding Channels

The Company has developed and refined the China Jushi Co., Ltd. Investor Relations Management System, actively building an open, transparent, efficient, and convenient investor communication platform. Diversified investor engagement channels include earnings briefings, "Visit Listed Companies" joint research initiatives, strategy conferences, roadshows, telephones, emails, E-Interactive Platform and investor WeChat groups.



Clear Division of Work and Coordinated Communication

The Board Secretary, Securities Affairs Representative, and Securities Affairs Department are responsible for investor relations management, organizing and coordinating communications and interaction with investors to ensure their influence in corporate decision-making.

A dedicated department collects, organizes and analyzes information related to investor relations, forming a cross-departmental collaboration mechanism among the Securities Affairs Department and finance, legal and sales teams to provide references and decision-making support for senior management.

Regular Communication and Enhanced Disclosure

The Company has established the Information Disclosure Management System and the Annual Report Material Error Accountability System, regularly releasing quarterly and annual performance reports, and hosts earnings briefings to provide investors with more opportunities to gain a deeper understanding of operations and development strategies of the Company:



4 high-quality earnings briefings were conducted.

Annual and semi-annual earnings briefings were held.

Proactive Feedback and Timely Responses

The Company has established a rapid and efficient feedback mechanism to promptly address investors' suggestions and inquiries on products, strategy and governance. Management members directly address investors' questions and suggestions concerning products, strategies, and governance to ensure that investors' legitimate rights and interests are fully protected.

Deepening Reforms and Stimulating Vitality

Elevating Listed Company Quality

The Company has fully implemented the China Jushi Quality Improvement Plan for Controlled Listed Companies (2022-2024) and successfully completed the concluding tasks of the special campaign with a 100% completion rate.

Advancing Board of Directors and Supervisory Board Reforms

The Company promotes group-wide reforms by establishing two board models (standardized and compliance-based) for subsidiaries with boards. For subsidiaries with single supervisors or supervisory boards, where conditions permit, the supervisory body will be abolished, with supervisory responsibilities transferred to the internal audit department of the superior unit, in order to meet the business development needs of the Company.

Strengthening Risk Prevention and Control Barrier

The Company continuously improves the all-tier comprehensive risk management system, prioritizes the construction of risk management culture and strives to build a comprehensive, all-staff, and full-process risk prevention and control mechanism to robustly enhance the capacity to forestall and mitigate risks.

Compliance Management and Governance by Law

Improving the governance system based on law and compliance

The Company has developed and published the Compliance Operations Management System and the Compliance Management Handbook, established the Compliance, Internal Control and Risk Management Committee, appointed a General Counsel and a Chief Compliance Officer, and implemented a three-tier defense compliance management model with the Legal and Compliance Department leading the coordination, the business and functional departments executing and preventing risks and audit and disciplinary inspection departments conducting regular oversight.

Establishing a Compliance Information Collection Mechanism

Legal and regulatory information is published through the Monthly Legal Newsletter magazine. Each functional department regularly collects updates on laws and regulations in their respective fields on a quarterly basis. Each unit has established a regular system for collecting compliance information and a reporting mechanism for compliance risks, periodically compiling the Compliance Risk List. In the event of identifying potential or actual compliance risk incidents, they are promptly reported to the Company's management. **In 2024, there were no violations or penalties.**

Strengthening Self-inspection and Evaluation in Compliance Areas

We have conducted self-assessments on legal review rates for important contracts, major decisions, and regulatory frameworks performed self-inspections on contract management; undertook self-inspections on the implementation of relevant institutional regulations and compliance control procedures, examined potential enhancements to control mechanisms and revised the relevant systems accordingly.

Strengthening Control and Comprehensive Supervision

The Company has developed the Internal Control Manual, utilizing risk control matrices and business process diagrams to clearly define internal control management requirements for various business modules. Through the establishment of an internal control system, the Company can reasonably ensure compliance with laws and regulations in its operations and management, safeguard its assets, and maintain the authenticity and completeness of financial reports and related information.

Internal Control Supervision Evaluation and Self-Evaluation

The responsible department conducts supervisory evaluations and self-evaluation to evaluate whether the design and execution of internal control procedures have any defects, ensuring the Company complies with policies and regulatory requirements. **In 2024, seven internal control supervision evaluations and one comprehensive internal control self-evaluation were conducted, identifying a total of 43 internal control deficiencies.**

Internal Control Deficiency Rectification and Re-Evaluation

Internal control deficiencies identified and confirmed are addressed by responsible units through the formulation and implementation of corrective action plans. The responsible department conducts a re-evaluation of the rectification status of internal control deficiencies from the previous year, ensuring completion of corrective actions. Additionally, external regulations and internal control situations are reassessed to evaluate the effectiveness of risk responses and the rationality of designs.

Internal Control Evaluation and Reporting

The responsible department for internal control evaluations regularly organizes supervision and evaluations in accordance with the annual plan and prepares reports to the Company's management. A comprehensive internal control self-evaluation is conducted annually, resulting in a self-evaluation report.

Internal Control Procedure Review and Management

Internal control procedures are established in the form of management systems. An annual review plan is established for the systems, and a review is conducted every three years to ensure that the internal control procedures are adequate and appropriate.

Risk Management and Fortifying Defenses

The Company has established the "Risk Management Implementation Rules" to regulate the Company's risk management policies, procedures and functions. The Compliance, Internal Control and Risk Management Committee is responsible for making decisions on significant risk management matters. The Legal and Compliance Department serves as the Company's risk management department, while functional departments are responsible for managing risks within their respective areas of responsibility.

A risk management system with a closed-loop based on the Three Lines of Defense framework



》》》 Risk Reporting, Identification and Assessment Mechanism

The Company conducts company-wide risk identification and assessment annually, update the "Comprehensive Risk Management Register," and integrates ESG-related issues such as environmental protection, product safety and quality, health and safety, IT planning and employee rights into the comprehensive risk management framework.

The Company has established risk incident reporting processes across departments, subsidiaries and all levels of the organization to facilitate the timely communication of risks. The risk management department reviews risk reporting and assessment outcomes across all levels of the Company, conducts unified reviews of subsidiaries' preliminary risk assessment outcomes and response measures, ensuring coordinated risk management across the Company.

For risks included in the Register, the Company conducts regular assessments and updates them in accordance with relevant procedures outlined in the "Risk Management Implementation Rules", taking into account shifts in both internal and external environments.

》》》 Risk prevention, response and reporting mechanisms

The Company prepares an annual risk management report to analyze and assess the risk levels of the Company's business operations, formulates risk prevention and response measures and implement improvement measures.

A closed-loop management mechanism encompassing risk identification, risk assessment, risk strategy formulation, risk contingency plans, risk reporting, risk resolution, risk accountability and risk monitoring & improvement is established to keep the probability of significant risks occurring or the cost of risk mitigation within a reasonable limit.

The Company has developed a risk monitoring metric system to update metric data on a quarterly basis to dynamically track risk fluctuations and compile quarterly risk monitoring reports. Historical data is analyzed across all factories, departments and subsidiaries to identify potential risk trends. An information database is established to analyze, formulate and implement significant risk response and mitigation plans while conducting a review of its internal risk exposure.

》》》 Risk Philosophy Deepening, Capacity Building and Training Mechanisms

The Company has set up regular training and rotation mechanisms for professional courses on risk management, compliance risks, and internal controls, where employees take primary responsibility. The Company develops and implements annual training plans and organizes thematic trainings on risk management, the Eighth Five-Year Legal Popularization Education, work safety training, safety accidents, etc., to enhance risk identification and prevention awareness. Annually we engage external law firms to conduct more than 2 compliance risk trainings for governance personnel. Each business department organizes risk management trainings for governance layer tailored to address specific risks in their respective fields.



Conducting training on the Company Law.

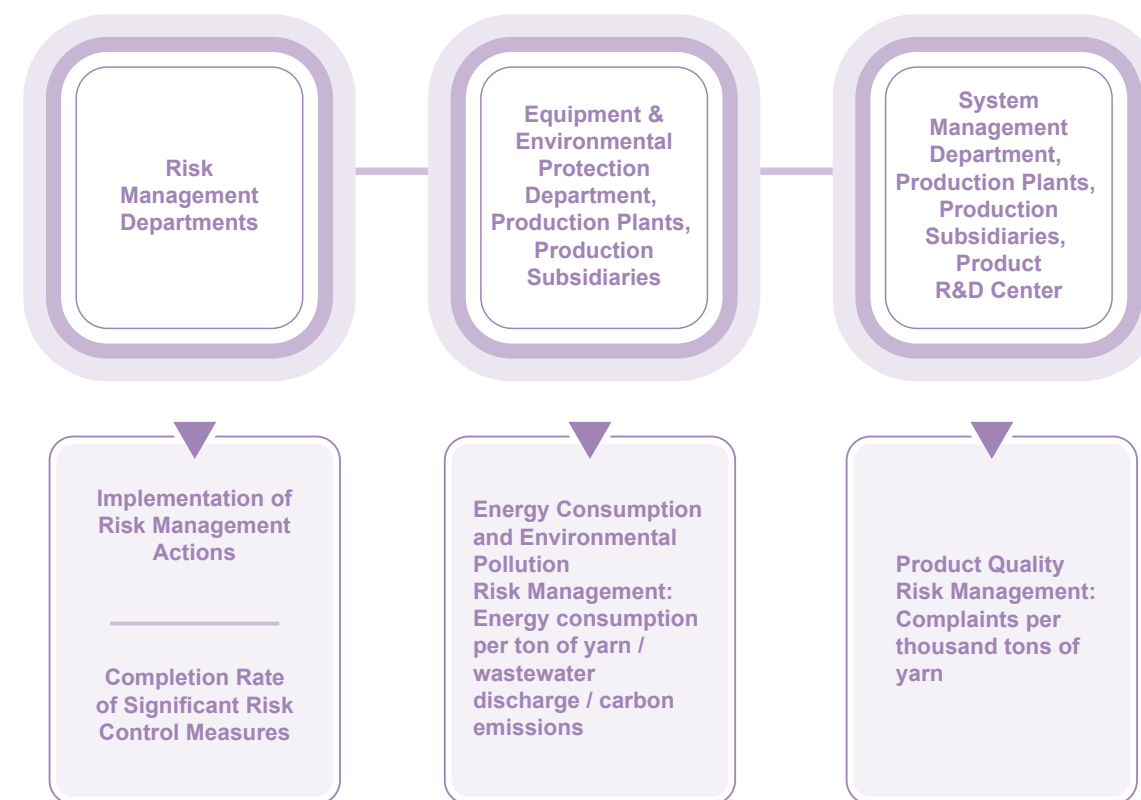
In 2024

A total of **134** risk-related trainings were conducted, with **7,880** participants, including company executives and employees.

》》》 Risk System Evaluation, Assessment and Incentive Mechanisms

Based on the need to evaluate the current status of risk management, an annual audit plan is developed each year to conduct audit evaluations of the implementation effectiveness of risk management systems in key individuals and areas. Improvement proposals are provided for systems or executions with deficiencies.

Different risk management assessment and incentive metrics are set for each department, linking risk management performance to employee compensation and performance. Employees who fail to fulfill risk management duties within their responsibilities and cause losses to the Company is subject to performance penalties. Conversely, those who effectively respond to external risk events are appropriately rewarded.



》》》 Business Continuity Risk Control Mechanism

The Company has formulated the Business Continuity Risk Control Procedures to clearly define the identification and response plans for business continuity risks, as well as emergency plans, and regularly conduct effectiveness tests on business continuity management.

The Company has developed 17 types of emergency plan management systems and conducts daily drills to ensure that the impact on business continuity is minimized in the event of an emergency.

The Company regularly reviews the management status of external units related to business continuity risk control and provides improvement suggestions for existing issues.

Deepening Business Ethics Development

The Company complies with domestic and international anti-corruption policies and regulations, improves integrity management mechanisms such as institutional constraints, risk prevention, investigation and handling, and continuous improvement initiatives. The Company actively promotes integrity culture initiatives and steadfastly advances its compliance efforts against corruption and bribery. Furthermore, it is committed to the ongoing establishment of a "Clean Jushi."

Advancing Anti-Corruption Initiatives

The Company adheres to applicable laws and regulations such as the Criminal Law and the Anti-Unfair Competition Law, as well as international or local anti-corruption and anti-bribery regulations including the United Nations Convention Against Corruption and the U.S. Foreign Corrupt Practices Act. To reinforce its commitment to ethical business practices, the Company has developed the China Jushi Code of Business Conduct and Ethics, integrated business ethics compliance into the Domestic Distributor Management System, further refined the Business Hospitality Management Implementation Measures, and are actively advancing integrity system development across all business processes. **Number of concluded corruption lawsuits against the Company and employees in 2024: 0.**

All managerial personnel have duly signed the Leadership Integrity Self-Discipline Commitment Letter. Additionally, newly hired and promoted mid-level executives have also signed the China Jushi Integrity Self-Discipline Commitment Letter.

In 2024

The Company updated the integrity records for **113** newly hired/promoted executives and organized overseas sales heads to sign **12** copies of the Business Ethics Compliance Commitment Letter.



Signing Business Ethics Compliance Commitment Letters with overseas sales companies.

The Company has strengthened supervision of key positions by regularly gathering information on compliance with anti-corruption and anti-bribery measures, conducting integrity risk assessments and requiring executives in sales, procurement, engineering, and other critical roles to sign the Integrity Professional Responsibility Letters. This comprehensive approach aims to advance the development of business ethics across the Company.

Strengthening Integrity Oversight

Whistleblowing Mechanism

The Company gathers information regarding business fraud and corruption through internal/external reports and inspections. It offers 24/7 independent reporting channels, including email, phone and the "Integrity Window" information platform. This platform is publicly accessible via the Company's WeChat Official Account and website. To ensure strict confidentiality for whistleblower information, dedicated personnel are assigned to handle all reports. Access to whistleblower details is restricted solely to case handlers, and any retaliatory actions against whistleblowers are explicitly prohibited.

Integrity Culture Development

The Company has introduced a "Pre-Festival Integrity Reminder" module within the Employee Self-Service Mini Program, delivering integrity education to all employees prior to festivals through a "learn-first, answer-later" approach. Additionally, it has established the "Integrity Power" Legal Education Classroom to explain laws and regulations to employees. The Company is committed to deepening its integrity culture building by hosting the 3rd China Jushi Integrity Culture Art Exhibition and calligraphy/painting events, thereby fostering a clean and ethical workplace.



Conducting "Integrity Power" Legal Education Special Sessions.

In 2024

Participating and organizing **11** trainings on ethical standards (including anti-bribery and anti-corruption trainings).

100% coverage of directors (at all levels of the Company).

100% coverage of employees (at all levels of the Company).

Fulfilling Tax Responsibilities

The Company upholds the principle of "integrity in operations and lawful tax compliance", building a harmonious tax-collector relationship and pioneering a model of mutual benefit between enterprises and tax authorities. The Company's tax risk management system has been progressively refined, featuring well-established oversight and improvement mechanisms, while advancements in tax informatization continue to progress steadily.

In 2024

The total tax payment is RMB **1.442** billion

In 2014–2024

The average annual tax payment compound growth rate is **10.17%**



Renewing Tax Compliance Cooperation Agreement with the Zhejiang Provincial Tax Service of the State Taxation Administration

02

INNOVATION DRIVEN

SMART DEVELOPMENT

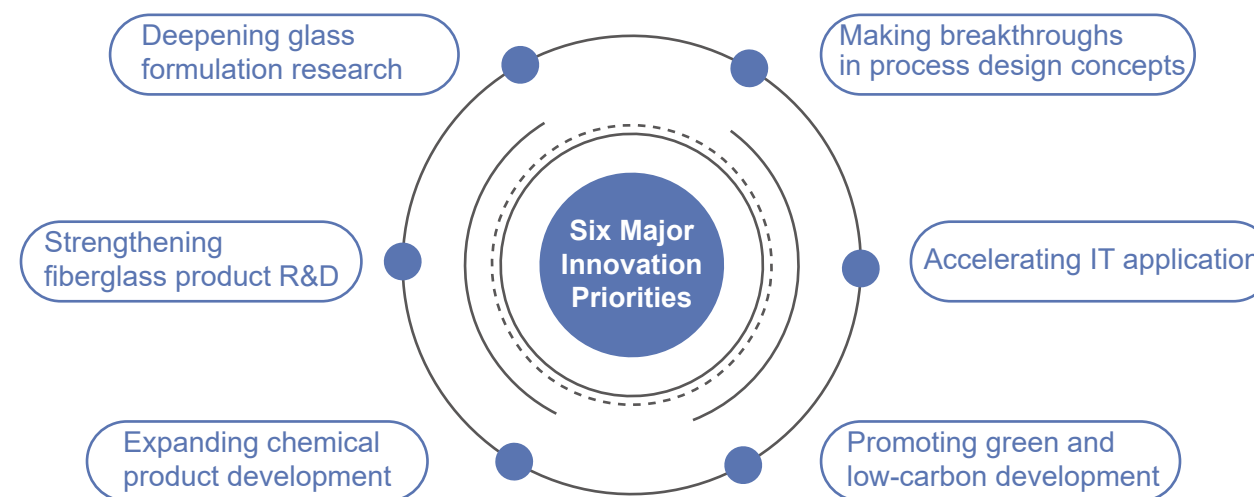
We are committed to the mission of "Advance material innovation to drive high-quality development". We closely monitor industry trends, focusing on high-end and green market frontiers. As a source of original technologies, we empower high-quality development through technology, cultivate and develop new growth drivers, and build new quality productivity.



Technological Upgrades Driving Innovative Progress

We have built advanced innovation mechanisms and platforms, strengthened our R&D teams, consistently achieved breakthroughs in proprietary technologies, and enhanced the protection of intellectual property. Through independent innovation, industry-academia-research collaboration and supply chain synergy, we have addressed key challenges in emerging material fields. This has positioned us to lead the fiberglass industry toward high-end, intelligent and sustainable development.

"14th Five-Year Plan" Sci-Tech Innovation Strategic Goals



Building Sci-Tech Innovation Platforms

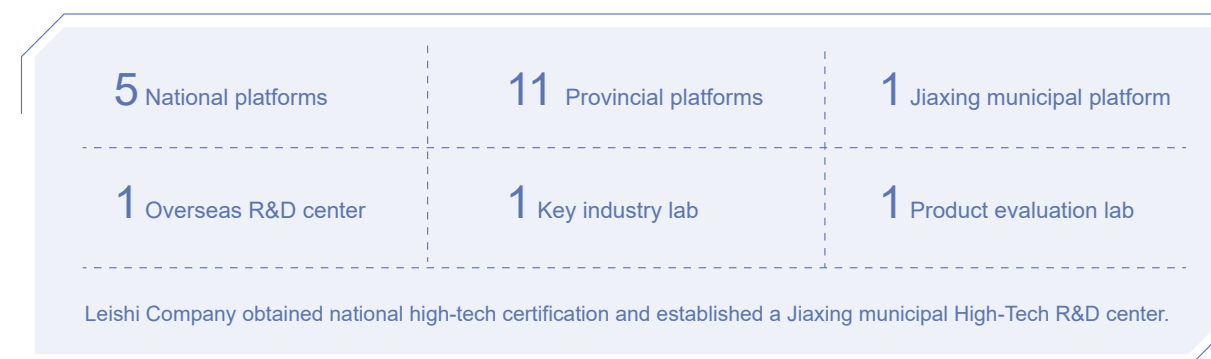
The Company is focused on the "National Accredited Enterprise Technology Center", supported by five key systems: efficient organizational system, strategic planning system, power safeguarding system, scientific research open system, and knowledge sharing system. It has established a foundation of 15 mechanisms, including project management mechanisms, operational mechanisms, and performance-based reward systems. The Company is committed to independent innovation and actively encourages all employees to engage in innovative practices. It organizes original technology research and development through various initiatives such as bidding for challenges and appointing capable individuals, thereby enhancing the Company's core competitiveness. Annually, the Company allocates no less than 3% of its operating income for R&D investment. This funding is dedicated to scientific and technological research and development as well as management innovation.

In 2024, R&D investment was approximately 0.53 billion RMB, accounting for 3.3% of operating revenue.

R&D investment (Unit: RMB 100 million)

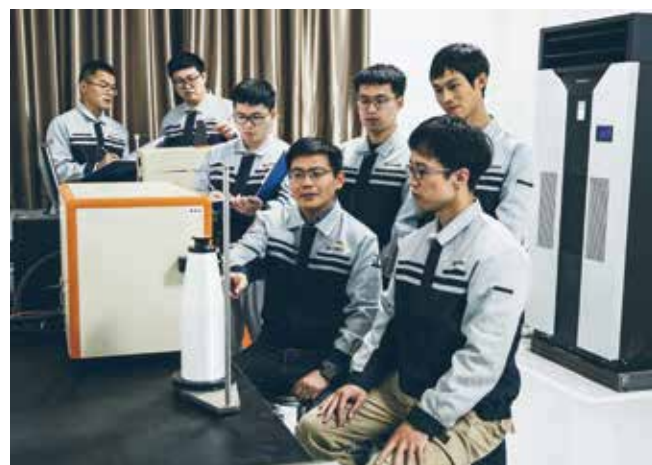


17 provincial/national innovation platforms:



Building a Scientific and Technological Talent Team

By prioritizing talent as its core competitiveness, the Company has established key innovative groups such as research-oriented talents, application-oriented talents, technical officers, Jushi Talent and Jushi Master Craftsmen, who have been instrumental in driving innovation throughout the organization.



We have established a National-level Enterprise Postdoctoral Research Workstation and an "Internal Trainers" team. In 2024, we obtained the qualification for "Provincial Self-assessment Qualification for Talent Evaluation," which enables us to conduct the annual independent review of 2 provincial-level talents. We have established a cooperative relationship with the local Technician College to facilitate training, evaluation, and recruitment activities.

Currently, there are more than 300 professionals engaged in fiberglass product development, glass raw material and formulation research, and fiberglass equipment development. Additionally, over 1,300 individuals participate in R&D activities, complemented by a team of more than 200 technical officers specializing in areas such as engineering, economics, accounting and skilled trades. This collective effort has resulted in a comprehensive and well-coordinated innovation team.

We have established an innovation incentive system, implementing the "Four Hundreds Project," and developed several frameworks including the Major Innovation Project Management System, General Innovation and Improvement Project Management System, Patent Management System, and Academic Paper Management System. Innovation achievements are integrated into performance evaluations, thereby linking R&D capabilities with compensation. We reward employees who make significant contributions in intellectual property areas, such as patent inventions and software publications.

We have established a special budget of 30 million RMB for innovation rewards, which provides assessment incentives based on innovation achievements, offering employees an incentive system that is directly linked to actual value creation.



Translating Innovations into Outcomes

Market-driven R&D emphasizes the importance of addressing industry needs and aims to achieve breakthroughs in key technologies. **The Company has established the "China Jushi Technological Innovation Committee", developed a "comprehensive R&D system,"** organized supplier conferences for bidding on projects, and fostered collaboration both within and outside the Company along the industrial chain, research institutions and academia to address technical challenges.

We are committed to continuously advancing the deepening, transformation, promotion and application of outstanding achievements in order to maximize their value. We aim to enhance our industry research capabilities, stay abreast of cutting-edge technologies, and foster the seamless integration of research, education, industry, and technology transfer to effectively serve downstream customers in product development and testing. **During the reporting period, the conversion rate of innovative achievements reached 100%.**



The Company applied for the "Fiberglass and Composite Materials Zhejiang Provincial Science and Technology Leading Enterprise Construction" under the Central Government's Special Fund for Guiding Local Science and Technology Development; the "High-Strength and High-Modulus Fiberglass Patent Navigation" project was approved for Zhejiang Province's patent navigation project.

- 8 Provincial industrial new product projects were approved.
- 9 Provincial new product trial production plan projects were approved

Project	Award
Ultra-high-performance roving for wind turbine blades	2nd Prize, China Environmental Federation Sci-Tech Progress
Direct roving for large offshore wind turbine	Zhejiang Outstanding Industrial Product Award
High-strength high-modulus fiberglass technology research and mass production	2nd Prize, Zhejiang Employee Outstanding Technical Innovation Achievements
Development and application of plastic bobbins for electronic-grade yarn twisting	2nd Prize, CNBM Technology Innovation Award

The Company is expanding its industrial capabilities through the use of a single fiberglass filament, aligning with the industry trends of high-end and sustainable development, and providing downstream customers with more superior solutions that meet their evolving needs.

Case Study "World's Best" Showcasing Strength

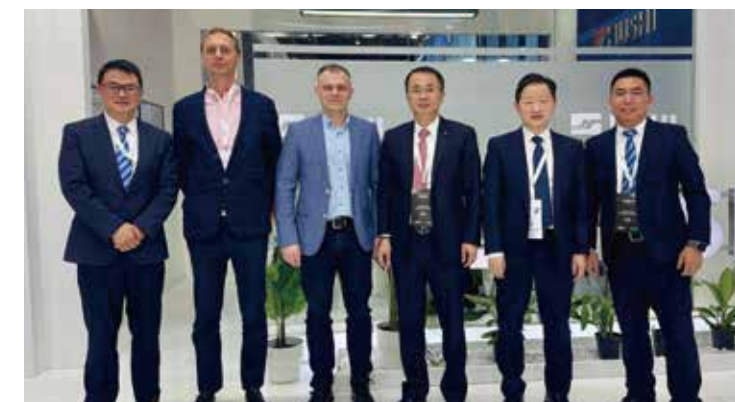
At the 27th China International Composites Exhibition, Jushi unveiled its "world's best" product in the industry—E9 high-performance fiberglass 390 specifically designed for wind turbine blades. This innovative product features E9 glass composition, achieving a modulus exceeding 100GPa, representing the highest level currently achievable in the industry. It is particularly suitable for ultra-large fiberglass wind turbine blades with diameters exceeding 200 meters.

The Company also showcased several flagship products, including fiberglass direct roving for hydrogen and gas storage bottles, high-performance direct roving for photovoltaic frames, bulk roving series, fiberglass direct roving, and fabrics for new energy vehicles. These offerings align with the industry trends focused on high-end applications and sustainable development.

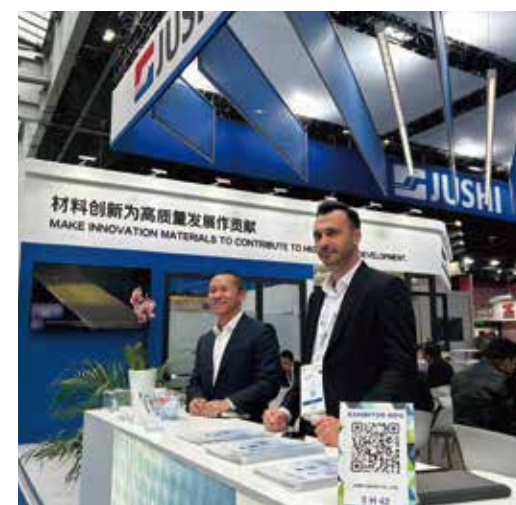


Strengthening industry technical exchanges

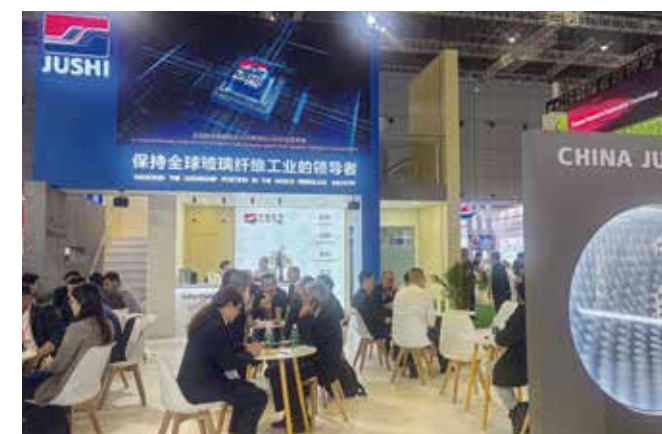
The Company is actively engaged in technical cooperation and exchange with industry clients and suppliers. It partners with stakeholders to advance the high-level development of fiberglass composite materials, strengthen industry-academia-research cooperation, and strives for mutual growth.



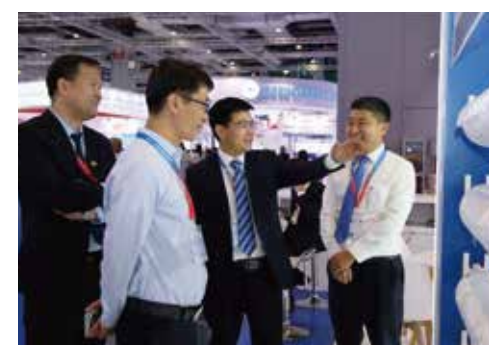
Collaborating with partners on industry sustainability at the JEC Composite Materials Exhibition in France



March 5-7, 2024 Attended JEC Composites Show in France



April 23-25, 2024 Attended International Plastics & Rubber Exhibition



May 13, 2024 Attended International Electronic Circuit Exhibition



October 23, 2024 Hosted technical sessions at the 30th International Fiberglass Conference

Promoting Standard Upgrades and Iteration

During the reporting period, the Company participated in the formulation of 4 national standards, 1 industry standard, and 6 group standards, all of which have been published.

Standard Code	Standard Name	Standard Type	Role (Lead/Participate)
GB/T 43309-2023	Determination of chemical elements in fiberglass and raw materials—X-ray fluorescence spectrometry	National Standard	Participate
GB/T 43310-2023	Determination of chemical elements in fiberglass and raw materials—Inductively coupled plasma optical emission spectrometry (ICP-OES)	National Standard	Participate
GB/T 44308-2024	Determination of constituent content and void content of carbon fiber and fiberglass hybrid reinforced plastics	National Standard	Participate
GB/T 25042-2024	Fibreglass membrane material for membrane structure	National Standard	Participate
JC/T 573-2023	Fiberglass sewing thread	Industry Standard	Participate
T/ZZB 0015-2023	Direct fiberglass roving for wind power applications	Group Standard	Preside
T/CFIA B3-2024	Product carbon footprint Product category rules for fiberglass yarn	Group Standard	Preside
T/CSTM 01201-2024	Test method for tensile properties of non-metallic connectors for external wall insulation systems	Group Standard	Participate
T/CSTM 01184-2024	Determination of wettability of electronic-grade fiberglass fabric	Group Standard	Participate
T/CSTM 01185-2024	Determination of hollow fiberglass content in electronic-grade fiberglass fabrics	Group Standard	Participate
T/CSTM 01186-2024	Determination of whiteness of low dielectric fiberglass fabric for printed circuit boards after heat treatment	Group Standard	Participate

Protecting Independent Intellectual Property

Based on the Fiberglass Core Technology Intellectual Property Layout Analysis and Planning (2023-2025), the Company has prioritized high-quality patent applications in key fields, thereby steadily improving the quality of its invention patents.

An intellectual property (IP) strategy that is aligned with business and innovation strategies has been implemented, including global patent layout, patent risk management, patent-driven innovation, and streamlined global patent operations. These efforts enhance our global IP competitiveness and advantage, thereby supporting both domestic and overseas business success. Furthermore, IP management has been integrated into R&D projects, leading to the establishment of an internal innovation-IP management system.

During the reporting period, the Company successfully obtained the ISO56005 Level 4 Certificate for Innovation and IP Management. Additionally, it was recognized as an Outstanding Case in Innovation and IP Management Capability Grading Evaluation (2023-2024).



Level 4 Certificate for Innovation and IP Management



During the reporting period:

- Filed 136 patents globally (61 invention patents).
- Granted 125 patents (64 invention patents).
- Cumulative valid patents: 1,023 (544 invention patents).
- Cumulative registered software copyrights: 67.

Smart Manufacturing Upgrades Building Benchmark Factories

Integrating "digital technology + manufacturing technology," the Company has advanced the "Industrial Brain + Future Factory" initiative to foster high-quality fiberglass industrial clusters and lead the industry future.

>>> Top-Level Planning

The Company has established a top-level framework to standardize the evaluation and management system for digital investment projects, driving iterative upgrades to operational systems across global factories and sales subsidiaries.

- Successfully implementing operational systems at Jushi Huai'an Co., Ltd., Jushi New Energy (Huai'an) Co., Ltd., and India Sales Company, achieving comprehensive business collaboration and data sharing with the headquarters in terms of Operation, Production and Service.
- Building a long-term management mechanism for process governance, continuously reinforcing the unified global procurement and sales platform for Jushi fiberglass.

>>> Digital Interconnectivity

Fully leveraging the pioneering advantages of the "chain-leading factory", the Company continuously expands data connectivity with customers and suppliers using digital technology, and promote data sharing and development in the industrial ecosystem. The Industrial Control and Cybersecurity Standard System has been formulated and is being comprehensively piloted Jushi Huai'an.



During the reporting period, Jushi Fiberglass Industrial Internet interconnected **350+** upstream/downstream enterprises.

Digital and Intelligent Systems Development



The Company has enhanced equipment capabilities and application levels at the bases in Tongxiang, Chengdu, Jiujiang, and Huai'an, further deepens the construction of "Future Factory" and continue to advance the development of 5G fully connected smart factories. We have proactively promoted and initiated the AI application and exploration across 8 production scenarios, validated the empowering effects of AI technology in production processes, and initially fostered a positive atmosphere for the application of AI to improve quality and reduce costs.

Case Study Dual Recognition in first National "Excellence-Level Smart Factories"

In January 2025, the Ministry of Industry and Information Technology (MIIT) recognized Jushi Group Co., Ltd.'s Electronic-Grade Glass Fabric End-to-End Integrated Smart Factory and Jushi Group Jiujiang Co., Ltd.'s Fiberglass End-to-End Integrated Smart Factory as part of China's first batch of "Excellence-Level Smart Factories."

Jushi has achieved model innovation across digital design, intelligent production, digital management, green manufacturing, safety control, network collaboration, customized solutions, and service extensions. By integrating IT (Information Technology) with OT (Operational Technology), Jushi has built a cluster of digital information systems that facilitate the interconnection, perception, and adaptation of intelligent equipment, intelligent systems and personnel. Capitalizing on the advantages offered by digital management, intelligent factories and lean production, Jushi has developed three core competencies: endogenous integration, autonomous optimization, and ecological interconnection. Consequently, Jushi has emerged as a leading benchmark factory for intelligent manufacturing within the fiberglass industry.

Through the integration of industrial internet and data centers, Jushi has established a comprehensive technological ecosystem that facilitates new product development and cross-enterprise collaboration, ensuring efficient and agile processes while fostering a self-reliant, controllable and highly collaborative intelligent manufacturing model. As a result, Jushi achieves integrated management across production, supply chain, sales and inventory.



Jushi Group Co., Ltd. Electronic-Grade Glass Fabric End-to-End Integrated Smart Factory



Jushi Group Jiujiang Co., Ltd. Fiberglass End-to-End Integrated Smart Factory

03

ADVANCING GREEN PRACTICES

SUSTAINABLE DEVELOPMENT

We forge new quality productivity through sustainable development, continuously explore low-carbon pathways, and build a green intelligent manufacturing chain integrating procurement, production, sales, recycling, and logistics. We are committed to zero-carbon development and address climate challenges via carbon system management, enhancing ecological sustainability to elevate economic value, pioneering a vibrant sustainable future.





- March** Released the industry's first China Jushi Carbon Peak and Carbon Neutrality Action Plan.
- March** Jushi Jiujiang Company honored as a "Zero-Waste Factory" by Jiujiang City.
- April** Launched carbon sequestration collaborations with suppliers.
- April** First renewable energy project commenced grid-connected power generation.
- May** Industry's first zero-carbon fiberglass manufacturing base started up in Lianshui.
- June** Obtained the industry's first Carbon Management System Certificate.
- September** Obtained the industry's first Carbon Management System Certificate.
- October** Jushi Tongxiang HQ recognized as a "Zero-Waste City Construction Unit," "Beautiful China Practice Case," and "Zero-Waste City" model.
- November** Jushi Tongxiang HQ named a "China Industrial Carbon Peak Leader."
- December** Jushi Tongxiang HQ awarded "National Green Supply Chain Management Enterprise" by MIIT and "Zero-Waste Port" by Jiaxing.
- December** Jushi Chengdu recognized as a "Sichuan Green Supply Chain Management Enterprise."
- December** "Zero-Waste Group" initiative (covering Zhejiang, Sichuan, Jiangxi, Huai'an) passed Zhejiang Ecology Department review, advancing from "Zero-Waste Factories" to "Zero-Waste Group."

Jointly Building a Solid Foundation for Environmental Management

We strengthen top-level design in environmental management, firmly establish the primary responsibility for ecological and environmental protection, enhance oversight and inspection mechanisms and uphold the baseline for environmental compliance. While focusing on our own efforts, we will also actively promote the enhancement of environmental awareness among both internal and external stakeholders, thereby comprehensively improving the level of ecological and environmental protection.

Establishing a Management Organizational Structure

Following the "Four No's" Principle of Jushi, a standardized green environmental protection management system has been established, supported by a dedicated professional environmental protection team. This initiative has led to the formation of a four-tiered organizational structure for environmental protection management, encompassing all levels from the corporate governance level to the frontline production operations.

A total of **133** full-time and part-time environmental protection administrators.



Environmental metrics, including waste generation, pollutant emissions, and resource recycling are integrated in the daily performance evaluation system of senior management; we directly link key environmental metrics to the performance assessments of top executives. This approach enhances the awareness and sense of responsibility of management at all levels towards environmental protection, while encouraging all staff to actively implement innovative measures that facilitate green and low-carbon transformation.

Level 1	Board Strategy & Sustainability (ESG) Committee serves as L1 management representative for environmental and energy governance.
Level 2	The Company has established an Equipment Environmental Protection Functional Management Department, which serves as the centralized authority for overseeing equipment environmental protection efforts across all factories and subsidiaries. The Vice President in charge at the company level acts as the L1 Management Representative for Environmental Protection and Energy.
Level 3	Each factory/subsidiary establishes an Equipment Environmental Protection Department to oversee environmental protection efforts within each factory/subsidiary. Leaders at the factory/subsidiary from each production unit and relevant functional departments at headquarters serve as L2 management representatives for environmental protection and energy.
Level 4	The part-time environmental protection officer in the workshop section serves as the L3 management representative for environmental protection and energy, ensuring that the environmental protection policy objectives are implemented in production practice, and providing feedback on the environmental protection dynamics at the production line.

Promoting Green System Development

We accelerate the development of the environmental protection system for fiberglass production, continuously refine the energy system, elevate the management level of the energy system, and successfully pass the re-certification of the EHS system; revise the "Exhaust Gas Management Regulations" and the "Noise Management Regulations", among others.

Adopting EATNS Carbon Management System

Jushi Group has taken the lead in adopting the EATNS Carbon Management System and successfully completed the certification process. The Company has developed new regulations including the "Carbon Management System," "Identification, Evaluation, and Control Procedures for GHG Emission Sources," and "Carbon Review Control Procedure." Additionally, it has revised the "Regulations Acquisition and Compliance Evaluation Procedure" to include the identification of carbon emission-related laws and regulations. The Company proactively monitors carbon trading, CCER, and local carbon credit information, with additional identification of carbon assets and other intangible assets. This comprehensive approach has significantly enhanced the Company's overall management capabilities in carbon emissions and carbon neutrality.

Social Standards Development and Participation

The Company has initiated, developed, and published the group standards for the China Fiberglass Industry Association, including "Energy Consumption Quota for Fiberglass Electronic Fabric per Unit Product" and "Product Carbon Footprint Product Category Rules for Fiberglass Yarn". Additionally, it has actively participated in the formulation of industry standards within the building materials sector, such as "Carbon Emission Quota for fiberglass per Unit Product" and "Quantification Methods and Requirements for Product Carbon Footprint of Greenhouse Gases - fiberglass and Products". Furthermore, the Company has proactively provided suggestions to foster the development and enhancement of fiberglass industry standards.

ISO14001 Environmental Management System Certification:

6 companies, accounting for **85.7%** of all-level production legal entities. Among them, Jushi Huai'an Company is a newly built manufacturing base and is currently being implemented.

ISO50001 Energy Management System Certification:

4 companies, accounting for **57.1%** of all-level production legal entities

Strengthening Environmental Protection Supervision and Audit

The Company has undertaken comprehensive multi-channel diagnostics for environmental compliance, implemented the "Environmental Management Issues Checklist" management model, and executed differentiated management based on assessment levels. Additionally, it has established emergency response mechanisms tailored to various issue severity levels and conducts monthly self-inspections to ensure that risks remain effectively controlled.

Environmental Self-Audit

The Company has conducted comprehensive environmental self-audit, formulated inspection plans, completed 15 environmental and energy special audits as scheduled, and addressed issues in areas such as pollution control and operation, solid and hazardous waste management, **achieving a 100% rectification rate and 100% coverage of domestic subsidiaries.**

Rectification rate coverage

100%

External Inspections

The Company is subject to environmental protection inspections from local governments, covering environmental risk checks, post-issuance supervision of emission permits and more.

The Company did not receive any environmental-related administrative penalties throughout the year.

100% of domestic and overseas manufacturing bases were covered by external inspections.

A total of **87** environmental inspections occurred.

Self-Monitoring

According to the self-monitoring plan, the Company has built the world's most advanced pollution control monitoring facilities. Real-time dynamic monitoring of pollution control effectiveness is implemented for all fiberglass production lines and manufacturing bases globally. All environmental data is transmitted in real-time to the provincial environmental protection regulatory platform, thereby achieving comprehensive environmental governance and seamless environmental monitoring. Annual clean production audits were conducted and successfully accepted.

100% of domestic and overseas fiberglass production lines and manufacturing bases implement dynamic online monitoring of pollution control.

Emergency Management

The Company has compiled a specialized "Emergency Response Plan for Sudden Environmental Incidents" and completed the filing, has established the "Management Measures for Reports of Sudden Environmental Accidents," "Emergency Plan for Wastewater Pollution Accidents," and "Emergency Plan for Air Pollution Accidents."

27 emergency drills for sudden incidents

We organized **27** emergency drills for sudden environmental incidents, including failures of air pollution/wastewater treatment facilities and leaks of wastewater/hazardous chemicals/hazardous waste, with cumulative participation of over 200 people.

200 Participants in total

Enhancing Stakeholder Environmental Awareness

Significant progress has been made in improving energy conservation and low-carbon awareness among employees and partners.

A total of **13,468** person-times participated in environmental protection training

Achieving **100%** employee coverage in environmental protection training

A cumulative training duration of **94,433** hours.

Green and low-carbon training lectures were organized, along with annual sustainable development conferences and semi-annual energy conservation and emission reduction exchanges, establishing a platform for sharing best practices. Case studies were compiled and disseminated company-wide to jointly advance energy-saving and carbon reduction efforts.



ESG-themed seminars were conducted for key suppliers, including low-carbon lectures.



The "Building Green Homes, Building Materials Empower Dual Carbon" Arbor Day Activity was held to increase urban green spaces through tree planting.

138 tree saplings planted **500+** participants



The "Deepening Ecological Foundations, Co-Creating a Beautiful Jushi" Low-Carbon Environmental Protection Month" activities was held which featured knowledge competitions, facility tours, environmental storytelling, and specialized inspections.

8,000+ participants in the month-long low-carbon activities



The "2024 National Ecology Day Event" was organized, with an original eco-themed song composed and performed by employees to raise environmental awareness.

1,000+ participants in the National Ecology Day event



The Company assisted the China Environmental Protection Federation in hosting the 2024 'Zero-Waste City' Experience Exchange Conference, Delivered a keynote speech titled "Advancing with Jushi, Marching Toward Green: Exploration and Practice of Building a Beautiful Jushi", where over 400 attendees toured the Company's intelligent manufacturing base and its "Zero-Waste Factory" initiatives.



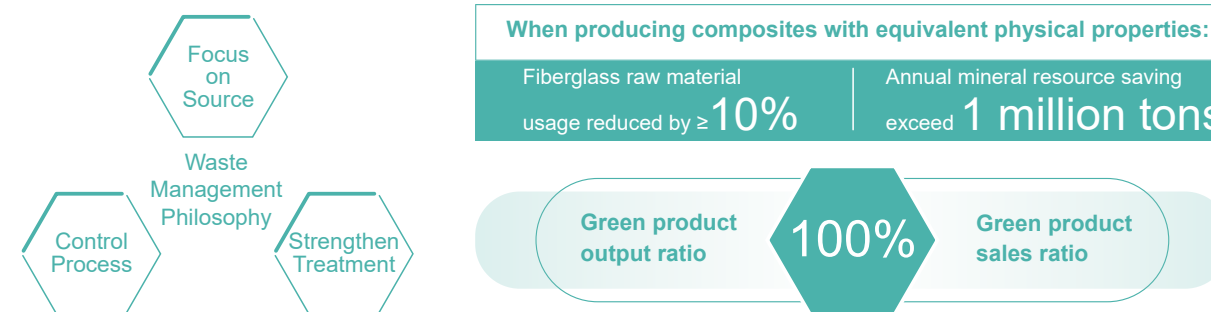
In the process of construction project planning and design, tendering, and supervision, the Company adopts environmentally friendly standards. Systems such as the "Waste Management System" and "Supplier Quality Claim Management Control Procedure" are established. Contracts including the "Agreement on Environmental and Occupational Health and Safety with Relevant Parties," "No Use of Environmentally Hazardous Substances Commitment Letter," and "On-Site Construction Commitment Letter for Engineering Suppliers" are signed with suppliers. Violations of the provisions in the said documents will be subject to penalties.

Jointly Building a Clean Production Model

By integrating the green development philosophy into the entire lifecycle of fiberglass products, measures are undertaken across product R&D, product design, raw material selection, production process design, energy consumption, production recycling, logistics and transportation, and product sales, aiming to achieve harmonious coexistence between fiberglass products and the environment.

Creating Green Products

Adhering to the "Focus on Source, Control Process, Strengthen Treatment" philosophy for waste management, the Company has promoted the optimization of product structures by independently developing the boron- and fluorine-free high-modulus, high-performance E9 formulation, improving physical property performance. Based on the E6 formulation system, a high-melting-rate batch system has been developed, with a carbon dioxide reduction of $\geq 40\text{kg/t CO}_2$ in glass melt.



Case Study | Producing recycled products, promoting carbon footprint certification, and protecting the environment

At the 2025 JEC Composite Materials Exhibition in France, the Company's PIR fiberglass product received great interest from customers. The raw material comes from the "scrap materials" generated during the fiberglass production process. Through a unique recycling and processing technology and strict production process control, the waste is transformed into a valuable resource.

Compared to conventional fiberglass products, it maintains comparable quality and performance levels while achieving a carbon reduction of up to 35%. Currently, the product has obtained ISCC (International Sustainability & Carbon Certification) certification and has gained widespread recognition from downstream customers. The Company actively implements the national "dual carbon" strategy, further optimizing its industrial layout, enhancing green manufacturing standards, and advancing product carbon footprint reduction from "cradle-to-gate," allowing everyone to experience the green responsibility that fiberglass brings to life and society. Adhering to ISO14040 life cycle assessment and referencing ISO/TS14067 GHG emission evaluation norms for product carbon footprint (PCF) certification, the Company's carbon emissions per unit product amount to 0.88 tons per ton, which represents a remarkable 40% reduction compared to the industry average.

Looking ahead, Jushi anticipates an increasing number of sustainable products that will reduce the Company's reliance on finite resources, enhance its overall carbon footprint performance, and contribute positively.



ISCC certification



Carbon footprint certification

Adopting Green Packaging

Green Packaging

The Company drafted group standards like Microbial Degradation Polyethylene Packaging Materials and participated in the drafting of Wooden Flat Pallets corporate standards.

Biodegradable plastics:

Replaced traditional oil-based plastics with biodegradable masterbatches to make biodegradable plastic films, promoting decomposition.

Recycled plastics:

Used recyclable materials such as PVC, PET, and HDPE, and completed the technical development of recycling and crushing for warp tubes, reducing plastic waste.



Thin PE heat shrink bags:

Replaced PVC heat shrink bags with thin PE heat shrink bags, reducing usage by 31% compared to traditional PVC bags and cutting carbon emissions during the product lifecycle by 45%.

Recycled paper:

Used recycled paper instead of virgin paper, develop molded trays made from waste wood (sawdust, shavings, and straw), and drafted the "Packaging Material Molded Trays" standard, reducing the use of new wooden trays and conserving wood resources.

Packaging Minimization

- Developing 1.5-micron stretch wrap film to replace the original 2-micron stretch wrap film, reducing the usage of stretch wrap film by 25%, saving over RMB 2.5 million in packaging costs, and reducing annual carbon emissions by 435 tons.
- Adjusting the thickness of pearl cotton used in chopped strand jumbo bag packaging from 3mm to 2mm, reducing packaging material usage.
- Reducing the use of paper liners for selected products based on their pressure resistance and wear resistance.

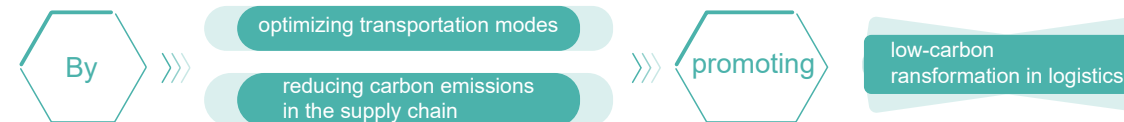
Packaging Lightweighting

- Designing wooden pallets using thin plate design and optimized structures to reduce wood usage.
- Selecting high-strength materials for the connecting boards of wooden pallets, reducing packaging material usage by 12% without compromising strength.

Packaging Recycling

- Establishing a packaging recycling system, drafting the "Implementation Measures for Leased Packaging Pallets" and the "Implementation Measures for Packaging Material Recycling of Fine Yarn Products," encouraging customers to return packaging materials. The recycling rate of packaging materials for electronic fabric reached 90%.
- Using recyclable metal frames for electronic fabric packaging, replacing cardboard pallet packaging. The winding process utilized reusable plastic tubes instead of paper tubes.
- Adopting plastic pallets for roving packaging to increase turnover usage.
- Promptly processing waste materials generated during packaging production, with 100% of waste paper uniformly packed and recycled, waste plastic granulated and fully reused, and waste wood uniformly sold externally.
- Collaborating with raw material suppliers to recycle 33,621 chemical drums.

Expanding Green Logistics



During the reporting period, the proportion of water transportation across all levels of the Company increased to 31.3%, and Huai'an Company launched a green intelligent terminal, promoting low-carbon transportation of raw and auxiliary materials. A green logistics pilot project in collaboration with a globally renowned supplier is expected to reduce carbon emissions by 80 tons annually, offering a new pathway for the low-carbon transformation of the supply chain.

The proportion of water transportation across all levels of the Company increased to **31.3%**

The project is expected to reduce carbon emissions by **80 tons**

Reducing Energy Consumption

The energy structure primarily consists of primary energy (natural gas) and secondary energy (electricity, heat), supplemented by self-generated and self-consumed new energy. In terms of heat, waste heat utilization is the main source, with purchased industrial steam serving as a secondary option. In 2024, natural gas accounted for 61% of total energy consumption, purchased electricity for 34%, green electricity for 3%, and steam for 1%.

In 2024, natural gas accounted for **61%** of total energy consumption, purchased electricity for **34%**, green electricity for **3%**, and steam for **1%**.

Efficiency improvement modifications are currently being implemented on existing production equipment, prioritizing the replacement with motors of Level 1 energy efficiency and the installation of energy-saving and power-saving devices. Throughout the renovation and upgrading process, high-efficiency equipment is utilized, and variable frequency devices are promoted to minimize electrical consumption. Additionally, methods such as efficient waste heat utilization, new insulation measures, and load adjustments are employed to reduce the consumption of purchased heat and natural gas.

In energy management, emphasis is placed on energy conservation and emission reduction through exchange meetings that facilitate the ongoing sharing of energy-saving, environmental protection and low-carbon initiatives. Exceptional practices are systematically collected, organized, and summarized, leading to regular updates to the "Compilation of Energy-Saving, Emission-Reduction, and Waste Reduction Measures." In 2024, this compilation included 26 exemplary measures aimed at energy saving and emission reduction.

The annual energy audit results indicate that compared to 2023, the energy-saving rate in 2024 was approximately **1.4%**.

We actively participate in external learning, training, and meetings related to carbon emission management, while internal training or communication meetings on carbon emissions are also organized.

2024 Energy Consumption Metrics

Metric	2024	Unit
Total Electricity Consumption	2,487,537	MWh
of which, Grid Electricity	2,355,166	MWh
of which, Self-Generated Renewable Power	132,371	MWh
Purchased Steam Consumption	51,533	MWh
Indirect Energy Consumption	2,539,070	MWh
Direct Energy Consumption	4,125,211	MWh
Total Energy Consumption	6,664,281	MWh

In 2024, the Energy Intensity was **0.5381** ton standard coal/RMB **10,000** revenue (**-1.9%** YoY compared to 2023).

Scientific Water Extraction and Usage

Water sources are mainly from tap water, surface water and reclaimed water. The Company applies for water extraction permits in accordance with the law, optimizes and improves production water usage models and maintenance processes, control the ratio of recirculated water, adopts advanced technologies such as reclaimed water reuse, fully automatic control, and rainwater collection and utilization systems to enhance water resource utilization efficiency and eliminate leaks and spills. The Company conducts internal training on rainwater and sewage management to enhance rainwater collection and wastewater reuse capabilities.

The Company has established sedimentation tanks at the production source to improve wastewater reuse and reduce water resource consumption.

2024 Water Consumption Metrics

Metric	2024	Unit
Total Water Extraction	7,382,237.97	ton
Extraction Intensity	465.29	ton/RMB million revenue
Total Discharge	2,317,074.33	ton
Total Consumption	5,065,163.64	ton

During the reporting period, the water resource recycling rate was **97.68%**.

The annual water audit results indicate that compared to 2023, the Company's water savings decreased by **0.12%** in 2024.

Integrated Control of Water and Air Pollution

The Company strictly complies with the "Emission Standards for Air Pollutants from the Glass Industry," the "Standards for Pollution Control on the Storage of Hazardous Wastes," and "Technical Guidelines for the Formulation of Emergency Emission Reduction Measures for Key Industries during Severe Pollution Weather," among others. With the regulation of emission permits as the core, we continuously enhance exhaust gas and wastewater treatment processes, vigorously promote innovative exhaust gas and wastewater treatment technologies, and regularly maintain and inspect treatment equipment to guarantee its smooth operation.

During the reporting period, the emission requirements of the emission permit were fully implemented, achieving a compliance rate of **100%**.

Exhaust gas Emission Control

The Company strictly enforces the "Environmental Protection Law" and the "Emission Standards for Air Pollutants in the Glass Industry," and intensifies the supervision over exhaust gas treatment with rigorous measures. Self-imposed standards shall follow the A-level criteria of the "Environmental Protection Performance Rating Standards for Severe Pollution Weather" in the fiberglass industry.

Advanced technologies such as dry-wet exhaust gas treatment systems, fully dry exhaust gas treatment systems, odor collection and treatment systems, "activated carbon adsorption + catalytic oxidation," and denitrification processes are adopted to convert exhaust gas into nitrogen and water, thereby achieving harmless treatment.



The new exhaust gas treatment technologies (dry-wet and fully dry treatment) boast a pollutant removal efficiency exceeding **95%**.

2024 Exhaust Gas Emissions Metrics

Metric	2024	Unit	YoY
SO ₂ Intensity	0.0815	kg/t	-0.6%
NO _x Intensity	0.0017	kg/t	-42.4%
Particulate Intensity	0.0080	kg/t	-7.2%
Exhaust Gas Intensity	0.834	10,000m ³ /ton	-2.6%

2024 Exhaust Gas Emissions Metrics

Metric	2024	Unit
NO _x Total Emissions	651.41	ton
SO ₂ Total Emissions	235.63	ton
Particulate Total Emissions	46.43	ton
VOCs Total Emissions	50.18	ton

Total exhaust gas emissions are superior to national emission standards, with a treatment efficiency of approximately **95%**. Comprehensive removal efficiency for malodorous pollutants reaches **68.4%**.

The average emission concentration of sulfur dioxide is below the industry standard by **85.9%**. The average emission concentration of nitrogen oxides is below the industry standard by **66.4%**.

Wastewater Discharge Treatment

The Company strictly adheres to national wastewater discharge regulations and water system testing plans, setting up a wastewater treatment plant and a wastewater pipeline system, and ensuring proper anti-seepage measures for the wastewater system.

The Company has enhanced wastewater treatment processes by adopting technologies such as recycled water reuse, MBR (Membrane Bio-Reactor) treatment, reverse osmosis purification, separate stormwater and wastewater, dissolved air flotation pretreatment, and physical-chemical pretreatment + ABFT (Advanced Biological-Filtration Technology) biochemical reaction. These measures achieve compliance with the "Comprehensive Wastewater Discharge Standard" (GB8978-1996) Grade III discharge standard and the "Pollutant Discharge Standard for Urban Wastewater Treatment Plants" (GB18918-2002) Grade A Level I standard, ensuring compliant wastewater discharge and promoting its recycling and reuse.



2024 Wastewater Discharge Metrics

Metric	2024	Unit
Total Industrial Wastewater Discharge	2,293,804	ton
Total Domestic Sewage Discharge	23,270	ton
Total COD Emission	222.52	ton
Total Ammonia Nitrogen Emission	4.79	ton

Total wastewater treatment capacity exceeds **20,000** tons/day. Through reclaimed water reuse technology, total wastewater discharge has been reduced by nearly **3.48** million tons. Wastewater discharge per ton of yarn has decreased by **4.4%** year-over-year. Through advanced wastewater treatment technology, total COD emissions have been reduced by over **7,343** tons. COD emission concentration is **81.5%** below national emission standards.

Metric	2024	Unit	Yoy
COD Emission Intensity	0.0815	kg/t	-0.6%
Ammonia Nitrogen Emission Intensity	0.0017	kg/t	-42.4%
Fluoride Emission Intensity	0.0080	kg/t	-7.2%
Wastewater Discharge Intensity	0.834	t/t	-2.6%

Systematically Managing Solid and Hazardous Waste

Reducing Waste Generation

Through technological innovation, process optimization, and improved resource efficiency, we minimize the waste generated from raw and auxiliary materials, thereby reducing waste generation.

The Company has established both short-term, medium-term and long-term goals for waste reduction, aiming for an annual reduction of **2%**.

Standardizing Waste Management

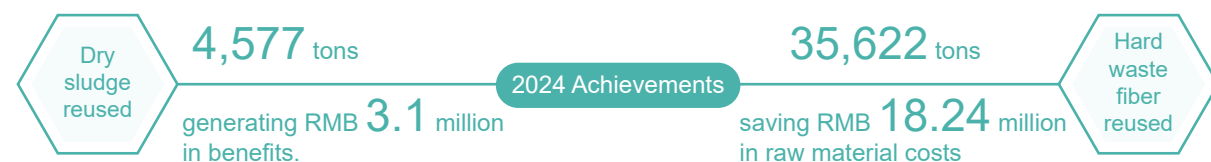
The Company has standardized waste warehouses and ledger management, enhanced oversight via IT systems, intensify disposal efforts, increase transportation frequency, and categorize and manage solid waste. The Company handles waste in accordance with laws and regulations, verifies the Carrier's business scope, license information, and technical capabilities before entrusting transportation, and ensures that transport units take measures to prevent scattering, loss, and leakage during transportation. Additionally, educational and promotional programs are conducted to enhance employees' awareness and capabilities in waste management.

Deepening Waste Audits

The Company has developed solid waste verification plans and regularly conduct solid waste verification, carrying out a comprehensive waste assessment from multiple aspects including "source classification, in-warehouse management, record-keeping, and compliant disposal." Currently, the Company primarily utilizes its waste through waste-to-energy incineration for comprehensive utilization.

Strengthening Waste Reuse

The Company has developed dry powder recycling technology, increasing its usage in production by mixing with raw materials, **achieving a 30% reduction in dry powder waste.** The "pre-dried waste fiber + screening + pre-crushing + electromagnetic needle extraction + grinding" **recycling system enables 100% waste fiber reuse.** The Company has established both short-term, medium-term and long-term goals for recycling of waste, targeting a 2% annual improvement.



2024 Waste Metrics

Metric	2024	Unit
Self-Generated Hazardous Solid Waste	951	ton
Self-Generated Hazardous Waste Intensity	0.06	tons/RMB million revenue
Self-Generated Non-Hazardous Solid Waste	54,718	ton
Self-Generated Non-Hazardous Waste Intensity	3.45	tons/RMB million revenue
Non-Hazardous Waste Utilized	54,517	tons
Non-Hazardous Waste Utilization Rate	99	%
Hazardous Waste Disposal & Compliance Rate	100	%

Constructing Visually-Appealing and Spotless Factory Area

Reducing Noise Pollution in Surrounding Areas

Advanced low-noise equipment is prioritized to reduce source noise. High-noise devices are fitted with soundproof covers and dampers. Greenery is planted along factory boundaries using tall evergreen trees to block noise. High-noise equipment is centrally located within the plant.



In 2024, no noise level exceedances were detected at factory boundaries.



During the reporting period, there were a total of **4** green factories, with **3** being national-level green factories.

Minimizing Perimeter Odor Emissions

The Company has established a control list for unorganized exhaust gas points, strengthen control over unorganized exhaust gas points to reduce unorganized dispersion at the plant boundary. For organized emission outlets and treatment facilities, we have enhanced daily supervision of organized exhaust gas emission outlets and treatment facilities, improved the formulation of environmental protection facility operation specifications and manuals, implemented full-process record-keeping and supervision, and conduct regular internal and external environmental protection inspections.

To reduce odor emissions in the surrounding environment, we have revised the "Exhaust Gas Management Regulations" to enhance on-site collection and control standards for unorganized exhaust gas, increase the power and efficiency of exhaust fans, and conduct monthly environmental protection and energy checks to regularly monitor exhaust gas control status.

Jointly Addressing Climate Change Challenges

The Company actively addresses the challenges posed by climate change, and in reference to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) framework, manages climate change efforts from four aspects: governance, strategy, risk management, and metrics and targets.

Governance

The Company continuously enhances ESG governance capabilities by establishing a dedicated committee at the board level to comprehensively oversee ESG management and supervision, including matters related to climate change. Additionally, we incorporate metrics such as energy consumption and carbon emissions, which are relevant to climate change, into the performance evaluations of senior executives and department heads.

Strategy

The global climate issue and the introduction of the "dual carbon" goals present both risks and opportunities for the fiberglass composites industry.

Risk Category	Potential Climate Change Risks	Mitigation Measures
Policy Risk	Increasing societal concern over climate change risks and stricter requirements for sustainable development information disclosure.	Identify physical and transition risks, and gradually improve management strategies to respond to the "dual carbon" goals, mitigate, adapt to, and resist climate change.
Legal Risk	Strengthening local environmental protection requirements and stricter standards, posing greater compliance challenges for enterprises.	Proactively collaborate with local environmental authorities to develop "government-enterprise negotiated emission reduction plans," implementing measures such as production cuts and emission reductions during specific periods.
Technical Risk	The transition to a low-carbon economy and zero-carbon industries drives production demands, creating mid-term pressures for technological upgrades and equipment upgrades to meet technological and new process requirements. The market's pursuit of low-carbon products prompts the Company to develop and research greener products. Develop eco-friendly, low-carbon buildings or facilities;	Utilize solar energy, renewable energy, and clean energy to adjust the energy consumption structure and adopt new power technologies like solar photovoltaics. Actively research and develop eco-friendly, alternative materials to eliminate pollutants in the production process.
Market Risk	Rising prices of non-renewable resources and energy commodities, leading to an overall increase in industrial comprehensive costs. Rising prices for traditional energy sources have compelled the Company to seek renewable energy sources that pose capacity and cost challenges.	Advance the smart energy management system, precisely implement energy-saving and consumption-reduction measures, intelligently analyze the energy usage in production, track the carbon footprint of fiberglass throughout its lifecycle, and align business development, energy resource consumption management, and GHG emissions control. Through independent innovation, taking on challenging projects, and industry-academia-research collaboration, accelerate the replacement with clean energy and reduce fiberglass production's reliance on fossil fuels.
Physical Risk	Extreme weather events such as strong winds, high temperatures, extreme cold, and geological subsidence affecting work safety and asset security. Increasingly frequent high temperatures and severe cold create more safety hazards in the work environment and reduce energy supply stability.	Analyze recent cases of responding to extreme weather, develop emergency plans, continuously monitor relevant climate change trends, promptly adjust work arrangements, and reduce workplace safety hazards.
Opportunities	The international community actively promotes "dual carbon" initiatives, with new energy vehicles, photovoltaic power generation, wind power generation, and other industries becoming new growth areas with significant potential.	Lay out a strategic plan in new market segments, conduct in-depth market research, actively advance carbon reduction throughout the fiberglass lifecycle, increase the proportion of high-end and green products, focus on downstream industries like new energy and green building materials, expand low-carbon product categories, and establish a positive "dual carbon" image. Deepen green supply chain cooperation, guide upstream and downstream industries toward green and low-carbon transformation, fulfill social responsibilities, and work towards establishing a green fiberglass ecosystem.

Case Study Carbon Sequestration Cooperation, Building a New Type of Green Supply Chain Partnership

China Jushi Huai'an Carbon-Neutral Intelligent Manufacturing Base currently boasts a production capacity of 200,000 tons, positioning it as the world's first carbon-neutral intelligent manufacturing base within the fiberglass industry. This base was established to meet market demand and facilitate the transition from old to new growth drivers.

The base achieves this by fully utilizing renewable energy, optimizing the energy structure, and promoting clean production. It implements green energy plans, low-carbon production technologies, and zero-carbon circular models, **with 100% of its electricity sourced from green sources**, enabling the plant to achieve "net-zero" emissions. Currently, Jushi Huai'an Co., Ltd. has been included in the first batch of carbon peaking and carbon neutrality pilot enterprises in Jiangsu Province.



Jushi New Energy (Huai'an) Co., Ltd. is responsible for the operation and maintenance management of the wind power projects serving the Huai'an Carbon-Neutral Intelligent Manufacturing Base. It facilitates green electricity transactions through three-party supply contracts, social transactions, and State Grid guarantees. From green electricity layout to usage, the Company provides strong support for the operation of the Huai'an Zero-Carbon Smart Manufacturing Base. The green electricity generated by the wind power projects is traded through a combination of three-party supply contracts, social transactions, and State Grid guarantees.

During the reporting period, the Lianshui **233 MW wind farm project was connected to the grid**. The first phase of the wind farm project includes **47 wind power units, generating a total of 180 million kWh of wind power annually, reducing CO₂ emissions from coal-fired power generation by over 100,000 tons**. By 2025, the project is expected to generate approximately **500 million kWh of grid-connected electricity annually, achieving carbon emission reductions of over 400,000 tons**.

The wind turbine blades used in the project all utilize Jushi's fiberglass. Upon completion, all generated green electricity will be connected to the State Grid. Part of this green electricity will be supplied to the Jushi Huai'an Carbon-Neutral Intelligent Manufacturing Base for fiberglass production, while the remainder will be supplied to the State Grid and be distributed to thousands of households, achieving green power supply for both production and daily life. This forms a microcycle in the application of fiberglass and composite materials. China Jushi has forged a pioneering path, transitioning from fiberglass production to its application by harnessing from fiberglass production to its green energy to produce high-performance fiberglass for the wind power industry.



Case Study Carbon Sequestration Cooperation, Building a New Type of Green Supply Chain Partnership

On April 12, 2024, China Jushi and Hongfan Group signed a carbon sequestration cooperation agreement, launching a collaborative project for a 6,200-mu (≈413.3 ha) forestry carbon sequestration initiative.

Hongfan Group and China Jushi are actively advancing green and low-carbon practices across the entire supply chain of raw materials, production processes, and products. They adhere to the concept of a green circular economy, implementing measures such as afforestation, reforestation, thinning, and tending, while paying attention to efficient resource utilization, environmental protection, and sustainable forest management.

This carbon sequestration cooperation marks the upgrading of the partnership between China Jushi and its suppliers to a new type of cooperative relationship that promotes the process of achieving carbon peak and carbon neutrality.



Both parties are jointly conducting forestry carbon sequestration projects, taking practical actions to fulfill corporate social responsibility, and becoming a model for establishing a new type of cooperative relationship with suppliers. In close collaboration with their partners, they are developing scientifically sound carbon sequestration plans and continually expanding the scope and depth of their green cooperation endeavors.

Building Management Foundation

The Company has built a solid foundation for carbon emission management, improved top-level design, increased investment, and promoted professional, systematic and comprehensive carbon emission management from top to bottom.

Total green and low-carbon investment: RMB 266 million

Accounting for approximately 1.9% of annual total output value

Carbon Dioxide Emission Inventory

GHG emissions mainly come from carbon dioxide emissions during production processes, accounting for over 99%. Carbon emissions primarily originate from the combustion of natural gas (natural gas), purchased electricity, purchased heat, and the use of carbonate raw materials.

Subsidiaries in various regions have initiated a new round of carbon footprint assessments for the carbon footprint from raw materials to the gate of their main fiberglass products and have entrusted SGS certification for this purpose. During the reporting period, the Company has already completed the assessment and certification of carbon footprints for five major product categories of its Egyptian subsidiary.

Building a Low-Carbon Management System



During the reporting period, Jushi Group successfully completed the introduction of the EATNS carbon management system, significantly enhancing the Company's low-carbon management capabilities in four aspects: Emission, Asset, Trading, and Neutrality:

- Integrated and formed the "Carbon Management System Manual," clearly defining the responsibilities and divisions of internal departments
- Newly formulated company regulations including the "Carbon Management System," "GHG Emission Source Identification and Evaluation Control Procedures," and "Carbon Review Control Procedures"
- Revised the "Regulations on the Acquisition and Compliance Evaluation of Laws and Regulations," adding the identification of laws and regulations related to carbon emissions
- Actively monitored carbon trading, CCER, and local carbon credit information, adding the identification of intangible assets such as carbon assets
- Compiled the "Carbon Review Report" and the annual "GHG Emission Report" to confirm improvement goals; became the world's first fiberglass production enterprise to obtain carbon management system certification (from the Shanghai Academy of Quality Management)

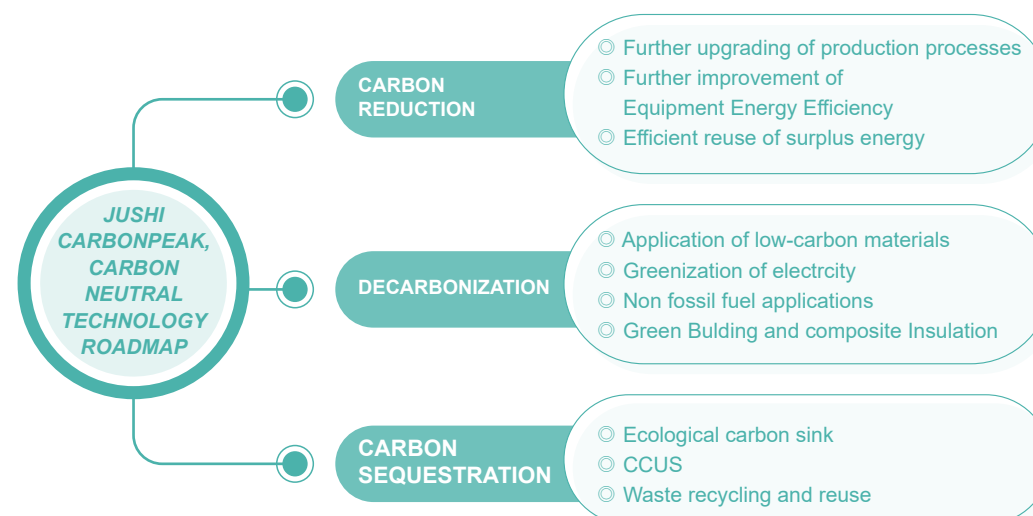


Receiving the industry's first carbon certificate

- 01 Carbon Emission
- 02 Carbon Asset
- 03 Carbon Trading
- 04 Carbon Neutrality

Developing Clear Action Plans

The Company has internally compiled and issued the "Carbon Peak and Carbon Neutrality Action Plan of China Jushi Co., Ltd", clearly defining eight key tasks, five major engineering projects, and six safeguard measures, with plans to achieve "carbon peak" by 2027 and "carbon neutrality" by 2057.



Strengthening Low-Carbon Incentives

Revisions to the "General Innovation and Improvement Project Management System" have incorporated carbon management-related content, with concurrent updates to the project list and the addition of relevant projects. Employees are encouraged to submit internal energy-saving and carbon-reduction project applications, which are assessed and evaluated. Rewards are distributed at year-end based on the achievement of project goals.

Total of 164 energy-saving and carbon-reduction projects were evaluated across all levels

Energy savings: 24,500 tons of standard coal

Carbon emissions reduction: 54,300 tons of CO₂

Implement internal carbon pricing to encourage the submission of internal carbon reduction projects related to raw materials. The base carbon price for internal projects is set at RMB 20 per ton for monthly tracking and adjusted at year-end based on regional and national average carbon trading markets. This price will be used to calculate direct emissions (Scope 1) in the carbon reduction assessment of projects.

Carbon emissions per unit of roving production decreased by

5.34%
year-on-year

Carbon emissions per unit of electronic yarn production decreased by

1.57%
year-on-year

Carbon emissions per RMB ten thousand of industrial output value (comparable price)

were 1.68 t CO₂/RMB 10,000, a decrease of 8.3% year-on-year

In 2024, carbon emission levels have achieved significant advantages within the industry.

Low-carbon Raw Material Substitution

The Company has accelerated the promotion of low-carbon raw material substitution, with the Chengdu Company leading the way in zero-carbon glass formula trials, reducing the use of carbonate (limestone) by approximately 8,000 tons annually and cutting CO₂ emissions by 3,500 tons, with current production status remaining good.



Efficient Energy Utilization

Through a series of measures and innovative technologies, including burner distribution adjustments, fuel-to-oxygen ratio control, fresh air preheating, and residual energy reuse, the fuel utilization efficiency has been significantly improved. These efforts result in annual natural gas savings exceeding 3 million cubic meters per production line and reduction of carbon dioxide emissions by 6,000 tons.

By the end of 2024, Jushi Group initiated the renovation of a 120,000-ton old production line, with the project scheduled for completion by the second half of 2025. It is expected that the renovation will achieve a 5% reduction in comprehensive energy consumption per unit of product.



Energy Structure Optimization

Since the "12th Five-Year Plan," distributed photovoltaics have been developed following the principle of "install as much as possible wherever feasible". Over the years, the installed capacity of green power has increased annually:

- By the end of 2024, new energy installations reached **382** megawatts.
- Annual self-generated green electricity exceeded **130** million kilowatt-hours.
- Carbon dioxide emissions were reduced by **109,000** tons.

During the reporting period, Jushi Group began registering its self-developed photovoltaic projects on the National Renewable Energy Power Generation Project Management Platform and completed the necessary account setup for national green certificate issuance and trading systems, meeting the conditions for domestic green certificate transactions.

Self-developed energy storage facilities were established, with a 2.5 MW/5 MWh distributed energy storage project firstly constructed at the headquarters manufacturing base.

End-of-pipe Treatment Exploration

The Company has pioneered carbon sequestration cooperation with strategic suppliers, accumulating experience through forestry carbon sequestration agreements. Future plans include expanding carbon sequestration cooperation across the supply chain to lead the green and high-quality development of the fiberglass industry chain.

Risk Management

The Company continuously monitors international and industry trends, promptly identifies and updates climate-related legal, policy, technical, and market risks and opportunities, integrating them into the overall risk management framework. Environmental risks within the plants are regularly identified and assessed, with specialized environmental protection emergency plans developed and updated every three years.

A risk information database incorporating climate change risks and opportunities has been built based on business and product characteristics. The impact of climate change on the Company's finances, production, assets, supply chain, and personnel is analyzed, with risk levels evaluated and corresponding control measures defined to mitigate climate change risks smoothly.



This project reduces the local grid's peak load burden through peak shaving, achieves annual charging of **3.23** million kilowatt-hours, discharging of **2.86** million kilowatt-hours, and achieving peak-valley arbitrage revenue of **RMB 2.07** million.

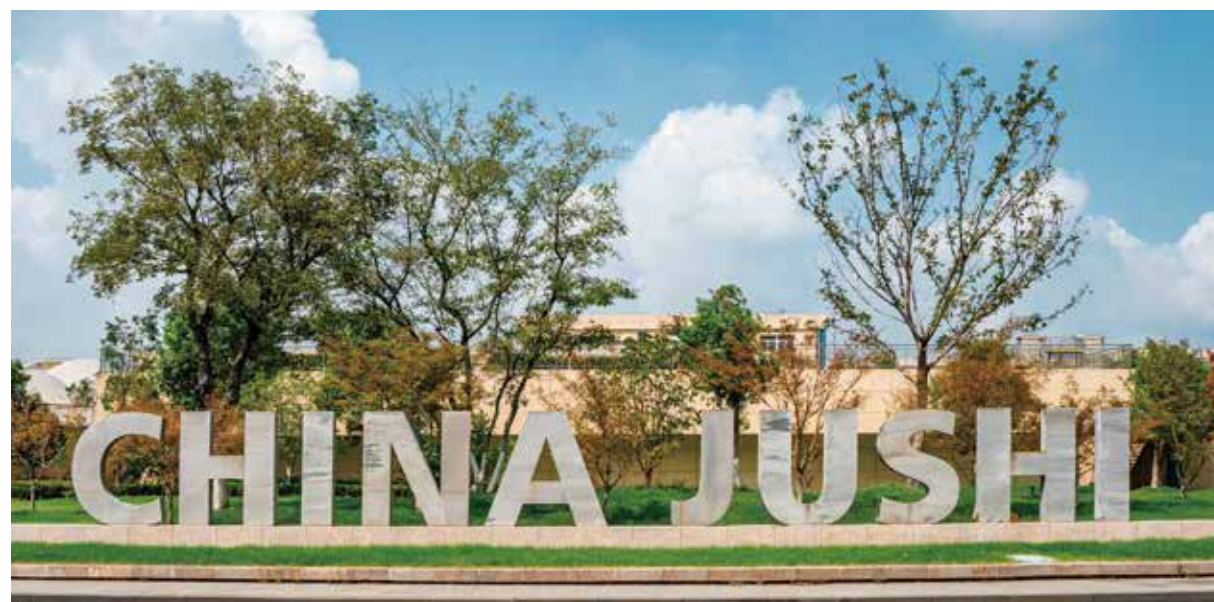
Metrics and Targets

2024 GHG Emission Metrics

Metric	2024	Unit
Total GHG emissions	2,407,449	Ton
of which: Direct GHG emissions (Scope 1)	1,077,020	Ton
of which: Indirect GHG emissions (Scope 2)	1,330,429	Ton
GHG emission intensity	152	Ton CO ₂ equivalent/RMB million of operating revenue

14th Five-Year Plan Sustainable Development Goals

Target for 2025	Progress as of 2024	
Compared to 2020	Compared to 2020	Compared to 2023
Comprehensive energy consumption of roving decreased by 3.6%	Decreased by 19.8% (target achieved ahead of schedule)	Decreased by 3.5%
Comprehensive energy consumption of finishing yarn decreased by 6.8%	Decreased by 16.5% (target achieved ahead of schedule)	Decreased by 1.6%
Carbon emission level decreased by 20.0%	Decreased by 18.7% (in progress)	Decreased by 5.3%



Jointly Safeguarding the Bottom Line of Green Ecology

In project site selection and planning, we strictly adhere to ecological protection principles. The project site fully complies with the requirements of the local government's access lists and key ecological space control lists, following the "three lines and one list" ecological environment zoning control plan (ecological protection red line, environmental quality baseline, resource utilization ceiling, and ecological environment access list).



The transportation terminals are not located within sensitive areas such as drinking water source protection areas, water intake points, water-related nature reserves, or scenic spots. They are also distant from important wetlands, habitats for key protected and rare aquatic species, natural spawning grounds, feeding grounds, overwintering grounds, migration channels, and natural fishery waters, as well as aquatic germplasm resource protection areas, ensuring that the projects do not interfere with these critical ecological areas.

New, modified, and expanded projects strictly implement environmental impact assessments, fully considering the impact on biodiversity. In accordance with the requirements of the environmental impact assessments, we maximize the avoidance of ecological damage and preserve the existing natural ecosystems as much as possible.

A total of **37** production and operation sites with **100%** of our sites undergoing biodiversity risk assessments.

A soil and water conservation plan has been developed aimed at preserving river morphology and riverine ecosystems, ensuring harmonious coexistence between the project and the natural environment. In the newly wind power project constructed in 2024, ecological protection was given high priority. Professional institutions were commissioned to conduct ecological protection zone inspections, wildlife protection assessments were undertaken, and detailed soil erosion prevention plans were formulated.



During the silkworm and mulberry farming season, we intensify air emissions monitoring, increase monitoring frequency, and improve evaluation criteria. Samples of mulberry leaves are taken to ensure that industrial development does not negatively impact silkworm and mulberry farming.



The migratory birds settled at Jushi Huai'an

04

TALENT ORIENTED COLLABORATIVE DEVELOPMENT

We adhere to a people-oriented approach, fully respecting and safeguarding the fundamental rights and interests of our employees. We are committed to actively building and improving the "Turning Stone into Gold" talent cultivation mechanism, strengthening humanistic care for employees, providing multiple channels for democratic communication, and improving the mechanism for occupational health and career management. Furthermore, we have formulated and implemented the "Six Points" common prosperity action plan—ensuring employees enjoy "substantial income, stable livelihoods, robust career growth, solid labor protections, fulfilling spiritual well-being, and tangible social responsibility". We work hand in hand with our workforce to grow together.



Prioritizing People-oriented Approach and Building Harmonious Relationships

Upholding the principle of "people-oriented approach," we cherish the equal rights of every employee and inspire their entrepreneurial vitality.

Ensuring Equal Employment and Comprehensive Protection of Employee Rights

Valuing and safeguarding employees' lawful rights and interests.

We strictly adhere to relevant laws and regulations, including the Labor Law, Labor Contract Law, Social Insurance Law, Regulations on Prohibition of Child Labor, Regulations on Paid Annual Leave for Employees, Special Regulations on Labor Protection for Female Employees, Law on the Protection of Rights and Interests of Women, Law on the Protection of Disabled Persons. We have updated our company's recruitment and management policies and regulations to ensure lawful and compliant employment practices, promote equal employment opportunities, and prohibit child labor. We also collaborate with supply chain partners to jointly fulfill our responsibilities.



Jushi Chengdu established a Labor Dispute Resolution Workstation.

We respect employees' rights to rest and leave, and optimize and improve the Company's Attendance Management System and Compensation and Benefits Management System. For labor disputes that arise, the Company will coordinate and handle them through the procedures of negotiation (conciliation), mediation, arbitration, and litigation. For cases where the Company proposes to terminate employment upon expiration of the labor contract or proposes to negotiate the termination of employment contract, the Company will strictly comply with the provisions of the Labor Contract Law and pay economic compensation to the employees.

Fostering a Diverse, Inclusive and Equal Work Environment

Respecting each employee's unique qualities, we treat all employees equally in every stage of recruitment, probation, promotion, and resignation, regardless of their race, nationality, gender, religion, sexual orientation, age, or physical condition. We firmly oppose any targeted discriminatory behavior and provide complaint procedures and channels.



Committed to creating a fair, impartial, non-discriminatory, and harassment-free working environment, we ensure the legal rights and interests of employees through clear policies, accessible reporting channels, rigorous investigation and handling mechanisms and comprehensive training programs. We promote workplace harmony, diversity and inclusion by conducting anti-discrimination and harassment training for new employees, opening employee mailbox, employee hotline, and other media reporting platforms, and carrying out daily supervision and disciplinary inspection.

We also care for the work and life of employees with disabilities, providing job opportunities for 110 employees with disabilities.

Implementing a Human Rights Risk Management Plan

We conduct systematic human rights risk assessments and reviews for projects involving labor employment, occupational health, inequality, and discrimination that may pose potential human rights issues, ensuring comprehensive coverage across all our operational units. If potential risks are identified, we will promptly address them through policy improvements, training and education, audits, supervision and optimizing complaint mechanisms in a planned and step-by-step manner.

Looking ahead, the Company plans to collaborate with upstream and downstream enterprises in the supply chain to launch an initiative to protect workers' rights. This initiative will commit to implementing all statutory rights of employees, eradicating all forms of forced labor, prohibiting the use of child labor, safeguarding employee privacy, and combating employment discrimination.

Total employees 13,468

Except for the U.S. subsidiary operating under local laws and regulations with at-will employment, the Company has a **100%** labor contract signing rate and social insurance coverage.

There have been no incidents of child labor or forced labor.

There have been **zero** complaints regarding discrimination against job applicants or employees.

There have been **zero** complaints regarding violations of employees' legitimate rights and interests.

Employee satisfaction survey coverage **81%**

Employee satisfaction rates across all categories by gender, age, job level, and ethnicity are all above **90%**

Total number of employees by gender	Unit	2024
Male employees	Persons	11,108
Female employees	Persons	2,360

Total number of employees by region	Unit	2024
Domestic employees	Persons	11,253
Overseas employees	Persons	2,215

Total number of employees by position level	Unit	2024
Senior	Persons	11
Middle-level	Persons	693
General staff	Persons	12,764

Total number of employees by employment type	Unit	2024
Permanent	Persons	13,452
Temporary	Persons	16

Total number of employees by age	Unit	2024
Below 30	Persons	2,784
30-50	Persons	9,117
Above 50	Persons	1,567

Total number of overseas employees	Unit	2024
Total	Persons	2,316
Male	Persons	2,195
Female	Persons	121

Employee turnover rate by gender	Unit	2024
Male	%	9.17
Female	%	13.77

Employee turnover rate by age	Unit	2024
Below 30	%	17.03
30-50	%	8.15
Above 50	%	8.10

Ensuring Smooth Communication and Building a Comprehensive Welfare System

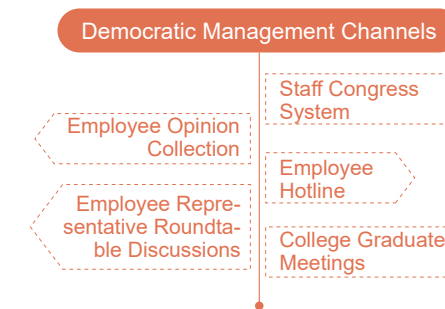
》》》 Promoting Democratic Management

The Company continuously advances democratic management by formulating the Implementation Measures of the Regulations on the Employees' Congress to create a platform that unites hearts and minds, deliberates and discusses, communicates between different levels, and serves employees. We extensively collect employee issues and suggestions for analysis and evaluation, identify key factors affecting employee rights, satisfaction levels and motivation, and take concrete steps to address them.

The Company Trade Union Committee assumes the responsibilities of the staff congress working body, overseeing the daily operations of the staff congress. The Company and the trade union engage in collective bargaining across six major categories: signing of employment contracts, remuneration, working hours and rest/leave policies, insurance and welfare, labor safety and hygiene, as well as vocational training, resulting in the signing of collective agreements.

The Company regularly convenes staff congresses to listen to and review the president's work report, operational strategies, wage collective bargaining plans, employee welfare, and other matters; participate in and review the Company's economic responsibility system plans; evaluates and supervises middle-level and above leaders, and make recommendations on rewards, punishments, and appointments.

The staff congress has specialized working groups focused on safety education, business management, living welfare, and democratic evaluation of officials, as well as a proposal review committee. Employee representatives are directly elected by grassroots unions and consist of workers, technical personnel, managers, officials, and representatives from other sectors. Notably, worker representatives must constitute no less than 50% of the total membership.



The Fifth Trade Union Member Congress was convened



Conducting Employee Representative Forum, New College Graduate Forum, New Mid-level Management Forum, and discussions with the company president on development, growth, and future prospects

82% The percentage of company employees joining the union is

100% Employee coverage under collective agreements.

Four collective agreements signed:

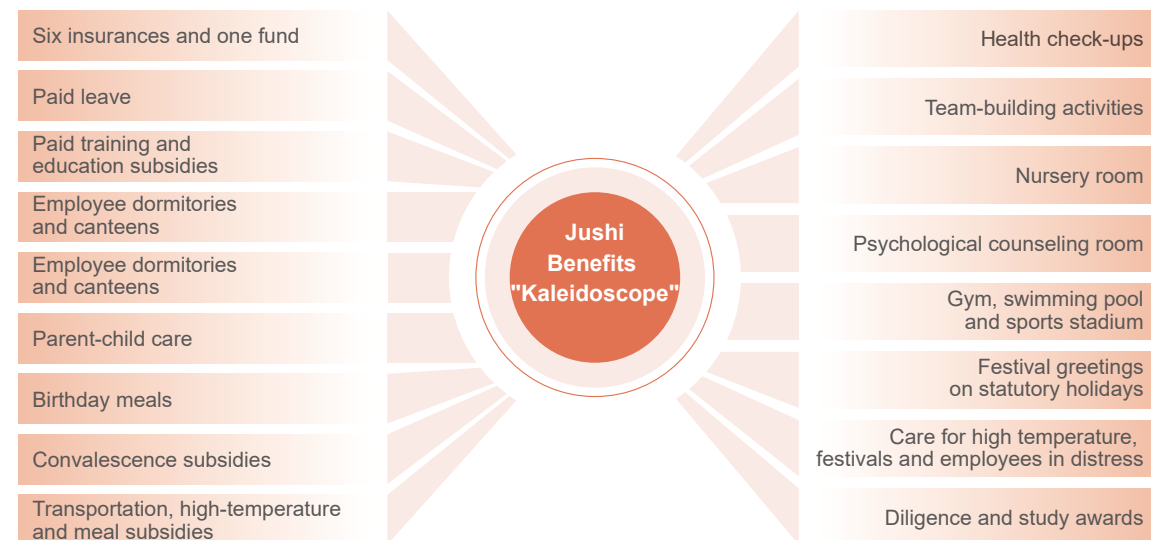
- Collective Agreement
- Specialized Collective Agreement on Wages
- Specialized Collective Agreement on Extraordinary Protection for Female Employees
- Specialized Collective Agreement on Competency-Based Wages

»» Providing Non-compensation Benefits

The Company implements and enforces domestic laws such as the Social Insurance Law, Labor Law, and Labor Contract Law, as well as relevant laws of the countries where overseas subsidiaries are located, to ensure timely and full payment of employee compensation.

Provide pension plan, work injury insurance, maternity insurance, unemployment insurance, and medical insurance for 100% of the employees

Provide housing provident fund for 100% of the employees



Providing various types of welfare benefits

The Company has established leave systems such as paid annual leave, sick leave, wedding leave, maternity leave, personal leave, visiting leave and childcare leave for only children; offered employees various welfare subsidies including transportation allowance, seniority allowance, heatstroke prevention allowance, meal allowance, and convalescent subsidy, etc., and adjust rest days flexibly based on work conditions to ensure employees' right to rest and vacation; conduct Spring Festival greetings, visits to overseas employees' family, assistance for employees in difficulty and their families and statutory holiday greetings; provide employee benefits such as parent-child care, team-building activities, birthday meals, counseling services, cultural and recreational facilities, health check-ups, employee dormitories, and canteens; establish a Diligence Award to commend employees' children and promote the spirit of diligence and perseverance.



Care for high temperature and Spring Festivals



Visiting families of employees working overseas



Presenting Diligence Awards to employees and their children



Holding employee open days



Care for female employees

The Company annually signs the "Special Collective Contract for Female Employees' Protection", focusing on implementing special protection mechanisms for female employees during pregnancy, maternity and lactation periods. During pregnancy, reasonable working hours are arranged, and overtime or night shifts are prohibited. Maternity leave, parental leave, and lactation leave are provided to ensure the right to rest for female employees. Additionally, 'Mommy Care Rooms' and 'Carnation Service Stations' to facilitate breastfeeding and provide rest areas for female employees. Regular health check-ups are arranged for female employees, and maternity insurance contributions are made in full compliance with the law.



Conducting International Women's Day activities



Mommy Care Rooms

Cultural Powerhouse: Promoting Employees' Physical and Mental Well-being

Starting and ending with the actual needs of employees, we have advanced the construction of staff cultural bases in a way that suits local conditions, integrated platform resources to create the China Jushi self-media matrix platform. We have established 13 major cultural and sports clubs, including marathon, badminton, basketball, football, calligraphy and painting, photography, English, swimming, table tennis, cycling, music and performance, digital sports, and digital AI; organized events such as the mass games, basketball tournaments, Spring Festival galas, and cultural and artistic evenings to enrich the cultural life of employees.

Employee cultural satisfaction exceeded **95.61%** during the reporting period.



"Jushi Strong Voice" Lecture Tour, bringing culture to the front lines.



Organizing Jushi Night and the Annual Spring Festival Gala, enjoying audio-visual feasts.



Trade union clubs widely organized cultural and sports activities to enrich employees' lives.



The internal New Year customs market was praised by employees.



The 2nd Employees Games, igniting the passion for sports.



Hosting company celebration activities.

Employee Growth and Sharing Development Achievements

We consistently adhere to the principle of growing in sync with our employees and fostering their development, building a "comprehensive talent management" system to empower employees holistically, promote synchronized growth between individuals and the company, and cultivate a world-class talent pool.

Building the Team and Gathering Talents

Talent is the "source of life" for the Company's sustainable development and its most valuable resource.

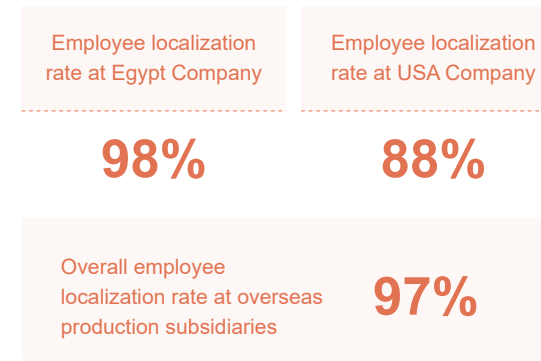


Tongxiang City Talent Market Recruitment

New hires	Internal transfers and applications	Recruitment of Ph.Ds	Master's degree holders	Individuals with overseas education or work experience
1,680	211	4	13	4

Promoting inclusive development, we adhere to "localized management" and uphold the principles of "localization, specialization, and marketization" for overseas talent. We have established and improved recruitment, employment, job performance evaluation, and reward and punishment systems for overseas employees to attract and cultivate outstanding overseas talent.

Proportion of "Double First-Class" university graduates in reserve talent pool **53%**



Recruitment at Jushi USA

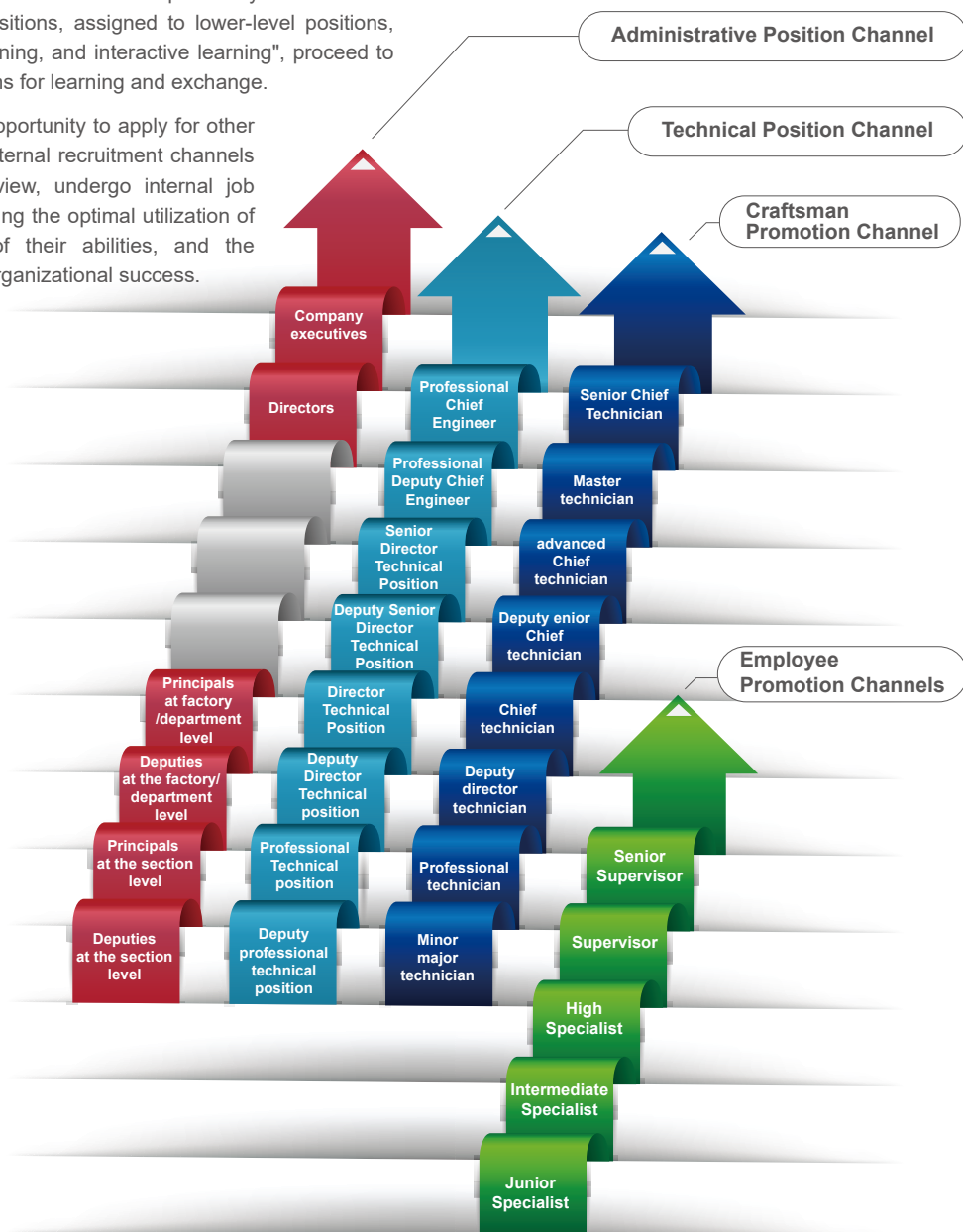
Full Utilization of Talent and Rational Appointment

To motivate employee growth, we have established four major career advancement pathways, a comprehensive rank system, and a robust promotion mechanism. We implemented a dual-track system for professional titles and skill levels, ensuring smooth career development opportunities for employees.

Additionally, we have developed a leadership selection model based on competition, evaluation, and tenure, continuously improving the competitive hiring system, employee reward and punishment mechanisms, performance appraisal systems, innovation incentive mechanisms, job skill matrices, and comprehensive employee evaluation systems to foster excellence and encourage employees to strive for advancement.

We have also established a seamless internal job transfer mechanism. Employees can, based on the talent development system featured "assigned to higher-level positions, assigned to lower-level positions, internal training, external training, and interactive learning", proceed to other internal units or positions for learning and exchange.

Additionally, they have the opportunity to apply for other required positions through internal recruitment channels and, upon successful interview, undergo internal job transfers, thereby truly realizing the optimal utilization of talents, full capitalization of their abilities, and the attainment of personal and organizational success.



Cultivating with Care and Promoting Common Development

Developing Targeted Training Systems

Guided by the "Four Teams" development initiative and leveraging the "Turning Stone to Gold" Talent Development Program, the Company has established a comprehensive training management system. Through various methods such as organizing training sessions, mentorship programs ("passing on knowledge, helping, and guiding"), skill competitions, internal and external exchanges, innovation exchange meetings, cultural salons, thematic seminars, and QC release events, the company designs training programs tailored for leadership personnel, management talents, technical professionals, and skilled workers, aiming to cultivate versatile talents.

Career Development Path Map of Jushi People





Organizing Employee Skill Competitions

Total investment in employee training RMB 11.27 million	Training participation rates for all employee categories, categorized by gender, age, ethnicity, and level, have reached 100%
Number of various training sessions held or organized annually 4,402	Total annual training hours attended by employees over 480,000 hours
	Average training hours per employee approximately 34 hours



Master-Apprentice Ceremony



New university graduate quality enhancing programs

Building a High-Quality Industrial Workforce

The Company has deepened the development of teams in innovation and technology talent pool, leadership, and employee base, driven the transition from skilled workers to master craftsmen, identifying no fewer than 100 high-skilled talents to lead the development of intermediate-level workers and entry-level workers, aiming for eventually 10,000 master craftsmen. The Company has established a high-skilled employee development system characterized by commitment to career, sense of responsibility, self-confidence, operational skills, and innovative capabilities.

The Company conducted training programs for fiberglass product workers, covering professional ethics, job-related knowledge, and specialized skills, with an average of over 100 hours of training per person and ultimately achieved certifications for over 200 individuals at level three or above.



Building an innovative talent development pathway, we have established a rolling evaluation mechanism based on "work performance + innovative achievements" and a dynamic talent management system called "Jushi Talent Pool." This enables the continuous development of a five-tier innovative workforce comprising Good Talent, Excellent Talent, Outstanding Talent, Leading Talent, Supreme Talent.



We have refined our cadre management system, which emphasizes "clear guidance, effective utilization, and solid evidence," fostering numerous national technical experts, Zhejiang Province Young Craftsmen, and Jiaxing Master Craftsmen. Additionally, we have established multiple craftsmanship studios and innovation studios.



Deepening the cultivation and development mechanisms for fiberglass craftsmanship, we lead the construction of industrial worker teams within the industry. We actively promote the spirit of model workers, labor, and craftsmanship, annually honoring excellence through award ceremonies to set benchmarks for industrial workers.



From 2021 to 2024, we have conducted over **4,800** instances of self-assessment for fiberglass and products workers.

The proportion of skilled workers among industrial workers exceeds **47%**

In 2024 alone, we organized **193** skill competitions across all levels

Involving over **3,800** participants

Encouraging Qualification Recognition and Certificate Acquisition

We possess the authority to independently assess vocational skill levels and professional technical titles. We encourage employees to apply for and obtain external skill certifications and professional titles, as well as obtain relevant professional qualification certificates, such as Certified Safety Engineer and Certified Public Accountant, to enhance their professional capabilities and career competitiveness. We implement the "New Eight Levels" vocational skill rating system, fully leveraging the advantages of self-assessment. To date, we have recognized one Zhejiang Province Senior Master Technician and one Sichuan Province Senior Master Technician, with three new applications submitted.



Focusing on Talent Development and Shared Prosperity

Adhering to the philosophy of "joint efforts, shared growth, and common prosperity," we have implemented a compensation system based on position-based salary, integrating performance-based pay, innovation incentives, and medium- to long-term incentives. We continuously advance salary reforms to stimulate team vitality, targeting the "1551" salary objectives and ensuring sustained growth in employee income.

Implementing the "Six Points" Action Plan

We are continuously advancing the "Six Points" common prosperity action plan, which focuses on substantial employee income, reliable livelihood security, robust career growth, solid labor protections, fulfilling spiritual well-being, and tangible social responsibility, ensuring that all employees can share in the fruits of our development.

During the reporting period

The average disposable income of employees exceeded that of Zhejiang Province by **70%**

Employee Average Disposable Income has grown over **10%** yearly for consecutive year

Promoting the Competency-Based Wage Mechanism

We have integrated mechanisms such as incentives for innovative projects, job title evaluations for skilled talents, treatment for high-skilled talents, skill level allowances, and education allowances, and have drafted and signed a special collective contract for "competency-based wages."



Signing the Competency-Based Wages Special Collective Contract

Strengthening the Role of Performance Orientation

We have adopted a dual approach of universal salary adjustment and differentiated salary adjustments based on performance results, implementing comprehensive performance management and increasing salary adjustments with a focus on performance metrics such as achievements and innovation.

Implementing Multiple Incentive Tools

Adopting an Excess Profit Sharing Plan:

The plan is aimed at incentivizing core backbone talents in management, technology, marketing and business operations who have signed labor contracts with China Jushi, have served continuously for more than one year, and have a direct and significant impact on the Company's operational performance and sustainable development. The total number of incentivized participants shall not exceed 30% of the total number of on-duty employees.

100% of employees have variable performance-based incentive pay.

Among them, **70%** of the job-based compensation for production employees is subject to performance evaluation

80% for sales employees

60% for technical and administrative employees.

Work Safety and Safeguarding Employee Health

Prioritizing health and safety in business operations, we continuously improve the Company's occupational health and safety management systems and mechanisms, implement daily prevention, inspections, and supervision, to foster a stable environment conducive to high-quality company development and a healthy and comfortable atmosphere for employees' work and life.

Strengthening Systems and Accountability

We strengthen the occupational safety and health management system, continuously refine safety management systems and operating procedures, gradually enhance the level of information-based safety control, leverage the effectiveness of technical and mechanical prevention measures, and implement centralized management of occupational health and safety matters from top to bottom.

Throughout the year, a total of 11 safety-related systems and management standards were established or revised, along with 234 operating procedures.

Building a Safety Management System

The Company has released the Three-Year Action Plan for Improving Fundamental Safety in Production, revolving around "one overall goal", aiming to achieve "six sub-goals for improvement", and implementing "eight major initiatives". We strengthen safety education and risk control, deepen the construction of the dual prevention mechanism for risk classification control and hazard investigation, actively build the "Five-in-One" long-term risk management mechanism, and ensuring the implementation of safety responsibilities.

Adhering to the principle of **"safety first, prevention foremost"**

Focusing on the requirements of **"identifying issues, addressing shortcomings, strengthening weak areas and taking proactive actions"**

Implementing the principles of **"shifting the focus forward, results-oriented, and collective governance by all employees"**

Centering around the **"1 overall goal"** of high-level safety to support high-quality development and creating a harmonious and peaceful Jushi

Achieving the **"6 sub-goals for improvement"**

Enhancing regulatory capabilities

Improving rectification and defect elimination quality

Elevating inherent safety standards

Strengthening safety standard construction

Fostering a positive safety culture atmosphere

Ensuring safety in overseas operations

Conduct the "8 major actions"



Safety Management Organizational Structure

The Company has established a Safety Production Committee, forming a safety production management organizational structure with a clear hierarchy and defined responsibilities. A comprehensive safety production responsibility system has been implemented, creating a safety management framework with the decision-making layer at its core, the management layer as the hub, and the execution layer as the foundation.

Decision-Making Layer: The Safety Production Committee, led by the President, serves as the highest decision-making body. It is responsible for formulating safety policies, approving major safety regulations and annual plans, and ensuring the implementation of the seven safety responsibilities stipulated by the Work Safety Law for enterprise safety officers.

Management Layer: One Assistant to President is in charge of safety and the primary responsible persons of each unit act as safety leaders, managing safety risks across different areas.

Execution Layer: Various functional departments and sections are responsible for the implementation of specific risk controls, conducting regular hazard identification and rectification. Grassroots teams are staffed with have safety officers who oversee on-site inspections, facilitate safety education, and coordinate emergency responses.

The Company has established a safety management structure centered in Tongxiang headquarters, covering manufacturing bases in Jiujiang, Chengdu, Huai'an, Egypt, and the United States. Subsidiary safety management institutions operate independently, with headquarters overseeing their operations.

Full-time Safety Officers: 43

Part-time Safety Officers: 174

Certified Safety Engineers: 20 Continuously expanding safety team.



The President leads safety inspections to ensure compliance with safety standards

Safety Management Performance Evaluation

The Company establishes a tiered system of safety production responsibility agreements, deeply integrating safety performance into the compensation incentive system for senior executives to foster a system of safety responsibility characterized by equitable responsibility and authority and long-term motivation. Senior executives are subject to a "one-strike disqualification clause" for safety production responsibilities: Any occurrence of a fatal work safety accident resulting in death will immediately revoke annual performance bonuses and eligibility for awards, while initiating accountability procedures and imposing demotion or dismissal on those responsible. Key metrics such as the work-related injury rate per thousand employees and the rate of hazard rectification, along with requirements for work safety meetings, inspections, training, and emergency drills, are linked to senior executives' performance bonuses. Core work safety metrics including the injury rate per thousand employees and safety responsibility accidents are included in the president's compensation evaluation.

Implementation of Safety Production Goals

During the reporting period, there were no fatal work safety accidents involving internal employees, external contractor employees, or third parties during construction. There were no fires, explosions, major safety accidents, or public security and criminal incidents throughout the year, with the average severity rate of work-related injuries was controlled within 105 days per person · occurrence. A total of 4 units have successfully achieved Level 2 safety standardization certification, and the annual occupational health and safety management objectives were fully met with a 100% achievement rate.

- 2025 Annual Occupational Safety and Health Goals:
- The rate of work-related injury incidents is controlled within **1.5‰** of the total number of employees
 - The serious injury rate per thousand employees is controlled within **0.5‰** of the total number of on-duty employees in the organization
 - The average severity rate of injuries is controlled within **105** days per person · occurrence
 - No fatal accidents involving internal employees, contractor employees, or parties involved in construction projects due to occupational safety responsibilities
 - No occurrence of occupational diseases
 - No safety-related administrative penalties

Clarifying Work Safety Responsibilities:

We integrate contractors into unified work safety management. We have engaged 16 labor dispatch companies. Before entering the Company, we sign the "EHS Management Agreement" with them. Once they commence service within the Company, the respective units will enter into a more detailed "Work Safety Management Agreement" with the contractors to delineate each party's safety responsibilities. We ensure that all safety training and technical briefings are conducted upon entry, and strictly supervise and evaluate this process to ensure effective implementation of safety measures.

From the President down to every employee, we have signed "Work Safety Target Management Responsibility Agreements" at all organizational levels. In 2024 alone, a total of **13,146** copies of these agreements were signed.



Holding work safety meetings and delivering the first safety lesson.

Increasing Investment in Work Safety

In accordance with comprehensive budget management requirements, we have included work safety investment costs in the annual budgets of all departments to ensure effective allocation of safety funds.

Actual investment in work safety reached approximately **RMB 47.25** million

Solid Actions to Minimize Potential Hazards

Strengthening Risk Grading and Control

The Company organizes training sessions for safety officers and managers focused on risk grading and control knowledge. These sessions aim to comprehensively identify risks related to company equipment, personnel positions and site environments. We have developed graded prevention and control measures, create and post job-specific risk notification cards, and distributed daily inspection forms to ensure full coverage of the "dual prevention mechanism."

Conducting Key Work Safety Initiatives

We build model safe factories, innovate regional safety model construction to truly implement safety standards; organize summer and winter safety competitions; carry out special inspections for major potential accidents; continuously strive for "zero-violation" individuals and teams, and have participated in the formulation of safety production regulations for the fiberglass industry.

A total of 10,934 potential hazards were identified throughout the year, with a 100% rectification rate.



Work Safety Month Activities



Creating Safe Model Areas

Reducing Risks and Safeguarding Health

Improving the Occupational Disease Prevention and Control Management System

The Company continuously revises and improves regulations such as the "Occupational Disease Prevention and Control Management Measures" and the "Labor Protective Equipment Management System." to ensure that occupational health and safety risks are mitigated from the source, and to strengthen the protection and management of employee's occupational health, effectively preventing, controlling, and eliminating the hazards of occupational diseases.

Implementing Occupational Health Emission Reduction Projects.

The Company implements occupational hygiene emission reduction projects by regularly conducting occupational disease risk assessments and establishing an internal regular detection mechanism for noise hazard factors in the workplace. For production sites that may have occupational hazard factors, we install exhaust systems, ventilation systems, dust collection equipment, physical barriers, noise reduction facilities, etc., to reduce occupational hazards for employees.

The units under the Company are encouraged to continuously carry out innovation and improvement in occupational hygiene. During the Occupational Disease Prevention Law publicity week, we organize occupational disease prevention knowledge promotion and quiz activities to enhance employees' awareness and capabilities in preventing occupational diseases.

We strictly control the quality of labor protective equipment, designate approved brands and models, and supervise employees to ensure proper on-site labor protection measures, and conduct regular health check-ups for employees to ensure their health and safety.

During the reporting period, the ISO 45001 occupational health and safety management system was fully implemented across all domestic and international manufacturing bases.



Ensuring employee labor protection

Full Participation and Awareness Improvement

Conducting Safety-themed Activities

The Company organizes fire emergency drills, safety commitment signings, safety knowledge competitions, viewing of thematic promotional videos, collection of calligraphy and painting works on production safety, discussing safety during pre-shift and post-shift meetings, conducting fire skills competitions, fire knowledge quizzes, and organizing fire safety training and practical drills.

The safety-themed activities

Total of 35 safety-themed activities were conducted

7,072 participants took part in the safety-themed activities.

Carrying out Safety Education and Training

We have created accident case warning education microfilms, regularly held accident case warning education and training sessions; developed an intelligent safety management system to enhance safety management efficiency; summarized and refined safety culture to establish the "12345" safety culture system, improved the safety quality of frontline employees; continued to innovate the Work Safety Month activities with the first-ever safety quality expansion activities for university students and hosting of the Safety Guardian Challenge; introduced "fire simulation escape experience" during Fire Safety Month, conducted full-process simulation training drills for confined space operations. We organized the "Tongxiang City Multi-Form Fire Brigade Skills Competition".

40 new employee safety training sessions were conducted, with 434 participants

1,017 safety education and training sessions were held, with 57,101 participants

111 emergency response plan drills were conducted, with 2,755 participants



Employee Safety Practical Training



Fire drills

05

SHARED RESPONSIBILITY AND HARMONIOUS DEVELOPMENT

The Company strives to boost confidence and expectations, enhance operational quality, offer high-quality products and services to our vast customer base, fulfill our product responsibilities, unlock customer value, safeguard customer rights, adhere to responsible marketing and procurement practices, and enhance the resilience of our industrial and supply chains. We are committed to social welfare, resonating with societal needs, and leveraging our "Goodwill Global" brand global philanthropic brand to contribute to global poverty reduction and foster common prosperity.



Pursuing Excellence and Continuously Delivering Premium Products

The Company adheres to the value orientation of quality first, implements the "12350 Quality Management" model, advances modernization of quality management, delivers quality projects, produces high-quality products, and fosters a healthy ecosystem.

Advancing Quality Management

The Company complies with the "Product Quality Law," EU "RoHS," "REACH," and other relevant laws and regulations on product quality, conducts third-party product testing annually based on customer needs to meet their requirements and proactively engages in the substitution of environmentally friendly raw materials.

Implementing Systematized Quality Management

The Company has developed quality information systems, including the SAP system, OA system, MES system, barcode system, SCADA, and LIMIS to input, collect, and analyze quality data.

We implement comprehensive quality control measures throughout the raw material, development, trial production, mass production, and marketing processes. We adhere to DFMEA, PFMEA, and CP documents under PPAP. Additionally, we enhance the construction of work standards as well as technical standards, and management standards, while promoting integrated system development. Currently we have ISO9001, ISO14001, ISO45001, ISO50001, ISO10012, ISO17025, GB/T23001, GB/T29490, and IATF16949 systems to build an outstanding quality brand.

The Company's six global fiberglass manufacturing bases have all successfully obtained ISO9001 quality management system certification.



Implementing Comprehensive Quality Supervision

The Company fully implements the "Quality Control Three-grasp" methodology and executes the "555 Mass Production" quality risk management for raw materials and products.

Conduct process monitoring from raw material incoming inspection to physical sampling, analysis, and QC checks, followed by finished product characteristic testing, packaging, and monitoring during outgoing inspection. We perform delivery inspection through packaging, vehicle condition and loading checks, use a combination of technical and method standards to regulate process parameters and SOPs, and continuously advance automation and informatization to prevent errors, and perform product reviews and determination work to achieve full-process regulatory oversight.



Quality Risk Prevention

We have set a Chief Quality Officer to comprehensively oversee product quality and safety supervision. We strictly control the quality and safety of products and services throughout the processes of design, procurement, production, after-sales service and disposal, ensuring compliance with relevant standards, health, life and property safety and environmental requirements.

We maintain long-term partnerships with international testing institutions such as UL, SGS, Intertek, and TUV, as well as international certification bodies including DNV from Norway, LR from the UK, ABS and FDA from the USA, BKI from Indonesia, ACS from France, KTW from Germany, and CCS from China and collaborate on product entrusted testing as well as certification and accreditation services.



We implement strict job quality specifications and assessment systems and enforce the quality safety "one-vote veto" mechanism; strictly enforce major quality incident reporting and emergency response systems, assume liability for quality-related damages; implement product quality safety risk management, monitor and analyze key products and processes for quality and safety risks, issue timely warnings for quality risks, and propose timely measures for significant quality safety hazards to ensure early detection, analysis and resolution of quality and safety risks.

Percentage of products recalled due to safety and health reasons during the reporting period: **0%**

No litigation cases occurred involving product and service safety and health reasons



Quality Month field visits and learning exchanges



Quality skills competition

Collaborative Efforts to Strengthen Dual Chain Resilience

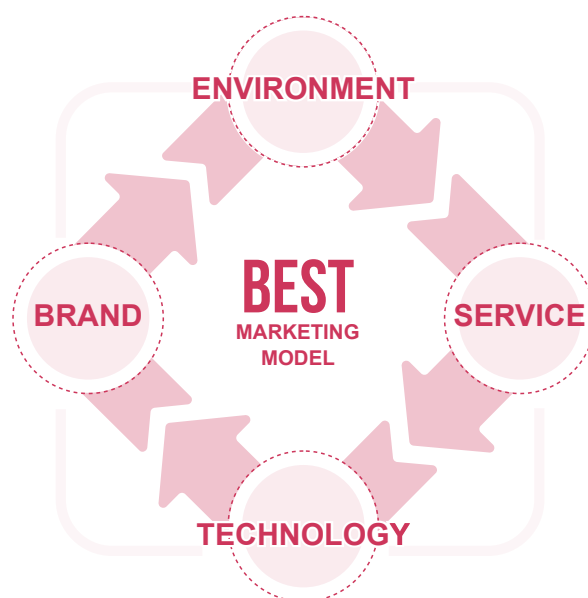
The Company has established a global marketing network, continuously improve customer service, strengthen communication mechanisms, and strive to build a company that satisfies customers, earns the trust of suppliers and assures the minds of operators.

The Company has established a global marketing network, continuously improve customer service, strengthen communication mechanisms, and strive to build a company that satisfies customers, earns the trust of suppliers and assures the minds of operators.

Global Responsible Marketing

By adopting the strategy of "building the market first and then the factory locally," Jushi has implemented a global marketing network and industrial layout. It has established the BEST marketing model featuring "Brand Marketing, Environmental Marketing, Service Marketing, and Technology Marketing" to support a cross-border business model that operates on the principle of "supplying domestically for domestic needs, supplying internationally for international needs, supplying internationally from domestic production, and supplying domestically from international production." This approach has achieved a global production and sales structure characterized by complementary domestic bases, interactive overseas bases, and mutually supportive domestic and overseas bases.

Currently, the Company has over a dozen overseas sales companies and two major overseas manufacturing bases in Egypt and the United States, with a combined annual production capacity exceeding 450,000 tons overseas. A well-established global marketing network and production layout has been established, with long-term stable cooperative relationships established with customers in over 100 countries and regions, including North America, the Middle East, Europe, Southeast Asia, and Africa.



2024

Overseas revenue exceeded RMB **6.042** billion

Total overseas profits exceeded RMB **496** million.

The transnational index reached **25.90%**

Leveraging the Company's advantages in international presence, market risks are effectively mitigated through the strategic coordination of supply from domestic and overseas manufacturing bases. To enhance product competitiveness and minimize supply chain risks associated with challenges such as maritime transport uncertainties, the proportion of supply sourced from Egypt has been increased for core markets.

During the reporting period, Export sales reached **1.06** million tons.

A year-on-year increase of **27%**

Case Study The 30th Annual International Conference Charts the Global Development Blueprint of Fiberglass

From October 22-23, 2024, Jushi Group hosted the 30th Annual International Conference on Fiberglass with the theme "Innovation and Quality for Sustainable Future." The event featured five major platforms for 1,000 global partners: the Opening Ceremony, News Conference, Global Supplier Conference, Business Exchange Meetings, and Technical Lectures. These platforms cover information release, ESG information release, global public welfare brand launch and more. The Conference also awarded plaques to the Top 30 partners. Additionally, it featured plant tours, a 30th-anniversary achievement exhibition, promotional videos, and thematic performances, through which we collaborated with global stakeholders to build a high-quality fiberglass industry community with a shared future.



China Jushi 30th Annual International Conference on Fiberglass

Protecting Customers' Rights and Interests

The Company has standardized the sales business process to accurately grasp customer needs and prevent potential risks in sales work; strengthened the confidentiality management of customer information, standardized and improved the Customer File Management System in accordance with regulations, and strictly implemented and enforced the confidentiality requirements stipulated in the system.

For personnel involved with customer information, we strictly adhere to the requirements and provisions of the Confidentiality Management System, fulfill confidentiality obligations and responsibilities, protect customer privacy, and consciously uphold the security and interests of the Company.

Protecting Customer Privacy

Through information technology development, a specialized customer information management module, the "Customer File Management Module," has been developed. This module adopts an online submission mode and sets access permissions based on personnel job positions and levels, thereby enhancing the controllability of customer information confidentiality.



Customer Complaint Coordination

At the level of complaint channel construction, the Company has established systems such as the *Comprehensive Evaluation and Management Work Standards for Sales and Supply Staff and the Customer Follow-up Management Regulations*. Additionally, we have developed multi-dimensional contact and communication channels that encompass various methods such as telephone, fax, email, letters, web page messages, customer visits, and events like exhibitions, annual meetings, industry conferences and site visits.

In terms of complaint handling processes, we conduct quarterly analyses of customer complaint trends, customer visitation status, quality issues at various stages, and the rectification and closure of complaints, formulate improvement measures; establish quality improvement project teams, initiate improvement projects. For complaints involving suppliers, we extend product and service improvements to relevant parties in accordance with the *Supplier Quality Claim Management Control Procedures*.



Creating Value for Customers

We penetrate the frontiers of the market, understand customer needs, actively enhance technical and service standards and comprehensively increase the supply capacity of green, high-end, and differentiated products to create greater value for customers.



- ### Responding to Customers' Sustainable Development Needs
- For packaging materials of electronic fabrics and yarn, establishing an inbound and outbound inventory management system to collaborate with customers in recycling and reusing steel frames and plastic tubes, maximizing the replacement of traditional paper tubes and boxes, reducing paper resource consumption and improving resource utilization efficiency.
 - In response to TP customers' "carbon neutrality" requirements, achieving significant reductions in carbon footprint through technological modification and upgrades, meeting customers' expectations for carbon reduction throughout the value chain.
 - Expanding the application fields of customer products by using recyclable and reusable materials based on fiberglass and other composite materials to replace existing wooden pallets in supplied products, achieving a win-win outcome.

We conduct regular customer satisfaction and product quality feedback surveys, including direct submission via the "Jushi Sales" WeChat official account.

Customer satisfaction measurement strictly follows the Chinese Customer Satisfaction Index (CCSI), a comprehensive model covering six key variables: brand image, quality expectations, quality perception, value perception, customer satisfaction, and customer loyalty.

Customer satisfaction surveys covered **59%** of customers with a satisfaction rate of **93%**, maintaining a high level.

Promoting Green Consumption

We are actively advancing the utilization of recycled packaging materials for electronic cloth products by establishing the Implementation Measures for Recycling Packaging Materials of Fine Yarn Products, along with standards for recycled products and standardized operating procedures (SOPs). We have also signed recycling agreements with our customers, guiding them on the proper use and disposal of recycled plastic tubes. This initiative effectively alleviates the challenges faced by customers in managing waste packaging materials, fostering a mutually beneficial approach to sustainable development.

A total of **200,000** plastic tubes were recycled throughout the year.

Equivalent to reducing the use of **200,000** paper tubes.

Thus reducing the consumption of raw wood pulp and the disposal of waste paper tubes.

To meet customers' requirements for sustainable development and carbon reduction, the Company has completed the certification of PIR recycled fiberglass. Currently, some fiberglass can be recycled and reused, and the Company is actively promoting recycled fiberglass products to both domestic and international customers.



Stabilizing Supply Chain Relationships

We have building a responsible supply chain, operating the "Smart Procurement Mall," and consistently adopt transparent procurement model characterized by "fairness, openness, and impartiality." The entire supplier management process, encompassing supplier development, sample management, and quota setting, undergoes online approval through OA and online monitoring via SAP. We conduct dynamic analysis of raw and auxiliary material supply risks and formulate definitive development plans for high-risk materials to guarantee the stable operation of the supply chain.

Strengthening Systems

We have developed the Procurement Management Control Procedures to standardize procurement management processes, regulate procurement behavior requirements and ensure the supply of materials needed for production and construction.

We have also developed the Supplier Management Control Procedures, which outline ten management principles: categorized management, main and auxiliary material evaluation, risk assessment, quota management, qualification management, development management, directory management, audit management, dynamic control, and performance evaluation. These procedures comprehensively standardize the development, audit, supervision, assessment, and quota control of raw material suppliers, ensuring the quality management of raw material suppliers and controlling materials procurement behavior, effectively managing raw material quality.

Strict Admission

When developing suppliers, they must provide the corresponding administrative licensing qualifications and enterprise management qualifications according to classification requirements, and undergo supplier audits. The Supply Chain Management Committee conducts development approval based on the supplier's qualifications and audit conclusions.

ESG Considerations for Supplier Admission

- Requiring suppliers to sign the Letter of Commitment on Supplier Business Ethics, Letter of Commitment on Non-Use of Environmentally Hazardous Substances, and Environmental and Occupational Health and Safety Agreement, with a signing rate of 80%.
- Requiring suppliers to provide ESG-related permits and documents, including discharge permits, environmental impact assessment reports, supplier environmental information survey forms, ESG reports, carbon emission data, green product certifications, and carbon footprint information.
- Requiring suppliers to self-evaluate and complete the Supplier On-site Audit Form. The Company's audit team will conduct on-site audits of suppliers at appropriate times. The audit criteria cover multiple ESG requirements, with a weighted assessment proportion of approximately 10%. Suppliers are required to promptly rectify any ESG-related issues identified during the audit. Suppliers with significant operational risks, environmental risks, or supply risks will be rejected outright.
- Clearly advocating for green procurement in procurement control procedures, prioritizing renewable, biodegradable, and green-certified materials and products. Gradually increasing the proportion of green procurement and encouraging the implementation of green supplier management. Improving the ESG evaluation mechanism for material suppliers, incorporating ESG requirements into bidding and negotiation processes. Strengthening ESG empowerment for key suppliers and guide them to conduct carbon inventory and provide relevant data.
- Setting a target for supplier green and low-carbon compliance and promoting improvements, gradually increasing the number of suppliers meeting ESG standards. Actively advancing suppliers' implementation of green and low-carbon improvements. Requiring new and existing suppliers to develop carbon emission management measures in accordance with the national "dual carbon" policy, achieving internal carbon peaking and carbon neutrality as soon as possible.
- Including social responsibility clauses in contracts signed with suppliers, such as introducing "Safety and Personnel Management" clauses in all installation and contracting contracts, clearly specifying suppliers' requirements for labor management and human rights protection.

Regular Evaluation

We conduct evaluations and assessments of suppliers' supply conditions, production and operation status, corporate qualifications, after-sales service, fulfillment of social responsibilities and environmental risks on a quarterly and annual basis. Based on the assessment results, measures such as priority procurement, continued procurement, suspension of supply, and termination of supply are implemented to encourage suppliers to comply with the Company's supplier management requirements. **During the reporting period, annual assessments were conducted for 750 raw material suppliers, and on-site audits were carried out for 34 raw material suppliers.**

Adhering to ESG and responsible procurement principles, regular supplier risk assessments are conducted in accordance with the "Supplier Risk Assessment Form" outlined in the "Supplier Management Control Procedures." Suppliers are categorized into "strategic suppliers," "leverage suppliers," "general suppliers," and "bottleneck suppliers." A centralized risk assessment is conducted annually for all raw material suppliers.

A more cautious approach is taken to assess suppliers' environmental, social, and other sustainable development risks. Comprehensive discussions and analyses are conducted for "Class I" and "Class II" suppliers with significant risks, as well as "bottleneck suppliers" with high supply risks. A new supplier development plan for the next year will be formulated to mitigate supply risks.

2024 Supplier Performance Table

Metric	2024
Number of suppliers with long-term cooperation	2,145 suppliers
Of which, number of suppliers certified in quality, occupational health and safety, environmental, or energy management systems	369 suppliers
Of which, number of suppliers participating in training and capability enhancement programs	145 suppliers
Of which, number of suppliers screened and managed for environmental and social risks	1,118 suppliers
Of which, number of suppliers assessed to have significant negative impacts	0 suppliers

In 2024, risk assessments were conducted for 883 raw material suppliers, and no suppliers with high sustainable risks were identified.

Transparent Procurement

Promoting the Implementation of Transparent Procurement, the "Integrity in Business Conduct Agreement" has been embedded into the procurement SRM system, requiring all registered entities to read and sign it before completing registration. Additionally, suppliers are required to sign a commitment letter on business ethics during the supplier admission process. During the reporting period, the signing rate of the commercial ethics agreement or commitment letter among suppliers reached **100%**.

Supply Chain Integrity Supervision and Audit

- Regular specialized inspections of procurement and subcontracting activities are conducted through telephone interviews and other forms. Workgroups are dispatched to project sites to conduct on-site inspections, face-to-face interviews, and document reviews to thoroughly assess the implementation effectiveness of integrity management by suppliers and strengthen oversight of integrity over the supply chain.
- Regular integrity talks are held with key personnel in procurement departments. Meetings on compliance management and integrity risk warnings for major projects are organized, along with regular integrity education and warning education to urge key personnel to fulfill their duties responsibly.
- Unscheduled supplier revisit programs or supplier forums are conducted to communicate and understand the integrity situation of company personnel during business interactions, fostering joint integrity initiatives with suppliers.
- During the reporting period, **100%** of suppliers underwent specialized inspections, on-site visits, and feedback sessions related to business ethics.

Exchange and Communication

We have strengthened exchanges with suppliers on green, low-carbon, and ESG management, and held inaugural green and low-carbon supply chain exchange meeting with 10 suppliers. The event aimed to share advanced ESG management practices in the industry, propose a management philosophy for building a green, low-carbon and sustainable supply chain, and advocate for collective progress.



21st Global Supplier Conference



Suppliers presented their experiences in ESG management.

Capability Building

All procurement staff have been trained on the "Procurement Control Procedures" to effectively advocate for and implement green procurement practices. This training includes prioritizing the selection of renewable, biodegradable and environmentally certified materials, gradually increasing the proportion of green procurement initiatives and encouraging green supplier management. Furthermore, we have enhanced our support for key suppliers on ESG matters by guiding them in conducting carbon footprint assessments and providing relevant data.

Giving Back to Society and Contributing Corporate Value

The Company has launched the "Goodwill Global" worldwide public welfare brand, actively assuming and fulfilling corporate social responsibility, and establishing a sustainable brand with social responsibility as its core.



The eight special actions under the Goodwill Global brand

Special Care Action	Benefiting People for Common Prosperity Action	Cultural Exchange and Mutual Learning Action	Human Rights Protection Action
Future Development Action	Green Supply Chain Action	Safety Co-construction Action	Community Co-construction Action

Charitable Donations, Spreading Warmth

In the reporting period, we actively fulfilled our social responsibilities by donating over RMB **5.324 million** in charitable funds and materials.

Of which, cash donations exceeded RMB **4.839 million**

Material donations exceeded RMB **0.485 million**

Donations for rural revitalization exceeded RMB **3.22 million**

Construction of the Love Bank

The Jushi Love Bank organizes regular donation activities for all employees, storing the first warmth of the New Year.

In the reporting period, the Love Bank actively organized public welfare activities such as consumption for poverty alleviation and charitable assistance, recording over 12,862 good deeds through the online Love Bank platform. Over 7,051 employees generously contributed, raising a total of RMB 327,000 in charitable funds, and helped 1,284 people in need. The volunteer team participated in over 3,000 volunteer service activities.



Jushi Love Bank conducts employee donation activity



Extensive volunteer services are carried out in the local community

Actively Assisting People in Poverty

The Company actively alleviate poverty by supporting social assistance institutions such as the Zhejiang Provincial Disabled Persons' Federation and welfare homes, as well as charitable organizations including the Red Cross Societies of Jiaxing, Jiujiang, Chengdu, and Huai'an cities, social public welfare relief institutions, charity federations and public welfare institutions, including the Tongxiang Charity Federation. Additionally, we extend our condolences and support to local government units, impoverished veterans, children's welfare homes, sanitation workers, flood control staff and other social groups, thereby advancing public welfare and fostering common prosperity.

Case Study

The 30th Annual International Conference Charts the Global Development Blueprint of Fiberglass

On December 30, 2024, China Jushi donated RMB 250,000 to the Tongxiang City Disabled Children's Rehabilitation Project, aiding children aged 1~18 with autism, cerebral palsy, intellectual disabilities, speech disorders and other impairments in their recovery. The Tongxiang City Red Cross awarded the Company the title of "Model Enterprise for Public Welfare."

The Tongxiang Sunshine Children's Rehabilitation Center, affiliated with Kangci Hospital of Jiaxing, is a designated rehabilitation institution for disabled children in Jiaxing, providing professional rehabilitation services to children with special needs and making positive contributions to children's rehabilitation. As a member of society, Jushi brings care and hope to these children, actively promoting family happiness social harmony, and stability.



Donation to the Tongxiang Sunshine Children's Rehabilitation Centre

Conducting Medical Assistance

Jushi has actively engaged in the medical and healthcare sector, contributing bloodmobiles, automatic external defibrillators (AEDs), and other medical facilities to hospitals and communities. For over two decades, its volunteers have consistently participated in voluntary blood donation, amounting to a total of 297,300 milliliters donated to medical institutions over the years, all for the purpose of saving lives.



Donation to the Red Cross



Charitable Blood Donation

Case Study

On January 3, 2025, a bloodmobile donated by Jushi entered the China Jushi Square, with many volunteer blood donors keen on donating blood. In 2024, Jushi donated RMB 950,000 to purchase a bloodmobile, which was gifted to Tongxiang First People's Hospital for medical services. This was the third bloodmobile donated by Jushi.

Additionally, the Company donated RMB 300,000 to the Tongxiang Red Cross, which was used to install 30 AEDs in 30 densely populated communities in Tongxiang, contributing to the improvement of Tongxiang's public emergency medical system.



Conducting Educational Assistance

During the reporting period, Jushi donated funds, school supplies, daily necessities, air conditioners and office equipment to Tongxiang Shimenlu School, Jiujiang Xilin School, and Chengdu Fuhong Primary School, improving the hardware facilities of rural primary schools, providing scholarships for outstanding students, and implementing targeted assistance.

Case Study

From "Pure Poverty Alleviation" to "Incentivizing Excellence" — Jushi Chengdu's Limi Fund Scholarship

In 2024, Jushi Chengdu Company discontinued its poverty alleviation scholarships and introduced a higher-quality incentive program — the Limi Fund. The Limi Fund originated from the "Dream Realization" Love Fund established in 2016. Jushi invested a total of RMB 1 million, to be implemented over ten years, with RMB 100,000 allocated annually for "rewarding excellence."

On July 19, 2024, the Limi Fund, sponsored by Jushi, held a scholarship distribution ceremony at Dawan Middle School, awarding certificates of honor and RMB 2,000 each to 50 outstanding students who received the "Excellence Award," "Progress Star Award," "Study Star Award," and "Innovation Star Award." The transition from "poverty alleviation" to "rewarding excellence" has profoundly influenced the growth trajectories of the beneficiaries.



Jushi Chengdu awards scholarships

Empowering Local Areas and Promoting Development

The Company has consolidated the achievements in poverty alleviation to empower rural revitalization. In 2024, a donation of RMB 3 million was made to the "Shan Jian Charity" fund of China Building Materials. Collaborative donation activities were conducted with Fuxing Community in Tongxiang, Songpan County in Sichuan Province, and Wu'ai Village. Throughout the year, 8 special agricultural product procurement activities were organized in Tongxiang, Jiujiang, and Chengdu, with a total procurement amount exceeding RMB 150,000.

Deeply understanding local needs, active actions were taken to improve people's livelihoods. Chengdu Company, under the guidance of the local government, renovated houses for ten distressed households in Huayuan Village and Wu'ai Village, improving their living conditions.



We purchased 300 boxes of yellow-fleshed peaches to help local farmers cope with market challenges.

Creating Jobs and Expanding Employment Opportunities

The Company continuously broadens the avenues to employment happiness for the disabled. In collaboration with Ruchang Group, a disability-inclusive employment base was established in Lishui City, Zhejiang Province, facilitating their swift integration into social resettlement and employment across various sectors, including living, services, and food production. The base has paved new paths for employment by linking up product processing, sales, transportation, storage as well as technical services pertinent to production and operation.



Jushi-Ruchang Disability Employment Base

Respect for Diversity and Integration

Jushi Egypt

- A Shining Pearl on the Belt and Road

During the reporting period, Jushi Egypt fostered a harmonious social environment, elevated the professional value of its employees, offered customers greater product value, and made contributions towards international social responsibility.



Supporting Local Industrial Development

As the largest investment project from China in Egypt in terms of capital, technology and construction speed within the industrial manufacturing sector, Jushi Egypt has bridged the gap in the fiberglass manufacturing industry across the Middle East and North Africa, elevating Egypt the 4th largest fiberglass production and trading country globally.

95% of the fiberglass produced is exported to Europe, North America, and other countries, thereby facilitating the rapid development of the local fiberglass industry. This growth significantly influences upstream industries such as mineral raw material processing and packaging material processing, as well as downstream industries such as wind power generation, fiberglass products, pipeline manufacturing, bathroom fixtures production and logistics transportation. Consequently, this has attracted numerous fiberglass-related upstream and downstream enterprises to establish their presence in Egypt.

Total investment exceeding USD **1 billion**

Cumulative taxes paid to the local government amounting to USD **36 million**

Annual designed total production capacity of **360,000 tons**

Cumulative foreign exchange earnings exceeding USD **1.94 billion** for the local economy

Developed **4** glass-making raw material suppliers

Local mineral procurement in Egypt totaling **400,000 tons**

Annual production material procurement needs amounting to EGP **0.6 billion**

Cultivating Talent Locally

We respect and understand diverse cultures, pay attention to local cultural life and harmonious coexistence, advance localization of corporate culture in depth, implement "localized" management, and promote "cross-cultural" integration.

We annually formulate training plans combining internal and external resources, regularly organize "mentorship programs," team-building activities, skills competitions, online training for middle-level managers, invite external experts for training, and send key personnel to the headquarters for further study. As a result a large number of high-quality industrial worker teams have been cultivated locally.



Employee Localization Rate: **98%**

Middle-level Management Localization Rate: **76%**

Directly Provided Approximately **2,000** Jobs

Indirectly Created Approximately **3,000** Jobs



Organizing Chemical Engineering Skills Competitions



Egypt-China Mentor-Apprentice "Mentorship programs"

The Company has constructed employee dormitories and living supermarkets, equipped with medical rooms, prayer rooms, halal restaurants, cafes, gardens, gyms, basketball courts, and other facilities. Shuttle buses are provided, and there are fully equipped medical facilities. Through family open days, cultural integration projects, employee football leagues, table tennis tournaments, care for Eid al-Fitr and other activities, Egyptian employees can truly feel respected in their work and daily lives.



Participating in the China-Africa People's Forum's Parallel Forum on "China-Africa Economic and Trade Cooperation and Corporate Social Responsibility" in 2024



Organizing Overseas Family Open Day Activities



Care for Eid al-Fitr



Halal Restaurant Praised by Egyptian Employees

Supporting International Poverty Reduction Efforts

During the reporting period, we actively collaborated with local chambers of commerce and embassies, donating generously to impoverished groups during the local festival of Ramadan for nine consecutive years. Over RMB 170,000 in charitable donations has been made overseas, contributing to overseas charitable assistance and public welfare.

For eight consecutive years, we have been dedicated to educational poverty alleviation efforts at Hope Primary Schools in Africa. During the reporting period, we donated textbooks, food, and other essential living supplies for two academic years to nearly 400 students at these schools, contributing to both the advancement of their educational programs and the healthy growth of the students.

Since establishing our factory, we have donated over EGP 2 million in supplies and charitable funds.



Ramadan Charity Donation



The Egyptian students were very happy after receiving the food donated by Jushi

Jushi USA

- Driving the Upgrading of China-US Composite Materials Industry

Jushi USA is one of the largest investment scale manufacturing projects in Richland County, South Carolina.



The program directly drives the development of the local upstream and downstream composite materials industry chain, encompassing upstream mineral development, mineral raw material processing, construction, packaging material processing, energy, and downstream transportation. As a major user of composite materials globally, the establishment of Jushi USA will better serve local composite materials manufacturers and drive the rapid development of the composite materials industry.

Building area: 80,000 square meters	Annual designed production capacity: 96,000 tons
Total investment: USD 380 million	Land area: 197 acres

Developed 13 glass raw material suppliers	Annual procurement of glass raw material ore powder: 119,000 tons	Annual production material procurement needs: USD 32 million
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Implementing Localized Management in the Local Context

Jushi USA has established a platform for equal communication and mutual respect. It has introduced senior executives, middle-level management, and frontline employees from the local area. Internal awards such as "Star of the Month" and "Employee of the Year" are given, promoting a culture atmosphere of "competing, learning, catching up, and surpassing."

Directly creating approximately 300 job opportunities	Indirectly providing over 600 job opportunities	Localization rate exceeds 88%
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China-USA Mentorship Program: Learning Techniques in China

Confronted with cultural differences between China and the U.S., Jushi fosters integration between Jushi culture and local culture through respect and inclusivity, establishing a platform for equal exchanges and mutual respect, where employees are encouraged to personalize their workplaces. We have organized various events with distinct local flavors, including "Factory Open Day," "Winter Gala," and "Festival Greetings," to continually facilitate cultural integration.

Community Collaboration and Overseas Corporate Social Responsibility



Jushi USA Volunteer Team

Jushi USA actively embraces corporate social responsibility, fostering employee development and contributing to the well-being of the local community, while growing alongside our employees and advancing together with the community. We actively collaborate with community schools and non-profit organizations to organize events, including school tours and corporate exchanges held within our factory premises.

In the United States, there is a profound culture of community volunteerism. The employees of Jushi USA regard such activities as a part of their lifestyle, actively contributing to the growth and development of their communities. The "Volunteer Service Team" has been formed to engage in local activities such as home repairs, community service, and material donations, showcasing their dedication to the community. Furthermore, an annual plan is in place for volunteer service activities, refine volunteer management practices, and establish a mechanism to recognize outstanding volunteers. By doing so, they can better integrate into the community, serve it more effectively, and make meaningful contributions to its development.



Participating in community development and supporting local community sports events

25 registered volunteers

Organizing 45 public welfare activities in 2 years

Over 174 participants in total Service duration of 400 hours

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Feedback and Suggestions

Thank you for your attention and support for China Jushi's ESG work. Please fill out the questionnaire below and fax or mail it back to us. If the space provided is insufficient, please attach additional sheets. If you prefer to respond electronically, please scan the QR code on the right and leave a message for the "China Jushi" WeChat official account. We will continuously improve and enhance our work based on your feedback and suggestions.



Your evaluation of this report is as follows

Overall Report Evaluation	<input type="checkbox"/> Excellent	<input type="checkbox"/> good	<input type="checkbox"/> Average	<input type="checkbox"/> Poor	<input type="checkbox"/> Very Poor
Content Richness	<input type="checkbox"/> Excellent	<input type="checkbox"/> good	<input type="checkbox"/> Average	<input type="checkbox"/> Poor	<input type="checkbox"/> Very Poor
Suitability of Page Count	<input type="checkbox"/> Excellent	<input type="checkbox"/> good	<input type="checkbox"/> Average	<input type="checkbox"/> Poor	<input type="checkbox"/> Very Poor
Aesthetic Design	<input type="checkbox"/> Excellent	<input type="checkbox"/> good	<input type="checkbox"/> Average	<input type="checkbox"/> Poor	<input type="checkbox"/> Very Poor
Language Friendliness	<input type="checkbox"/> Excellent	<input type="checkbox"/> good	<input type="checkbox"/> Average	<input type="checkbox"/> Poor	<input type="checkbox"/> Very Poor

What do you believe is the core of China Jushi's responsibility fulfillment?

- Responsible Governance
 Operational Performance
 Technological Innovation
 Environmental Protection
Employee Care
 Corporate Citizenship

Which aspect of ESG management do you think we should strengthen further?

- Information Collection
 Organizational Structure Development
 Talent Cultivation
 Performance Evaluation
External Communication
 Stakeholder Management
 Public Welfare Planning
 Annual Report Quality
Social Responsibility Research
Other _____

What is your position in participating in our opinion collection?

- Government Department
 Institutional Investors
 Minority Shareholder
 Financial Institutions
Industry Association
 Suppliers
 Customer
 Peer companies
Partner
 ESG Professional Institution
 Public Welfare Organization
 Media
Senior Management of your Company
 Company Employee
 Others _____

In what way would you prefer to learn about our responsibility fulfillment information?

- Paper Report
 Official Website
 WeChat Public Account
Social Responsibility Professional Media
 Others _____

What content would you like to see in the China Jushi ESG report?

Which aspects of China Jushi's future performance are you more concerned about?

Other comments and suggestions?

To facilitate communication with you and promptly respond to your comments and suggestions, please provide your contact information. We will keep it properly and will not disclose it externally.

Name _____ Age _____ Occupation/Working Department _____
 Gender Male Female Department / Position _____ Contact Address _____
 Phone Number _____ Postal Code _____ Email Address _____