

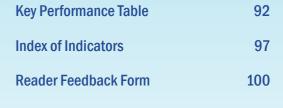
2024

Environmental Social and Governance Report



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About This Report

This Report is the first environmental, social and governance report issued by Juheshun Advanced Materials Co., Ltd. (hereinafter referred to as "Juheshun", "Company" or "We") for stakeholders. This Report discloses the Juheshun's practices and performance in the fields of economic, environmental, social and governance responsibility in 2024, aiming at effective communication with stakeholders and systematical response to stakeholders' expectations and requirements.

Time scope

From January 1, 2024 to December 31, 2024, and in order to enhance the comparability and foresight of this Report, some contents are moderately extended to the previous/subsequent year.

Reporting scope

This Report discloses information about the economic, social and environmental responsibilities performed by Juheshun Advanced Materials Co., Ltd. and its subsidiaries, and the relevant typical cases are from the Company and its subordinate companies.

Data source

The information disclosed in this Report is from the official internal documents, statistical reports and annual reports of the Company, and the data disclosed in this Report is from the original data of the actual operation of the Company, public data of government departments, annual financial data, internal applicable statistical statements, third-party questionnaires, third-party assessment interviews, etc. The financial data of this Report is in RMB. If there is any inconsistency between this Report and the financial report, the latter shall prevail.

Preparation basis

Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies— Sustainability Report (Trial)

UN Sustainable Development Goals (SDGs)

Sustainability Reporting Standards issued by Global Reporting Initiative (GRI Standards).

China Corporate Sustainability Reporting Guidelines issued by Chinese Academy of Social Sciences (CASS-ESG 6.0)

Guidance on Social Responsibility Reporting issued by China National Institute of Standardization (GB/T36001-2015)

ISO 26000: Guidance on Social Responsibility (2010) i ssued by International Standard Organization

Report preparation process

Based on our ESG practice, this Report was prepared in accordance with the process of "project approval—collection of materials—preparation and revision—review by senior management—review by the board of directors—disclosure", and we actively communicated with relevant stakeholders in the process of project approval, preparation and revision, so as to study and discuss the framework structure and content of this Report.

Reporting reliability assurance

We warrant that the content of this Report is true, accurate and complete, without any false records, misleading statements or substantial omissions.

Access to report

This Report is available in electronic format for your reading, and you may log on our official website at (http://www.jhspa6.com/) and the website of Shanghai Stock Exchange at (http://www.sse.com. cn) for access. If you have any questions or comments on this Report, please email hsdm@jhspa6. com or call 0571-82955559.

Definitions

Definitions of common words		
The Company, Company, We, Juheshun	refer to	Juheshun Advanced Materials Co., Ltd.
Juheshun Special, Special Materials	refer to	Hangzhou Juheshun Special Materials Technology Co., Ltd.
Juheshun Luhua	refer to	Shandong Juheshun Luhua New Materials Co. Ltd.
Shandong Juheshun	refer to	Shandong Juheshun New Materials Co., Ltd.
Changde Juheshun	refer to	Changde Juheshun New Materials Co., Ltd.
Lunan Chemicals	refer to	Yankuang Lunan Chemicals Co., Ltd .
Yongchang Holdings	refer to	Wenzhou Yongchang Holding Co., Ltd. , the major shareholder of the Company

Note: The Company has issued an announcement of industrial & commercial change registration and renewal of business license on March 28, 2025, and the corporate name was changed from Hangzhou Juheshun Advanced Materials Co., Ltd. to Juheshun Advanced Materials Co., Ltd.

聚合顺

Message from Chairman



Holding a spirit of integrity, innovation and perseverance, I would like to present our social responsibility report to our partners. Standing on Hangzhou, a fertile land of cultural diversity, scientific & technological innovation, and inclusive governance, with the oriental wisdom as the soul, and the global vision of inclusiveness, innovation and change as the pulse, we draw a blueprint for high-quality new vitality, so that Juheshun could constantly walk on the road of long-term value.

Looking back 2024, due to the joint efforts of all employees, Juheshun has made a series of remarkable achievements under tough market environment. Based on our main business of nylon chips, our subsidiaries in Tengzhou, Changde, and Zibo have gradually been constructed and put into production, so our efforts in extended chain and supplement chain have begun to shape the scale effect.

Adhering to the main business and working hard on internal skills, we constantly promote R&D reform and innovation to improve our core competitiveness comprehensively. Holding the principle of protecting the legal rights and interests of small and medium-sized investors, we always maintain the development concept of linking industry and capital to practically promote the high-quality development of listed companies and actively enhance the investment value of enterprises as the long-term development goal. We Juheshun people work together to strive for the goal of becoming a first-class polyamide new material comprehensive solution provider.

I. Hold the principle to create the trend of two-wheel drive

"Those who do not plan for the overall situation will not be able to plan for the region", so we take "deep cultivation of the real economy" as the longitude and "capital market brand" as the latitude to build a value symbiotic ecology. After stabilizing the domestic market, we improve the product differentiation advantage to vigorously enhance our share and reputation in overseas markets, and we concentrate on the innovation for green fine chemical industry, scientific innovation vitality chemical industry, and strategic new quality productive forces. In addition, we strengthen the brand construction and management of the capital market, namely, we not only serve as a stable ship in the capital market, but also become the industry benchmark beacon, so that Juheshun (JHS) brand potential energy and industrial momentum can add radiance and beauty to each other, playing the concerto of industry integration in the new era.

II. Study the nature of things to encourage innovative and breaking power

R&D is our sword, and innovation is our shield. In terms of product quality, we uphold the spirit of craftsmanship to carefully develop high-quality and differentiated production plans, and we are committed to achieving the top quality of polyamide (nylon 6) in the industry, with the leading number of varieties and the best cost-effective. Based on nylon 6 (PA6) key products, we actively develop nylon 66 (PA66), high temperature nylon, copolymerized nylon and other products horizontally, so we can constantly expand differentiated categories to meet the diversified and differentiated demands of different customers.

III. Plan as a whole to build comprehensively coordinated development

With Hangzhou, Zhejiang as the main base, Tengzhou, Shandong, Changde, Hunan and Zibo, Shandong as the cross-regional bases, we give full play to the advantages of industrial resource allocation and collaborative advantages of each base. In the context constant release of production capacity of each base, we are further closer to the raw material supply places to reduce logistics costs and optimize resource allocation, and we take Hangzhou as the core to build a comprehensive coordinated development.

IV. Follow the natural laws to carve the beauty of green development

With lean production as the pen and recycling economy as the ink, we further reduce the energy consumption per unit product via process improvement, equipment update, detail optimization and management control, striving to achieve the lowest level of unit consumption in the industry. Meanwhile, we reduce pollutant emissions to actively support green, low-carbon and sustainable development. For example, our Changde subsidiary completed the equipment update and the national "equipment renewals, trade-ins of consumer goods" application, and each base has built photovoltaic and energy storage power stations to improve energy efficiency and reduce dependence on traditional energy.

V. Digital intelligent innovation to open future evolution door

Process manufacturing is our industry mirror, and artificial intelligence is used to empower decision centers. We actively participate in the digital intelligent empower industry, and our management team has taken a visit to the cutting-edge enterprises in the application of digital intelligence, learning the advanced concepts and practical experience of digital intelligence in all industries. Moreover, we have deeply discussed cooperation with a number of well-known digital service providers in China to jointly develop digital intelligent transformation strategies.

In the future, we will use the courage of "Qiantang tide riders stand on the top of waves" to fulfill our commitment of "creating value for stakeholders, reducing burden on environment, and seeking well-being for society". Meanwhile, we will constantly carry forward our corporate culture of low-key, practicability and innovation, and increase brand publicity to enhance brand image and industry position, so that we can contribute Juheshun's power to private economy in China.

Juheshun Advanced Materials Co.,Ltd.

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About Juheshun

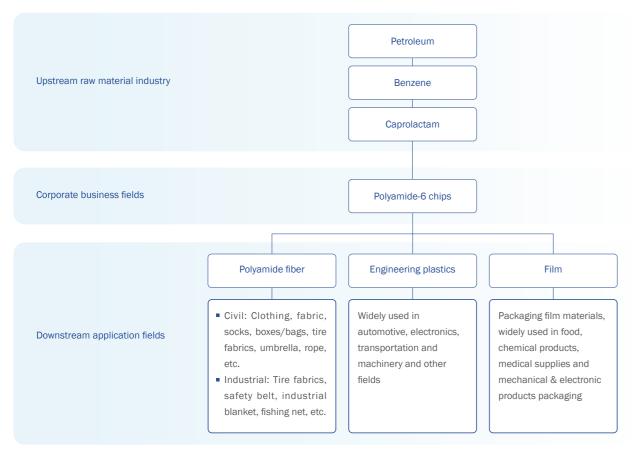


Founded on November 1, 2013, Juheshun Advanced Materials Co., Ltd. was headquartered in Qiantang District, Hangzhou City, Zhejiang Province, and it is a national high-tech enterprise integrating the R&D, production and sales of polyamide-6 chips (namely "nylon 6 chips").

Our products are the derivatives of petroleum, which are usually white granular. Our products cover three major fields, including downstream nylon fibers, engineering plastic and film, and are widely used in electronic and electrical appliances, electronic machinery, food packaging, civil fibers, outdoor clothing, intelligent equipment, aerospace, nuclear power, military & police and other application fields, winning a high brand reputation in polyamide new material market in China.

We were listed on the Shanghai Stock Exchange on June 18, 2020 (stock code: 605166).

► Main products and services



Product ecological chain



Fiber grade chips: Applicable to the production of civil spinning and industrial spinning materials

Features: High spinnability, high strength, high dyeing, including J2403F, J2400F, J2416F and other different models



Engineering plastic grade chips: Applicable to the modification of nylon composite materials, the direct injection molding of engineering plastics, and the production of various high-load mechanical parts, electronic and electrical switches and equipment

Features: High strength, high toughness, anti-aging, high impact resistance and wear resistance, including J2000, J2400, J2500Z, J2700, J2800 and other different models



Film grade chips: Applicable to produce edible/medical packaging film, automotive lithium battery film

Features: High bidirectional tensile, high strength, high barrier and high transparency, including J2800F, J3200M, J4001M and other different models



Special nylon: Widely used in automotive, communications, machinery, electronic appliances, aerospace, sports products, industrial and medical fields

Features: High temperature resistance, low water absorption, low temperature resistance, stable size, good toughness, wear-resistant & shock absorption, high rebound, light weight

Product categories

► Market layout

We have established a complete marketing system and customer management system. Our marketing network is centered in East China, radiating North China and South China, and our domestic market share is constantly increasing. Meanwhile, we attach high importance to the international market layout, and we have established the international sales department to explore the international market. Currently, our products have been sold to many other countries and regions, including Europe, South America, Oceania, Southeast Asia.







2013
• In November, the Company was incorporated

2016

• In March, the Company completed the shareholding transformation and officially changed its name to "Juheshun Advanced Materials Co., Ltd.", and in December, it was recognized as "National High-tech Enterprise"

2020

- In June, it was listed on the Shanghai Stock Exchange with stock code 605166
- In December, Shandong
 Juheshun Luhua New Materials
 Co., Ltd., Shandong Juheshun
 New Materials Co., Ltd., Changde
 Juheshun New Materials Co., Ltd,
 were established

2022

- In October, the 180,000 tons in Phase I of Juheshun Luhua "annual output of 400,000 tons of polyamide-6 chips project" was successfully put into operation
- In December, it was recognized as "Specialized, Refined,
 Differential and Innovative Small and Medium-sized Enterprise in Zhejiang Province" and
 "Provincial Enterprise Research Institute"

2024

- In April, Shandong Juheshun annual output of 80,000 tons of new nylon material (nylon 66) project was commenced
- In May, Changde Juheshun annual output of 92,000 tons of polyamide-6 chips project was successfully capped
- In August, Shandong Juheshun annual output of 80,000 tons of new nylon material (nylon 66) project was successfully capped
- In October, the Juheshun Luhua annual output of 400,000 tons of polyamide-6 new material project was successfully fed and commissioned
- In November, the polymerization workshop No. 3 of nylon new material project was successfully capped

2015

• In May, 80,000 tons of polyamide-6 chip project was put into production

08

2019

- In May, the production capacity of polyamide-6 chips reached 160,000 tons
- In September, it was approved to build a provincial postdoctoral workstation
- In November, Hangzhou Juheshun
 Special Materials Technology Co., Ltd. was established, which mainly researched and developed special nylon products

2021

• In December, the production capacity of polyamide-6 chips reached 260,000 tons



2023

- In May, the Juheshun Luhua annual output of 400,000 tons of polyamide-6 new material project (Phase II) commenced
- \bullet In October, the Changde Juheshun annual output of 92,000 tons of polyamide-6 chips project commenced



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Corporate vision

Become a first-class polyamide new material solution provider



Corporate spirit

Harmonious, diligent, pragmatic, innovative



Corporate core values

Integrity and law-abiding, quality first, focus on performance, constant innovation



Work style

Rigorous, pragmatic, collaborative, efficient



Quality policy

People-oriented, quality first; customer respect, sincere and trustworthy



Marketing concept

Customer first, sincere service; work together, win-win cooperation



Corporate mission

Strive for international brand, achieve industrial power



Business philosophy

Create value for customers, seek development for employees; create profits for shareholders, take responsibility for society



Corporate culture concept

People-oriented, fine management; take factory as home, share the benefits



Learning concept

Diligent in learning, good at communication, and make progress a little bit every day



Environmental policy

Low carbon energy saving, comply with regulations; protect the environment, constant improvement



Hangzhou

Honorary Awards

2024.04

2024.08

2024.08

2025.01

2024.10

2024.08

2024年後衛区人民政府際屋発利授設理財公宗
205日年 105 GELFIN (1950年) (日本日 (1950年) (1950年)

2024 Quality Management Innovation Award by People's Government in Qiantang District

People's Government in Qiantang District, Hangzhou

2023年度専庄市综合百强企业

山东聚合顺鲁化新材料有限公司

第41名

2024 Hangzhou Top 100 Enterprises in Comprehensive Competitiveness Hangzhou Federation of Industrial Economics , Hangzhou Enterprise Federation, Hangzhou Entrepreneurs Association

Entrepreneurs Association

2024 Hangzhou Headquarters Enterprise Recognition Hangzhou Development and Reform Commission



2023 Zaozhuang Top 100 Industrial Enterprises 2023 Zaozhuang Top 100 Enterprises in

2023 Zaozhuang Top 100 Enterprises i Comprehensive Competitiveness Zaozhuang Enterprise Federation

杭州聚合際新材料股份有限公司
杭州市制造业百强企业

杭州市制造业百强企业

杭州市制造业百强企业

2024 Hangzhou Top 100 Manufacturing Enterprises

Hangzhou Federation of Industrial Economics , Hangzhou Enterprise Federation, Hangzhou Entrepreneurs Association







Operating performance



Operating income



Net profit

RMB300,304,400



Total amount of tax paid

RMB 72,609,900

RMB 7,168,215,600



Governance performance

14



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Number of shareholders' meetingheld



Number of meetings of the board of supervisors held



Number of meetings of the board of directors held



Number of temporarily released announcements (serialized) disclosed by the Company



Social performance



RMB 179,071,400



Total number of employees





Number of patents held





Customer feedback satisfaction



Total number of R&D personnel



Training time per employee



30.68 Hours



Complaint resolution rate





Product conforming rate

99.93%



Environmental performance



Total input in environmental management

Electricity fee saving from photovoltaic power



Photovoltaic power generation

1,842,227 кwн



RMB 1.1353 million

RMB 5.5980 million









We always attach great importance to environmental, social and governance (ESG) responsibility management, and we deeply integrate ESG concepts into the daily operations of all of our departments. In 2024, we conducted research on ESG substantive issues, and actively promoted the optimization and improvement of responsibility management, ensuring the sustainable development in environmental protection, social responsibility fulfillment and corporate governance. In the future, we will continue to improve the ESG management system, and constantly enhance the ESG performance, laying a solid foundation for our long-term sustainable development.

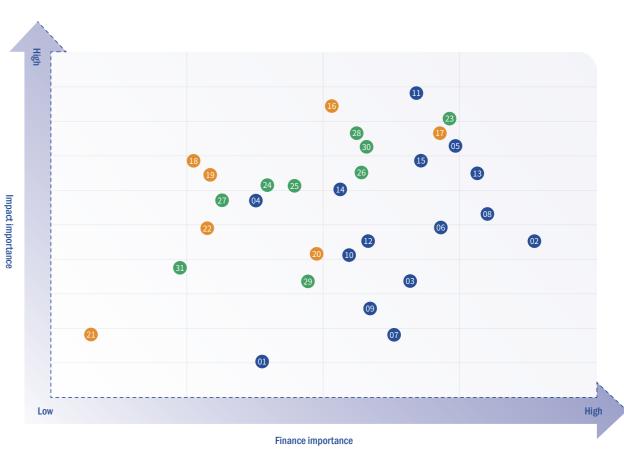
Communication with stakeholders

We attach great importance to communication and exchange with internal and external stakeholders. We have established various channels to communicate with stakeholders, and we deeply understand the demands and expectations of stakeholders to strive for their trust and support, promoting the Company to constantly improve its environmental, social and governance work.

Stakeholders		Concerns and expectations	Communication channels
	Government and regulatory agencies	National strategic response Compliance operation Risk management Commercial ethics	Government inspection Compliance inspection Regular meeting communication Participate in government cooperation, exchange and discussion activities
	Shareholders/ investors	Stable return on investment Transparent information disclosure Compliance operation Risk management Intellectual property protection Scientific and technological innovation	Regular/temporary information disclosure Operation of board of directors, board of supervisors and shareholders' meeting Performance presentation Investor hotline Corporate survey
200	Customers	Product quality and safety Customer service Responsible business and marketing Scientific and technological innovation Data security	Customer communication and cooperation Customer satisfaction survey Customer daily communication Customer information confidentiality
Ŷ	Employees	Employment and employee rights Equality, inclusiveness and diversity Employee development and training Occupational health and safety	Employee training Regular working meeting Employee symposium, democratic communication Employee engagement survey Employee activities
	Suppliers and partners	Sustainable supply chain Supplier empowerment Sunshine procurement	Supplier exchange and communication Supplier conference
· <u></u>	Community and industry	Green products and design Industry exchange Help industry development Social public benefit contribution Response to climate change Biodiversity and ecological conservation	Industry conference University-enterprise cooperation Public welfare activities Rural revitalization Environmental protection
	Media	Information disclosure and dissemination Responsible business and marketing	Regular/temporary information disclosure Marketing information review

► Analysis of substantive issues

According to our ESG practice, we consider the demands and expectations of stakeholders in normal communication, and we further refer to applicable domestic and foreign standards, macro policies, industry trends to identify 31 ESG substantive issues. During the reporting period, we conducted the substantive issues assessment in the sequence of "issue identification—stakeholder survey—generating substantive issues matrix", so that we can understand the importance of stakeholders on each issue, and clarify the duties of the executive level, constantly improving our ESG management level.







Standardized Governance and Steady Development to Build Foundation

Holding the concept of sustainable development, Juheshun has established a standardized and efficient corporate governance system. The Company constantly improves the level of governance by optimizing the decision-making mechanism, strengthening compliance management, and improving the supervision structure. In the construction of commercial ethics, a compliance risk control system covering the whole process has been established to promote the implementation of the integrity operation concept. Meanwhile, the Company pays attention to the protection of investors' rights & interests and information security, and provides a solid safeguard for high-quality development via system construction and process optimization. Under the guidance of the Party building, the Company will constantly improve the governance system, contributing to the healthy development of the industry.

Our actions

- Corporate governance
- ▶ Investor relations management
- Risk internal control
- Commercial ethics
- ▶ Information security
- Party building guidance

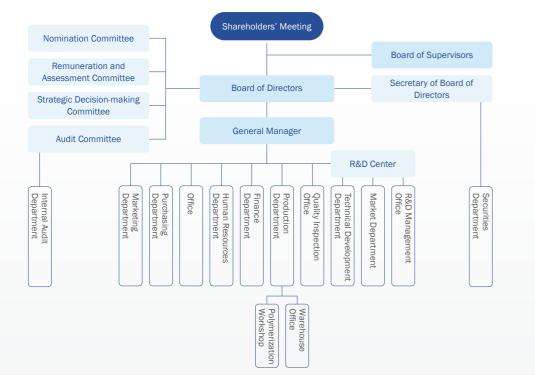
SDGs equivalent





Corporate Governance

In strict accordance with the provisions of the Company Law , the Securities Law and the corporate articles of association, we have established and improved the operation system of the three meetings. We constantly standardize the operation and decision-making of the shareholders' meeting, the board of directors and the board of supervisors, and ensure the compliance of the operation of the "three meetings" (shareholders' meeting, the board of directors and the board of supervisors). Currently, we have established a sound governance structure, clearly defining the responsibilities and authority of each organization, which can ensure that the decision-making process is legal and transparent. Meanwhile, we regularly conduct internal audit and external supervision to ensure that the implementation of the "three meetings" resolutions is in line with laws, regulations and the corporate interests, providing a solid safeguard for the steady corporate development.



Corporate organizational structure



The shareholders' meeting is the highest authority of the Company, and it is responsible for reviewing major corporate matters. The shareholders' meeting shall be held in strict accordance with the legal procedures, and shareholders have a high participation, so all proposals can be fully discussed and reviewed, and can be effectively implemented after the meeting, ensuring that shareholders can fully exercise their voting rights and the right to know. We also provide convenience for shareholders by various means (such as online voting) to ensure that minority shareholders can fully exercise their rights. The efficient operation of shareholders' meeting has laid a solid foundation for the improvement of corporate governance and long-term healthy development.



During the reporting period, the Company held 5



The board of supervisors is an important supervisory body in the corporate governance structure, and it is responsible for supervising the behavior of the board of directors and senior management, ensuring that the corporate operation is legal and compliant, and safeguarding the interests of shareholders and employees. The members of the board of supervisors shall possess rich professional knowledge and experience, so they can regularly inspect the corporate finance, internal control and management performance, and then report to the shareholders' meeting. The effective operation of the board of supervisor ensures the transparency and standardization of corporate governance.



During the reporting period, the Company held 7 meetings of the board of supervisors.



The board of directors is the core decision-making body of the Company, and it is responsible for formulating corporate strategy, reviewing major issues and supervising the management's implementation. The structure of the board of directors is reasonable, including 42.85% of independent directors, which ensures that the board of directors can maintain independence and objectivity in decision-making. During the reporting period, the board of directors of the Company conducted effective supervision on the management to ensure that corporate operation was in line with laws, regulations and the interests of shareholders, and also monitored corporate financial position and operating performance via regular audit and financial report review.



The board of directors is composed of 7 directors, including 2 female directors 3 and independent directors. The members of the board of directors have diversified professional backgrounds, covering chemical, finance, law and other professional fields, and they possess rich practice experience.





In addition, our board of directors has a number of special committees, including the Strategy Committee, the Remuneration and Assessment Committee, the Audit Committee and the Nomination Committee. These committees work within the scope authorized by the board of directors, and they help the board of directors perform duties more efficiently, improving the corporate governance.

Strategy Committee



Number of Strategy Committee meetings: 2

The Strategy Committee establishes a sound risk management mechanism to effectively identify, assess and respond to potential risks, ensuring the steady advancement of the corporate strategy. Meanwhile, it also strengthens the communication and cooperation between various departments to form a strong team force, jointly promoting the rapid development of various corporate businesses.

Remuneration and Assessment Committee



Number of Remuneration and Assess-ment Committee meetings: 1

The Remuneration and Assessment Committee has achieved remarkable results in the formu-lation and optimization of remuneration poli-cies, the improvement and implementation of performance assessment system, the imple-mentation and supervision of policies, and the communication and feedback of employees. These results provide a strong talent support and safeguard for the long-term corporate development.

Audit Committee



Number of Audit Committee meetings: 4

The Audit Committee plays an important role in promoting corporate governance, protecting shareholders' rights and interests, and supervising the accuracy of financial reports.

Nomination Committee



${\bf Number\ of\ Nomination\ Committee\ meetings:\ 1}$

The Nomination Committee has successfully introduced several outstanding independent directors, and they possess deep expertise and rich practical experience in their respective fields, effectively improving the quality of decision-making of the board of directors.

Results of the work of the committees in 2024



In 2024, the Company revised some provisions of the Public Opinion Management System, the Management Measures on Subsidiaries, the Reporting System for Major Matters, the Accountability System on Major Error in Information Disclosure of Annual Report, the Accounting Firm Selection and Appointment System, and the Work System for Independent Director Special Meeting. The optimization of these systems further enhanced the corporate governance structure and improved the level of corporate governance, so that the Company can better adapt to changes in laws and regulations, enhancing corporate transparency, risk control ability and market competitiveness.

Investor Relations Management



Management system



During the reporting period, the Company disclosed

97 temporarily released announcements (serialized) and

4 periodic announcements.

We attach great importance to information disclosure management, and regard it as an important link of corporate governance and investor protection. In order to ensure the transparency of corporate operation, and help investors, regulatory agencies and other stakeholders understand the corporate operating conditions, financial performance and major matters in a timely and accurate manner, so as to enhance market confidence and maintain corporate reputation, we have established a sound information disclosure system in strict accordance with laws, regulations and regulatory requirements, defining the disclosure process and division of responsibilities, which can ensure the authenticity, accuracy and completeness of information disclosure.

For the purpose of strengthening communication with investors, improving the corporate governance structure, protecting the legal rights and interests of investors (especially small and medium-sized investors) to form a long-term and stable interactive relationship, we have formulated the Management System on Investor Relations in accordance with the Company Law, the Securities Law, the Guidelines on Investor Relations Management of Listed Companies, other laws, regulations and our articles of association. By means of standardized information communication, transparent information disclosure and diversified exchange methods, this System aims to enhance investors' understanding and recognition of the Company, improving the level of corporate governance, and achieving common development of the Company and investors.

The Company designates the media with securities market information disclosure conditions published by the China Securities Regulatory Commission and the website of the Shanghai Stock Exchange as the media that publish corporate announcements and other information required to be disclosed, and we also timely release corporate dynamics and industry information, so that the investors can conveniently obtain relevant information, ensuring that investors and other stakeholders can accurately and conveniently obtain the important corporate information via official and authoritative channels.



Compliance principle

The corporate investor relations management shall be conducted on the basis of fulfilling the obligation of information disclosure according to law, and shall be in accordance with laws, regulations, rules and normative documents, industry norms and selfregulatory rules, corporate internal rules and regulations, as well as the code of ethics and code of conduct generally observed in the industry.



Equality principle

In conducting the investor relations management activities, the Company shall treat all investors equally, and in particular creating opportunities and providing convenience for small and medium-sized investors to participate in the activities.



Initiative principle

The Company shall take the initiative to conduct investor relations management activities, listening to investors' opinions and suggestions, and responding to investors' demands in a timely manner.



Integrity principle

In the investor relations management activities, the Company shall pay attention to integrity, stick to the bottom line, standardize operation, and take responsibility, creating healthy and sound market ecology.

Basic principles of investor relations management





The investor relations communication activities are an important bridge for the Company to communicate with the capital market. The effective communication and interaction can enhance investors' understanding and trust of the Company, and promote the market image of the Company. The Company has set up special investor relations management personnel to actively maintain communication with institutional investors, analysts and minority shareholders, answer questions and convey the Company's development strategy and business results by regularly holding performance presentations, investor surveys, conference calls and E-interactive platform inquiries and answers.



During the reporting period, the Company's E interactive platform answered investor questions more than 100 accumulatively;

As required by the rules of the exchange, the Company held **annual and semi-annual performance presentations**;

Due to the listing of "Juheshun convertible bonds", a special presentation on the listing performance of convertible bonds was held.





Performance presentation



Convertible Bond ListingPerformance Briefing

Risk Internal Control



During the reporting period, **no** major risk events occurred in the Company, which provides a solid safeguard for the smooth operation of corporate business and the realization of strategic goals.

The Company attaches great importance to risk internal control management, and takes it as an important cornerstone to ensure the Company's sound operation and sustainable development. The Company identifies, evaluates and responds various operating risks to ensure the compliance of corporate business activities, the safety of assets and the reliability of financial reports, creating long-term value for shareholders and stakeholders.

The Company has established a sound risk management system and internal control system, covering finance, operation, law, market and other fields. Meanwhile, the Company set up the Audit Committee under the board of directors to coordinate the corporate compliance management, and the Audit Committee sets up a special Audit Department which is composed of an audit team of professional quality and rich experience. The Audit Department regularly conducts internal audits and risk assessments to independently review the effectiveness of key business processes, financial reporting and internal controls, ensuring that risks are identified and effectively controlled in a timely manner.

Training on code of conduct for duties performance and stock trading of directors, supervisor and senior managers



In December 2024, the Company invited external experts to organize a special training entitled "Code of Conduct for Duties Performance and Stock Trading of Directors, Supervisor and Senior Managers" for directors, supervisors and senior managers (hereinafter referred to as "directors, supervisors and senior manager"). This training aimed to strengthen the normative awareness of directors, supervisors and senior managers on corporate governance, information disclosure and stock trading behavior, and ensured that their duties performance met the regulatory requirements to prevent the risk of violating laws and regulations.



Training on code of conduct for duties performance and stock trading of directors, supervisor and senior managers



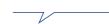
A good internal control mechanism is the basis of tax management, which can ensure the standardization and compliance of the tax process. The Company developed a strict financial management system to effectively prevent tax risks, avoiding legal consequences and economic losses caused by violations. The tax management requirements in the financial management system clearly stipulate that the Company shall conduct tax declaration, payment and planning in strict accordance with the national tax laws, regulations and policies, and shall regularly conduct tax self-examination and external audit of the parent company and local subsidiaries, ensuring the accuracy and compliance of tax processing.



During the reporting period, the Company **did not conduct** any major tax disputes or penalties. Meanwhile, the Finance Department timely grasped the adaptability between applicable policies and the Company to fully enjoy the benefit of such policies, bringing income to the Company's annual profit index



Commercial Ethics





We strictly comply with the applicable laws and regulations of anti-corruption and anti-bribery, and we regard commercial ethics management as a core part of our corporate culture, committing to building an honest and transparent commercial environment. Moreover, the Company maintains the corporate reputation and the trust of stakeholders by standardizing the behavior of employees, strengthening ethical awareness, ensuring compliance with laws, regulations and professional ethics in operating activities. In addition, the Company's Employee Handbook contains clear commercial ethics and employee code of conduct requirements, which clearly prohibits any form of bribery, corruption and improper transactions, and we have established a diversified reporting mechanism and internal investigation procedures to ensure that violations can be detected and dealt with in a timely manner.

In 2024, the Company constantly improved its internal reporting mechanism and whistleblower protection mechanism, and opened reporting emails, reporting SMS messages, communication feedback WeChat groups to receive employees' reporting 24 hours a day. Meanwhile, we kept the reporting information strictly confidential to protect whistleblowers from retaliation.



The Company always adheres to the principle of fair competition, and strictly abides by anti-monopoly laws and regulations, committing to maintaining a healthy market order. Currently, the Company has established a sound anti-monopoly compliance system, and regularly conducts self-inspection and risk assessment of business activities, ensuring that there is no monopoly agreement and abuse of market dominant position in pricing, sales, cooperation and other links. During the reporting period, the Company always adhered to the principle of fairness and transparency in market competition, and did not involve any anti-monopoly investigation or punishment, winning the trust and respect from customers and partners, and also making positive contributions to the healthy development of the industry.



Equal treatment of small and medium-sized enterprises

The Company attaches great importance to cooperation with small and medium-sized enterprises, and always adheres to the principle of equality and mutual benefit, committing to building harmonious supply chain ecology and reducing operational risks. In the procurement, cooperation and payment links, the Company has formulated a clear support policy for small and medium-sized enterprises, ensuring that small and medium-sized enterprises can enjoy equal opportunities in competition, and the Company also provides them with technical support and training services. During the reporting period, the Company established long-term and stable cooperative relations with many small and medium-sized enterprises, and there was no unfair treatment or overdue payment.

Information Security



The Company fundamentally understands the importance of information assets, and maintains the security of information assets by establishing a comprehensive information protection system to prevent risks such as network attack and data leakage. The Company adopts advanced technical means in daily network security operation and maintenance, such as data encryption, firewall and intrusion detection system, and regularly conducts information security training and emergency drills for employees. During the reporting period, the Company adhered to the strict confidentiality principle, and strictly controlled the acquisition, storage, transmission and usage of important information, so there were no major information security incidents, effectively ensuring the stable operation of the corporate business.

IT personnel attended the network security training session of key private enterprises in Qiantang District to learn information security knowledge



In September 2024, the Party and Mass Service Center in Qiantang District held a network security training session of key private enterprise, attracting many IT personnel to participate. The Company attaches great importance to network security, so actively sent backbone personnel to participate in this training session. In this training session, the Company's IT personnel not only improved the network security technology capabilities, but also deeply understood the current network security situation and protection priorities, accumulating valuable experience for the Company's network security.



During the reporting period,

The Company conducts 6 information security management trainings, and the coverage rate was 71%.

Among them, the Company organized 2 information security training sessions for subsidiaries.



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Party Building Guidance

The Company always adheres to the Party building guidance, and integrates the Party building work into all aspects of corporate governance and business development, giving full play to the role of the Party organization as a fighting fortress and the vanguard role of Party members. Moreover, the Company strengthens the ideological and political construction, organizational construction and style construction of employees to promote the realization of the Company's strategic goals, and enhances the cohesion and responsibility of employees. In addition, the Company regularly conducts themed Party day activities, Party class learning and community activities, and combines Party building work with corporate management and cultural construction to achieve a win-win situation of business development and social responsibility, as a result, the Party organization has played an important role in the Company's major decisions, and provides a strong political safeguard and spiritual motivation for the Company's high-quality development.

Changde Juheshun held a regular activity of the Party organization to promote the deep integration of Party building and corporate development

Case

In January 2024, the Party branch of Changde Juheshun held a regular activity of the Party organization , which was presided over by the branch secretary. The meeting focused on five aspects, clarifying the standardization requirements and diversified organizational forms of Party branch construction. In this meeting, the Party branch of Changde Juheshun further clarified the direction of work, and laid a solid foundation for promoting the deep integration of Changde Juheshun's Party building and production & operation.



A regular activity of the Changde Juheshun Party organization

The organizational structure and operating mechanism of the Party branch must meet the Party's standards, ensuring the standardization and seriousness of the branch's work

It is emphasized that the Party branch must resolutely implement the Party's line, principles and policies, ensuring that the resolutions of the superior Party organizations are implemented in the Company

th It is emphasized that the Party members shall conscientiously fulfill their obligations, and play a vanguard role, arty contributing to the development of the Company and Party building



Standardized
Party branch
setup



Implement Party's line, principles and policies



Fulfill the obligations of Party members

Diversified organizational forms



Party branches are encouraged to adopt a variety of innovative forms in conducting activities, enhancing the attractiveness and effectiveness of

organizational life

Implement the

tasks of the Party

organization

Party members are required to actively complete the tasks assigned by the Party organization, ensuring that the decisionmaking and deployment of the Party organization are effectively implemented

Juheshun Luhua protected the health and safety of frontline employees in project construction

Case

Under the guidance of the Party building, Juheshun Luhua actively participated in a number of activities organized by the Zaozhuang Working Committee , presenting our social responsibility and humanistic care. Juheshun Luhua cooperated with the Zaozhuang Working Committee to go deep into the frontline of project construction for distributing heat-prevention and cooling supplies for employees, and conducted heat-prevention and cooling knowledge publicity, effectively improving the safety awareness and health protection of employees. In these activities, Juheshun Luhua not only strengthened the linkage with the higher Party committee, but also provided powerful support for the project construction, demonstrating the temperature and intensity of the Party building.





Juheshun Luhua protected the frontline employees in project construction





Innovative R&D and technology leading to promote upgrade

Holding the core concept of "innovation leads future, quality lays foundation, service achieves value", Juheshun is committed to achieving sustainable development. Stimulating the vitality of development via innovation drive, winning the market trust via outstanding quality, creating long-term value via customer-orientation, the Company constantly promotes the progress of its own and the industry, contributing more to the society.

Our actions

- Innovation drive
- Quality management
- Customer service

SDGs equivalent









Innovation Drive

Juheshun always adheres to the development strategy of innovation drive, and attaches great importance to R&D innovation and green design, committing to promoting technical progress and sustainable development. We have established a sound R&D incentive mechanism to fully mobilize the enthusiasm and creativity of R&D personnel, ensuring the constant output of innovative results. Meanwhile, we pay attention to intellectual property management to strictly protect the core technological results, and we always adhere to the bottom line of scientific and technological ethics to ensure that innovative activities are conducted in a compliant, healthy and orderly manner, contributing to the high-quality development of the industry.



The Company always regards innovative R&D as an important source of core competitiveness, and we are committed to improving our innovation ability and R&D level via a series of measures. In order to ensure the efficient and orderly development of R&D work, the Company has formulated the Research and Development Organization Management System, the Intellectual Property Management Control Procedures and the Research and Development Input Accounting Management System. Due to the sound R&D process and under the concept of green design and sustainable development, the Company promotes product innovation, and we pay attention to the transformation and application of R&D results, striving to provide environmentally friendly and efficient products for the market. Meanwhile, the Company has established the Scientific and Technological Results Transformation Management System and the R&D Performance Assessment and Technological Innovation Reward System, so the incentive measures have been used to mobilize the enthusiasm of R&D personnel, improving R&D quality and efficiency.



















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► Product R&D

The Company attaches great importance to the standardization and systematic management of product design and development process, so in order to ensure that every link of products from concept to finished products can meet high standards of quality requirements, we have specially formulated the Design and Development Control Procedure. This Procedure specifies the control measures for key steps such as design input, output, review, verification and confirmation in details, aiming to ensure that the products designed and developed not only satisfy the expectations and demands of the customers, but also meet the requirements of applicable government laws and regulations via strict process management.



Due to the constant innovation, the Company has developed more than 30 new products, in which a number of technologies have reached the leading level in China, and their market shares rank the top four in China, becoming a leading enterprise in the nylon chips industry. Our products are widely used in textile, automotive, electronics, machinery and other fields to promote industrial development and create significant economic benefits. In the textile field, the textile made of nylon chips has good wear resistance and elasticity; in the home field, our products are used in high temperature kitchen utensils; in the field of sports equipment, our products can provide a lightweight operation experience to meet diverse demands. As a result, our outstanding products and technology constantly inject impetus into the development of the industry and create higher value for customers.

Time	Innovative results	Results source
	Polyamide-6 material for food packaging film with antibacterial effect	Industry—academia—research transformation
	Polyamide-6 materials for barrier explosion protection	Independent R&D transformation
2021	MVR re-purification energy-saving process and device	Independent R&D transformation
	Copolymerized nylon material for high strength fishing net	Independent R&D transformation
	In situ polymerization grade carbon black polyamide-6 chips	Independent R&D transformation
	Synthesis of high hydrophilic nylon 6 polymer and its industrial R&D	Industry—academia—research transformation
2022	Development of automotive grade in situ PA6/66 copolymer material	Independent R&D transformation
	R&D of Oxford fabric special spinning polyamide-6 chips	Independent R&D transformation
	Synthesis of high toughness nylon 6 polymer and process R&D	Independent R&D transformation
2023	R&D of high toughness copolymer polyamide 66/6	Independent R&D transformation
	R&D of microdenier fiber polyamide-66 ships	Independent R&D transformation
	R&D of polyamide materials for direct injection molding connectors	Independent R&D transformation
	Development of polyamide material for medical nylon thread	Independent R&D transformation
2024	R&D of polyamide material for low temperature and low voltage electrical resistance	Independent R&D transformation
	R&D of polyamide materials for permanent magnet device injection molding	Independent R&D transformation
	R&D of polyamide materials for high-depth dyeing spinning	Independent R&D transformation

 $\ensuremath{ f \bigcirc}$ Main corporate R&D and innovative results in the recent four years

▶ Green design

The Company always holds the green concept in the design and R&D process, and we are committed to integrating environmental awareness into every link of product development, ensuring that products not only satisfy functional requirements, but also create a positive impact on the environment. We adopt green design approach to effectively reduce resource consumption and waste emissions, promoting sustainable development.

Resource recycling

Nylon chip is a recyclable material, and the nylon waste generated in the production process of the downstream industry, waste yarns, worn fishing nets, tire fabrics, plastic products can be reprocessed into new products via physical and chemical treatment, which can effectively reduce resource waste and improve resource utilization, realizing the closed-loop cycle of resources and reducing waste emissions and the demand for new raw materials

Substitute some highly pollutant materials

Nylon chips have excellent performance, and can substitute some traditional materials with greater environmental impact, such as some metal materials. Compared with the production of metal materials, the production process of nylon chips has lower energy consumption and pollutant emissions, and it is easier to recycle and dispose after use

Reduce carbon emissions from downstream industries

- Automotive field: The automotive parts and components made of nylon 6 chips are more durable than
 other materials, reducing carbon emissions caused by frequent replacement due to product damage;
 meanwhile, the promotion of automotive lightweight technology is to use plastic to substitute steel. If
 the automotive weight is reduced per 100kg, it can reduce fuel consumption by 0.3L to 0.6L, and reduce
 carbon dioxide emissions by about 5g/km
- Electronic and electrical fields: Nylon chips can be used to manufacture high-performance insulation materials and electronic components, which can improve the energy utilization efficiency of electronic equipment and reduce the energy consumption of equipment during usage, indirectly reducing the carbon emissions
- Building field: The sealing materials and insulation materials made of nylon chips have good sealing and insulation properties, which can reduce the energy consumption of buildings and reduce the use of HVAC and other equipment, thus reducing carbon emissions
 - O Positive impact of the products on the environment

The innovative energy storage project helped green transformation and energy efficiency improvement

Case

In 2024, the Company invested millions of yuan to develop a 2MW/4MWh user side energy storage project. This Project reduced the corporate electricity costs by charging during the valley and discharging during the peak. This not only reflects our capabilities in green design and innovation, but also optimizes energy management, helping promote sustainable development and enhance our competitiveness.



Electromagnetic energy storage project

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► R&D rewards

The Company attaches great importance to the construction of innovation incentive mechanism, and in order to stimulate the enthusiasm and creativity of R&D personnel, we have specially formulated the R&D Performance Assessment and Technological Innovation Reward System. This System clearly defines the assessment indicators, and designs the salary structure of R&D personnel as a combination of basic salary and project performance bonus, ensuring that their income is directly linked to the R&D results. At the end of each year, the Company will conduct a comprehensive performance assessment on the R&D personnel, and for cross-year or long-term projects, we will conduct stage assessment according to the progress of the projects.

In addition, the Company has also set up a variety of technological innovation incentives, including patent bonuses and government innovation incentives, so we adopt multi-level incentive measures to encourage R&D personnel to constantly break through technical bottlenecks, promoting corporate innovation and development.



In order to strengthen the systematic management on intellectual property, the Company has formulated the Intellectual Property Management Control Procedure to realize the collection, accumulation, sharing and orderly transfer of knowledge within the enterprise via a standardized process, which can ensure the efficient utilization of knowledge resources, providing powerful support for the improvement of corporate innovation ability. Under the promotion of this management system, the Company has successfully applied for and obtained a number of patents. These patented technologies not only play a key role in the R&D link, but also have been widely used in actual production, which significantly improves the technical level of products and market competitiveness, injecting a powerful impetus for the corporate sustainable development.









Intellectual property related awards



As of the end of the reporting period, the Company has obtained

76 patents,
including 14 invention patents
and 62 utility model patents.

Preparation of high temperature resistant transparent polyamides R&D of nylon 66 nanocomposite materials Chilled water and triple-effect evaporating steam heat exchange devices of granulator Used in the development of copolymerization products, improving product transparency and developing innovative products Lay a solid foundation for the development of nylon 66 series products	Intellectual was worth we stilte	Hanna in myadushian	
Preparation of high temperature resistant transparent polyamides product transparency and developing innovative products R&D of nylon 66 nanocomposite materials Chilled water and triple-effect evaporating steam heat exchange devices of granulator MVR re-purification device Copolymerization products, improving product transparency and developing innovative products Lay a solid foundation for the development of nylon 66 series products Significantly reduce the corporate energy consumption of electricity and steam	Intellectual property results	Usage in production	
transparent polyamides product transparency and developing innovative products Lay a solid foundation for the development of nylon 66 series products Chilled water and triple-effect evaporating steam heat exchange devices of granulator MVR re-purification device Significantly reduce the corporate energy consumption of electricity and steam		Used in the development of	
R&D of nylon 66 nanocomposite materials Chilled water and triple-effect evaporating steam heat exchange devices of granulator MVR re-purification device innovative products Lay a solid foundation for the development of nylon 66 series products Significantly reduce the corporate energy consumption of electricity and steam	Preparation of high temperature resistant	copolymerization products, improving	
R&D of nylon 66 nanocomposite materials Chilled water and triple-effect evaporating steam heat exchange devices of granulator MVR re-purification device Lay a solid foundation for the development of nylon 66 series products Significantly reduce the corporate energy consumption of electricity and steam	transparent polyamides	product transparency and developing	
R&D of nylon 66 nanocomposite materials Of nylon 66 series products Chilled water and triple-effect evaporating steam heat exchange devices of granulator MVR re-purification device Significantly reduce the corporate energy consumption of electricity and steam		innovative products	
Of nylon 66 series products Chilled water and triple-effect evaporating steam heat exchange devices of granulator MVR re-purification device Significantly reduce the corporate energy consumption of electricity and steam	P&D of pulon 66 panagampagita materials	Lay a solid foundation for the development	
steam heat exchange devices of granulator MVR re-purification device Significantly reduce the corporate energy consumption of electricity and steam	R&D of hylon oo hanocomposite materials	of nylon 66 series products	
MVR re-purification device Significantly reduce the corporate energy consumption of electricity and steam	Chilled water and triple-effect evaporating		
MVR re-purification device consumption of electricity and steam	steam heat exchange devices of granulator	Significantly reduce the corporate energy	
consumption of electricity and steam	MVR re-nurification device		
Usage of energy-saving device for high	WWW.re pullifordion device	consumption of electricity and steam	
	Usage of energy-saving device for high		
temperature chips cooling	temperature chips cooling		
Solid phase viscosifier	Solid phase viscosifier		
Rotary blending device Greatly improve product quality	Rotary blending device	Greatly improve product quality	
dieatly improve product quality		dready improve product quality	
Removal device for ring dimer in	Removal device for ring dimer in		
extraction water	extraction water		

O Usage of intellectual property results in production



Scientific and technological ethics

When conducting business, the Company strictly complies with national and international laws and regulations, ensuring that product development and technology application meet the requirements of scientific ethics. Holding the business philosophy of integrity, we emphasize transparency and compliance, and pay attention to user privacy protection and respect for intellectual property rights. We have established a sound management system and regular training to ensure compliance of all employees, eliminating any unethical behavior.



Quality Management

Holding the concept of "people-oriented, quality first; customer respect, sincere and trustworthy", Juheshun focuses on product quality management, and strict controls the production process to ensure that products meet standards. We treat nonconforming products in time and constantly optimize the production process, so as to strive to improve product quality for satisfying customer demands, promoting the long-term and steady development of the Company.

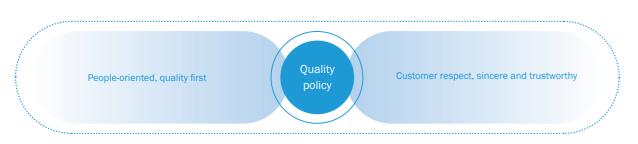




Government quality awards



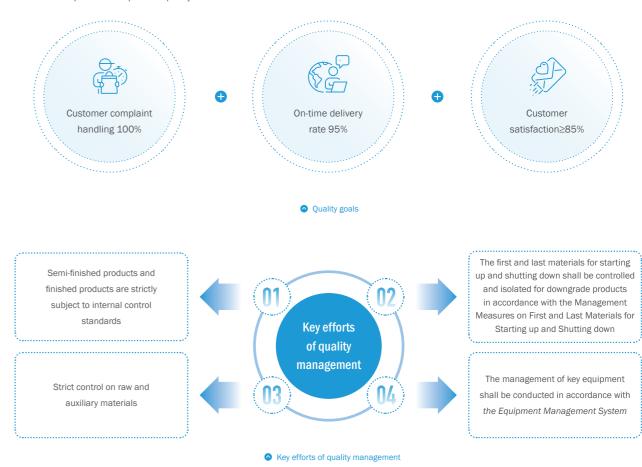
Quality management system certification certificates



Quality policy

Improve product quality

Under the increasingly fierce market competition, product quality is the fundamental for corporate survival and development. In order to comprehensively improve product quality, the Company has formulated clear quality goals from a strategic height, and has systematically promoted the construction of quality management system. We have taken many efforts such as introducing advanced technologies, optimizing production processes, strengthening supply chain management and constantly conducting quality training, so that we constantly consolidate the quality foundation to promote the product quality to a new level.



We organized production quality training to improve employees' quality awareness and operation skills

In September 2024, the Company organized comprehensive production quality training with the participation of 155 employees. The training explained in details the influence of each link (such as feeding, polymerization, granulating, extraction and drying) on the quality of the finished product as well as its manifestation. After the case analysis and interactive discussions, the employees deeply understood the critical control points of each production step, further improving quality awareness and operation skills.



Production quality training courseware



We introduced the high-precision density instrument to shorten the detection time, helping improve product quality

• Case

In 2024, in order to constantly improve product quality and production efficiency, the Company introduced a high-precision density instrument. The application of this device reduced the density detection time from the original 3.5h to 0.5h, and the detection efficiency was increased by 600%. This improvement not only significantly optimized the production process and shortened the production cycle, but also further strengthened the product quality control ability via more accurate detection means, which effectively reduced the quality risk in the production process, providing a powerful safeguard for product stability and customer satisfaction.

Disposal of nonconforming products

In order to ensure that product quality meets the requirements, the Company has formulated the Management Control Procedure for Nonconforming Products to prevent the unintended use or delivery of nonconforming products. According to this Procedure, once a product is found to be nonconforming, the Quality Inspection Department will issue a "Notification of Nonconforming Product" to the Production Department, requiring the Production Department to correct, prevent and rectify, and the Quality Inspection Department will verify the rectification results. If there is a customer complaint for return of goods, the Company will organize the QC team to conduct 8D analysis of the complained products, and deeply find the root cause of the problem and take effective measures to ensure that similar problems do not happen again, thus constantly improving product quality and customer satisfaction.



Customer Service

Juheshun always adheres to the customer-oriented service concept, and we have won the long-term trust from customers with our advantages of stable product quality and high cost-effectiveness, so the customer stickiness has been significantly enhanced. Moreover, we have obtained many customer awards, and established an annual contract cooperation relationship with a number of customers. In order to constantly improve customer experience, the Company has established a sound customer satisfaction management and customer complaint management system. These systematic processes and systems can ensure that customer demands are accurately identified, quickly responded and efficiently solved, further consolidating the long-term partnership with customers.



Customer award



Customer satisfaction management

The Company has established a sound customer satisfaction management system. According to the Management Control Procedure on Customer Satisfaction and the Management Control Procedure on Customer Demand Identification, we can ensure that customer demands are accurately identified and fully understood, and we will evaluate our ability to meet these demands. We regularly conduct customer satisfaction surveys to collect feedback and analyze data, identifying the improvement opportunities. Meanwhile, we constantly optimize the production plan to improve the delivery efficiency, and ensure that the contract or order requirements are reasonable, clear and documented, so that we can constantly improve customer satisfaction, achieving the common development of customers and the Company.



In 2024, the Company made a significant contribution to customer service via improving the chip production plan and optimizing the production transfer operation. After the accurate production scheduling, the equipment utilization rate was greatly increased, and the production cycle was shortened from 10 days to 7 days, significantly improving the speed and accuracy of order delivery. Meanwhile, the matching degree between procurement and production plan was optimized to ensure the flexibility and response speed of production. Most important of all, the standardized production processes and strict quality control measures reduced the rate of defective products, improving the product consistency, and the customer satisfaction was improved from 94% to 95%.

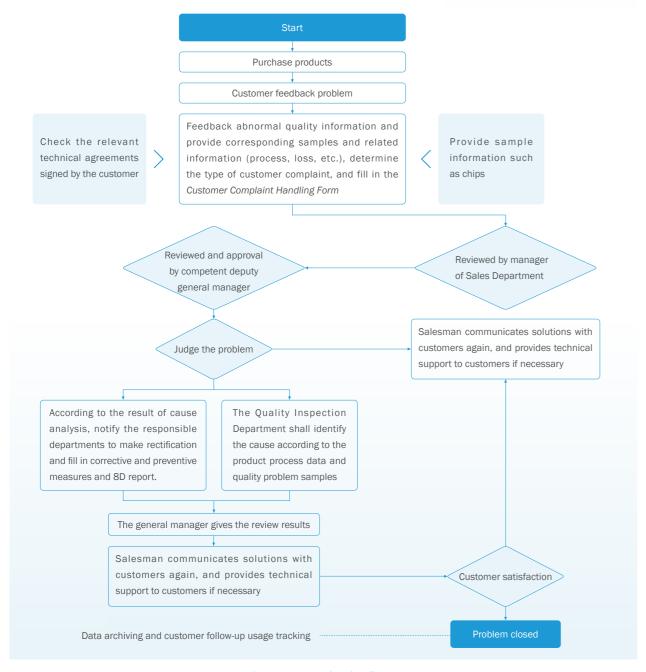


Customer complaint management

The Company has established a standardized customer complaint management system. According to the Management Control Procedure on After-sales Service and the Operation Center Business Process System, we define the complaint handling process, ensuring that customer feedback is timely response and effectively resolved. The complaint handling process includes receiving, recording, analyzing, processing and tracking to ensure that each complaint is accurately recorded and assigned to the relevant department for handling. We regularly analyze the complaint data to identify the potential problems and constant improve, so as to promote service quality and enhance customer trust and satisfaction.

Key performance 2024.

During the reporting period, the Company received 0 complaints, the resolution rate was 100%, and the customer feedback satisfaction was 95%.



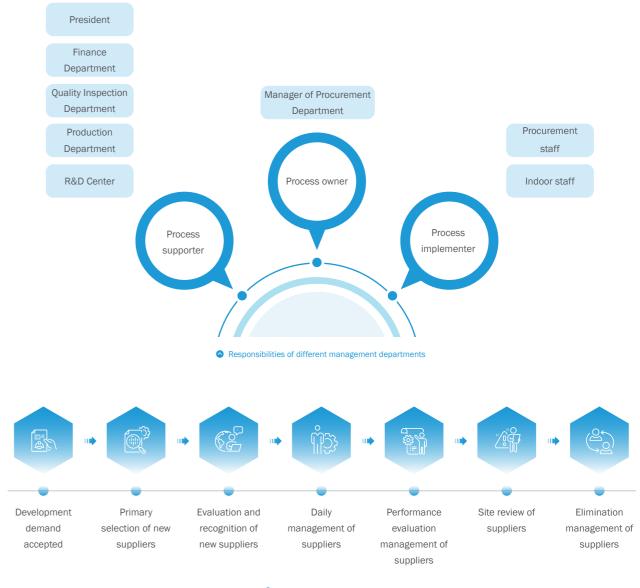
Customer complaint handling process

Supply Chain Security

Focusing on the goal of high-quality development, Juheshun constantly optimizes supply chain management technology to improves the level of specialization and sustainability. The Company is committed to building a stable, transparent and green supply chain system, and strengthens the resource allocation and risk management & control, ensuring supply chain security and quality under control. We constantly optimize the procurement management to improve the level of inventory management, and also contribute to the upgrade and sustainable development of the industry.



In order to strengthen the ability of supplier management, the Company has formulated the Supplier Management Regulations. We select, evaluate and manage the suppliers to ensure that the procured products and received services are effectively controlled to meet the requirements of customers and the Company. It is stipulated that starting from the procurement process, quantitative indicators are proposed for the detailed problems existing in the steps to improve the quality and transparency of procurement.

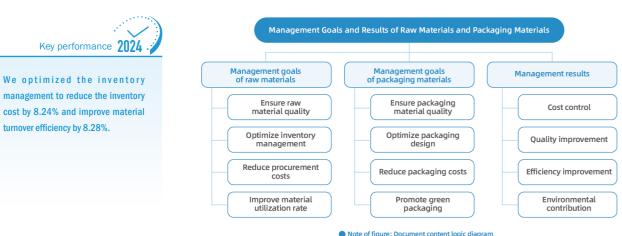


Supplier selection process

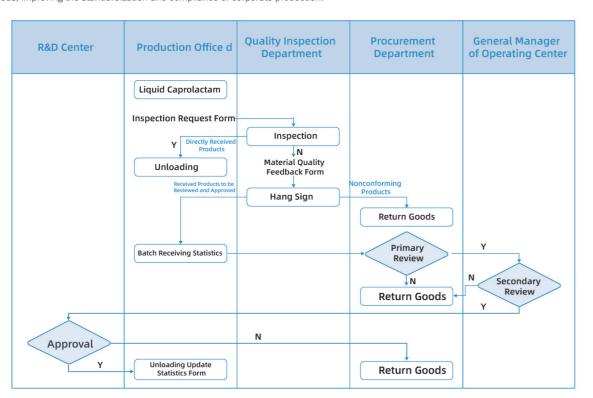


Raw material management goals and results

The management of raw materials and packaging materials is an indispensable part of the corporate production and operation, and its management goals and results are directly related to product quality, production efficiency and cost control. The Company attaches great importance to the quality management of raw materials and packaging materials, and has formulated the document Management Goals and Results of Raw Materials and Packaging Materials. This Document specifies the raw material management goals, packaging materials management goals, management results and other contents in details, helping the Company achieve good results in inventory management. These results not only improve the corporate operation efficiency, but also bring significant economic benefits to the enterprise.



In order to satisfy the demands of customers, the Company has formulated the document Incoming Acceptance and Usage Standards for Raw and Auxiliary Materials, which further controls conforming raw and auxiliary materials to reduce the potential product risks caused by the defects in the raw and auxiliary materials. This Document specifies responsibilities, acceptance and usage standards, and describes the process and treatment methods, improving the standardization and compliance of corporate production.



Corporate Liquid Caprolactam Review & Approval Flow Chart



Green supply chain construction

Focusing on the concept of sustainable development, the Company promotes the construction of recycling economy, and formulates green supply chain construction plans to guide supplier selection and raw material procurement. In order to ensure the smooth progress of the construction, the Company has developed various safeguard measures to promote corporate procurement as planned.

Short-term protection files of suppliers.

- Formulate supplier evaluation standards: Formulate green supplier evaluation standards, covering the environmental protection of raw materials, energy consumption in production process, waste treatment and other aspects. Conduct primary evaluation of existing major suppliers, and establish environmental
- Release green procurement guidance: The Company has officially released its internal green procurement guidance, which aims to clearly define the environmental criteria and procurement priorities that procurement staff shall follow when selecting raw materials and products.

Mediumterm

- Supplier training and cooperation: Based on the evaluation results, we will provide training and technical support to suppliers that fail to meet the requirements, helping them improve their production process and improve environmental protection. We establish long-term strategic partnerships with quality suppliers to jointly conduct green R&D projects.
- Green supply chain information sharing platform construction: Establish an information sharing platform to exchange environmental protection information, new technologies and new policies with suppliers in real time, promoting the green development of the entire supply chain.

Long-term

- Comprehensive green transformation of supply chain: Ensure that the entire supply chain realizes green transformation, from raw material procurement, manufacturing, product transportation to sales and use, and the whole process is in line with recycling economy and environmental protection requirements. We will encourage upstream and downstream enterprises in the supply chain to jointly formulate and implement recycling economy development strategy.
 - Corporate green supply chain construction plan



policy support

Set up a special leadership team

This team is headed by corporate senior leader, and the heads of all departments are members, responsible for the formulation, promotion and supervision of the recycling economy target plan

Increase fund input in recycling economy field

Special funds are set for key links such as technology R&D,

equipment renewal and project construction. Meanwhile,

actively strive for government support funds and preferential

Corporate safeguard

Enhance employee training

Regularly organize employees to participate in knowledge and skills training related to recycling economy, enhance employees' environmental protection awareness and participation

Establish an assessment mechanism



Incorporate the completion of recycling economy targets into the performance assessment system of departments and employees. Departments and individuals with outstanding performance will be given honors and substantial rewards, while strict accountability mechanisms will be implemented for those who fail to complete the targets

Corporate safeguard measures

ESG Report 2024 Juheshun Advanced Materials Co.,Ltd.

Industrial Synergy

Based on the production of polyamide 6 new materials, Juheshun constantly promotes the high-quality development of the industry. With Hangzhou as the strategic core to coordinate production, operation and Group managements, we have expanded our production capacity to Shandong and Hunan, which not only extends the new material industry chain to the terminal link in the chemical field, realizing the strategy of chain extension, but also supports upstream enterprises through cooperation to implement capacity expansion, realizing the full digestion of upstream capacity, which reflects the advantages of value synergy of the industrial chain, and plays our bridge role in the intermediates of the subdivision field. Meanwhile, we actively participate in the formulation of industry standards to promote technological progress in the industry, and we cooperate with a number of universities in R&D to improve the level of scientific research and application capabilities. This series of industry layout is not only close to the production and service fields related to the industrial chain, but also realizes the comprehensive economic value of the industry ecosystem to reduce costs and increase efficiency to the greatest extent.

S/N	Standard name	Type	Release time	Formulation
1	GB/T 38138-2019 Fiber grade polycaprolactam (PA6) chips test method	National standard	2019.10.18	Participation
2	T/ZZB 1775-2020 Polyamide/spandex air covered yarn	Group standard	2020.11.03	Participation
3	FZ/T 51023-2024 Fiber grade recycled polycaprolactam (PA6) chips	Industry standard	2024.07.05	Participation

List of participation in formulating industry standards



S/N	Honor name	Туре	Recognition time
1	High-tech enterprise	National level	2022.12
2	Specialized, refined, differential and innovative "Little Giant" enterprise	National level	2023.07
3	Corporate research institute	Provincial level	2022.12
4	"Specialized, refined, differential and innovative" small and medium-sized enterprise	Provincial level	2022.12
5	High-tech corporate R&D center	Provincial level	2018.01
6	Patent demonstration enterprise	Municipal level	2023.12
7	Corporate technology center	Municipal level	2017.11
8	Trade secret protection demonstration enterprise	Municipal level	2023.10
9	People's government quality management innovation award	District level	2024.01

List of honor for corporate innovation ability certification



Green Environment and Sustainable Development to Protect Ecology

Juheshun thoroughly implements the concept of green development, and actively responds to the national call for ecological civilization construction, integrating ecological environmental protection into the corporate development strategy. We are committed to reducing our impact on the environment via conducting special environmental actions, optimizing production processes, promoting energy conservation, emission reduction and resource recycling. Meanwhile, we advocate green production methods and lifestyles, and accelerate the formation of a new model of sustainable development, so we promote high-quality corporate development with a high level of ecological environmental protection, contributing to the win-win situation of economic and ecological benefits.

Our actions

- ▶ Environmental compliance management
- ▶ Efficient resource usage
- ▶ Waste discharge control
- ▶ Address climate change
- ▶ Biodiversity conservation

SDGs equivalent









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Environmental Compliance Management

In order to implement the Environmental Protection Law of the People's Republic of China and applicable laws & regulations, the Company has established a sound environmental management system and formulated 20 environmental management systems, including the Environmental Management System and the Control Procedures on Environmental Goals and Management Program. The Company has also formulated the Emergency Plan for Environmental Emergencies in accordance with the Guidelines for the Preparation of Emergency Plans for Environmental Emergencies to improve the prevention, response and disposal capabilities of environmental emergencies.

In addition, the Company is preparing a green factory plan to promote the corporate green and low-carbon transformation, achieving intensive land, clean production, waste resources and low-carbon energy.

Environmental protection facilities shall be designed, constructed and put into use simultaneously with production facilities



Environmental protection facilities shall be regularly maintained, checked and repaired to ensure their normal operation

U3

The operation of environmental protection facilities shall comply with national and local environmental regulations and standards

Principles of environmental protection management

Low carbon energy saving, compliance with regulations

Environment policy

Environmental protection, constant improvement

Environmental policy



Key award





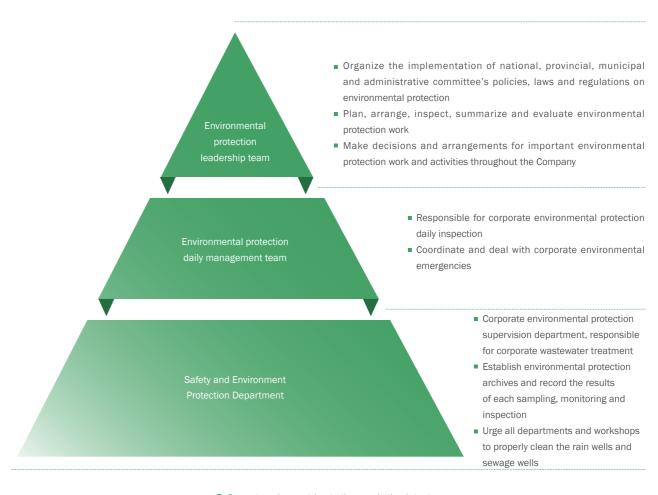
Environmental management system certification certificates



Holding the concept of "green development and responsibility first", the Company deeply integrates environmental protection into its development strategy, and it is committed to building a scientific and sound environmental management system. We set clear environmental goals and an efficient environmental protection organizational structure to ensure that the environmental protection work is conducted efficiently and is in accordance with applicable regulatory requirements, and provide powerful support for green development.

► Organizational structure

The Company has established a sound environmental management organizational structure to ensure the effective implementation of environmental protection policies and smooth daily management. The Company has set up an environmental protection leadership team and an environmental protection daily management team, forming a multi-level and all-round environmental management system. The leadership team is headed by the general manager, the executive deputy general manager is the deputy leader, and the members include the heads of all departments, responsible for the implementation of environmental protection policies and of major environmental protection decision-making. The daily management team is headed by the office environmental protection officer, and the team members are related personnel of each workshop, mainly responsible for daily environmental protection inspection and emergency treatment. In addition, the Safety and Environmental Protection Department acts as a full-time supervisory department to ensure the effective implementation of environmental protection work. This structure provides a powerful safeguard for corporate environmental protection management.



Corporate environmental protection organizational structure

聚合顺 - JUHESHUN -

► Environmental goals

The Company has formulated the Control Procedures on Environmental Factors Identification and Evaluation and the Control Procedures on Environmental Operation, providing scientific management basis for environmental protection work. We set up clear environmental goals and establish a scientific environmental management system & operating mechanism to constantly optimize our environmental performance, ensuring that our environmental protection work complies with applicable regulations. Currently, our environmental management work has basically reached the standard, and for a few areas that have not reached the standard, we are actively promoting the rectification measures, committing to achieving all goals.

Noise compliance emission

- Separate operation methods are adopted for noise reduction of mechanical operations and sheet metal tapping in sensitive locations or with special requirements
- Mechanical blanking and sheet metal tapping shall be controlled within the production workshop, and the
 operation shall adjusted and conducted separately



Incorporation into sewage treatment system with a standard higher than the approval one to save social public resources

- Corporate sewage treatment
- · Up-to-standard incorporation into sewage treatment system



No chemical leakage or explosion accident

- Prepare operation instructions on the use and management of chemicals and toxic & harmful substances, and train operators before operation
- A special warehouse or storage cabinet shall be set up for the storage of inflammable & explosive goods and chemicals on the production site



Exhaust compliance emission

- Pre-polymerization and post-polymerization, injection with granulated waste gas water absorption treatment, 48m exhaust cylinder discharge
- Containment of exhaust gases from polymerization devices, reinforced equipment valves, piping connections, and wastewater transfer processes



- $\bullet \ \ \text{Exhaust gas discharge of heat medium system, reinforced sealing, and pipe and valve connection are welded}$
- The exhaust gas of sewage tank, anoxic tank, aerobic tank and anaerobic sedimentation tank shall be covered by arc plate

No fire incidents

- Formulate relevant safety management measures, responsible for daily management according to the regulations
- · Conduct emergency drills according to the requirements of the plan
- · Check boiler safety on time



Various wastes shall be reasonably classified and disposed in accordance with legal requirements

- · Waste shall be placed and disposed separately
- Hazardous waste shall be entrusted to a qualified entity for legal disposal, and the transfer copy shall be kept in
- the archives
- · Level of hazardous industrial waste in/out of storage



Environmental goals and management plan

Environmental impact assessment

When promoting technological innovation and industrial upgrade, introducing new technologies, new processes, new equipment and new materials, we must attach great importance to their potential impact on the environment. To this end, the Company takes the initiative to submit environmental impact assessment reports to applicable departments in the R&D stage, and strictly implements the Three Simultaneous Management Provisions on New, Renovation, and Expansion Projects. The environment impact assessment report provides a detailed analysis on the possible impacts of pollutants on the environment and public health, and proposes practical prevention and control measures to ensure equal emphasis on technological innovation and environmental protection, achieving the sustainable development goals.



Meanwhile, Changde Juheshun has also promoted the EIA approval in an orderly manner, and the Phase I production project has completed the environmental impact assessment, approval, discharge permit handling and environmental protection acceptance, laying a solid foundation for green production. Currently, Phase II production project is in the stage of equipment installation, and the relevant environmental procedures have been entrusted to a qualified third-party institution to promote in an orderly manner, fully reflecting our high sense of responsibility for environmental protection.



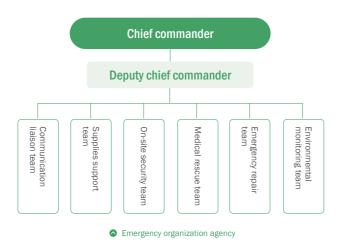
In order to implement the Emergency Response Law of the People's Republic of China and the Environmental Protection Law of the People's Republic of China, the Company has formulated the Emergency Plan for Environmental Emergencies and the Regulations on Emergency Response for Pollution Accidents and other systems, aiming at establishing and improving the emergency management system for environmental emergencies, effectively preventing, timely controlling and eliminating the hazards of environmental pollution emergencies, and improving our ability to respond to environmental risks. We clarify the emergency response process, division of responsibilities and accident handling measures to ensure that we can act quickly and scientifically in environmental emergencies, minimizing the impact on the environment and society.





Organizational structure of emergency agency

In response to emergencies, the Company has set up an emergency agency, with the emergency command as the core, the general manager as the chief commander, the production manager as the deputy chief commander, and it is composed of the communication, emergency repair, medical rescue, on-site security, environmental monitoring, supplies support and other emergency teams. Under the unified leadership of the command, each team performs its own duties and works together to ensure timely and effective handling of emergency incidents.



Implement the guidelines, policies and relevant provisions of the state, local governments and higher competent authorities on the occurrence of environmental emergencies and emergency rescue

Organize the formulation and modification of emergency plans for environmental emergencies, set up emergency rescue team for environmental emergencies, and organize the implementation of training and exercises for environmental emergency rescue in a planned way

Review and approve the purchase plan of monitoring instruments, protective equipment and rescue equipment for emergency rescue of environmental incidents

Check and urge the prevention measures of environmental incidents and the preparations for emergency rescue, and urge and assist relevant departments to eliminate the running, bubbling, dripping and leaking of toxic and harmful media in a timely manner

Release and cancel emergency rescue orders and signals, organize and direct emergency rescue teams to conduct emergency rescue actions

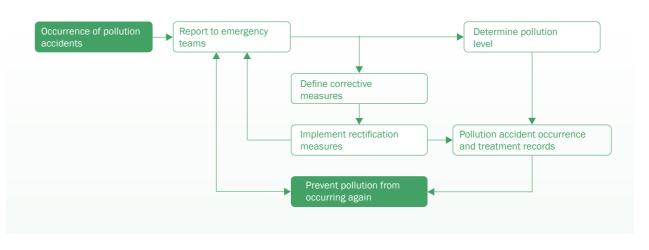
Report the leakage volume of hazardous chemicals, wind direction and other accidents to superiors, and send reinforcement request to relevant departments when necessary

Organize and direct rescue teams to conduct rescue actions, and be responsible for the mobilization of personnel, resource allocation and emergency teams

Coordinate related work at the incident site. Organize incident investigation and summarize emergency rescue experience and lessons

Responsible for knowledge training on employees in the prevention of hazardous chemical poisoning and rescue methods

Responsibilities of emergency command



Emergency response steps

52



S/N	Hazard source	Accident type	Hazard level
1	Double	Fire and explosion	Level III
1 Production workshop		Leakage	Level IV
2	Caprolactam tank area, hazardous	Fire and explosion	Level III
2	chemical warehouse	Leakage	Level IV
		Leakage	Level IV
3	Sewage treatment facility	Abnormal operation/out of service	Level IV
4		Leakage	Level IV
4	Waste gas treatment facility	Abnormal operation/out of service	Level IV
5	Hazardous waste warehouse	Leakage	Level IV

Emergency accidents classification and hazard level table

We held emergency drills for sudden environmental accidents to protect environmental safety and employee health



In July 2024, the Company organized an emergency drill for sudden environmental accidents, and a total of 15 employees participated. The drill simulated the accident scenarios, covering early warning, response, resource deployment and other links, and a comprehensive assessment and summary was conducted after the drill. This drill improved the accident prevention and control ability in the factory to safeguard the safety and health of employees, and we can ensure the rapid response when accidents occurred, effectively controlling losses and reducing environmental hazards & social impacts.





Sudden environmental accident drill site



We conduct the systematic environmental protection training management to promote the implementation of green development concepts, and we regularly organize training covering hazardous chemicals management, environmental protection norms and other fields to enhance employees' safety awareness and operation skills. Meanwhile, we hold the special sessions and other forms to strengthen the environmental protection responsibility of all employees, helping our constant performance improvement in the field of environmental protection.

We held the hazardous chemicals management training to standardized operation for protecting the green environment



In October 2024, the Company organized a comprehensive hazardous chemical safety training involving a total of 14 employees. This training covered several key links such as the receipt and storage of hazardous chemicals, transportation norms and emergency handling of leakage, aiming to improve the safety awareness and operation skills of employees so as to ensure the standardization and safety of hazardous chemicals management. After the combination of theoretical explanation and practical operation, the trainees had a deep understanding of the potential risks of hazardous chemicals and countermeasures thereof, laying a foundation for our safe production and environmental protection.

In November 2024, Juheshun Luhua conducted an environmental protection training involving a total of 47 employees on the same theme.



Hazardous chemicals training

Changde Juheshun held a environmental protection session to promote the implementation of green development concepts



Changde Juheshun New Materials Co., Ltd. held an environmental protection session, which was organized by the Production Department and attended by relevant departments. This session focused on the implementation of the concept of ecological civilization, and emphasized the solid environmental protection work during trial production, laying a foundation for future environmental protection goals. This session pointed out that environmental protection was not only a necessary measure of production, but also a kind of responsibility and attitude, so all employees are required to work together to promote corporate environmental protection work further.



Changde Juheshun environmental protection session



聚合顺



Juheshun optimizes the utilization of energy and water resources via efficient resource management. The Company adopts the advanced energy-saving technology and equipment to significantly reduce energy consumption in the production process, while minimizing water waste via the water recycling system. In terms of recycling economy, the Company actively promotes waste recycling and reuse, transforming reusable materials in the production process into valuable resources, which not only reduces the environmental burden, but also improves economic benefits.



Energy utilization

The Company implements the Energy Conservation Law of the People's Republic of China, and systematically promotes energy management via a sound institutional system and organizational structure. Currently, the Company has formulated the Management System on Energy Conservation and Consumption Reduction and the Management System on Energy and Resources, and has also established a three-level (Company, departments and employees) energy management network, ensuring that energy management covers the whole Company. The Energy Conservation Committee is led by the Manager of the Production Department, and its members include the heads of various departments, which is responsible for coordinating the energy management of the whole Company, and formulating energy conservation plans to effectively realize the standardization and efficiency of energy management, improving the energy utilization efficiency.

Short-term goal

Energy upgrade and equipment upgrade: Conduct energy upgrade to accurately identify high energy consumption equipment and processes. Plan the procurement proposal of energy-saving equipment and gradually eliminate old equipment, for example, upgrade high-energy-consuming lighting lamps to LED ones.

Medium-term goal

Energy management system improvement: Establish an energy management system, set up special energy management posts, and clarify their scope of responsibility. The intelligent energy management system is introduced to monitor energy consumption in real time, and conduct data analysis to achieve fine energy management.

Long-term goal

Large-scale application of renewable energy: Build solar power panels and small wind power facilities on the roof and open space of the factory to achieve par-tial self-sufficiency in electricity. Ac-cording to the corporate production fea-tures, explore the feasibility of using other renewable energy sources such as geothermal energy.

Energy management goals



Electricity consumption management

- All factories shall improve the utilization rate and load rate of equipment, eliminating the idling of equipment
- Set the air conditioner temperature properly. Except the central air conditioning, the indoor air conditioning temperature is set not less than 26°C in summer and not higher than 20°C in winter; Don't turn on the air condi-tioner when there is no one in the room, and close the doors and windows when the air conditioner is turned on
- Regular clean the fan coiler, filter and other devices of the air conditioning system to im-prove the energy efficiency of air condition-ing
- Computers, printers, fax machines and pho-tocopiers and other equipment are only pow-ered on when in use, or set into automatic en-ergy-saving state to reduce and avoid electri-cal equipment in a long standby state; con-sciously turn off various electrical power after work



Gas consumption management

- Check and maintain the air pipelines, valves and pneumatic tools within the responsible scope every day to ensure the integrity of pneumatic tools, connectors and air pipelines, and timely deal with or replace any air leakage
- It is not allowed to use compressed air to blow the body, blow the ground or use it for other purposes
- Close and tighten the air valve after the work is finished



Kev awards

We implemented the energy-saving technical renovation projects to successfully improved energy utilization efficiency, and obtained patented technologies in related fields, jointly promoting the realization of energy conservation and emission reduction goals.



Energy-saving device for endothermic effect of LNG vaporization



 Device for recycling exhaust heat energy after extraction water re-concentration



 Patent for re-concentration device of three-effect residual heat steam extraction water

The three-effect residual heat steam recovery device helped chemical enterprises save energy and reduce consumption to achieve green and efficient production



In 2024, in response to the energy waste faced by chemical enterprises in the nylon polymerization production process, the Company innovatively developed and installed a three-effect residual heat steam extraction water re-concentration device. This device can make full use of the residual heat steam generated in the three-effect evaporation process to secondarily concentrate the extract water, effectively reducing the water content of the concentrated liquid, and improving the product quality and polymerization efficiency. Meanwhile, this device can recycle the residual heat resources to reduce steam consumption, achieving efficient utilization of energy.

Motor equipment upgrade and optimization to improve energy efficiency and reduce costs



In 2024, the Company comprehensively upgraded the old and inefficient motor equipment, which were replaced with high-efficiency and energy-saving motors, and we optimized the motor control system. After this renovation, the motor energy consumption was greatly reduced, and the operation efficiency of the production equipment was significantly improved. After the renovation, the overall energy efficiency of the motor system was improved, which not only reduces the operating costs, but also makes a positive contribution to the corporate sustainable development.





Motor equipment upgrade and optimization

Electricity and gas consumption management code



MVR technology helped polyamide production, achieving double breakthroughs in energy saving and carbon reduction

• Case

In 2024, the Company introduced technology to significantly optimize energy utilization efficiency in polyamide production. This technology can compress the secondary vapor and recycle it to dramatically reduce the demand for fresh vapor, so the vapor consumption was significantly reduced, saving significant fuel costs annually. The system runs stably and has significant long-term energy saving effect. Meanwhile, this technology can accurately control the production temperature and pressure to improve the quality stability of polyamide products, and the long-term energy saving effect is significant. The production humidity and pressure are accurately controlled, so the product quality stability is improved.

Frequency converter technology was applied in Juheshun Luhua to improve production efficiency and reduce energy waste



The frequency converter technology was applied by Juheshun Luhua in its production equipment, and it can adjust the motor RPM to optimize electricity utilization according to actual load requirements. This technology effectively reduced energy waste, improved production efficiency, while reduced electricity consumption and equipment fault rate, and extended the service life of equipment.



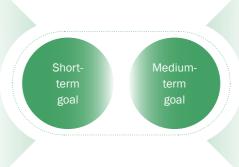


Frequency converter equipment



The Company promotes efficient and sustainable water management via clear management goals and systematic measures. In 2024, the Company innovated water resources utilization projects from production environment to office environment, building an intelligent water resources management system, which realized the recycling utilization and optimal allocation of water resources, effectively improving the utilization efficiency of water resources.

Water recycling utilization infrastructure: Conduct comprehensive inspection of water consumption equipment and repair the leaking points. Install water gauges to monitor water consumption in real time. Construct a small rainwater collection system in the factory for greening and irrigation.



Water resources management goals

Reclaimed water reuse system construction: Construct the reclaimed water reuse and treatment facilities, deeply purify the wastewater and living sewage up to standards in the production process, and then reuse them for production links with low water quality requirements and factory cleaning operations.

01

The Office shall be responsible for the installation and maintenance of living tap water, the Production & Technology Department shall be responsible for the production tap water, and no other person is allowed to disassemble and install the tap water pipeline

02

All departments shall use the water according to the water quota plan, and shall try their best to reuse the equipment water that can be reused but is not reused

03

The water extracted from the production line shall be recycled 100%

04

Properly conduct the statistical analysis of water quantity every day, and identify the causes of abnormal water utilization to eliminate waste

05

Frequently check the pipeline for leakage, and plug the leakage in time to save resources

Tap water management measures

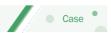
Condensate water recovery system to improve water resource utilization efficiency



In 2024, the Company introduced the advanced condensate water recovery systems in chemical production, significantly improving the utilization efficiency of water resources and heat energy. This system can recycle 112,286m3 water resources per year via recovering the condensate water that condenses after vapor releases heat. The recovered condensate water is not only used for factory heating, storage tank insulation, and production medium heat exchange, but also can be made in desalted water and reused in cooling water of the production process. Meanwhile, the heat energy carried by the condensate water is effectively used, which can significantly reduces electricity and steam consumption. In addition, the implementation of this system has reduced the discharge of corporate sewage by 30%, which can reduce the cost of sewage treatment and extend the service life of the equipment. Due to the stable condensate water reuse, the production fault rate was reduced by about 2%, and the comprehensive energy saving, water saving and equipment maintenance costs were reduced, as a result, we made outstanding contributions to corporate energy conservation and emission reduction, significantly improving economic and environmental benefits.

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Cooling water tower optimization to reduce water consumption and maintenance costs



In 2024, the Company optimized the operation of the cooling water tower to solve the problems of fungi, algae growth and water quality. The addition of shading cover plate can inhibit microbial growth, and reduce scaling and corrosion, extending equipment service life and reducing water consumption. After optimizing the contact efficiency between water and air, the cooling effect was significantly improved, as a result, the water outlet temperature was reduced by 3°C, meeting the production requirements. After optimization, the annual maintenance cost was significantly reduced, which reduced water waste and maintenance costs, significantly improving the utilization efficiency of water resources.





Cooling water tower optimization

Hydrolytic furnace technical renovation project to innovate water resources utilization

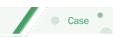


In 2024, the Company successfully obtained a patent and significantly improved the utilization efficiency of water resources via the hydrolytic furnace technical renovation project. After the spray water collection, plate exchange cooling, recycling and other technologies, the Company reduced the consumption of spray water, significantly reducing water resources waste and sewage treatment pressure, reducing production costs, and lowering water consumption on the environment.



Gas fume gas dehumidification and purification device for hydrolytic furnace

We posted water-saving sign to raise employees' awareness of environmental protection



Juheshun Luhua posted a water-saving sign in the office area, aiming to raise employees' awareness of water conservation. The sign reminded employees to pay attention to the rational use of water resources via concise language, and encouraged everyone to develop the habit of saving water in daily work, effectively promoting the construction of corporate environmental protection culture.



Water-saving sign



In the present context of increasingly tight resources and prominent environmental problems, the development of recycling economy has become the only way for Juheshun to achieve sustainable development. The Company actively promotes a recycling economy mode, committing to reducing resource consumption and waste emissions, while we also enhance economic and environmental benefits. We have built a resource recycling utilization system to transform the traditional linear mode of "resource—product—waste" into a closed-loop cyclic mode of "resource—product—renewable resources", achieving efficient utilization of resources and minimized waste emissions.



Set up a special leadership team

This team is headed by corporate senior leader, and the heads of all departments are members, responsible for the formulation, promotion and supervision of the recycling economy target plan



Enhance employee training

Regularly organize employees to participate in knowledge and skills training related to recycling economy, enhance employees' environmental protection awareness and participation



Increase fund input in recycling economy fiel

Special funds are set for key links such as technology R&D, equipment renewal and project construction. Meanwhile, actively strive for government support funds and preferential policy support



Establish an assessment mechanisi

Incorporate the completion of recycling economy targets into the performance assessment system of departments and employees. Departments and individuals with outstanding performance will be given honors and substantial rewards, while strict accountability mechanisms will be implemented for those who fail to complete the targets

Recycling economy safeguard measures

Recycling of packaging bags to promote resource conservation and environmental benefits



In 2024, the Company actively responded to the concept of sustainable development, so we launched the packaging bag recycling project. We established a sound recycling treatment process to classify, repair, inspect and store the used packaging bags, and the qualified packaging bags were put into production again. This effort reduced packaging costs, which reduced waste disposal expenses, and significantly reduced resource consumption and environmental pollution.



Packaging bags were recycled

Wood frame recycling project to reduce packaging costs and promote ecological protection

Case

In 2024, the Company established a sound recycling treatment process to solve the problem of large consumption of wood frames and difficult disposal of waste. We sorted, repaired, inspected and reused the wood frames to successfully reduce packaging costs, reducing waste disposal pressures, and we alleviated forest resource consumption, making a positive contribution to ecological balance and sustainable development.



Wood recycling

Ton packaging was changed into container bags to further save packaging materials



In 2024, the Company proposed and implemented a plan to change the traditional ton packaging into container bag packaging, aiming to further save packaging materials. Thanks to its large storage capacity, marine packaging bags can be flexibly adjusted according to the demand of loading operations, significantly reducing packaging and labor costs. As a recycled and renewable packaging material, marine packaging bags can be reprocessed to convert into other plastic products, which is consistent with the concept of environmental protection and sustainable development. This impeovement significantly reduces packaging material consumption, and then it effectively reduced material costs and labor costs, bringing higher economic benefits to the Company.



Container bag packaging

Plastic pallet recycling to achieve efficient recycling of resources

Case

In 2024, the Company actively promoted the recycling of plastic pallets. We established a sound internal recycling mechanism, and we classified and marked our own pallets to promote internal circulation. Moreover, we conducted recycling cooperation with external enterprises to build an efficient pallet recycling network. Meanwhile, we introduced the pallet management system to achieve real-time tracking of pallet position, status and quantity, effectively improving the pallet utilization rate. From January to December 2024, the Company recycled a total of 43,308 plastic pallets and recovered 43,398, with an average of 5.03 uses per pallet. After the recycling and recovery, the annual packaging cost was reduced significantly, and significant economic and environmental benefits were achieved.

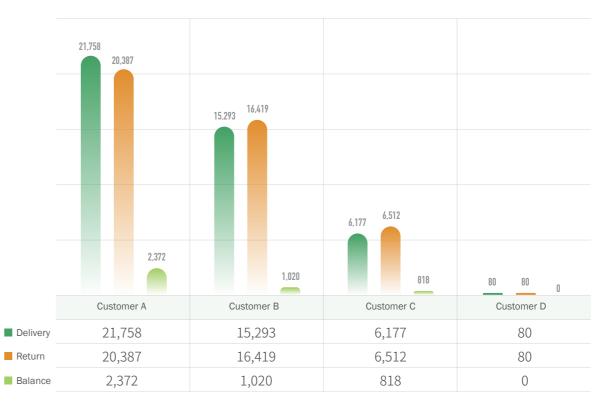






Plastic pallet recycling

Plastic pallet recycling situation



Plastic pallet recycling



Waste Discharge Control

Juheshun attaches great importance to waste management, and takes "quantity reduction, resource utilization and hazard free" as the core principle to fully implement the national management policy on three wastes. The Company has formulated the Management Measures on Three Waste to build a full life cycle management system from the source to the end, and we adopted the fine management to ensure that the disposal of waste water, waste gas, solid waste is in line with the applicable national standards and policy requirements. In addition, the Company has also established an emergency response mechanism for the treatment of three wastes so as to cope with possible environmental emergencies, ensuring the environmental safety. We have taken these measures to effectively control the impact of the "three wastes" on environment, but also promote the efficient utilization of resources.



The Company has formulated the Management System on Solid Waste and the Treatment and Control Procedures on Solid Waste to establish a comprehensive solid waste management system, and we also have set short-term, medium-term and long-term solid waste management goals, achieving efficient recycling of resources and the waste reduction & harmless treatment.

In the actual operation, the Company manages the solid waste generated in the production and operation by classification, classifying it into three categories: garbage, recyclable waste and hazardous waste, and marking them respectively. In addition, the Company also focuses on the recycling of solid waste, setting up a special recycling box in front of the office building, and using signs on the factory site, so that we ensure the standardized collection and storage of various types of solid waste, thereby improving the utilization efficiency of waste resource.

Short-term goals

- Waste classification and quantity reduc-tion: Set up classified garbage bins in production workshops and office areas, clearly mark them, enhance employee training, and ensure the correct classifica-tion and disposal of waste. Promote pa-perless office, reduce paper waste, opti-mize production processes, and reduce the rate of defective products to lower the waste generation.
- Recycling system establishment: Estab-lish cooperation with local professional recycling companies to regularly collect the recyclables. Special recycling tempo-rary storage area is set up in the factory to facilitate classification and storage.



- Internal recycling network optimization: Build the internal recycling network for waste in the production links, and realize the direct reuse of waste in different workshops and procedures. For example, the leftover material is collected and processed uniformly, and then is used in the production of other product parts.
- Technological R&D input: Invest in R&D of waste resource utilization technology, focusing on waste that is difficult to recycle, and explore ways to transform it into usable resources.

Long-term goals

Achievement of zero waste: Constantly optimize the recycling technologies and processes to achieve almost zero waste emissions during its operations, and all waste can be effectively treated and reused.

Waste management and recycling goals

► Solid waste management

The Company attaches great importance to environmental protection and resource utilization, and we have formulated and implemented the Management System on Solid Waste and the Treatment and Control Procedures on Solid Waste to standardize the classification, recycling and treatment process of solid waste. Moreover, in order to improve the utilization efficiency of resource, the solid waste generated in the production and operation of various departments is fully recycled and collected in the category of industrial waste and hazardous waste, and then is clearly labeled. According to our actual situation, the solid waste is classified into three categories: garbage, recyclable waste and hazardous waste. We set up a special recycling box in front of the office building, and use signs on the factory site to clearly identify them, so that we ensure that the waste management is standardized and orderly, helping achieve the sustainable development goals.

Living garbage, general solid waste

- Living waste and general solid waste are not required to fill in the incoming warehouse application, and can directly enter warehouse. But they must be packed and stacked as required
- The Safety and Environmental Protection
 Department regularly inspects the stacking
 of living garbage to ensure that it is
 properly stacked and disposed regularly.
 Sign a contract for the disposal of living
 garbage with qualified entity every year
- The Company's waste and old office equipment, electronic products and electrical waste are collected by the Comprehensive Management Department, and the Procurement Department contacts the manufacturers for recycling and disposal
- Waste and old equipment without usable value shall be disposed by the Engineering & Equipment Department

Hazardous solid waste

- The department/workshop where the hazardous solid waste is located shall be
 responsible for filling in the solid waste storage incoming warehouse form, which
 shall be subject to review and approval by the department/workshop safety and
 environmental protection supervisor, and then such hazardous solid waste can
 enter the warehouse
- The solid waste management personnel receive application forms from various departments, checking that the content is properly filled in, the packaging is intact, the label is clear and definite, and then accept the incoming warehouse.
 The solid waste shall be stored in the corresponding area, and the incoming/ outgoing warehouse ledger for hazardous solid waste shall be properly kept
- The hazardous solid waste warehouse shall be built in accordance with applicable requirements, and the card for hazardous solid waste classification, identification and safety note shall be properly kept. The warehouse shall be kept ventilated and dry, and shall be equipped with the exhaust gas treatment system accordingly
- The Safety and Environmental Protection Department shall sign hazardous solid
 waste disposal contracts with qualified treatment entities, and shall submit the
 solid waste management plan and hazardous waste trans-fer plan to the local
 Environmental Protection Bureau. The Safety and Environmental Pro-tection
 Department shall contact for the dis-posal in time, and the ledger of hazardous
 solid waste shall be properly kept
- The ledger of hazardous solid waste shall be managed by full-time person and kept for at least 10 years

Solid waste treatment system

The feeding room in Juheshun Luhua adopted dust collector to technologically treat dust



In Phase I, Juheshun Luhua adopted a solid feeder for micro-negative pressure feeding to effectively control dust generation. The dust generated during the feeding process is treated by the bag dust collector to ensure efficient removal. The treated dust is discharged via a 15-meter high exhaust cylinder (DA001), which meets environmental standards. Meanwhile, the collected dust is recycled and re-put into production, achieving resource recycling utilization to reduce the environmental burden.



Dust collector equipment

聚合顺

► Hazardous waste management

The Company has formulated the Management Measures on Hazardous Waste and the Management System on Hazardous Chemicals to standardize the whole process management of hazardous waste on generation, collection, storage, transportation and disposal from the institutional level, which ensures that the disposal of hazardous waste complies with applicable national laws & regulations and environmental protection standards, reducing the risk of hazardous waste to the environment and human health. In addition, the Company also focuses on the whole life cycle management of hazardous waste, and we define the clear management requirements on procurement, collection, storage, transportation, utilization and disposal, improving the efficiency and transparency of hazardous waste management.

General rules for the management of hazardous chemicals

- The heads of all departments shall ensure that the safety management of hazardous chemicals complies with the requirements of laws and regulations.
- · Personnel engaged in activities related to hazardous chemicals shall receive train-ing and pass the assessment
- · before taking up their posts.
- When choosing hazardous chemicals, try to choose those chemicals with low risk and low environmental impact.
- The Safety and Environmental Protection Department shall establish archives of hazardous chemicals and conduct regular surveys.



Procurement of hazardous chemicals

- The Procurement Department shall establish a list of chemicals and update it annually.
- · Procure hazardous chemicals from qualified enterprises.
- The purchase of precursor or highly toxic chemicals requires a certificate of purchase and a transport permit.



Storage and usage of hazardous chemicals

- * The transportation shall be entrusted to a qualified carrier, and the safety responsibilities shall be defined.
- Safety protection measures shall be taken, and escorts shall be equipped during the transportation.
- $\bullet \ \ \text{Any accident during transportation shall be reported to the public security department immediately}.$



Storage and usage of hazardous chemicals

- · Hazardous chemicals shall be stored in the special warehouses and managed by full-time personnel.
- · Label management shall be standardized for storage and usage, and shall be checked regularly.
- $. \ \ \, \text{Highly toxic chemicals shall be stored separately, and shall be received/dispatched and kept by two persons.} \\$



Emergency response to hazardous chemical accidents

- The Company sets up a 24h emergency consultation telephone.
- · Accidents shall be handled in accordance with the Emergency Plan for Production Safety Accidents.

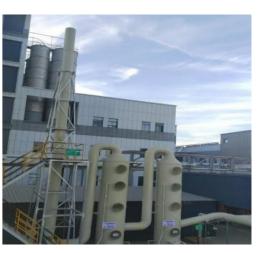


Hazardous chemicals management system

V

Waste gas management

Luheshun Luhua has formulated the Management System on Waste Gas and the Prevention and Control Procedures on Waste gas to comprehensively standardize the waste gas emission and treatment process, ensuring that the waste gas emission is up to standard. Juheshun Luhua adopts advanced waste gas treatment technology to classify and control major waste gas sources such as polymerization procedures, monomer recycling, and foul odor waste gas from sewage treatment stations. In addition, the Company is also equipped with an online waste gas monitoring system to monitor emissions of waste gas in real time, ensuring that the control effect meets national and local standards.



Spray tower device

Department/ workshop organized waste gas management

- The waste gas generated in the reactor in the workshop is classified into organic waste gas and inorganic waste gas, which shall be collected by pipelines and connected to the corresponding exhaust gas treatment device.

 Direct emission to the atmosphere without treatment is not allowed
- Organic waste gas is generally treated by condensation recovery and then adsorption. Inorganic waste gas is absorbed and treated with corresponding acid spray or alkaline spray device according to acid and alkali. The remaining organic waste gas is connected to the incineration device for incineration, and finally discharged up to the standard
- Dust generated in centrifuge room and mixing room of workshop is removed by cloth bag, connected to water film dusting device, absorbed by spray, and discharged up to the standard

Department/ workshop unorganized waste gas management

- For workshop with process units or process points for unorganized waste gas escape, the waste gas is treated by means of process operation control, isolation collection in the closed room, collection by the draft hood, etc.
- The collected unorganized waste gas shall be treated in the same way as organized waste gas, and discharged up to the standard
- All workshops/departments shall regularly inspect and maintain the equipment, pipes, valves, etc. within their respective scope, and keep the air tightness of the equipment in good condition. Personnel on duty shall enhance the tour inspection to prevent the occurrence of running, bubbling, dripping and leaking phenomenon

Management on waste gas generated from sewage treatment systems

■ The waste gas generated from the aeration unit of the sewage pretreatment system is collected in a closed enclosure, treated by oxidation absorption and acid & alkali spray respectively, and discharged up to the standard

Management on fume and waste gas in canteen

- When cooking dishes in the canteen, the kitchen hood must be turned on. The kitchen fume is collected and discharged via the kitchen hood
- $\hfill \blacksquare$ The kitchen hood shall be cleaned and maintained once a month

Waste gas pollution prevention and control measures



Waste water management

In order to fully identify potential emergencies and accidents in sewage treatment stations that may affect the environment and make preparations for emergencies to prevent and reduce the harmful impact of accidents on the environment, the Company has formulated the Management System on Waste Water, the Treatment and Control Procedures on Waste Water and the Emergency Response Regulations for Sewage Treatment Station to comprehensively standardize the waste water treatment process, ensuring that the waste water is discharged up to standard. Meanwhile, the Company implements strict clean water and sewage separate management, prohibiting sewage from entering the clean water system, and we require all sewage to be transported via the pipeline to avoid the spread of pollution.

In addition, Changde Juheshun plans to install an online waste water monitoring system, and the equipment has been entered onsite, expecting to complete the installation and commissioning in January 2025, which will further enhance the intelligent level of waste water management.

Department/workshop management on normal waste water

The waste water generated in the workshop is classified into high concentration and low concentration, which is separately collected into the corresponding collection tank in the workshop

The high concentration waste water is pre-treated by oil separation, standing and settling in the workshop, and then pumped to the three-waste treatment station

The toxic waste liquid after experiment and analysis shall be collected. After recovery, the remaining waste liquid shall be inactivated and managed as hazardous waste. It shall not be discharged into living sewage system, or dumped/discharged at will

Department/workshop management on abnormal waste water

When abnormal wastewater is generated, it shall communicate with the three-waste treatment stations in time, and the collection and storage shall be properly conducted

If a large volume of fire water is generated from accidents such as fire, the Safety and Environmental Protection Department shall be notified to open the accident pool for collection

Management on waste water in sewage station

The sewage station is to classify, collect and configure according to the requirements on waste water treatment

The incoming water from the workshop entering the final waste water treatment system is monitored, and the conforming water is allowed to enter the three-waste treatment stations

The operators shall strictly implement the operation procedures, and monitor the sewage treatment situation to analyze the quality of the wastewater, preventing the waste water from exceeding the standard. Once any abnormality is found, the waste water discharge shall be stopped immediately, and the production shall be stopped if necessary until the normal operation is restored, ensuring the discharging up to standard

Clean water system pollution management

The clean water system of the Company is managed in open gully, without dark gully and dark pipe

Sewage station is responsible for clean water monitoring system, and shall entrust qualified operation & maintenance entities to maintain

The sewage station regularly inspects the clean water system to ensure that it is not polluted

Living sewage management

Filters are arranged at the dishwashing operation place and the main outlet of the canteen to filter the bulk impurities in the sewage before discharging them into the collection tank for delivery to the sewage station

Washroom and toilet waste water is directly discharged into the septic tank, and then pumped into the threewaste treatment station

Waste water classification management measures

Juheshun Luhua waste water management system optimized discharge compliance to improve environmental monitoring capabilities

Juheshun Luhua has adopted a strict treatment process for waste water management. The waste water from production and living is first mixed via the regulating pool, and then enters the sewage treatment system for pretreatment, ensuring that it meets the acceptance standards of the sewage treatment plant in the Park. The treated waste water is transported to the sewage treatment plant for further treatment by means of "one enterprise and one pipe". The Company has installed online monitoring equipment at the discharge port, which is connected with the monitoring center of the Ecology and Environment Bureau to upload data in real time, effectively ensuring the compliance of waste water discharge and environmental monitoring.





Sewage treatment system and noise control on regulating pool



Noise pollution control

The Company attaches great importance to noise prevention and control, and has formulated the Noise Prevention and Control Procedures to control noise at source, optimize transmission channels, strengthen personal protection, regular monitoring and evaluation, effectively reducing the impact of noise on the environment and employee health via systematic management measures, and also reducing the interference to the surrounding environment.

01

The approval report and the feasibility report for projects that may cause corporate noise pollution or involve in noise pollution control facilities shall be countersigned by the Safety and Environmental Protection Department, and the Provisions on Simultaneous Management of New, Renovated and Expanded Projects shall be strictly implemented

02

The responsible department for noise pollution shall organize production reasonably (the production that produces large noise shall be arranged in non-concentrated production time as far as possible), and strengthen operation management to reduce noise pollution, alleviating the impact on the surrounding environment

03

Each department is responsible for the daily maintenance and care of its own equipment and noise pollution control facilities to ensure that the equipment and control facilities are in good technical condition. The Safety and Environmental Protection Department shall urge relevant departments to conduct regular maintenance and repair of equipment and noise pollution control facilities to ensure that the equipment is in good technical condition

04

Once it is found that the equipment and noise pollution control facilities are faulty, or the muffler sound insulation and absorption materials are damaged, and the repair and restoration shall be organized timely

05

No-horning signs shall be set up in the factory area, and motor vehicles shall not horn.

06

The entities conducting architecture and construction operations in the factory shall control noise in accordance with the Control Procedures on Related Parties

07

The noise prevention and control shall be included in the Environmental Management Plan, clearly defining the noise emission points, the monitoring frequency and standards of the noise emission points, and the noise prevention & control measures and the inspection of the implementation thereof

Noise pollution control measures

聚合顺- JUHESHUN

Address Climate Change

Juheshun actively addresses the climate change and has formulated the Emergency Response Plan for Heavy Pollution Weather to standardize the corporate emergency response measures in heavy pollution weather, ensuring the coordination between production activities and environmental protection requirements. According to different levels of heavy pollution weather warning, we take corresponding emergency response measures to minimize the impact on the environment. Since 2022, the Company has worked with the qualified third-party agencies to conduct the Greenhouse Gas Emissions Verification Report annually to ensure the transparency and accuracy of carbon emissions data. Meanwhile, Juheshun vigorously promotes renewable energy projects such as photovoltaic to accelerate the transformation of the energy structure, and we calculate the full life cycle carbon emissions via the product carbon footprint report to promote energy conservation and emission reduction, contributing to the low-carbon development goal.





Greenhouse gas emissions report

Year	Photovoltaic power generation (KWH)	Electricity fee savings (RMB)
2022	1,189,072	889,223.92
2023	1,243,072	740,604.25
2024	1,842,227	1,135,300.00

Photovoltaic project data statistics

Product carbon footprint report calculated the full life cycle carbon emissions to promote corporate energy conservation and emission reduction



In August 2024, the Company released the carbon footprint report of Nylon 6 chip products, aiming to calculate the carbon footprint of "one ton of nylon 6 chip" produced in 2023 in its life cycle so at to meet environmental disclosure requirements, providing data support for the corporate energy conservation and emission reduction. This report adopted the Life Cycle Assessment (LCA) method to calculate the full life cycle carbon emissions from raw material extraction, processing to product transportation. The results showed that the carbon footprint of producing one ton of nylon 6 chips was 6.51 tons of CO2eq, of which the raw material production stage accounted for the highest proportion, reaching 94.02%, which was the main source of carbon emissions.

Life cycle stage	Raw material production	Raw material transportation	Product production	Product transportation	Product carbon footprint
Carbon emission (tCO2eq)	6.12	0.04	0.33	0.01	6.51
Proportion	94.02%	0.68%	5.09%	0.21%	100.00%

Product carbon footprint assessment results

Changde Juheshun promoted the use of electric vehicles and the construction of charging facilities to help green and low-carbon transformation

Case

In order to actively promote the application of new energy, reduce carbon emissions, and address the climate change, Changde Juheshun encouraged employees and customers to use electric vehicles, and has set up charging piles in Changde Juheshun's Workshop and Warehouse and main office areas to provide convenient charging services. After this effort, we reduced the dependence on traditional fuel vehicles, effectively reducing greenhouse gas emissions to support green and low-carbon development.



Changde Juheshun electric vehicles and charging piles

Photovoltaic power generation project promoted energy transformation and helped address climate change



In 2024, the Company actively responded to the challenges of global climate change, we significantly promoted energy transformation and sustainable development via the implementation of distributed photovoltaic power generation project. This project made full use of the roof space of the plant, in which, 2,038m2 of photovoltaic modules were laid on the 6,683m2 roofs in Phase I, and 4,155 m2 of photovoltaic modules were extended on the 6,642 m2 roofs in Phase II. The electricity generated by these photovoltaic systems is directly used in production, not only reducing the dependence on traditional energy sources, but also saving a lot of electricity fees for the Company every year.





Photovoltaic project

Meanwhile, Changde Juheshun also actively promoted the application of clean energy. The 1MW photovoltaic project of Phase I has been put into use, with an annual power generation of about 1 million KWH, while the 1.6MW project of Phase II is expected to be connected to the grid in March 2025, with an annual power generation of about 1.6 million KWH. The total annual power generation of the Phase I and Phase II was about 2.6 million KWH, which effectively helped the green and low-carbon development of the Company.



Changde Juheshun photovoltaic application scenario

Biodiversity Conservation

Juheshun attaches great importance to biodiversity conservation, and takes it as an important part of corporate sustainable development. During the production and operation, the Company strictly complies with the applicable environmental protection laws and regulations, and actively takes measures to reduce the impact on the ecological environment, avoiding causing damage to biodiversity. After optimizing the production process, reducing the emission of pollutants, and promoting the application of green energy, Juheshun is committed to reducing the consumption of natural resources and the interference to the ecosystem, striving to achieve the balance between corporate development and ecological protection.



Contribute Society and Share Achievements to Create Future

Juheshun is committed to building a comprehensive employee management system, putting the protection of employees' rights and interests in an important position, and we take talent development as an important corporate strategy. Meanwhile, the Company provides training opportunities for the diverse demands of employees, and encourages employees to improve themselves, realizing the common development between their skills and the Company. In terms of occupational health, the Company attaches great importance to employee health and production safety, so we comply with applicable standards to take strict measures, and regularly conduct exercises and inspections to ensure that employees work in a safe and healthy environment, presenting our emphasis on employee well-being.

Our actions

- ▶ Employee employment and assessment
- ▶ Employee development and training
- ▶ Employee health and safety
- Employee care and activities
- ▶ Social feedback and public benefit

SDGs equivalent













Employee Employment and Assessment

Juheshun attaches importance to the demands of employees, and constantly improves the fair and transparent construction of the remuneration system. Meanwhile, in order to protect the rights and interests of employees, the Company has formulated a performance appeal management system to answer employees' questions and respond to their concerns in a timely manner. After optimizing the employee employment and assessment system, the Company has improved the employees' sense of gain in work, contributing to creating a harmonious employment environment for the society.



During the reporting period the Company participated in



received

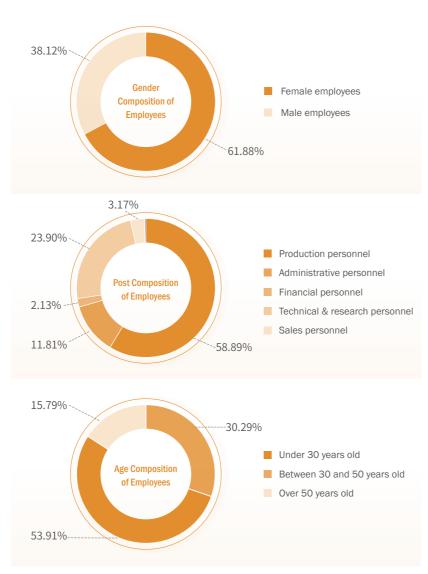




Talent employment and rights & interests protection

Holding the talent concept of "equal stress on integrity and ability, discover able people and put them at suitable posts, authorize power to the competent people, and grant reward to the merit people", the Company strictly complies with the applicable laws and regulations such as the Labor Law of the People's Republic of China to formulate internal norms such as the Employee Manual, and we release recruitment information via various channels to ensure that the recruitment process is fair and just. Meanwhile, in order to protect the rights and interests of minors, the Company has formulated the Regulations on Management of Child Labor and Underage Workers, and we are firmly committed to avoiding the employment of child labor and underage workers, refusing to include companies employing child labor into our supplier list. In addition, the Company pays attention to the employment demands of vulnerable groups, and we have formulated the Juheshun Collective Contract—Protection of Female Employees and the Special Protection on Minors, and we actively recruit disabled people and veterans to help them realize personal value, fully practicing corporate social responsibility.







Zhejiang University Hangzhou Vocational & Technical College Zhejiang Gongshang University Zhejiang College of Construction Hangzhou Vocational & Technical College Zhejiang Sci-Tech University Zhejiang A & F University

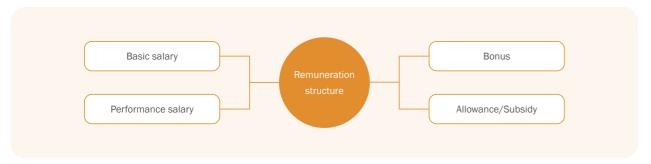
List of universities/colleges of corporate on-campus recruitment







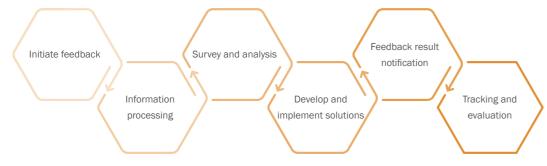
In order to fully mobilize the enthusiasm of employees and objectively evaluate their work performance & work ability, the Company has formulated the All-staff Performance Assessment Plan, the Monthly Performance Assessment Form, the Management System on Corporate Employee Remuneration and Welfare and the Feedback System on Corporate Employee Performance Management. The above plans are applicable to all employees, and cover remuneration structure, performance evaluation system, department responsibility, performance management implementation plan, performance appeal and other contents, providing standardized reference for the Company to objectively evaluate the performance of employees, and also offering channels for employees to appeal. At the beginning of the second year, the Company will grant honors to the employees with outstanding performance in the work of the previous year and provide rewards to motivate them to work hard.



Corporate employee remuneration structure



Employee performance feedback channels and manners



Employee performance feedback process



Employee criteria for corporate annual appraising activities

Employee Development and Training





During the reporting period

the Company conducted induction trainings for new employees

299

sessions

Number of Trainees

305 persons

conducted corporate trainings

37

sessions

departmental trainings

573

sessions

Full-year Training

8,800

person-time

average class time

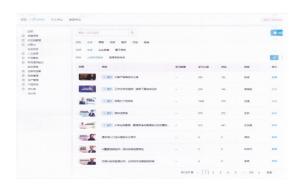
30.68 hours

Juheshun attaches importance to the occupational development of employees. We provide employees with skills improvement training and position promotion opportunities, and we encourage employees to improve themselves in the work, achieving common progress between individuals and the Company. In addition, the Company actively cooperates with the schools to give full play to the advantages of the two sides in different fields, creating a broader corporate development space and enhancing the industry influence.

The Company is committed to helping employees improve their work ability, stimulate their potential, and improve their work performance. Therefore, the Company has formulated the Training Management Regulations to provide diversified skills training for employees in different posts. The training content includes workshop safety training, theoretical knowledge training, instrument fault handling, vehicle use, etc., aiming to help employees master more production knowledge.

For the training form, in addition to offline courses, the Company innovates in the form and approach. In terms of form, the Company has formulated the *Management Measures on Master Leading Apprentice* to guide old employees and new employees to match each other. New employees can learn practical skills from old employees, and old employees can also receive corporate subsidies from training new employees. The master-apprentice system not only shortens the time for new employees to work independently, but also provides an alternative source of income for old employees. In terms of approach, the Company has purchased cloud classroom services, so the employees can learn knowledge points at any time via online learning, which is more flexible in time and place.

The Company also pays attention to feedback from employees after training, so that the course content can be adjusted later. In order to obtain employees' evaluation on the training, the Company has formulated the *Training Evaluation Sign-up Record Form*, in which the participating employees are required to sign up in the Form, and also to evaluate the corporate training effect, evaluating the satisfaction of the assessment. After collecting employees' feedback, the Company can better plan the next training form, which shows that the Company attaches great importance to the comments of employees.



Corporate online course content





77

Corporate training evaluation and sign-up record form





The Company provides a clear promotion channel to encourage employees to work hard and enhance their sense of personal value. The Company has formulated the Training Plan for Primary Management Echelon Talent in Production Field and the Management System on Employee Promotion, in which, the latter is applicable to all poses, and the former is oriented to management posts. In the corporate promotion system, employees can be promoted horizontally or vertically, and they also have the opportunity to be included in the corporate human resource development system to participate in the training plan based on the corporate development strategy, becoming the corporate reserve talents. In addition to stipulating promotion channels, the Training Plan for Primary Management Echelon Talent in Production Field also rewards the masters who have cultivated outstanding employees. This two-way reward model for teachers and students improves the participation enthusiasm of both new and old employees.







Employee promotion application form

The Company adheres to the principle of "fair competition, equal competition, merit-based recruitment, strict assessment", and we encourage all regular employees to apply for corporate cadres. After the candidate appears, the Company will publicize and conduct public opinion evaluation. We adopt the open appointment approach to create a "fair, just, competitive, merit-based" selection and appointment environment, which fully mobilizes the enthusiasm and creativity of employees, enhancing the corporate cohesion.



In order to increase corporate high-quality talent reserve and promote technological innovation & knowledge innovation, the Company has conducted the industry—academia—research cooperation with a number of universities.

Employee Health and Safety



The Company always places the health and safety of employees at an important position. We strictly comply with the laws and regulations on work safety, and we actively input resources to eliminate safety risks, protecting the rights and interests of employees. In order to improve the safety awareness and emergency response ability of employees, the Company regularly conducts the safety training and exercises, which fully reflects our importance and care of employees, demonstrating our social responsibility.

The Company always holds the people-oriented concept. We attach importance to the work safety, and we care about the demands and well-being of employees, ensuring that employees are fully protected and cared during the work process. To this end, the Company has formulated system documents from many aspects to standardize the production process, ensuring the safety of employees. Meanwhile, the Company has set up the Work Safety Committee, and it has different departments as a work safety responsibility management system, which can ensure the implementation of work safety responsibilities at each level, forming a safety management network with all-staff participation and comprehensive coverage.



2027
During the reporting period
the Company conducted
16 internal tour inspections
external tour inspections

found and rectified	а	number	of
security risks			

Target fields	Guidance documents
Potential risk elimination	Identification and Control System on Potential Risks
Work safety	Management System of Work Safety Management Committee Policies and Goals of Work Safety (Comprehensive) Responsibility Statement of Safety, Environmental Protection, Occupational Health and Fire Protection Targets Work Safety Committee System
Risk Control	Risk Classification Control System Operation Instruction for Safety Risk Assessment and Identification Safety Risk Control System and Efforts

Corporate safety documents

杭州至台	根新材料设计有限公司		27 X 7 4	机州最合脂析材料股份有限公司	9p R 2-10
場所管理 東事業、 (中等人 相关概算 会版 202	安全、环保、职业卫生、消防目 第57°全步-、服务之、4000°的时,为组心 ,854年人共享。 350 年之工、报学者。450 民工共享年安、1804年)——257年2年,820年, 1871年2月 1871年 1871年 1871年 1872年 1871年 1872年 1871年 1872年	至今班 [2026] 中皮 可安全、可保、职业工生、 控制各类合士申收、可执行 人民共和国安全生产业)。 及第三省相关会等进机的	(2) 电截工型转移的多元长度的水积、及时代电子程度及原工是、加水电平 理象性化。及由保工程度发生设计中心人类型。 (2) 发生效性的大量。完全的、测度性。如于显示中心有效之的它可管工 力。发展性管的处理和企业,但一一股之间使用的。 (2) 发生效性的企业技术。但一一股之间使用的 (2) 为土地之间的全线处理,但一个股上等等的 (2) 为土地之间的全线处理,但一个股上等等的 (2) 为土地之间的全线处理,但是是发生发现的技术等。中却来说他、卫帝"四 千倍的"原",如此信号化、经分类处理。 (1) 发生的一个股上的一个股上的一个股上的一个 大型性能量的产品。 (一) 现在分配可能的一个股上的一个股上的一个 大型性能量的产品。 (一) 现在分别可能的一个股上的一个股上的一个股上的一个 完全的一个股上的一个股上的一个	安全、环保、职业卫生、消防目标责任书 图4年12001.4度 为了55°96号。周由为土 电台图5°内方电、外压电气电子、利息 电力 用带电、高车电人员会。用品、取出工生、调用出、自然的经验会合气电、积度 用品等电、完全现象中电、则组成之一进行中战等。用度(今年人民中国安全会)。 (2)、(今年人民中国安保管证)、(今年人民中国安全会会会会会会会会会会会会会会会会会会会会会会会会会会会会会会会会会会会会	(人) 参加等企业股份复杂报告。参加中业会企、宣传"布不会" 报识、为大报告 等处。 (人) 证明实所及发行的股户局。等基本中的企业股份。 ())场价户人工差差度。 200 电影点。中国、
序号	86	DG	和鸟散物调: 让员工掌握基本的鸟故故能:	二、祖考維方安全、年春、取业工生、消除目标:	31 6 4.
1	商位责任制募实	100%	(十三) 不进章右悍,制止一切连章告生、连反曹功妃律助行为;	序号 指标 目标	
2	观思查收定点率	100%	(十個) 机好业组建设、提高业租管理水平。保持生产作业现场整齐、清洁、实现文明生	2 股東亚国内的消除亚北京中华 1005	
3	格特含业人美容证上商年	100%	产,并做好员工的思想政治工作。	3 電点的PE配名字和模式穿戴章 1005	
4	道哲设建克货库	100%	18、幸福表表:	4 公司班安全教育等实備况 100%	
5	PPE 配各年和規范穿戴率	100%	(一) 年底安委会张悟贵任制考核知则,对被考核方的商任贵任制展行情况进行行分。	5 安全操作进筑次数 0	
6	三级安全教育高尖错况	100%	摄器以上目标责任的客和责任制履行考评全值综合评估,并做出考核给论。	三、建考核方安全、环幕、环点正生、消除责任:	
7	走险化学品出入房管理台致记录及时非和准确非	100%	(二)被考核方如实现全年安全、环保、职业互生、消除工作目标五责任制展行情况较		
8	安全操作机程地能次数	0	好,由安委会给予渴报来勤并进行安全类类局; 反之。被考数方示完不成既定目标正责任制	(一)员工是各类位置被责任人,对本类位业务工作的正常运行、相关配备办公设施的 本在市前场会会。	
(一 克景有意	极寿被字安全、车缐、深止工生、清除责任:) 年间土管对本年间员工的安全行为、生产工艺联行、产 技力类。 这 参订安全目的责任状。我们年间安全工价计划、市银政 () 参以双路的设计学者。保证主题组及整理技术工程资格 () 参加双路的设计学者。保证主题组及整理技术工程资格	但员工责任制是职情况。	通行情况原志,安全会相当共和省及、服务公司共同专项机交通行责任大司。 五、多管的等一人或他,从才会执告他,有规则也 2014年1月1日 化五 2014年11月 18 点。	《二》下品本的《二》 (二》产品电节步生业产业专制度、电影中态。 (三)进时台加州企业管理中场、安全场、"其本集新管的安全业产和联邦股影。 (四)重生工艺品中企业大学和咨询公司、其外处理业产业专及产者工术、加大集写 重要分型之类。并但每年基于相信。	
A. TO (D TAIR	潜鬼充折有致;) 雄訳员工学习并依行公司,年刊各项安全生产规学制度 記字法;	、安全技术最非规程、看	考維方: 📞 🎝 七 (图中成千句) 被考核方: 截裹清 (图中成千句)	(五) 信证岗位定息、安全票各、报告定息、指告证息、非产品的办会需募其充势; (六) 发展坚健危及人身安全的坚治情况时、有效带上办企业考在高车可能的应急需集后,提高令业报告;	日 朝: カンドンジ 日 朝: プリング (日午水午日) 故寺株才: 管正元 (日午水午日)
	(2) 國訊对新班員工(包括实习金、代标人员) 遊館銀安全書 (2) (2) (2) (3) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4	(名: 亚环环亚光全等格。	日期: 2-44.1-1 日期: 20年1-1	(七)有权对单位安全全产工作中等在的问题提出投资、检带、控告、有权拒绝还靠指 排布提及它等产业。	

Responsibility statements signed by departments



We properly conducted fire safety protection measures to ensure the safety of employees

Case

In order to ensure the effective implementation of fire safety, the Company has formulated the *Fire Control Tour Inspection Registration Form*, and arranges full-time personnel to conduct tour inspection on eight areas such as fire and electricity use, safety exits, and evacuation access every day. Safety risks found during the tour inspection will be dealt with in a timely manner to eliminate the potential risks. In addition, the factory is equipped with professional foam fire extinguishers and emergency rescue cabinets to ensure that fire risks can be quickly eliminated. For work-at-height areas, the Company has set up protective fences to prevent employees from falling. Meanwhile, in order to meet the daily emergency demands of employees, the Company is also equipped with a medical box where there are commonly used first-aid medicines. We have taken the above measures to comprehensively improve the level of fire safety management, practically safeguarding the life safety of employees.





Professional foam fire extinguisher







Fences newly arranged at height

Emergency rescue cabinet

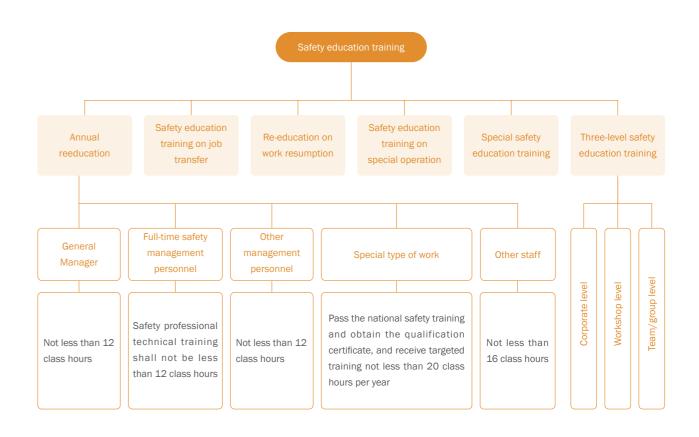
Internal and external safety inspection to reduce corporate safety risks



In order to further reduce corporate safety risks and improve production safety, the Company will conduct safety inspection every month and before the festivals. Internal inspection is the tour inspection conducted by the head of each department and the President against corporate departments, and the rectification comments will be proposed to ensure safe production and safe holidays. External inspection is the deep survey by an external company on the Company, and it will discover safety risks from a professional angle to avoid possible losses. Internal and external safety inspections have improved the corporate safety level and laid a foundation for the implementation of work safety.

Safety training

The Company attaches great importance to the safety training on employees, and has formulated the *Management System on Annual All-staff Training* and the *Training System on Occupational Health Education*, stipulating that the annual training time of employees shall not be less than 20h. Meanwhile, the Company held a number of safety lectures and safety training to improve the practical ability of employees. We held the training for employees to improve their health awareness and ability to protect their own safety, creating a good working environment.





Safety training management system diagram

Work safety training to improve employees' self-protection ability



In October 2024, the Company held a lecture on limited space safety knowledge for employees, involving in a total of 88 employees. After the training, the employees can absorb the spirit of Party Central Committee documents, understand laws and regulations, and master the safety protection skills in limited space, improving the safety awareness of employees.





Lecture site photo

2024 safety accident typical case analysis to optimize the operation process

At the beginning of 2025, the Company conducted a learning discussion seminar on the safety incidents occurred in 2024. This seminar first introduced the concept and classification of accidents, and then reviewed the situation and analysis of work safety accidents in 2024, analyzing their causes and introducing rectification measures. Finally, on-site employees spoke freely and proposed their opinions and ideas. After this activity, the employees improved their understanding of safety incidents in 2024 and enhanced their awareness of standard operations.



Safety accident learning seminar

First-aid training to improve the first-aid skills of employees

In December 2024, the Company held a special course "First-aid Training" course, involving in 14 employees from 8 departments. During the training, the teacher showed the techniques of cardiopulmonary resuscitation, explained the prevention methods of major diseases, and the content of occupational disease prevention and control. The attendees studied carefully and fully understood, and they gave high appraisal to the training content. After this training, employees mastered the first-aid skills, and can better protect their own lives and the safety of others.



First-aid training

Hazardous chemicals training to improve the handling capacity of hazardous chemicals



In October 2024, the Company held training on hazardous chemicals. In this training, the request and storage of hazardous chemicals, transportation precautions, emergency methods related to handling of leakage were explained from the practical operation. After the meeting, the attendees basically understood the relevant measures and their abilities to safely handle hazardous chemicals were improved.



Hazardous chemicals training site

Study and education in 2024 Safe Production Month to create a deep safety atmosphere



From May to July 2024, in order to implement the national work safety policy and carry out work safety responsibility system, the Company conducted the theme activities of the Safe Production Month. We organized safety implementation competition, special inspection on the factory, emergency drill activities to improve the knowledge & skills and practical operation level of employees.







Photos related to Safe Production Month

聚合顺

Special equipment mechanical injury accident drill to master emergency handling measures

Case

In February 2024, in order to help employees master the correct handling of special equipment and mechanical injury accidents, the Company conducted the special equipment mechanical injury accident drill for employees engaged in mechanical and electrical maintenance. We organized personnel to conduct emergency simulation, letting the personnel on site to understand how to report the situation and how to implement emergency procedures to improve their response ability, so that they can rapidly, orderly, timely and effectively handle the accidents.





Drill site photos

Poisoning exercise in limited space to improve the ability to deal with poisoning



In order to improve the corporate employees' awareness of poisoning asphyxia in limited space, popularize safety common sense and master basic self-rescue knowledge, the Company launched an observation and learning on poisoning exercise in May 2024. The exercise took the employees fainting in the workshop as the background, and successively conducted guardian reporting, gas detection, rescue, and sending to the doctor. After this exercise, the attendees mastered the disposal measures for the hazards of healthy radioactive sources, clarified their responsibilities, and improved their actual operation capabilities, providing a reference for handling the same situation in the future.

Radioactive source leakage exercise to improve emergency response capability



In order to improve the risk prevention and control ability of radioactive source leakage accidents in the factory, safeguard the safety and health of employees, and improve the emergency response ability, the Company conducted a radioactive source leakage accident exercise in March 2024. The exercise took the following as the background: the radiological tour inspection personnel detected abnormal radiological data and reported it immediately. After this exercise, the attendees clarified the risk handling steps and the tasks of their posts, improving their ability in response to emergencies.



Radiological exercise site

Occupational health

In order to practically protect the health rights and interests of workers, the Company has formulated the occupational disease and occupational health management system in accordance with the applicable provisions of the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, and has set up the occupational health and safety leadership team, which is fully responsible for occupational health inspection, safety education and health inspection. We adopt the standardized management, health monitoring and protective measures to ensure that our working environment meets the occupational health standards and can prevent the occurrence of occupational diseases, while we also improve the health awareness and safe operation skills of employees, fully protecting the health rights and interests of employees.



Occupational health responsibility management system diagram

- Responsibility System on Prevention and Control of Occupational Disease Hazards
- Occupational Disease Hazard Warning and
 Notification System
- Declaration System on Occupational Disease Hazard Items
- Occupational Health Education Training System
- Maintenance and Repair System on Occupational

 Disease Prevention Facilities
- Management System on Occupational Disease

 Protection Supplies

- Management System on Occupational Disease

 Hazard Monitoring, Detection and Evaluation
- Three-simultaneous Management System on Occupational Health in Construction Projects
- Management System on Labor Occupational Health Monitoring and Archives
- Occupational Disease Hazard Accident Handling and Reporting System
- Emergency Rescue and Management System on Occupational Disease Hazards
- Management Regulations on Corporate Environment, Occupational Health and Safety Post Responsibility

Corporate occupational health documents

聚合顺

Employee physical examination to ensure the health of employees

• Case

Before induction, all new employees shall be subject to pre-job physical examination, and the regular physical examination will be conducted once a year after induction. Before leaving post, the employee will be subject to leave-post physical examination, and the physical examination items shall be implemented in accordance with the requirements of the Technical Specifications for Occupational Health Surveillance GBZ188-2014 to help employees prevent occupational diseases and work-related injuries.







Employee occupational health examination

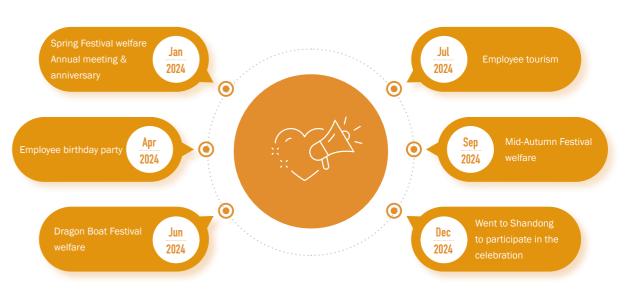


Employee Care and Activities

The Company always adheres to the people-oriented corporate culture, so we actively hold employee care activities and establish a sound welfare system so as to improve employees' happiness and sense of gain. To this end, the Company constantly deepens the employee care mechanism, and pays attention to the life and growth demands of employees, creating better working and living conditions. We optimize employee welfare and care measures to promote the common development between employees and enterprise, driving the collaborative progress of employees and the Company.



Corporate employee welfare system



♠ Employee welfare of corporate headquarters in 2024



luheshun Luhua cared for employees to enhance cohesion

During the reporting period, Juheshun Luhua attached great importance to employee care, and took a number of efforts to ensure employee welfare. In June 2024, Juheshun Luhua organized employees for team building in Rizhao, and the employees rowed dragon boat together to enhance the tacit understanding of employees, promoting mutual understanding and communication among colleagues. Meanwhile, in order to improve the participation of employees in corporate governance and solve the problems encountered in the management process, the Company held regular employee coordination meetings. In July 2024, the corporate fourth logistics coordination meeting was officially held, where the employee representatives proposed opinions on the site, and corporate leaders responded to problems proposed by employees, reflecting corporate care for employees to enhance employees' sense of belonging.



Corporate employee coordination meeting





Ocrporate team building in Rizhao

Changde Juheshun cared for employees in details to promote employees' happiness in work and life



In order to improve the employees' happiness in work and life, Changde Juheshun provides safeguard for employees from many aspects. In terms of accommodation, Changde Juheshun provides double rooms for ordinary employees and couple rooms with 24h hot water and heating, offering a comfortable environment for employees to rest. In terms of safeguard, Changde Juheshun pays five insurances and one fund for all employees to protect the basic rights and interests of employees. In terms of employee assistance, Changde Juheshun strives to solve the employees' "urgent, difficult, worried and expected" issues, and spares no effort to promote the accurate implementation of various measures of employee assistance work, reflecting corporate care and love for employees in difficulties.





Photos related to employee assistance

In order to timely understand the demands of employees and make the corporate system more close to the life of employees, the Company has established a rationalization suggestion management system for employees, encouraging employees to propose reasonable suggestions to the management regarding incentive mechanism, performance evaluation, employee training, corporate culture and other aspects. The Company will organize a reasonable suggestion review team to evaluate the suggestions, and if a suggestion is accepted, the employee will be given a cash reward. This effort has played a role in encouraging employees to propose suggestions and has helped make the Company run more humanely.

	Employee suggestions and rectification measures for the canteen					
S/N	Suggestions	Rectification measures				
1	Improve the taste	Add some local special dishes and snacks to meet the taste of employees from different regions				
2	Increase diversity	Provide a variety of meat dishes, vegetarian dishes and soups for employees to choose every day, and update the menu regularly to keep the employees fresh				
3	Improve hygiene conditions	Strengthen the hygiene management on canteen staff, requiring them to strictly comply with the food hygiene operation code, and wear masks, hats, gloves, etc. Regularly clean and disinfect the canteen's tableware, tables & chairs, floor, kitchen equipment comprehensively, ensuring a clean and hygienic canteen environment				
4	Extend business hours	According to the suggestions of the corporate night shift employees, the business hours of the canteen breakfast shall be extended appropriately to ensure that the employees after night shift can also eat hot meals in the canteen				
5	Garbage stacked next to the rear door of kitchen	Require the staff to clean up in time				
6	The problem of uncooked dishes in the canteen	Feed back to the chef and require the chef to pay attention to time and heat control during cooking to ensure that the food is fully cooked				

Occilection results of suggestions by employees on canteen

	Suggestions on dormitory					
S/N	Problems	Measures				
1	Noisy dormitory environment	Enhance dormitory internal management, advocate civilized living of employees, and avoid loud noise and high-decibel music during breaks				
2	Many cigarette butts on stairs and stairway	Enhance the hygiene and cleaning in the public areas of dormitory, increase the frequency of cleaning, especially in key areas such as corridors and stairs, providing a healthy living environment for employees				
3	Poor dormitory network	Optimize the network facilities, and the current dormitory network has the problems of unstable signal and slow network speed. The Company has communicated with network operators to increase network bandwidth and optimize network coverage, ensuring that employees can smoothly work, study and play online				
4	The equipment in the employee activity room is damaged	Re-purchase and replace, and add chess to enrich employees' spare time life				
5	Furniture maintenance and renewal	Some dormitory furniture and electrical appliances are damaged in different degrees due to long service time, bed boards, tables and chairs are shaking, and air conditioning's cooling and heating effect is poor. Regularly conduct comprehensive inspection and maintenance on dormitory furniture and electrical appliances, for those seriously damaged and irreparable, timely replace and renew to ensure that employees can use normally				

Collection form for comments by employees on dormitor

聚合顺

Social Contribution and **Public Welfare**

Juheshun always holds the operating philosophy of "taking responsibility for the society", so we integrate social responsibility into the corporate development. We participated in public welfare donations and conducted practical actions such as helping and assisting farmers to actively fulfill our social obligations. At the same time of steady development, we also paid equal attention to economic benefit and social benefit, constantly contributing to social development.





Certificate of honor for participating in public welfare

Certificate of public welfare donation

Establishing farmer-assistance tea base for industry assistance and wellbeing benefit



Actively responding to the national rural revitalization strategy, we fully utilized the local resource advantages to establish the farmer-assistance tea base and conduct the industrial assistance. We have established a long-term cooperation mechanism to help local farmers improve planting technology and expand sales channels, effectively promoting agricultural efficiency and farmers' income.





Farmer-assistance tea base

Kindly offering welfare to assist farmers, benefitting farmers and the Company to achieve a win-win situation



We have organized and conducted several farmer assistance activities. We purchased fresh vegetables and fruits planted by local farmers, which not only provided our employees with healthy and affordable welfare, enhancing their sense of happiness and gain, but also helped farmers solve some sales issues to support the development of local agriculture, contributing to the development of "countryside, agriculture and farmers" and regional economy.



Changde Juheshun conducted farmer assistance





Shandong Luhua conducted farmer assistance



Key Performance Table

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	Social performance							
Inc	licators classification	Unit	2024	2023	2022			
	Customer feedback response speed	Day	1	1	1			
Customer service	Customer feedback response rate	%	100	100	100			
	Customer complaint	Times	0	2	2			
	Total number of customer satisfaction questionnaires issued	Сору	41	33	31			
Customer satisfaction survey	Total number of satisfaction questionnaires collected	Сору	41	33	31			
	Questionnaire collection rate	%	100	100	100			
	Customer satisfaction survey results	%	95	94.9	94			

	Indicators classification	Unit	2024	2023	2022
R&D innovation		· · · · · · · · · · · · · · · · · · ·	<u> </u>	<u> </u>	<u> </u>
	R&D expenditure	RMB (10,000)	17,907.14	15,840.14	11,163.45
R&D input	Ratio of total R&D expenditure against operating income	%	2.50	3.11	3.18
	R&D employee ratio	%	23.9	23.73	20.84
	Number of patents held	PCS	76	43	36
	Number of valid patents per unit operating income	PCS/per million operating income	0.02	0.01	0.01
	Number of invention patents held	PCS	14	10	7
Intellectual property	Number of invention patents used in the main business	PCS	13	10	7
	Annual number of new patents	PCS	13	7	1
	Number of pending patents	PCS	3	7	6
	Number of trademarks, etc. held	PCS	43	43	43
Employee employn	nent				
Number of employee	Total number of employees	Person	703	573	571
Number of new employee	Number of newly hired employees	Person	296	179	236
Number and proportion of	Number of female employees	Person	229	185	180
employees by gender	Number of male employees	Person	474	388	391
Number and proportion of	Number of parttime employees (if any)	Person	1	4	1
employees by employment type	Number of fulltime employees	Person	702	569	570
Number and	Number of employees under 30	Person	213	152	178
proportion of employees by	Number of employees between 30 and 50	Person	379	312	286
age	Number of employees over 50	Person	111	109	107
Number of	Number of employees below undergraduate	Person	577	487	493
employees by education	Number of undergraduate employees	Person	119	83	75
background	Number of master employees	Person	7	3	3



	Indicators classification	Unit	2024	2023	2022
	Number of employees in senior	Person	3	3	3
	management Number of employees in middle				
Number of	management	Person	33	31	30
employees by	Number of employees in junior				
rank	management	Person	140	128	122
	Normal employees	Person	530	411	416
R&D	Total number of R&D per-sonnel	Person	168	136	119
department personnel	R&D personnel proportion	%	23.90	23.73	20.84
Number and	Number of dimission em-ployees	Person	163	177	135
proportion of dimission	Employee turnover/ dimis-sion rate	%	23	31	24
employees	Remuneration per capita	RMB (10,000)	7.81	7.58	7.52
Remuneration					
	Income per capita	RMB (10,000)	757.91	901.11	702.20
Employee rights &	interests and welfares				
Discrimination	Cases of confirmed discrim-ination	Case	0	0	(
Forced labor	Case of confirmed forced labor	Case	0	0	(
Child labor	Case of confirmed child labor	Case	0	0	(
Employee	Total number of employee satisfaction questionnaires issued	Сору	703	573	571
satisfaction	Questionnaire collection rate	%	74.22	81.50	78.46
survey	Employee satisfaction results	%	87.25	86.34	84.38
Talent training and	development				
	Total training hours	Hour	21,620	18,082.5	15,275.5
	Training hour per capita	Hour	30.68	31.56	26.75
Employee training hour	Total training hours of female employees	Hour	5,808	4,855.5	3,713
5	Total training hours of male employees	Hour	15,812	13,227	11,562.5
	Total training hours of senior management	our	171	240	120
Employee training and assessment	Total annual number of training	Times	909	798	612

Environmental performance

	Indicators classification	Unit	2024	2023	2022
	Total input in environmental management	RMB (10,000)	559.80	348.26	863.25
	Proportion of total input in environmental management against operating income	%	0.08	0.06	0.14
Environ- mental	Number of violations of environmental laws	PCS	0	0	0
manage- ment	and regulations During the reporting period, amount of major administrative penalties imposed by ecological environment and other rele-vant authorities due to environmental incidents	RMB (10,000)	0	0	0
Juheshun A	dvanced Materials Co., Ltd.				
Green- house gas emissions	Total greenhouse gas emissions	Tons of carbon dioxide equivalent	13,085	12,628	11,720
	Total waste gas emissions	10,000m³	39,480	39,480	36,298
	Nitrogen oxide (NOx) emissions	Tons	0.034	4.074	3.415
Air pollution emissions	Sulphur oxide (SOx) emissions	Tons	0.244	0.362	0.161
CITISSIONS	Volatile organic compounds (VOCs) emissions	Kg	2,793	2,637	2,605
	Particulate matter (PM) emissions	Kg	1,303	1,303	1,198
	Total wastewater discharge	m³	71,430	84,466	66,040
	Chemical oxygen demand (COD)	Tons	2.317	4.707	4.569
Water	Biochemical oxygen demand (BOD)	Tons	0.4634	0.5712	0.4436
pollutant emissions	Ammonia nitrogen (NH3-N)	Tons	0.03369	0.062	0.081
CITIOSIOTIS	Total nitrogen (TN)	Tons	0.751	0.753	0.575
	Total phosphorus (TP)	Tons	0.003	0.003	0.003
	Total waste generated	Tons	258	290	232
Waste	Total hazardous waste t	Tons	258	290	232
treatment	Total non-hazardous waste	Tons	50	45	44
	Total recycled/reused waste	Tons	30	28	25
	Comprehensive energy consump-tion tons	Tons of standard coal	26,530.41	25,443.43	24,430.71
Energy	Natural gas consumption	m³	6,111,739	5,941,208	5,408,408
utilization	Electricity consumption	MWH	62,018.09	58,555.81	57,167.77
	Steam consumption tons	Tons	112,286.93	107,844.82	105,937.16
	Clean energy utilization	MWH	1,215.32	1,243.07	1,189.07
Water re- sources man- agement	Total water consumption	Tons	213,658	217,470	209,906
	Total net freshwater consumption	m³	213,658	217470	209,906
	Recycled/reused water	m³	38,493,360	38,498,400	38,505,600
Raw materials	Total mass or volume of materials used in production and packaging	Ton/m ³	293,941.30	284,208.51	277,713.07
and packaging materials manage- ment	Packaging bags	PCS	3,865,761	3,264,146	3,370,918



Indicators classification Changde Juheshun New Materials Co., Ltd. Air Nitrogen oxide (NOx) emissions Tons 12.145 8.817 5.439 pollution Sulphur oxide (SOx) emissions Tons 0.210 0.274 0.302 emissions Water Chemical oxygen demand (COD) 1.382 1.555 Tons 1.977 pollutant 0.057 Ammonia nitrogen (NH3-N) Tons 0.076 0.073 emissions Shandong Juheshun Luhua New Materials Co.,Ltd. Nitrogen oxide (NOx) emissions Tons 2.575 1.155 Sulphur oxide (SOx) emissions Tons 0 0.091 Air pollution Volatile organic compounds Tons 2.774 1.952 emissions (VOCs) emissions Particulate matter (PM) Tons 0.130 0.326 emissions

Index of Indicators

Primary issue	Secondary issue	Related sections
	① Management on risks and opportunities related to climate change	Not disclosed
	② Evaluation on adaptability of corporate strategy, business model to climate change	Not disclosed
Address climate change	③ Transformation plans, measures and progress to address climate-related risks and oppor-tunities	Address climate change
	Provide different ranges of greenhouse gas emissions by classification	Performance highlights
	⑤ Provide information on greenhouse gas emissions by classification	Address climate change
	Accounting methods of greenhouse gas emissions	Address climate change
	① Greenhouse gas emission reduction practice	Address climate change
	New technologies, products and services contributing to reducing carbon emissions and achieving carbon neutrality	Address climate change
	① Pollutant emissions information	Waste emission control
	② Pollutant emissions treatment	Waste emission control
Pollutant emissions	③ Emission reduction goals	Not disclosed
	④ Impact on groups	Not disclosed
	⑤ Administrative punishment	Not involved
Waste disposal	① Waste quantity	Key performance
	② Disposal information	Waste emission control
	③ Emission reduction goals	Waste emission control
Ecosystem and biodiversity conservation	① Withdrawal activities	Not disclosed
	② Conservation measures within the region	Biodiversity conservation
	③ Protection and recovery measures	Not disclosed
	Biological genetic resources	Not disclosed
	⑤ Product full life cycle impact	Not disclosed
Environmental compliance management	① Risk management	Environmental compliance management
	② Emergency incidents	Environmental compliance management
	③ Administrative punishment	Not involved



Primary issue	Secondary issue	Related sections
	① Usage information	Efficient resource use
Energy utilization	② Clean energy	Address climate change
	③ Saving goals	Efficient resource use
Water resource utilization	① Usage information	Efficient resource use
	② Saving goals	Efficient resource use
	① Goals and plans	Efficient resource use
Recycling economy	② Specific measures	Efficient resource use
	③ Progress and effect	Efficient resource use
	① Corporate strategy	Not disclosed
Rural revitalization	② Specific measures	Social contribution and public benefit
	③ Work results	Not disclosed
Social contribution	Contribution information	Social contribution and public benefit
	① Strategic goals	Not disclosed
	② Specific information	Innovation drive
nnovation drive	③ R&D results	Innovation drive
	④ Innovation impact	Innovation drive
	① Field engaged	Not involved
Scientific and	② Internal management	Innovation drive
technological ethics	③ Violations	Not involved
	④ Training and publicity	Not involved
Supply chain security	① Risk management	Supply chain security
	② Safeguard measures	Supply chain security
	③ Improvement measures	Supply chain security
Equal treatment of small and medium-sized enterprises	① Unpaid sums	Commercial ethics
	② Specific information	Commercial ethics

Primary issue	Secondary issue	Related sections
Product and service, safety and quality	① Management system	Quality management
	② Quality certification	Quality management
	③ Major accidents	Not involved
	④ After-sales service	Quality management
	⑤ Accessibility	Not disclosed
	① Management system	Information security
Data security and	② Security incidents	Not disclosed
customer privacy protection	③ Customer privacy protection	Not disclosed
	④ Leakage incidents	Not disclosed
	① Employee employment	Employee employment an assessment
Employees	② Occupational health and safety	Employee health and safety
	③ Career development and training	Employment developmen and training
Due diligence	Due diligence implementation information	Not disclosed
		ESG governance
Stakeholder	① Communication system	Investor relations management
communication		ESG governance
	② Suggestion channel	Investor relations management
Anti-commercial bribery and anti-corruption	① Management system	Commercial ethics
	② Risk evaluation	Not disclosed
	③ Training performance	Not disclosed
	④ Incidents incurred	Not disclosed
Anti unfoir commetitie	① Management system	Commercial ethics
Anti-unfair competition	② Administrative punishment	Commercial ethics

Reader Feedback Form

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Dear readers,

Hello! Thank you very much for taking time from your busy schedule to read the 2024 Environmental, Social and Governance Report of Juheshun Advanced Materials Co., Ltd. In order to provide you and other stakeholders with more valuable information, and effectively promote us to improve the ability and level in performing corporate social responsibility, we sincerely look forward to your comments and suggestions.

Choice questions (please tick the appropriate place)							
1. What is your overall evaluation on this Report?							
☐ Excellent	□Good	☐ Average	☐ Poor	☐ Very Poor			
2. How does this Report respond to and disclose the concerns of stakeholders?							
☐ Excellent	□Good	☐ Average	☐ Poor	☐ Very Poor			
3. How do you think Juheshun does in terms of economic responsibility?							
☐ Excellent	□Good	☐ Average	☐ Poor	☐ Very Poor			
4. How do you think Juheshun does in terms of environmental responsibility?							
☐ Excellent	□Good	☐ Average	☐ Poor	☐ Very Poor			
5. How do you think Juheshun does in terms of safety management?							
☐ Excellent	□Good	☐ Average	☐ Poor	☐ Very Poor			
6. How do you think Juheshun does in terms of employee responsibility?							
☐ Excellent	□Good	☐ Average	☐ Poor	☐ Very Poor			
7. How do you think	Juheshun doe	es in terms of com	munity respon	sibility?			
☐ Excellent	□Good	☐ Average	☐ Poor	☐ Very Poor			
8. Are the information, indicators and data disclosed in this Report clear, accurate and complete?							
☐ Excellent	□Good	☐ Average	☐ Poor	☐ Very Poor			
9. Do you think the content arrangement and layout of this Report are easy to read?							
☐ Yes	□ No						
Open question							
Do you have any comments and suggestions on Juheshun's fulfillment of social responsibility and this Report?							

Create an international brand to accomplish industrial power



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