骏马化纤股份有限公司
Junma Tyre Cord Company Limited

2024
Environmental, Social and Governance Report

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2024 Environmental, Social and Governance Reporting

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About this Report

This report is the third Environmental, Social, and Governance (ESG) report issued by Junma Tyre Cord Company Limited. It aims to disclose the company's ESG-related strategies, management measures, and performance outcomes, in response to stakeholders' expectations for information disclosure on the company's sustainable development. This disclosure helps stakeholders understand the opportunities and challenges faced by the company in pursuing sustainable development, as well as the efforts made to achieve sustainable development goals.

Basis of Preparation

The preparation of this report references the *Global Sustainability Standards Board (GSSB) Sustainability Reporting Standards (2021 edition)* (abbreviated as "GRI Standards"), as well as the United Nations Sustainable Development Goals (SDGs) and key topics of concern from major domestic and international ESG rating agencies.

Reporting Scope

Time Period: January 1, 2024 to December 31, 2024. Any content extending beyond this period will be noted accordingly.

Release Cycle: Irregular annual publication.

Entities Covered: The content of this report covers only Junma Tyre Cord Company Limited.

Data Sources

The materials and data cited in this report are sourced from the company's official documents, statistical reports, and financial reports, and have been compiled, aggregated, and reviewed by relevant ensuredepartments. Unless otherwise specified, all monetary data in this report are in Renminbi (RMB).

Explanation of References

For ease of expression and readability, references to "Junma Tyre Cord", "the company", "the enterprise", or "we" in this report all denote Junma Tyre Cord Company Limited.

Report Assurance

This report has been assured by an independent third-party assurance provider, TÜV Rheinland (Shanghai) Co., Ltd., in accordance with the AccountAbility AA1000 Assurance Standard v3 (AA1000AS v3). The assurance covers the sustainability information disclosed in this report at Type-1 and moderate level, with an independent assurance statement issued. For details on the assurance, please refer to Chapter 9 of this report, "Independent Assurance Statement."

Obtaining the Report

The electronic version of this report is published in both Chinese and English on the official website of Junma Group (www.jsjunma.com). In case of any discrepancies, the Chinese version shall prevail.

Feedback

If you have any questions or suggestions regarding the content of this report or Junma Tyre Cord's ESG initiatives, please contact us via the following channels:
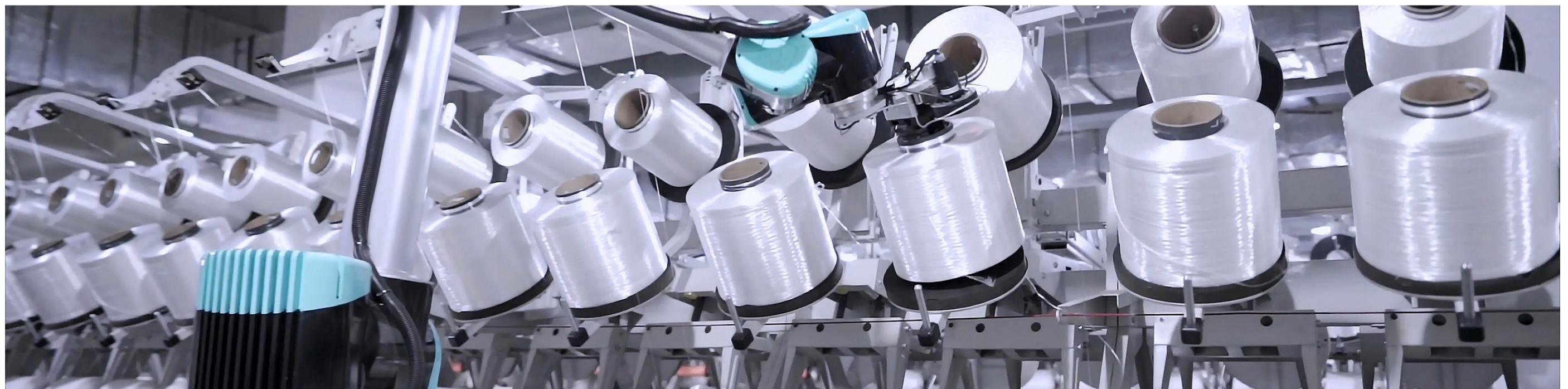
Headquarter Address: No. 80 Chenghang East Road, Yangshe Town, Zhangjiagang City, Suzhou, Jiangsu Province, China

Postal Code: 215617

Telephone: 0512-58291688

Email: office@junmachina.com

We will carefully review your feedback and ensure the strict confidentiality of your personal information.

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Message from the Chairman

Dear Shareholders, Partners, and All Friends Concerned with Junma Tyre Cord Company Limited:

2024 marks a pivotal year for Junma Tyre Cord in deepening its sustainable development strategy. As the company's third ESG report, this document comprehensively presents our firm commitments, systematic management, and pragmatic actions in the areas of environmental responsibility, social responsibility, and corporate governance. We recognize that a company's long-term value stems not only from economic benefits but also from safeguarding the Earth's environment, caring for employee well-being, and actively responding to stakeholder expectations.

In the face of global climate challenges, we actively support the Paris Agreement by submitting commitments to the Science Based Targets initiative (SBTi) for greenhouse gas reduction targets across Scopes 1, 2, and 3, and by joining the United Nations Global Compact (UNGC), pledging to advance low-carbon transformation. During the reporting period, we achieved "zero external discharge" of production wastewater, 100% legal disposal rate for hazardous waste, and significant reductions in energy consumption and emissions through process innovations and equipment upgrades (such as RTO waste heat recovery and container "road-to-water" transportation). Additionally, the company obtained multiple sustainability certifications, including ISO 14064, ISO 14040, ISO 50001, OEKO-TEX STANDARD 100, RGS, and ISCC PLUS, and earned a Silver Medal in the ECOVADIS rating. Looking ahead, we will continue to explore clean energy alternatives and circular material applications to contribute to the "dual carbon" goals.

At the same time, employees represent Junma's most valuable asset. We have established a dual-track career development system, providing 100% coverage of professional skills and safety training for all employees, and ensuring equal pay for equal work between men and women. In occupational health management, the occupational disease incidence rate was zero, with total safety training hours for all employees reaching 19,872 hours. We also give back to the community through initiatives such as the "Red Tie" Party-building rural assistance and voluntary blood donation, embodying our philosophy of "co-creating a harmonious society and sharing a better life."

In corporate sustainable development governance, we have continuously refined our three-tier ESG governance structure of "leadership-decision making-coordination-execution," incorporating ESG indicators into the performance evaluation system to ensure that sustainable development is integrated into all decision-making processes. Through the Compliance Manual and Anti-Bribery Statement, we have fortified defenses for business ethics, achieving 100% coverage in anti-corruption training and zero information security incidents.

In the global wave of sustainable development, ESG management presents challenges for enterprises but also fosters opportunities. We will continue to optimize our ESG management system, deepen supply chain collaborative emission reductions, promote green product development (such as recycled chip cord fabric and formaldehyde-free eco-friendly adhesives), and actively respond to the United Nations Sustainable Development Goals (SDGs) by making sustained efforts in technological innovation, resource circularity, and inclusive growth.

We sincerely thank every partner for their trust and support! Junma Tyre Cord is committed to partnering with you, grounded in responsibility and propelled by innovation, to stride together toward a more sustainable future!

Chairman

Yang Peixing

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About Junma Tyre Cord

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1.1 Company Profile

Junma Tyre Cord Company Limited was established in 1990 and is headquartered in Zhangjiagang City, an emerging port city at the intersection of the Yangtze River Delta's coastal and riverine economic development zones. It is a large private enterprise primarily engaged in the production and operation of tire carcass materials. The company possesses sustained innovation capabilities and an excellent innovation team, and has established provincial and municipal innovation platforms such as the Jiangsu (Industrial) Chemical Fiber Engineering Technology Research Center. It continuously enhances its innovation capabilities, emphasizes flexible customization to meet customers' personalized needs. Through years of market development and maintenance, supported by high-quality products, the company has perfected its domestic and international sales networks, with annual export volume exceeding USD 100 million.

One of the world's largest tire cord fabric production bases

The domestic manufacturer with the most comprehensive specifications for tire carcass materials

6 Main Products

- Nylon 6 raw yarn
- Nylon 6 Tyre Cord Fabric
- Nylon 66 Yarn
- Nylon 66 Tyre Cord Fabric
- Polyester Yarn
- High-Modulus Low-Shrinkage Polyester Tyre Cord Fabric

Corporate Philosophy

Spirit
Strictness, Pragmatism, Diligence, Development

Style
Never Satisfied, Pursuit of Excellence

Purpose
Quality First, Customer Satisfaction

Goal
Leading Domestically, Catching up Globally

Belief
Create Beautiful Environment, Cultivate Excellent Talent, Produce High-Quality Products, Provide Superior Services

1.2 Business Layout

With superior quality and reliable supply credibility, the company has earned the favor of well-known domestic and international enterprises. Its products are sold nationwide and extend to markets in Europe and the Americas, Southeast Asia, and other regions, establishing a global sales network.

Junma Tyre Cord Company Limited

Production Base：
Junma Tyre Cord Company Limited

Export Countries:
Japan, South Korea, Vietnam, Thailand, India, Philippines, Indonesia, Malaysia, Singapore, Turkey, Serbia, Czech Republic, Germany, Netherlands, Poland, Greece, Portugal, United States, Mexico, Brazil, Peru, Chile, Argentina.

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1.3 Sustainable Development Commitments and Certifications

Sustainable Development Commitments

We actively respond to the Paris Agreement on climate change. In 2023, we submitted near-term greenhouse gas reduction commitments covering Scopes 1, 2, and 3 to SBTi, which were validated by SBTi on August 14, 2025. We also joined the United Nations Global Compact (UNGC), committing to support the UNGC's ten principles in the areas of human rights, labor, environment, and anti-corruption.

SBTi Disclosure of Our Emission Reduction Targets

Joined the United Nations Global Compact (UNGC)
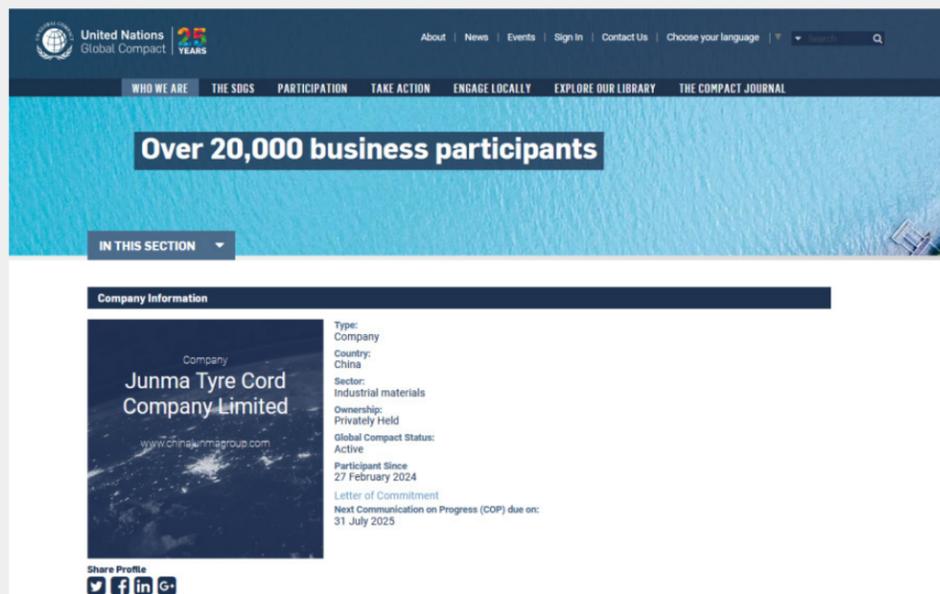
Sustainability Certifications

The company has obtained multiple sustainability certifications, including IATF 16949, ISO 14001, ISO 45001, ISO 50001, ISO 14064, and GRS, and conducts regular internal audits as well as third-party supervision audits.

IATF 16949	ISO 45001	ISO 14001

ISO 50001	GB/T 23331-2020	IGRS

OEKO-TEX Standard 100	ISCC PLUS	RSCI

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Product Life Cycle Assessment Certification (Nylon 6 Dipped Cord Fabric)	Product Life Cycle Assessment Certification (Nylon 66 Dipped Cord Fabric)	Product Life Cycle Assessment Certification (Polyester Dipped Cord Fabric)

1.4 Association Participation and Honors

Association Participation

- Council Member of China Chemical Fibers Association
- Council Member of China Rubber Industry Association
- Vice Chairman Unit of China Carcass Materials Branch
- Council Member of Jiangsu Overseas Development Association

Corporate Honors

- National Single Champion Enterprise
- National High-Tech Enterprise
- National Intellectual Property Demonstration Unit
- Key Enterprise for Brand Creation among National Township Enterprises
- "Advanced Enterprise in Technological Progress" by China Rubber Industry Association
- Top 100 Private Enterprises in Jiangsu Province

- Star Enterprise of Jiangsu Province
- Landmark Enterprise of Jiangsu Province
- Excellent Management Demonstration Enterprise of Jiangsu Province
- Advanced Unit for Employment among Private Enterprises in Jiangsu Province
- Demonstration Enterprise for Establishing Modern Enterprise System among the TOP 100 in Jiangsu Province
- AAA-Level Enterprise for Keeping Contracts and Credit in Jiangsu Province
- Major Taxpayer among Private Enterprises in Jiangsu Province
- Jiangsu Province Measurement Guarantee Confirmation Unit
- Jiangsu Province Water-Saving Enterprise
- Credit Demonstration Unit of Suzhou City
- Civilized Model Unit of Suzhou City

Product Honors

- "Junma" Trademark ➤➤ China Well-known Trademark
- Cord Fabric Products ➤➤ National Single Champion Product
- "Junma" Brand Nylon 6 Dipped Cord Fabric ➤➤ Jiangsu Province Famous Brand Product
- "Junma" Brand Polyester Cord Fabric ➤➤ Recommended Brand by National Rubber Industry Association

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Sustainable Development Management

SILVER | Top 15%
ecovadis
Sustainability Rating
NOV 2024

Scored 70/100, Percentage Ranking 9%,
Achieved Silver Medal

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2.1 Sustainable Development Governance

The company embeds sustainable principles into its long-term blueprint and key decisions, establishing and continuously optimizing a governance structure to ensure ESG requirements permeate every detail of the value chain. At the same time, it strengthens dialogue with stakeholders to steadily enhance sustainable competitiveness and deliver enduring, resilient corporate value.

Junma Tyre Cord Sustainable Development Policy

Governance	Environment	Social
Co-Create Economic and Financial Results, Share Development Benefits	Co-Create Green Products, Share Blue Skies and Clean Waters	Co-Create a Harmonious Society, Share a Better Life

Junma Tyre Cord Sustainable Development Commitments

Environmental Protection

The company commits to continuously improving its environmental management system and routinely advancing pollution prevention and control. It implements closed-loop management for wastewater and solid waste generated during operations; strengthens integrated water resource planning and conservation; and incorporates full life cycle thinking into product design to develop low-carbon, recyclable green product portfolios.

Energy Conservation

The company commits to building an energy efficiency enhancement system covering all business processes, with energy saving and carbon reduction at its core: through process innovations, equipment upgrades, and renewable energy substitution, it continuously reduces energy consumption and greenhouse gas emissions, embedding green operations into every aspect of R&D, production, office activities, and the supply chain.

Health and Safety

The company commits to effectively managing chemical risks across their full life cycle; at work sites, it relies on systematic hazard identification, assessment, and intervention to preempt personal injuries, operational disruptions, and asset losses; it simultaneously identifies, assesses, and communicates all occupational hazards, providing targeted protective measures to safeguard the health and safety of employees, contractors, and relevant parties.

Employee Rights

The company commits to prohibiting any form of discrimination, harassment, or abuse; maintains zero tolerance for commercial bribery and fraud; and strives to create an excellent work environment while providing employees with competitive compensation and benefits.

Sustainable Procurement

The company commits to actively promoting upstream and downstream supply chain partners to jointly fulfill social commitments; prioritizes procurement of recyclable packaging and implements circular utilization and disposal of packaging materials, enabling resources to flow continuously in a closed loop to reduce resource consumption.

Junma Tyre Cord Sustainable Development Governance Structure

The company integrates environmental, social, and governance (ESG) factors into its operations through practical actions, establishing a comprehensive, hierarchical, clearly defined, and efficient three-tier ESG management structure of "leadership and decision-making - coordination and integration - execution and implementation" to effectively ensure the efficient advancement of ESG work.

Leadership and Decision-making — ESG Management Leading Group

Coordination and Integration — ESG Management Execution Group

Execution and Implementation — Implementation Departments
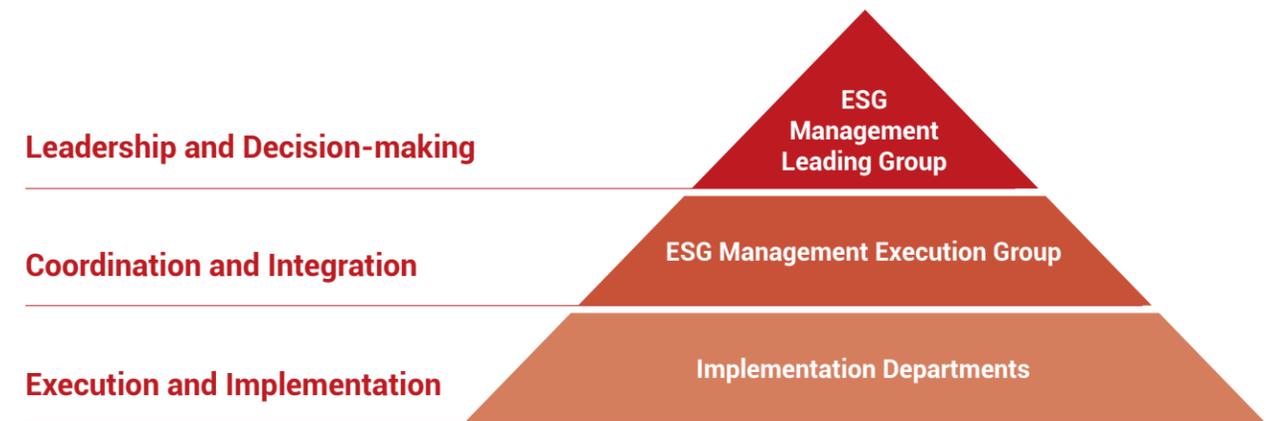
Level	Responsibilities
ESG Management Leading Group	Highest decision-making body for ESG management; formulates ESG policies and strategies; standardizes corporate ethics and behavioral guidelines
ESG Management Execution Group	Develops and implements ESG action plans; promotes ESG concepts internally and externally
Implementation Departments	Integrates ESG concepts into core duties; engages in exchanges and activities with stakeholders; collects foundational information

Sustainable Development Performance Supervision and Assessment

The company incorporates sustainable development indicators into its performance assessment system and regularly publishes sustainability reports to disclose goal achievement, identify and manage relevant risks, maintain communication with stakeholders, and continuously improve practices to ensure coordinated and sustainable economic, social, and environmental benefits.

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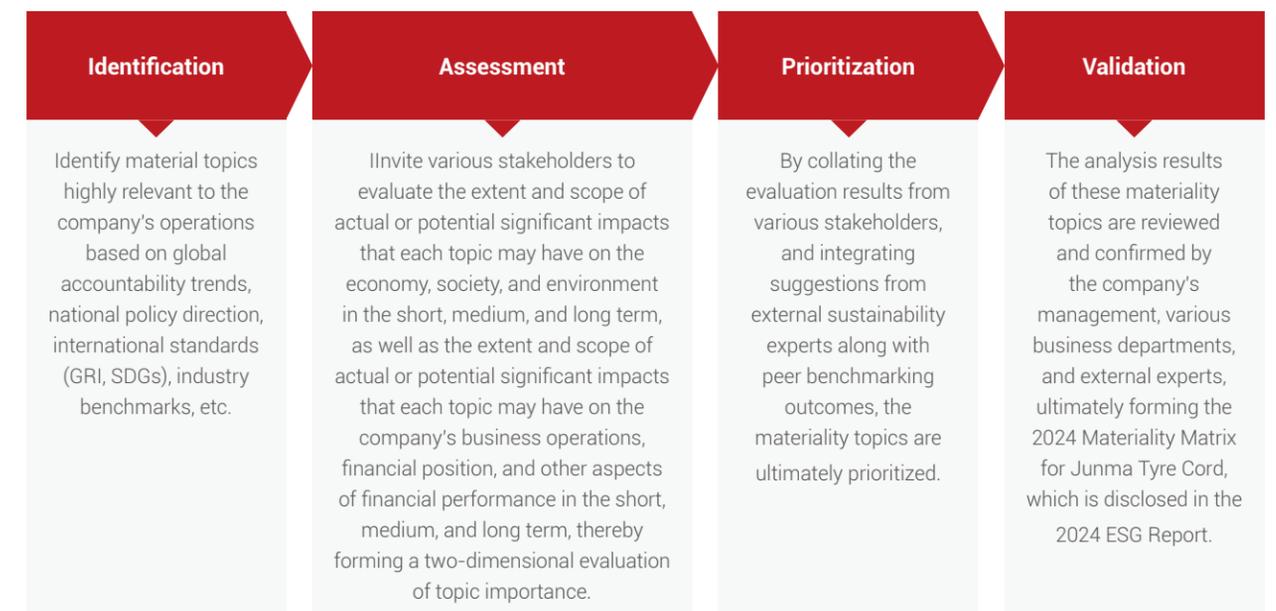
2.2 Stakeholder Engagement

Based on its actual business and industry characteristics, the company identifies key stakeholders, including government and regulatory bodies, shareholders and investors, customers, employees, suppliers, communities and the public, industry associations, and NGOs/philanthropic organizations. The company places high importance on communication with stakeholders, engaging in active exchanges through diverse channels to understand their expectations and ESG concerns, and incorporating these into the company's sustainable development planning.

Stakeholder	Key Concerns	Communication Channels
Government and Regulatory Bodies	• Corporate Governance • Risk Control and Compliance Management • Anti-Corruption and Anti-Bribery • Climate Change Adoption and Mitigation • Waste Management • Energy Management • Environmental Compliance Management • Raw Materials and Packaging Management • Water Resource Managament	• Regulatory Inspections • Site Visits and Receptions
Shareholders and Investors	• Corporate Governance • Risk Control and Compliance Management • Anti-Corruption and Anti-Bribery • Innovation and R&D	• Performance Briefings • Shareholders' Meetings • Company Website
Customers	• Product and Service Quality Management • Innovation and R&D • Intellectual Property Protection • Supply Chain Management • Information Security • Environmental Compliance Management • Climate Change Adoption and Mitigation • Occupational Health and Safety	• Trade Shows • Customer Visits • After-Sales Service Hotline and Email • Customer Satisfaction Surveys
Employees	• Occupational Health and Safety • Employee Rights and Benefits • Employee Training and Development • Information Security • Anti-Corruption and Anti-Bribery	• Employee Interviews • Employee Satisfaction Surveys • Consultation Meetings • Employee Feedback Platform • Company Annual Meetings
Suppliers	• Product and Service Quality Management • Supply Chain Management • Risk Control and Compliance Management • Information Security	• Supplier Conferences • Supplier Training • Supplier Assessments and On-site Audits

Stakeholder	Key Concerns	Communication Channels
Communities and Public	• Community Development and Philanthropy	• Social Welfare Projects • Community Volunteer Activities
Industry Associations	• Innovation and R&D • Product and Service Quality Management • Intellectual Property Protection	• Forums and Seminars • Industry Standard Development • Industry-Academia-Research Collaboration Projects
NGOs/Philanthropic Organizations	• Community Development and Philanthropy • Climate Change Adoption and Mitigation • Innovation and R&D • Supply Chain Management • Occupational Health and Safety • Employee Rights and Benefits	• Forums and Seminars

2.3 Materiality Assessment

Through internal and external surveys, the company invites stakeholders to participate in materiality topic assessments and conducts comprehensive analysis and prioritization of relevant materiality topics based on the double materiality principle (i.e., financial materiality and impact materiality), ultimately forming a materiality matrix. The management and annual performance of the identified 18 topics are addressed and disclosed accordingly in this report.

Identification	Assessment	Prioritization	Validation
Identify material topics highly relevant to the company's operations based on global accountability trends, national policy direction, international standards (GRI, SDGs), industry benchmarks, etc.	IInvite various stakeholders to evaluate the extent and scope of actual or potential significant impacts that each topic may have on the economy, society, and environment in the short, medium, and long term, as well as the extent and scope of actual or potential significant impacts that each topic may have on the company's business operations, financial position, and other aspects of financial performance in the short, medium, and long term, thereby forming a two-dimensional evaluation of topic importance.	By collating the evaluation results from various stakeholders, and integrating suggestions from external sustainability experts along with peer benchmarking outcomes, the materiality topics are ultimately prioritized.	The analysis results of these materiality topics are reviewed and confirmed by the company's management, various business departments, and external experts, ultimately forming the 2024 Materiality Matrix for Junma Tyre Cord, which is disclosed in the 2024 ESG Report.

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Material Topics Matrix of Junma Tyre Cord

Material Topics Matrix of Junma Tyre Cord

Governance dimension	Environmental dimension	Social Dimension
1 Corporate Governance	6 Climate Change Adoption and Mitigation	12 Supply Chain Management
2 Risk Control and Compliance Management	7 Waste Management	13 Product and Service Quality Management
3 Information Security	8 Energy Management	14 Occupational Health and Safety
4 Anti-Corruption and Anti-Bribery	9 Environmental Compliance Management	15 Employee Rights and Benefits
5 Intellectual Property Protection	10 Raw Materials and Packaging Management	16 Employee Training and Development
	11 Water Resource Managament	17 Innovation and R&D
		18 Community Development and Philanthropy

2.4 Response to United Nations Sustainable Development Goals

We actively respond to the United Nations Sustainable Development Goals (UN SDGs), integrating sustainable development management into all aspects of our operations. Based on the company's operational activities and stakeholder priorities, we summarize our actions on 14 SDGs as follows:

Dimension	Responding SDGs	Actions
Environment	6 CLEAN WATER AND SANITATION	Achieved zero discharge of industrial wastewater; encourages water conservation among employees during daily operations.
	7 AFFORDABLE AND CLEAN ENERGY	Actively explores pathways for clean energy use, plans rational carbon reduction paths, and reduces greenhouse gas emissions.
	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Strictly implements waste classification; entrusts qualified vendors for waste disposal; increases raw material recycling rates; strictly controls chemical safety.
	13 CLIMATE ACTION	References TCFD framework to identify climate change risks and opportunities; develops climate change contingency plans; strengthens employee awareness campaigns.
	15 LIFE ON LAND	Commits to no business activities in habitats of protected species.

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Dimension	Responding SDGs	Actions
Social	1 NO POVERTY	Continuously addresses social needs, deeply engages in philanthropic activities, and builds a company-specific philanthropic system.
	2 ZERO HUNGER	Actively organizes and participates in philanthropic and charitable activities.
	3 GOOD HEALTH AND WELL-BEING	Provides safe workplaces for employees, ensures compliance with production safety requirements for protective equipment, conducts regular occupational health check-ups, and delivers production safety education.
	4 QUALITY EDUCATION	Builds a comprehensive training system to provide various courses, enabling mutual growth for employees and the company.
	5 GENDER EQUALITY	Complies with labor laws to provide equal employment opportunities for female employees; ensures equal treatment for male and female employees in compensation, promotions, etc.
	8 DECENT WORK AND ECONOMIC GROWTH	Enhances employee welfare system to protect legitimate rights, opposes child labor, forced labor, and other human rights violations; establishes fair internal and competitive external compensation and benefits for decent work; provides healthy and safe work environments, focusing on employee physical and mental health and career development.
	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Strictly manages incoming material quality from suppliers; sources materials locally for supply assurance; collaborates with suppliers on sustainable production and consumption models to achieve circular economy; actively innovates product R&D to strengthen core competitiveness and drive industry development; conducts school-enterprise cooperation to cultivate innovative talent; participates in industry standard formulation.

| Dimension	Responding SDGs	Actions
Social	10 REDUCED INEQUALITIES	Complies with labor laws, emphasizes labor human rights and gender equality; implements diversity and inclusion policies to eliminate all forms of inequality, accepts diverse groups, respects customs, habits, and religious beliefs, creating an inclusive, friendly, and respectful work environment.
	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Enhances technology and manages customer demands to provide higher-quality products and services to consumers.
Governance	8 DECENT WORK AND ECONOMIC GROWTH	Achieves higher levels of economic productivity.
	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Complies with laws and regulations, strengthens institutional construction to form a top-down governance structure with clear rights and responsibilities; builds compliant, transparent, and responsible institutions, advances corporate ethics and anti-corruption systems to reduce incidents of unethical business conduct; enhances employee information security awareness and strengthens data and network security protection to prevent customer information leaks.

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Steady Progress and Compliant Operations

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3.1 Governance Structure

The company strictly adheres to the "Company Law of the People's Republic of China" and other relevant laws and regulations, establishing a corporate governance structure comprising the shareholders' meeting, board of directors, board of supervisors, and management layer. The authority, decision-making, supervisory, and operational management bodies maintain clear delineation of responsibilities, mutual coordination, and checks and balances. The governance structure consisting of the shareholders' meeting, the board of directors, the board of supervisors and the management level operates in a standardized manner, continuously optimizing and enhancing the company's internal control system to promote compliant operations, safeguard the legitimate rights and interests of the company and all shareholders.

Junma Tyre Cord Governance Structure

Board of Supervisors

Shareholders' meeting

Board of Directors

Management Level

Board of Directors: 5 members, all senior executives of the company
Board of Supervisors: 3 members
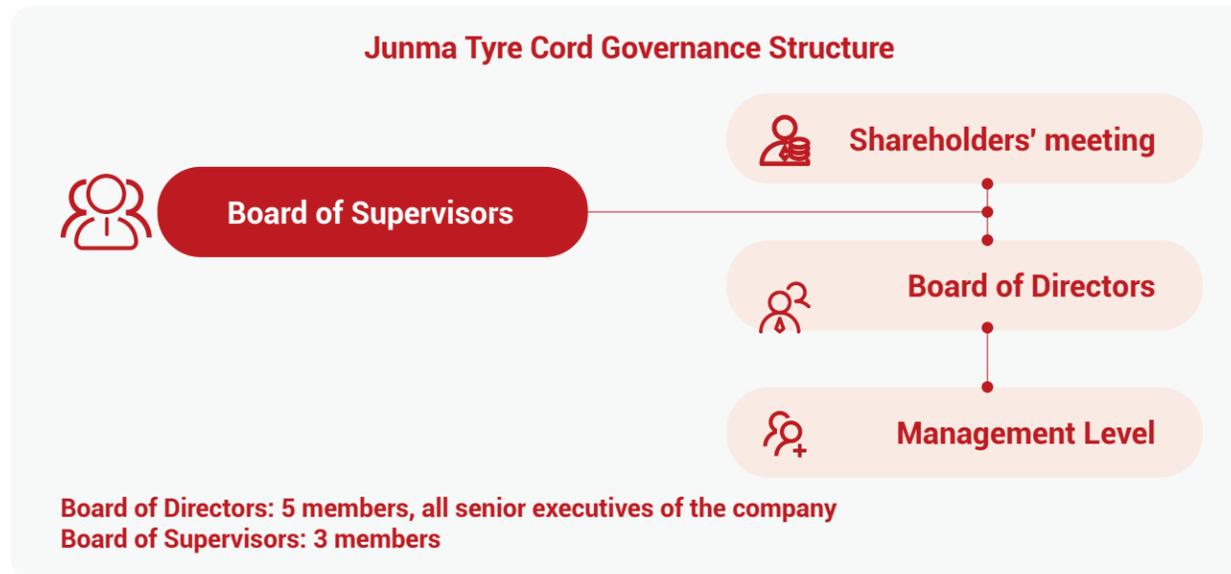
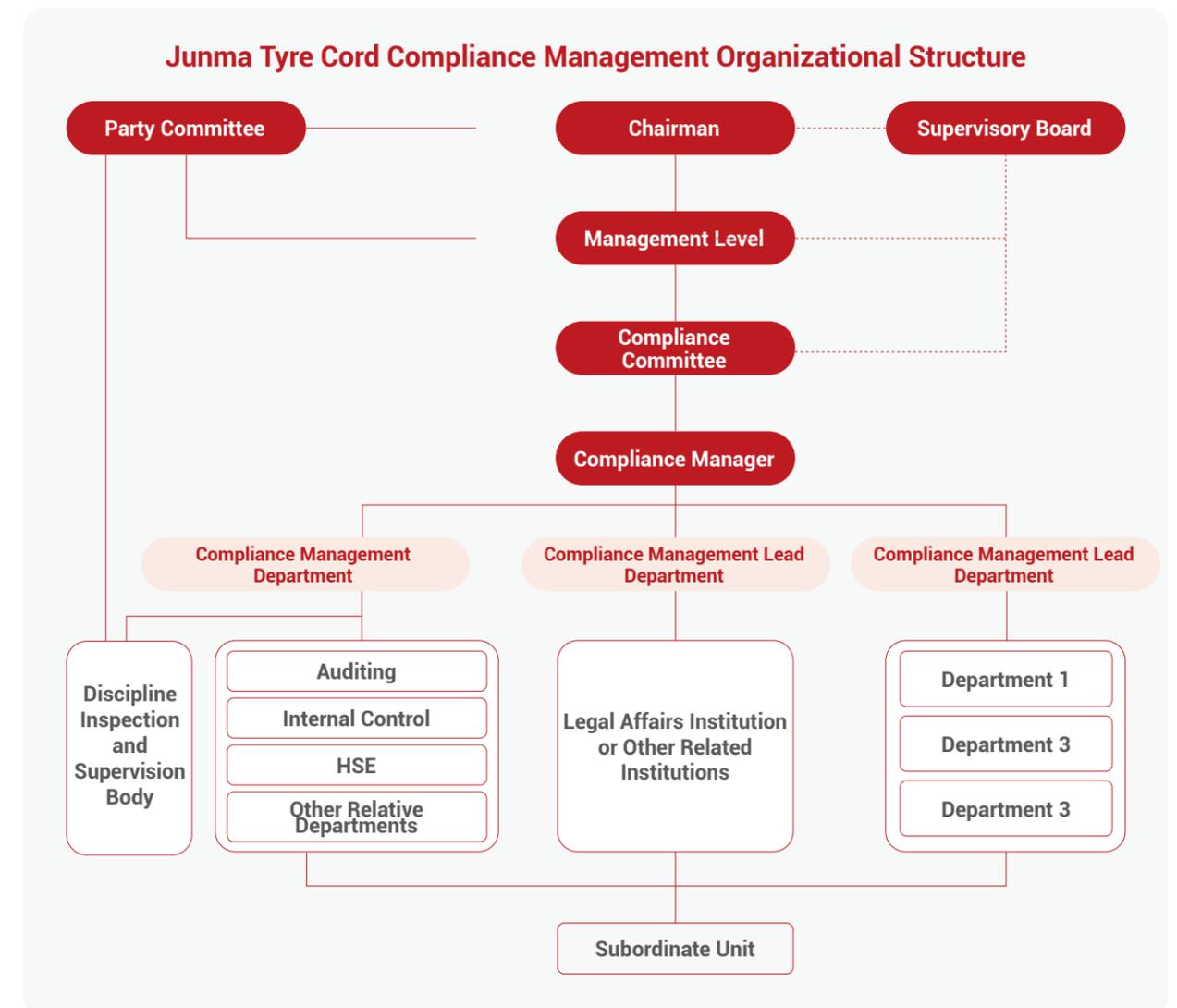# 3.2 Risk Management and Internal Control

The company has established a scientific decision-making mechanism in accordance with the law, formulating comprehensive work guidelines and operational norms. For critical decision matters such as major issue resolutions, key personnel appointments, significant project investments, and large-scale fund utilization, the company conducts thorough deliberation and organizes assessments prior to decision-making. Professional institutions are engaged to perform due diligence and provide advisory services for significant matters. During the decision-making process, opinions from relevant departments are fully considered, strict procedural compliance is ensured, and detailed records of decision-making meetings are maintained.

The company strictly complies with the "Company Law of the People's Republic of China," the "Audit Law of the People's Republic of China," the "Basic Norms for Enterprise Internal Control," and other relevant laws and regulations. In alignment with its operational characteristics and management needs, it has instituted a legal advisory system, forming a three-dimensional enterprise legal risk prevention and internal control framework led by the decision-making layer, supported by legal advisors, and participated in by all employees. This framework encompasses preemptive measures, in-process controls, and post-event remedies. Focusing on key risk areas such as bribery, corruption, and compliant marketing, the company leverages the "Compliance Manual" and other systems, aiming for "institutionalized management,
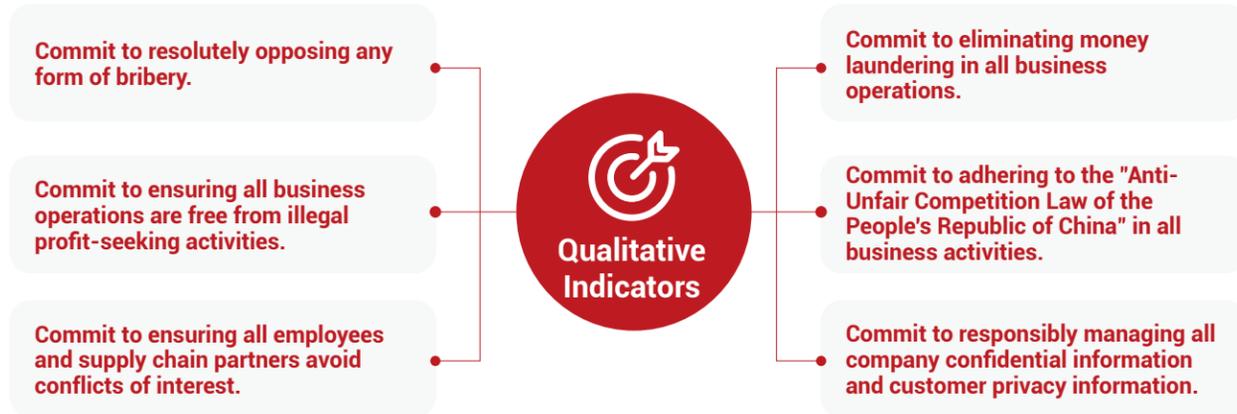
proceduralized systems, and informatized processes" to effectively implement compliance management requirements. The company upholds the principle of compliant operations, integrating compliance management into its development plans, operational objectives, and management actions. Additionally, it aligns with superior compliance review requirements, implements compliance control norms, enhances risk prevention capabilities, and emphasizes compliance in critical areas such as production safety, environmental protection, intellectual property, financial taxation, and international business. Regular risk assessments and evaluations are conducted to ensure the company's compliant operation and healthy development.

3.3 Business Ethics

The company strictly complies with the "Company Law of the People's Republic of China," the "Civil Code of the People's Republic of China," and other relevant laws and regulations, establishing a series of management provisions on anti-corruption, anti-fraud, anti-conflict of interest, and anti-money laundering, along with a comprehensive compliance management organizational structure covering all levels. Through the "Compliance Manual" and "Employee Handbook," the company communicates its business ethics management provisions to all employees.

Junma Tyre Cord Compliance Management Organizational Structure

Party Committee

Chairman

Supervisory Board

Management Level

Compliance Committee

Compliance Manager

Compliance Management Department

Compliance Management Lead Department

Compliance Management Lead Department

Discipline Inspection and Supervision Body

Auditing

Internal Control

HSE

Other Relative Departments

Legal Affairs Institution or Other Related Institutions

Department 1

Department 3

Department 3

Subordinate Unit

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Our Objectives

Commit to resolutely opposing any form of bribery.

Commit to ensuring all business operations are free from illegal profit-seeking activities.

Commit to ensuring all employees and supply chain partners avoid conflicts of interest.

Qualitative Indicators

Commit to eliminating money laundering in all business operations.

Commit to adhering to the "Anti-Unfair Competition Law of the People's Republic of China" in all business activities.

Commit to responsibly managing all company confidential information and customer privacy information.

Quantitative Indicators	2030 Target	2024 Target Achievement
Training coverage rate for employees on anti-corruption, anti-money laundering, anti-monopoly, anti-fraud, and conflict of interest	**100%**	**100%**
Supplier integrity agreement signing rate	**100%**	**100%**
Operational site information security risk assessment coverage rate	**100%**	**100%**

3.3.1 Integrity Training

The company strictly adheres to the "*Company Law of the People's Republic of China*," the "*Civil Code of the People's Republic of China,*" and other relevant laws and regulations. The audit department operates under vertical management, and the "*Compliance Manual*" explicitly prohibits employees from engaging in corruption, misappropriation, or theft of assets, while establishing approval processes for accepting gifts, striving to foster a culture of integrity and fairness in the workplace.

To jointly combat commercial bribery, all employees have signed the "*Anti-Bribery and Anti-Corruption Statement*." The company conducts targeted training on preventing corruption and bribery for key positions such as procurement and finance through meetings and promotional activities, performs regular internal audits to prevent procurement fraud, and conducts due diligence on corruption risks for suppliers and third-party partners. Integrity co-construction agreements are signed with suppliers to ensure the dissemination of anti-corruption and anti-bribery clauses from the "*Compliance Manual*" to all partners. Additionally, the company actively undertakes corruption risk assessments.

During the reporting period, the company reported no litigation cases related to corruption and no lawsuits arising from bribery or corruption.

In 2024, the Company Provided Training on Anti-Corruption to All Employees

2024 Company Key Performance

Procurement personnel integrity agreement signing rate:

100%

Business ethics training coverage rate for key positions:

100%

Average training hours per employee on anti-corruption:

3h

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3.3.2 Anti-Unfair Competition

The company strictly complies with the "Anti-Unfair Competition Law of the People's Republic of China," consciously maintaining the fairness of market order.

- The company commits to refraining from selling goods or providing services at prices below cost with the intent to exclude competitors
- The company commits to not engaging in the forced bundling of goods or services, or imposing other unreasonable conditions, against the will of the purchaser
- The company commits to not participating in activities such as price fixing, market or customer segmentation, market division, or colluding with competitors to manipulate tenders

3.3.3 Avoiding Conflicts of Interest

01 The company requires all employees to avoid situations that may adversely affect business relationships due to conflicts of interest

02 Employees are prohibited from directly or indirectly deriving financial benefits from other commercial entities through their spouses or other family members

03 The company requires all employees to avoid situations that may adversely affect business relationships due to conflicts of interest

04 Employees are prohibited from directly or indirectly deriving financial benefits from other commercial entities through their spouses or other family members

3.3.4 Anti-Money Laundering

The "Compliance Manual" strictly prohibits employees from legalizing proceeds from crimes such as drug trafficking or smuggling.

3.3.5 Compliant Marketing

The company adheres to the "Advertising Law of the People's Republic of China" and relevant international regulations such as EU REACH and RoHS concerning product labeling requirements. Marketing activities do not employ exaggerated, derogatory, or discriminatory language, and no violations of advertising laws or administrative penalties were recorded during the reporting period.

3.3.6 Information Security and Privacy Protection

The company places significant emphasis on data security and privacy protection, strictly complying with the "*Data Security Law of the People's Republic of China*" and the "*Personal Information Protection Law of the People's Republic of China,*" and has formulated the "*Information Security Management System*" and "*Security Complaint and Reporting System.*"

To further strengthen information security management, the company has initiated the establishment of an information security management system, forming an information security working group led by senior management, defining security responsibilities at all levels, and implementing a security accountability system. A comprehensive management mechanism covering prevention, monitoring, response, and recovery has been established, including information security contingency plans, a 7x24-hour security duty system, a multi-layer information release review mechanism, confidential information management protocols, and accountability measures. Currently, the company holds ISO 27001 Information Security Management System certification (valid until July 23, 2026).

ISO 27001 认证

Certificate No.: 51223IS00045R0M

INFORMATION SECURITY MANAGEMENT SYSTEM CERTIFICATE

TGC hereby certify that

Junma Tyre Cord Company Limited

Unified Social Credit Code: 91320000703680751F

Registration Address: No. 80 Chenghang Hedong Road,Yangshe Town, Zhangjiagang, Suzhou City, Jiangsu Province, China 215617

Business Address: No. 80 Chenghang Hedong Road,Yangshe Town, Zhangjiagang, Suzhou City, Jiangsu Province, China 215617

Office Address: No. 80 Chenghang Hedong Road,Yangshe Town, Zhangjiagang, Suzhou City, Jiangsu Province, China 215617

Is in conformity with

GB/T 22080-2016/ISO/IEC 27001:2013

This certificate is valid to the following product(s)/service:

The activities of information security management related to the production and sales of industrial filament and dipped Tyre cord fabric for tires. (Statement of Applicability: A/1)

Valid from: Jul 24, 2023
Certificate since: Jul 24, 2023
Valid until: Jul 23, 2026
Certificate until: Jul 24, 2024

Approver:

The certified organization must accept the surveillance audit duly,and the audit shall be approved as effective before approving that this certificate can maintain as valid. Please conduct supervision or recertification audit before Jul 24, 2024. The certificate in this chapter will be invalid if it fails to pass the audit within the time limit. Information on this certificate could be verified on TGC official website (www.jstgc.com.cn) and official website of the CNCA (http://cx.cnca.cn) .You can also scan the QR code.

Jiangsu Tiangui Certification Co., Ltd
TEL: 400-828-0029
6th Floor, South Building, Building 2, No. 32 Fengzhan Road, Yuhuatai District, Nanjing City
http://www.jstgc.com.cn
contact@jstgc.com.cn

Scan code to query certificate information

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Information Security Risk Assessment

Conduct risk assessments for information leaks, inappropriate data access, and data storage media damage prior to business operations.

Third-Party Information Security Due Diligence

Conducts qualification reviews when selecting third-party server providers, collaborating only with partners certified to Level 3 Protection or holding ISO 27000 certification.

Prevention of Information Security Vulnerabilities

Regularly inspects account credentials, passwords, and software patches to eliminate weak passwords;

Segments network computers by department under centralized IT management, prohibiting cross-use with non-work storage media; installs antivirus software on all computers with regular virus scans; and disconnects computers with unpatched operating systems or inadequate antivirus configurations from the network.

Data Access Control

Only the individual concerned, and administrators may store and manage user data; administrators are prohibited from disclosing any user passwords, accounts, or other confidential information; firewalls are deployed to prevent data breaches.

Privacy Information Processing Notification

Prior to collecting or processing customer or employee information, the company provides written notifications of its data collection and privacy protection policies, obtaining consent before processing such data.

Incident Response

Establishes an emergency response team and contingency plans, defining response procedures and assigning technical support teams; organizes regular emergency drills to test plan operability and enhance employee response capabilities.

Employee Training

Conducts network information security awareness training biannually;

Implements phishing simulations.

Information Security Incidents and Corrective Actions

Indicator	Unit	2022	2023	2024
Number of Identified Information Security Incidents	Cases	0	0	0
Number of Confirmed Complaints Regarding Customer Privacy Breaches or Data Loss	Instances	0	0	0
Total Number of Violations Related to Customer Privacy	Cases	0	0	0

3.3.7 Whistleblowing and Complaints

The company has established open and transparent communication and whistleblowing channels for all stakeholders, including employees, suppliers, and customers, to receive complaints related to corruption, money laundering, unfair competition, marketing compliance, and information security. Upon receiving a complaint, the company conducts investigations, and if substantiated, acts against responsible parties.

During the reporting period, the company did not receive any complaints regarding corruption, information security and privacy breach, money laundering, unfair competition.

Reporting hotline: 0512-52891688
Reporting email: office@junmachina.com

04

Green Production and low-carbon Development

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4.1 Environmental Management

4.1.1 System Building

Junma Tyre Cord strictly abides by the *Environmental Protection Law of the People's Republic of China*, *Clean Production Promotion Law of the People's Republic of China*, *Environmental Impact Assessment Law of the People's Republic of China* and other relevant laws and regulations, actively promotes the standardisation, systematisation and standardisation of the environmental management work, equips with specialised personnel for the environmental management, and constantly improves the risk identification and investigation management, event notification mechanism and other normalised work systems, forming an It has formed an increasingly perfect environmental management system. As of the end of the reporting period, Junma Tyre Cord has passed the ISO 14001:2015 environmental management system certification, which is valid until 28 January 2027 (the certificate is valid until 28 January 2027).

During the reporting period, the Company paid environmental protection taxes and fees in full and on time in accordance with the *Environmental Protection Tax Law of the People's Republic of China*, and there were no unexpected environmental risk incidents, no environmental violations and no relevant administrative penalties imposed by the competent authorities.

ISO 14001:2015 Environmental Management System Certification

4.1.2 Emergency Management

In order to avoid or reduce the occurrence of environmental emergencies, maximise the protection of personal safety of the company's employees and the surrounding public, reduce environmental pollution and property losses, eliminate or reduce the impact of environmental events, and at the same time improve the prevention of environmental emergencies, early warning and emergency response capabilities, and correctly respond to sudden environmental pollution, ecological damage and other environmental pollution accidents, Junma Tyre Cord, in accordance with the "*National Emergency Response Plan for Environmental Emergencies Emergency Response Plan for National Environmental Emergencies*" "*Emergency Response Plan Management Measures for Emergencies*" and other laws and regulations, combined with the actual production and operation of the company to develop and implement the "*Emergency Response Plan for Environmental Emergencies (Second Edition)*", and regularly held emergency drills, so that in the event of environmental emergencies can be rapid, effective and orderly to carry out emergency rescue work, to achieve timely control of the incident, disposal, harm and negative impacts to the minimum level In this way, social stability is maintained, public life, health and property are safeguarded, the environment is protected, and the comprehensive, coordinated and sustainable development of society is promoted.

4.2 Emissions and Waste Management

Our Goals

Indicator	Unit	Targets for 2030	Achievement of targets for 2024	
Completion rate of legal disposal of hazardous waste	%	100%	100%	✓ achieved
Number of hazardous waste leaks	Number	0	0	✓ achieved
Number of other pollution incidents	Number	0	0	✓ achieved
Number of fire incidents	Number	0	0	✓ achieved
Number of significant environmental security incidents	Number	0	0	✓ achieved
Production wastewater	/	"zero emission"	"zero emission"	✓ achieved
Domestic sewage discharge compliance rate	%	100%	100%	✓ achieved
Stormwater outfall discharge PH compliance rate	%	100%	100%	✓ achieved
COD pass rate for stormwater outfall discharge	%	100%	100%	✓ achieved
Emission qualification rate of rubber impregnation exhaust gas	%	100%	100%	✓ achieved
Polymerisation spinning exhaust emission qualification rate	%	100%	100%	✓ achieved

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Junma Tyre Cord strictly abides by the *Law of the People's Republic of China on Prevention and Control of Air Pollution, the Law of the People's Republic of China on Water Pollution,* the L*aw of the People's Republic of China on Prevention and Control of Pollution of Solid Wastes* and other laws and regulations, as well as the relevant standards to carry out environmental management work, and strictly control the production and operation process of waste gas, wastewater, solid wastes, and the production and emission of noise. At the same time, we formulate self-monitoring programmes in accordance with the requirements of emission permits and relevant laws, regulations and standards, carry out self-monitoring in accordance with the requirements, and upload them to the public platform in a timely manner to accept the supervision of all sectors of the society. During the reporting period, the concentration and total amount of all pollutant emissions of the company were controlled within the national permitted emission limits, achieving "double compliance" for both concentration and total amount.

In 2024, in order to actively respond to possible sudden environmental pollution incidents and improve the environmental emergency response capability, the company carried out renovation of the rainwater outlet isolation system, which can effectively prevent the occurrence of pollution liability accidents. Meanwhile, due to the compliance needs of production expansion and for better control of pollutant emissions, in 2024, the company added the operation of environmental protection devices for online monitoring and surveillance, and its online equipment was commissioned and networked in January 2025, which can upload the monitoring data in real time to the Environmental Protection Bureau of the provincial department.

Emission and Waste Management Requirements and Disposal

Wastewater		• Discharge type: production wastewater (glue dipping and adjusting wastewater, polymerisation workshop floor cleaning wastewater, laboratory drainage, spinning equipment cleaning wastewater, etc.) and domestic sewage (including circulating cooling water). • Treatment: production wastewater is collected to the plant sewage treatment station for centralised treatment and reuse without external discharge; domestic wastewater (including circulating cooling water) is discharged to the municipal wastewater treatment plant through the official municipal website. • Testing indicators: chemical oxygen demand, suspended solids, five-day biological oxygen demand, ammonia nitrogen, pH, total phosphorus, total nitrogen. • Pollution prevention and control measures: production of sewage through the "evaporation + condensation" recovery, "regulating pool + mixed flocculation + dehydration + single-effect evaporation" treatment for reuse, domestic sewage plant pretreatment and discharge into the municipal network, after treatment by the sewage treatment plant to meet the discharge standards.
Waste Gas		• Emission types: particulate matter, organic waste gas, natural gas combustion fumes, sewage treatment waste gas. • Disposal method: Collected uniformly and discharged to the standard after being treated by the waste gas treatment facilities in the plant. • Detection indicators: non-methane total hydrocarbons, particulate matter, formaldehyde, ammonia, sulphur dioxide, nitrogen oxides. • Pollution prevention and control measures: Collected through the air collection hood and airtight induced air collected by the "water spray", regenerative thermal oxidation device (RTO) and other facilities to meet the standards after treatment and discharge.
Solid Waste	**Hazardous Waste**	• Discharge types: sludge, experimental waste liquid, waste reagent bottles, waste oiling agents, waste packaging bags, etc. • Disposal method: entrust qualified disposal units to carry out harmless treatment. • Pollution prevention and control measures: Establishment of hazardous waste storage room.
	General Solid Waste	• Type of emission: waste pulp block, waste cylinder tube, waste plastic paper, waste silk, waste cloth, waste cotton yarn, domestic waste. • Disposal mode: domestic rubbish entrusted to sanitation cleaning and disposal, other general solid waste sold for comprehensive utilisation. • Pollution prevention and control measures: Separate collection and safe storage.
Plant Noise		• Pollution prevention and control measures: Priority procurement of low-noise environmental protection equipment, regular maintenance of equipment.

4.2.1 Treatment of Exhaust Gases

In terms of waste gas control, we strictly abide by the *Law of the People's Republic of China on Prevention and Control of Air Pollution*, follow the provisions of emission permits, and follow the *Pollutant Emission Standards for Synthetic Resin Industry (GB 31572-2015)*, *Comprehensive Emission Standards for Air Pollutants (DB32/ 4041-2021)*, and *Emission Standards for Odourous Pollutants (GB 14554-93)* in generating and emission of exhaust gases are controlled.

Exhaust Gas Treatment Facilities - Regenerative Thermal Oxidiser (RTO)

Indicator	Unit	2022	2023	2024
Total emissions of waste gas pollutants	**tonnes**	**5.97**	**5.72**	**5.72**[1]
Volatile organic compounds emissions	tonnes	4.35	4.05	2.65
Particulate matter emissions	tonnes	1.07	1.15	4.15
Ammonia	tonnes	0.48	0.43	0.424
Formaldehyde emissions	tonnes	0.07	0.07	0.039
Emission of exhaust pollutants per unit of production	**kg/ per tonne**	**0.09**	**0.08**	**0.13**

[1]The total amount of emissions in 2024 increased due to the company's exhaust gas treatment process reform, the original exhaust gas is treated by water spraying, the dust contained in the exhaust gas is processed into sludge, and is now changed to RTO treatment equipment exhaust, that is, incineration of exhaust gas, so that the dust in the exhaust gas becomes particulate matter and then discharged.

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4.2.2 Wastewater Management

In terms of wastewater management, we control in accordance with the Comprehensive Sewage Discharge Standards (GB 8978-1996), Pollutant Discharge Standards for Urban Sewage Treatment Plants (GB 18918-2002), and Water Quality Standards for Sewage Discharge into Urban Sewers (GB/T 31962-2015).

Wastewater recycling

At Junma Tyre Cord, we have achieved "zero discharge" of production wastewater. All wastewater generated in the production process is treated in the plant and used for workshop water spraying, floor cleaning, equipment cleaning, spinning component cleaning. 2024 we added the "evaporation + condensation" wastewater treatment method, which is a simple and easy-to-manage operation method, with a large volume of wastewater treatment and a small footprint. The solid sludge and distillation residue generated after treatment are entrusted to qualified units for disposal.

Indicator	Unit	2022	2023	2024[2]
Total wastewater discharge	cubic metres	188,904.00	208,941.00	316,033.00 [3]
Domestic wastewater discharge	cubic metres	188,904.00	208,941.00	260,535.00
Production wastewater discharge	cubic metres	0.00	0.00	0.00
Wastewater discharge per unit of production	cubic metres/ per tonne	2.82	2.93	5.72

4.2.3 Solid Waste Management

For general solid waste, we reduce the use of raw materials and packaging materials through equipment modification, process optimisation and other measures to reduce the generation of general waste at source. At the same time, we identify general wastes with value as much as possible through sorting and collection, and achieve recycling or sell them for comprehensive utilisation.

[2]More detailed calculations based on water balance requirements in 2024, and wastewater discharges in 2024 to include cooling towers and dormitories in the statistics
[3]In 2024, zero-discharge of production wastewater of Junma Tyre Cord and domestic sewage will be discharged through municipal pipeline network to the municipal sewage treatment plant for treatment.

For hazardous waste, we follow the principle of "unified collection, classified storage, centralised treatment and elimination of hidden dangers", and entrust units with relevant qualifications to carry out unified transfer and disposal, so as to achieve "minimisation, resourcefulness and harmlessness" of hazardous waste. According to the "General Industrial Solid Waste Storage and Landfill Pollution Control Standards" (GB 18599-2020) and "Hazardous Waste Storage Pollution Control Standards" (GB 18597-2023), we have constructed special hazardous waste storage warehouses, which are used to classify and store hazardous wastes generated in the process of production, and the warehouses are equipped with anti-corrosion and anti-penetration measures to ensure the safety of the surrounding environment. At the same time, we set up hazardous waste management accounts to record and manage the information of each disposal process in a unified way.

Indicator	Unit	2022	2023	2024
Hazardous Waste Generation	tonnes	88.00	99.00	81.80
Hazardous waste generation per unit of production	kg/per tonne	1.32	2.42	1.48
General Waste Generation	tonnes	2,964.00	2,753.26	3783.47
General waste per unit of production	kg/per tonne	44.32	67.26	68.48

4.3 Resource Management

Our Goals

Indicator	Targets for 2030	Achievement of targets for 2024
Power consumption density per unit of output	40% decrease from 2022	40% decrease from 2022
Water density per unit of output	30% decrease from 2022	30% decrease from 2022

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4.3.1 Material Management

Material Recycling

We are actively exploring the recycling of raw and auxiliary materials, and have already realised the recycling of honeycomb spacers (for spinning workshop's silk discharge), iron shafts (for twisting workshop's cloth winding) and paper tubes (for spinning workshop's silk winding). In the future, we plan to combine our recycling experience with our existing recycling experience to expand resource saving to more raw and auxiliary materials.

Recycled Paper Tubes

Reuse of iron shafts

Indicator	Unit	2022	2023	2024
Paper Tube Usage	kg	949,813.00	1,064,701.86	1,053,792.92
Paper Tube Recycling Rate[4]	%	30.38	41.54	69.44

[4]Paper tube recycling rate = 100% - annual end-of-life rate of paper tubes

4.3.2 Energy management

The company actively carries out the construction of energy management system, continuously promotes the transformation of energy management intelligence and digitalisation, promotes the low-carbon transformation of the company's energy management through the deployment of intelligent energy management system, and sets energy use targets every year. The main types of energy used by the Company in the course of production and operation include electricity, thermal steam, natural gas and diesel. As at the end of the reporting period, the Company has obtained ISO 50001 (certificate valid until 4 January 2027) and GB/T 23331-2020 (certificate valid until 4 January 2027) energy management system certifications.

ISO 50001 Energy Management System Certificate

GB/T 23331-2020

Indicator	Unit	2022	2023	2024
Total Electricity Consumption	MWh	198,524.00	210,467.03	222,474.36
Purchased electricity	MWh	195,537.00	208,875.51	220,949.98
Solar photovoltaic power generation	MWh	2,987.00	1,591.52	1,524.38
Power consumption density per unit of production	MWh/tonne	2.97	3.40	4.03
Purchased Steam Consumption	tonne	82,513.00	91,701.81	105,016.83
Liquefied natural gas consumption	litres	30,080.00	7,595.00	0.00[5]
Natural gas usage	million standard cubic metres	383.40	395.32	504.69
Diesel usage[6]	kilograms	46,780.00	18,564.00	49,474.29[7]

[5]LNG forklift trucks were completely discontinued in FY24, so the usage was zero.

[6]The boundary scope of energy use statistics in 2022 is different from that of 2023 and 2024, including Zhangjiagang Junma Polyester Fibre Products.,Ltd and Junma Tyre Cord Company Limited.

[7]The diesel forklifts were recounted in 2024 according to asset ownership and the number of forklifts increased, hence the increase in usage.

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During the reporting period, the company used the most advanced spinning, drafting and winding equipments as well as the most advanced solid-phase tackifying device in China at present, and supported utility works such as water, electricity and gas, with high production efficiency and low energy consumption. At the same time, the entire production of all supporting automated intelligent facilities, production efficiency has been greatly improved. Effectively reduce the production cost and enhance the competitiveness of the enterprise.

Four-end spun fine denier high web-knotting industrial yarns

6-head spinning technology

Waste Heat Reuse

In 2024, the company made use of the existing land plant to renovate the RTO heat recovery of 8 production lines of rubber dipping machine, purchased 1 set of waste heat recovery equipment device, and supporting utility projects such as water, electricity and gas to effectively reduce energy consumption as well as production costs. It is expected to save 159,800 cubic metres of natural gas and 393.83 tonnes of steam, equivalent to 248 tonnes of standard coal per year.

Waste Heat Reuse

"Optimising the transport structure and developing multimodal transport, especially increasing the proportion of waterway transport, is one of the core paths for the company to practice the green logistics strategy.2024, the company focused on promoting the container 'road to waterway' business (Hutai Tong), transferring containers that would otherwise need to be transported directly by land to the port of Shanghai to the port of Taicang with barges to the port of Shanghai. In 2024, the company focused on promoting the container 'road to water' business (Hutai Tong), transferring the containers that originally needed to be transported directly to Shanghai port by land to Taicang port with barges to Shanghai port. 2024 annual container volume of our Hutai Tong water transport increased by 26 high containers (92 TEUs) compared with that of the previous year, and 46 large containers (92 TEUs) were added to the increase in the volume of freight, which further reduces the energy consumption of the unit container transport.
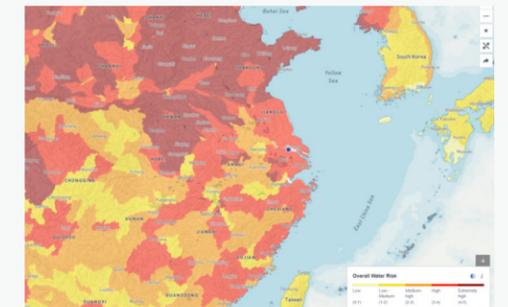
4.3.3 Water Resources Management

The sources of water in the production process of Junma Tyre Cord are mainly municipal water supply, purchased steam and recycled water of Zhangjiagang Junma Steel Cord Co., Ltd. The company fully understands the importance of water resources for sustainable development, and strictly abides by the Water Law of the People's Republic of China and other relevant laws and regulations, and has formulated the Water Management System and the Water Resources Management System of the factory area and other management systems.

Meanwhile, it regularly summarises the water consumption measures in the plant, deploys water conservation measures in a targeted manner, and establishes a leading group for water conservation work to carry out guidance and supervision, so as to better implement all kinds of water conservation measures. In recent years, according to the actual production situation, the company actively introduces water-saving technological reform measures, the indirect cooling water recycling, the production of wastewater through the treatment of all reuse, the steam condensate collection to the condensation reuse water tank and reuse.

Water Resources Management

Our assessment of the overall water risk in the baseline scenario for the Company's production sites, using the World Resources Institute's Waterways water risk analysis tool, indicates that the Company is located in an area of high water risk.

Water Conservation Awareness

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Indicator		Unit	2022	2023	2024[8]
Total water consumption		**cubic metres**	**365,955.00**	**399,752.49**	**245,148.91**
Municipal tap water intake (including staff quarters)		cubic metres	62,332.00	91,186.59	138,125.95
Recycled water intake [9]		cubic metres	303,623.00	308,565.90	318,039.07
Water consumption density per unit of production		cubic metres /per tonne	5.47	6.77	4.44

[8]Calculation methods for water abstraction and consumption redefined and replaced in 2024 in accordance with the requirements for water balance calculations.
[9]Purchased by Junma Steel Cord, then conveyed to Junma Tyre Cord.

4.4 Accounting for greenhouse gas emissions

Junma Tyre Cord is fully aware of the importance of greenhouse gas management. We actively respond to the national "dual carbon" target and regularly conduct company-wide greenhouse gas accounting in accordance with ISO 14064-1:2018 and the relevant requirements of the GHG Protocol. In addition, we have actively responded to the Paris Agreement's initiative to "further limit the increase in global temperature to less than 1.5°C in this century", and have submitted our near-term GHG emission reduction commitments covering Scopes 1, 2 and 3 to the SBTi, which have been validated and adopted, as detailed in the section on "Responding to Climate Change".

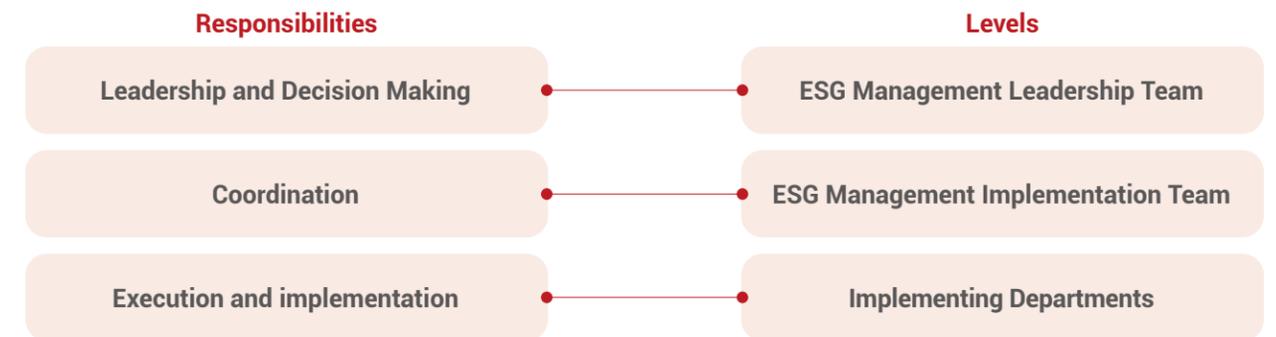| Indicator		Unit	2022	2023	2024[10]
Total greenhouse gas emissions		**tonnes of carbon dioxide equivalent**	**1,394,954.99**	**1,003,738.72**	**731,879.51**
Scope I emissions		tonnes of carbon dioxide equivalent	23,005.22	9,343.60	11,937.32
Scope II emissions		tonnes of carbon dioxide equivalent	276,225.96	162,666.96	165,225.28
Scope III emissions		tonnes of carbon dioxide equivalent	1,095,720.81	831,728.15	554,716.92

[10]2024 data from initial audit reports issued by qualified third-party auditing organisations, verification data from unofficial certificates.

4.5 Responding to Climate Change

With a series of environmental crises and socio-economic problems caused by global warming and climate change becoming more and more prominent, climate change has become one of the common challenges faced by human society in the 21st century. As a responsible enterprise, Junma Tyre Cord has made effective management and response to climate change risks one of the priorities of its daily operations.", "risk management" and "indicators and targets" under the TCFD framework. At the same time, the Company continues to adopt an effective and rationalised management approach to optimise the identification, assessment and management of climate-related risks and to seize the opportunities presented by the low-carbon green economy.

4.5.1 Governance Structure

By improving the governance structure related to climate change, Junma Tyre Cord has highly integrated the promotion of carbon neutrality into the production and operation management. The ESG Leadership Team directly under the Board of Directors is responsible for the overall co-ordination and decision-making of sustainable development policies and strategies, including climate change issues, while the ESG Executive Team under the Board of Directors is responsible for carrying out a number of actions, including the study of dual-carbon strategies and the setting of emission reduction targets.

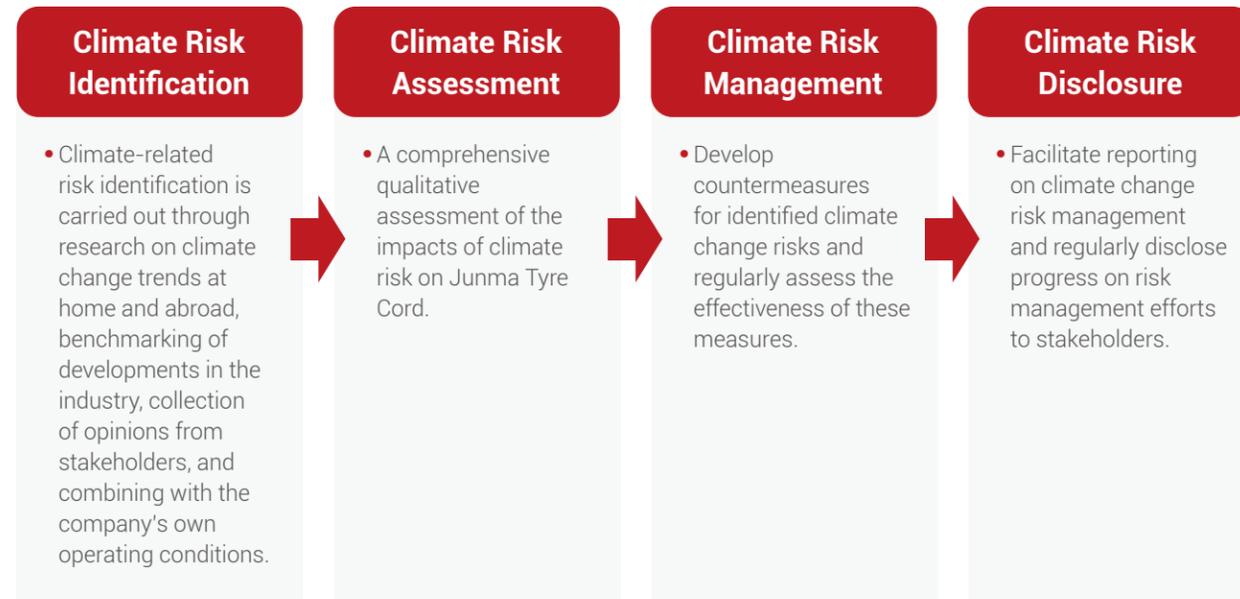| Responsibilities	Levels
Leadership and Decision Making	ESG Management Leadership Team
Coordination	ESG Management Implementation Team
Execution and implementation	Implementing Departments

4.5.2 Climate Risk Management

With reference to the recommendations of the TCFD framework, we have incorporated the response to climate change into the Company's ESG management system, and continuously carry out the identification, analysis and assessment of climate change-related risks.

In order to enhance the resilience to cope with physical risks, we actively carry out monitoring and tracking of extreme weather, timely carry out risk prediction, and put in place contingency plans and control measures for extreme weather, so as to gradually reduce the impact of physical risks on the business of Junma Tyre Cord. In order to cope with the transition risk, Junma Tyre Cord continuously monitors the transition risk influencing factors such as policy, technology, market and stakeholders' demands in the process of low-carbon transition, pays close attention to the supporting policies of the overall national strategy to address climate change and the market regulatory requirements of the industry in which it operates, actively explores the emission reduction opportunities from different perspectives, and adjusts the layout of its own business operations in a timely manner in order to satisfy the demands of various stakeholders.

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Our climate risk management process:

Climate Risk Identification
- Climate-related risk identification is carried out through research on climate change trends at home and abroad, benchmarking of developments in the industry, collection of opinions from stakeholders, and combining with the company's own operating conditions.

Climate Risk Assessment
- A comprehensive qualitative assessment of the impacts of climate risk on Junma Tyre Cord.

Climate Risk Management
- Develop countermeasures for identified climate change risks and regularly assess the effectiveness of these measures.

Climate Risk Disclosure
- Facilitate reporting on climate change risk management and regularly disclose progress on risk management efforts to stakeholders.

4.5.3 Climate Risks and Opportunities

Inventory of climate risks

Risk Type	Risk Description	Impact level	Time Dimension	Response Measures
Physical Risks				
Acute Risk	The frequency of extreme weather events such as rainstorms, typhoons and floods is increasing.	• Causing damage to the company's production equipment. • Increase employee health and safety risks. • Risks of transport disruptions and supply chain disruptions, resulting in reduced production capacity, increased operating costs and reduced profitability.	Short-term (1-2 years)	• Consider the likelihood and hazards of climate disasters when selecting sites and planning operations, and include climate factors in the assessment. • Do a good job of monitoring and early warning of extreme weather, formulate targeted disaster contingency plans according to the characteristics of the operation site, carry out regular emergency drills, and pay attention to the daily reserve of disaster prevention and mitigation materials. • Regularly inspect the production and operation facilities, and upgrade them according to the needs to improve the level of disaster protection. • Enhance the ability of relevant personnel to cope with extreme disasters and provide relevant training for employees.

Risk Type	Risk Description	Impact level	Time Dimension	Response Measures
Chronic Risk	Changes in rainfall, extreme climate fluctuations, increase in long-term average temperature.	• Higher infrastructure costs such as longer construction periods, early wear and tear of equipment, and higher insurance costs for equipment and personnel. • Higher company operating costs such as increased demand for cooling water for equipment and increased demand for cooling and heating for production and office space. • Chronic damage to the health of frontline employees.	Long-term (5-10 years)	• Consider climate-related factors in site selection and business planning, and purchase insurance for related assets in advance. • Continuously strengthen energy conservation and emission reduction, improve the efficiency of energy, water and other resources, and reduce the dependence on natural resources. • Continuously improve the occupational health protection system, standardise the management requirements for high-temperature work, and provide employees with protective gears according to climate conditions. • Extensively carry out climate change related science education for stakeholders, and advocate the concept of low carbon and environmental protection.
Transformation Risks				
Policy Risk	Under the background and policy framework of the "dual carbon" target, the government is promoting the transformation of energy consumption control to the "dual control" mechanism of total carbon emissions and intensity, and the tightening of relevant regulations will accelerate the green transformation of high-emission industries.	• The government has introduced policies such as electricity restriction, forcing production to stop and reduce. • The introduction of carbon emission management measures by the government may lead to pressure on the company to upgrade its energy-saving and emission reduction technologies, which in turn will push up the cost of compliance operations. • The government has forced the replacement of high-emission fossil energy with low-emission clean energy, leading to an increase in production costs.	Long-term (5-10 years)	• Strengthen communication with the government and relevant authorities to ensure timely understanding of policy changes and proactive and positive adjustment of business and operational arrangements. • Carry out energy-saving technological reforms within the Company and improve the energy management system. • Establish an internal greenhouse gas emission management system and strengthen carbon emission supervision and compliance confirmation. • Gradually increase the proportion of clean energy used through self-built clean energy facilities or outsourced clean energy.
Technology Risk	The transition to a low-carbon economy is driving rapid technological development and innovation, and companies need to continue to increase R&D and investment in renewable energy, energy-saving and emission reduction technologies.	• Technology-driven elimination of high-energy-consuming equipment and increased R&D costs in the transition to low-emission equipment.	Long-term (5-10 years)	• Increase R&D efforts in cleaner technologies and reduce costs through cleaner production innovations. • Continuously explore and apply green materials to improve product performance and reduce costs.

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Risk Type	Risk Description	Impact level	Time Dimension	Response Measures
Market Risk	As society's concern for climate change and sustainable development continues to grow, more consumers will be inclined to use green and low-carbon products and services in the future.	• The shift in customers' environmental awareness has led to rising concern and expectations for green and low-carbon products, and failure to respond to customer demand in a timely manner may lead to a decline in market share.	Medium-term (3-5 years)	• Actively carry out R&D and design of green and low-carbon products, increase R&D investment, and raise the proportion of green products in shipments. • Actively carry out publicity for green and low-carbon products and establish a good brand image.

List of climate-related opportunities

Climate Opportunities	Impact Levels	Time Dimension	Response Measures
Products & Services	Customers' inclination towards green products and services is increasing.	Medium-term (3-5 years)	In response to market trends, we continue to promote green product development and innovation and carry out product declaration cycle carbon footprint management in order to respond to customer expectations and improve product competitiveness.
Policies & Support	The increasing introduction of green policies encourages the market to give more consideration to green and clean products, providing strong opportunities for the Company to develop new business and markets.	Long-term (5-10 years)	Leveraging policy support, we are actively promoting green R&D and exploring new market opportunities.
Resource Efficiency	Energy-saving retrofits, resource recovery and other ways to improve resource efficiency.	Medium-term (3-5 years)	Vigorous efforts are being made to carry out internal energy-saving renovations, while exploring opportunities in the direction of material recycling.
Energy Sources	Using clean energy reduces greenhouse gas emissions and reduces compliance costs such as carbon compliance.	Long-term (5-10 years)	Actively explore technological opportunities in renewable energy and save on electricity costs while reducing carbon emissions through the deployment of clean energy systems.
Green Finance	The rapid growth of responsible investment and sustainable finance is leading to a lower cost of capital.	Medium-term (3-5 years)	Continuously explore green and sustainable development paths with the benefits of green finance.

4.5.4 Indicators and Targets

Our Goals	Base year: 2023. **Target 1:** By 2034, reduce absolute Scope 1 and Scope 2 emissions by 58.80 per cent from 2023 levels. **Target 2:** By 2034, reduce Scope 3 emission intensity (kg CO2 equivalent per 1,000 RMB output) by 63.80 per cent from 2023 levels.

Our Actions

Time	Scope	Initiatives	Expected Emission Reduction Effect
2025	Scope I	Improve operational efficiency.	-10.69%
	Scope 2	Improve energy efficiency through energy-saving technologies.	-10.69%
	Scope 3	Increase recycling rates by using recycled materials wherever possible.	-11.60%
2035	Scope I	Energy transition.	-64.15%
	Scope 2	Purchase green power.	-64.15%
	Scope 3	Promote value chain reduction.	-69.60%

4.6 Biodiversity

Junma Tyre Cord continuously pays attention to the impact of its own activities on biodiversity, and strictly abides by the Environmental Protection Law of the People's Republic of China, Soil Pollution Prevention and Control Law of the People's Republic of China, Water Pollution Prevention and Control Law of the People's Republic of China, Environmental Prevention and Control Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution and the Opinions on Further Strengthening the Conservation of Biodiversity of the General Office of the State Council, and other laws and regulations and guiding policies to conduct Risk identification and hidden danger investigation work.

We are committed to taking biodiversity conservation into account in all business operations of the Company, strictly implementing the requirements of relevant national laws on operation sites, and maintaining and protecting local biodiversity. During the reporting period, all of the Company's production and operation bases were located in mature industrial parks, all of which were industrial land. The Company does not have any operation sites located inside nature reserves or in areas with rich biodiversity in protected areas. None of the Company's business activities, products or services have been found to have a significant impact on biodiversity.

05

Employee Management

5.1 **Occupational Health and Safety**

5.2 **Employee Development and Training**

5.3 **Rights and Welfare**

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5.1 Occupational Health and Safety

Our Goals

Qualitative Indicators

🎯 **The company commits to continuously provide occupational health and safety services to all employees, including regular medical examinations and allowances.**

🎯 **The company commits to gradually increase focus on employees' mental health.**

Quantitative Indicators	Targets towards 2030	Performance in 2024
Work-Related Fatalities	0 times	0 times
Severe Injury Incidents	0 times	0 times
Fire Incidents	0 times	0 times
Hazardous Substance and Gas Leakage Incidents	0 times	0 times
Explosion Accidents	0 times	0 times
Rate Of Planned Maintenance For Production Equipment	100%	100%
Compliance Rate of Personal Protective Equipment (PPE) Usage	100%	100%
Occupational Health and Safety Training (Tier 3 Safety Education) Training Rate	100%	100%
Compliance Rate of Occupational Health and Safety Training	≥95%	100%

5.1.1 职 Occupational Health Management System

The company strictly complies with the Work Safety Law of the People's Republic of China and other relevant laws and regulations to manage occupational safety. We have established documents such as the Occupational Health Management System and Safety Production Rules and Regulations. Annual safety objectives are set, and a Safety Production Responsibility Group has been established to implement the overall safety production responsibility system and continuously improve the occupational health management system. Currently, the company has obtained ISO 45001 certification for occupational health management system, which is valid until November, 2026, and undergoes regular third-party audits to ensure compliance with occupational health and safety standards.

ISO 45001 certification for occupational health management system of Junma Tyre Cord

5.1.2 Safety Risk Management

The company has established the Safety Risk Grading and Control Management System Policy and conducts annual identification, evaluation, and control of hazards. Regular inspections are carried out to identify safety risks. Based on potential risks and hazards, the company actively organizes self-inspections, special emergency drills, and occupational health knowledge training to enhance the safety awareness of all employees.

Special Emergency Drills

During the reporting period, the company organized emergency driils including Natural Gas Leakage Drill at the Impregnation Workshop RTO, Fire Escape Drill at the Twisting Workshop, Hazardous Chemicals Leakage Drill, and Static Electricity Oil Removal Leakage Drill at the Spinning Workshop. Through fire safety competitions, more employees were able to personally participate in practical fire extinguishing operations, effectively enhancing their ability to respond to emergencies.

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● Risk Assessment and Response

The company actively conducts hazard identification and risk grading. A performance evaluation and reward system is established to assess safety risk grading and control. Measures such as safety risk grading control and hidden risk investigation and treatment are implemented to prevent and control risks. Regular inspections and dynamic supervision are conducted to evaluate the performance of safety risk grading, and any unsafe conditions identified during inspections are promptly addressed.

In 2024, the company achieved 100% coverage of workplaces that underwent employee health and safety risk assessments. During the reporting period, the company did not experience any significant safety accidents. None of employees suffered fatal or severe injuries due to work-related accidents, and the lost time severity rate for directly employed labor was also 0.

Risk Source Identification

- Regularly organize safety inspections to conduct comprehensive identification of safety risks.
- Regularly monitor the operation of motor vehicles, key devices of safety equipment and facilities, special equipment, and general mechanical equipment.
- Enter risk information into the safety production supervision information platform to establish a safety risk list and database.

Risk Review and Rating

- Use the matrix method (R = LS) to conduct semi-quantitative analysis of hazards and determine the risk level.
- Divide harm to personnel, systems, and equipment into four levels: major risks, significant risks, moderate risks, and mild risks according to the level of risk and hazard factors.

Risk Control and Mitigation

- Supervise the implementation of hazardous chemical operations, hot work operations, confined space operations, earthwork operations, lifting and hoisting operations, work at heights, electrical work, tower climbing, tank entry operations, and other hazardous operations.
- Develop measures for rectifying hidden dangers and verify their effectiveness after implementation.
- Establish and timely improve the special archives for enterprise safety production risk control, to achieve dynamic management.

● Facility Management

The company has established documents such as the Protective Facility Maintenance and Overhaul System and the Emergency Equipment Management and Maintenance System to conduct professional inspections, routine maintenance, and upkeep of vehicles, electrical equipment, mechanical equipment, safety devices, etc. Trainings are also conducted on equipment usage, inspection, and maintenance to ensure the safety of the working environment.

| Carry out regular safety inspections on equipment. | → | Timely replace or repair emergency equipment that does not meet the standards. | → | Promptly record and address any abnormalities in the registration form. |

● Special Operation Safety Management

The company provides trainings for special operation personnels to work with certificates and conducts unified management. According to statistics, the company currently has 149 employees in special operation posts, and 149 of them have obtained special operation qualification certificates, with a certificate acquisition rate of 100%.

Working at Heights Safety Management

- Departments engaged in working at heights must obtain a safety permit for height working.
- Provide fall protection equipment, climbing tools, and other labor protective equipment to prevent employees from falling or tripping.
- Provide safety education to personnel involved in working at heights.
- Equip personnel working at heights with necessary communication tools and designate a person responsible for communication.
- Prohibit individuals with occupational prohibitions or poor eyesight, elderly or weak individuals, fatigued or under the influence of alcohol from engaging in working at heights.

● Emergency Management

The company has established a tiered emergency command system and formulated the Emergency Rescue Management System to standardize the emergency evacuation procedures, rescue processes, and other management details for various types of emergency incidents. It organizes all employees to undergo emergency response plan training and regularly conducts various emergency drills, including fire drills.

Furthermore, the company equips employees with emergency management cabinets and first-aid kits. Regular inspections, maintenance, and updates of emergency supplies and facilities are carried out to ensure their and usability.

5.1.3 Occupational Disease Prevention and Control

The company has established the Occupational Disease Hazard Prevention and Control Responsibility System and the Occupational Disease Hazard Emergency Rescue and Management System, formed an occupational disease hazard accident investigation team, an occupational disease prevention and control leadership team, and an occupational disease hazard accident rescue team. These teams are responsible for carrying out occupational disease prevention and control work in production sites across various locations. During the reporting period, none of our employees have suffered from occupational diseases.

- Regularly monitor occupational hazard factors in the working environment
- Honestly inform employees of occupational hazard factors and issue occupational hazard notification cards
- Strictly prohibit arranging employees to engage in jobs with occupational contraindications
- Set up corresponding warning signs in places with occupational hazards
- Strictly implement occupational health training for employees before, during, and after job transfers, and regularly conduct related drills
- Provide personal protective equipment such as safety helmets, safety shoes, protective gloves, etc.
- Equip with first-aid kits
- Provide occupational health examinations for employees exposed to occupational hazard factors
- Ensure that employees enjoy work-related injury social insurance benefits according to the law

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Notice of Occupational Hazards at the Production Site

First Aid Kits Provided at the Production Site

● **Noise Management**

Junma Tyre Cord manages and controls noise within the company according to the Industrial Enterprise Boundary Environmental Noise Emission Standards (GB 12348-2008). We regularly maintain production lines and related equipment, prioritize the use of noise-free or low-noise equipment to reduce noise generation at the source. At the same time, we prohibit vehicle honking within the factory area and implement measures such as sound insulation, noise reduction, and vibration damping on noise sources to minimize noise emissions. This creates a favorable working and living environment for our employees and surrounding residents.

In 2024, we commissioned a third-party testing organization to conduct noise testing in the factory area in accordance with "Measurement of Physical Factors in the Workplace Part 8: Noise" (GBZ/T 189.8-2007). The results were evaluated according to "Occupational Exposure Limits for Hazardous Agents in the Workplace Part 2: Physical Factors" (GBZ2.2-2007). We conducted tests at six different locations throughout the factory area, and the results showed that all points meet the standard requirements.

Warning Post on Noise Hazards at the Production Site

5.1.4 Contractor Management

To enhance the safety awareness of contractors, the company has formulated the Contractor Safety Management System, conducting safety supervision and inspection as well as safety education and training for contractors to prevent accidents during their operations. In 2024, the company uniformly conducted video safety education for external workers entering the factory.

Pre-access Qualification Review	• Safety Production License • Safety training completed by the enterprise's responsible personnel, project leaders, and safety managers • Special operations personnel must hold special operation qualification certificates before taking up their posts • Dedicated (or part-time) safety managers employed • Emergency rescue plans established • Safety fire-fighting facilities, protective equipment, and rescue appliances available
Safety Education and Training	• Contractor safety training materials tailored to the specific work characteristics of construction personnel • Construction personnel must undergo safety training and pass the examination
On-site Safety Management	• Construction personnel on site must wear labor protection clothing, safety helmets, protective shoes, etc., as stipulated in the regulations • Safety warning signs must be set up at the construction site

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5.1.5 Accident Reporting

To facilitate employees' reporting of potential safety hazards, the company publicly sets up and regularly maintains in-plant communication facilities such as reporting hotline to ensure that employees can promptly report occupational health and safety accidents, risks, and concerns. It also notifies and coordinates the resolution of significant safety hazards identified, formulates preventive measures, and develops response strategies.

5.1.6 Safety Culture Cultivation

● Employee Training

The company conducts various health and safety risk management-related trainings, including three-level training for new employees, hazardous chemicals management training, work safety risk classification and control system training, and occupational health knowledge training. During the reporting period, a total of 19,872 hours of safety training was provided to employees, achieving a 100% training coverage rate.

Safety Officer Training

● Promoting Safety Awareness

To enhance the safety awareness among our employees, our company has implemented a safety performance appraisal system and formulated the "Work Safety Rewards and Punishment Regulations." This system incentivizes proactive efforts towards achieving safe production practices, thereby preventing accidents caused by mis operations or other negligence.

Furthermore, we organize an annual Work Safety Month campaign, during which all employees are invited to view compilations of machinery-related injury accidents and cautionary educational videos focusing on forklift safety. These initiatives aim to reinforce our workforce's commitment to workplace safety.

5.2 Employee Development and Training

Our Goals

Qualitative Indicators

The company commits to continuously providing employees with trainings including courses for skills development, labor rights and human rights, safety production, business ethics, and environmental protection.

Quantitively indicators	Targets towards 2030	Performance in 2024
Employee Training Coverage Rate	**100%**	**100%**
Percentage of Employees Undergoing Performance Evaluation and Career Development Management	**100%**	**100%**

5.2.1 Career Management

● Career Management and Professional Development

The company adheres to Labor Law of the People's Republic of China and has formulated documents such as the Employee Promotion System, Internal Job Transfer System, and Human Resources Control Procedures based on the principles of equality, openness, competition, merit-based selection, and internal priority. Throughout the processes of recruitment, job level adjustments, performance evaluations, and trainings, the company strictly prohibits any discrimination based on factors such as race, skin color, religion, gender, age, disability, sexual orientation, and ensure that our talent selection and recruitment philosophy are transparently communicated to all job seekers.

The company offers equal opportunities for career advancement to all types of employees and provides rich room for professional growth. Recognizing the diverse nature of job roles, our company has established a dual-career path development system, which serves as the foundation for mapping out career development paths for all employees. This system supports employees in choosing either a horizontal or vertical development trajectory based on their individual aspirations and goals.

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Career Promotion System

Administrative and Executive Job Series

Applicable to employees engaged in comprehensive management and professional management positions.

Professional and Technical Job Series

Applicable to employees involved in professional and technical roles related to product research, project development, process optimization, equipment research, and other related technical aspects.

Administrative and Executive Job Series

Department Promotional Path: Clerk - Specialist - Administrator - Deputy Section Chief – Section
Workshop Promotional Path: Staff - Team Leader - Shift Supervisor - Administrator - Deputy Workshop Director - Workshop Director - Section Chief - Senior Management

Professional and Technical Job Series

Assistant Technician - Technician - Assistant Engineer - Engineer - Deputy Chief Engineer - Chief Engineer

In addition, the company supports employees in making internal job transfers based on their personal preferences and has formulated the Employee Promotion System and Internal Job Transfer System, which considers both performance evaluation results and employee capabilities to arrange internal job level adjustments.

● **Performance Evaluation**

The company has established the Comprehensive Performance Evaluation Regulations to assess the performance of each position, which serves as the basis for subsequent job level adjustments and bonus payments for employees.

● **Employee Retention**

The company actively conducts employee turnover rate surveys, analyzes the reasons for employee departures, and implements targeted improvements. In cases where the employment relationship is terminated not due to employee fault, the company will notify the individual 30 days in advance or pay an additional month's salary, while also providing economic compensation in accordance with relevant laws and regulations. Furthermore, the company has formulated policies for the re-employment of retired personnel, considering both their physical health and professional competence, providing employees with re-employment opportunities.

5.2.2 Employee Training

We attach great importance to the cultivation and development of employees' professional competence and personal accomplishments. Based on employees' career development needs, the company has established a differentiated training system for various positions, appointed full-time/part-time trainers, and set up a three-level education and training network. This system operates through a combination of group-level training and subsidiary-level training, offering full-time, part-time, and on-the-job training methods to support employee development.

According to the unique characteristics of different job modules, the company regularly and irregularly conducts various business and quality training programs and organizes competitions, tailored to meet the individual career development needs of employees and promote their overall quality enhancement.

Employee Training System

Training Categories		Contents
Internal trainings	Induction Training	Company Introduction, Corporate Culture, Organizational Structure Employee Handbook, Company Rules and Regulations Safety Production Knowledge
	Onboarding Training	Department Functions and Work Objectives Required Skills for the Position
	Safety Training	Practical Operating Skills and Work Procedures Cooperation Relationship between the Department and Other Relevant Departments
	In-Service Training	Job Exchange Training Professional Development Training Training on New Regulations, New Technologies Training on Operating Methods of New Equipment, etc.
External trainings	External trainings	Based on the requirements of each department's position and combined with individual employee needs, the department head applies, which, upon approval by the General Manager, can entrust relevant training institutions to conduct training within the company or organize relevant personnel to participate in external training.

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5.3 Rights and Welfare

Our Goals

Qualitative Indicators

🎯 **The company resolutely opposes the employment of child labor, forced labor, discrimination, and harassment incidents.**

🎯 **Ensure that male and female employees receive equal pay for equal work。**

Quantitively indicators	Targets towards 2030	Performance in 2024
Working conditions		
Employee Social Security Contribution Rate	**100%**	**100%**
Employee Subsistence Wage Payment Rate[11]	**100%**	**100%**
Child Labor and Forced Labor		
Child Labor Incidents	**0**	**0**
Forced Labor Incidents	**0**	**0**
Training Coverage on Child Labor Prevention and Anti-Forced Labor	**100%**	**100%**
Incidents of Discrimination and Harassment		
Incidents of Discrimination and Harassment	**0**	**0**
Training Coverage on Prevention of Discrimination and Human Rights Violations	**100%**	**100%**
Two-way Communication		
Collective Bargaining and Labor Union Coverage	**100%**	**100%**

The Company adheres to the laws and regulations such as the Labor Law of the People's Republic of China and the Labor Contract Law of the People's Republic of China, and has formulated relevant regulations covering areas including compensation, dismissal, recruitment, promotion, working hours, leave policies, equal opportunities, diversity, anti-discrimination, as well as employee benefits and welfare.

[11]C 未翻译

[11] 此处维生工资指的是由 Global Living Wage Coalition 按月定期公开披露的江苏省维生工资金额，将 2024 年公司全体员工月最低薪酬与 2024 年 12 月份江苏省的维生工资相减，若差额为正值即为员工维生工资支付率 100%。↵

5.3.1 Working Conditions

● Salary Management

The company has established the Salary System Plan, which adjusts the overall salary levels in a timely manner based on factors such as the minimum wage standards issued by local government departments, price levels and industry performance. This ensures that all employees receive a living wage sufficient to sustain their livelihoods, with annual salaries exceeding the per capita disposable income of urban residents in Zhangjiagang.

The company offers performance-based salary adjustments and bonuses based on employees' performance evaluations, adhering to the principles of distribution according to work and equal pay for equal work. Through the "Employee Handbook," the company communicates the process for determining salaries to all employees and continuously improves its salary and benefit systems.

Base Salary
- Conduct industry-specific salary surveys, referencing external market salary levels and price levels of operational districts, to provide employees with competitive living wages

Monetary Remuneration
- This includes welfare subsidies, medical insurance, unemployment insurance, pension insurance, work-related injury insurance, maternity insurance, paid vacation leave, position allowances, housing provident fund, among others.
- The company achieves 100% coverage of social insurance for its employees.

Bonus Welfare
- Based on the results of employee performance evaluations and daily performance, bonuses and incentives are awarded, which include but are not limited to:
  - Annual Outstanding Employee Award
  - Advanced Team Leader Award
  - Rationalization Proposal Award

● Working Hours Management

The company arranges employee working hours according to standard working hours. For employees who have to work overtime, the company will pay overtime compensation in accordance with the corresponding overtime pay standards.

● Welfare System

Family Friendly Programs
- Provide all employees with legally mandated paid parental leave, with compensation no less than 80% of the local minimum wage standard.
- Offer couple dormitories and family dormitories.
- Contribute to maternity insurance premiums.
- Avoid assigning female employees during pregnancy and lactation to tasks that are hazardous to themselves, their fetus, or infants.

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Flexible Organization of Work

Arrange compensatory time off for employees who work overtime.

In addition, the company organizes various cultural and recreational activities every year, enabling employees to enhance communication, foster camaraderie, and improve their overall quality amidst laughter and joy, thereby nurturing a healthy and uplifting corporate culture.

● **Team Building**

The company irregularly holds various team-building activities to relieve employees' work pressure and create a positive, upward, united and enterprising corporate culture atmosphere for the company.

Sports Meeting

5.3.2 Compliant Employment

● **Child Labor and Forced Labor**

The company has formulated the Management Regulations on Child Labor and Minor Workers, Measures and Policies for Prohibiting Forced Labor and conducts related training sessions. Employees are encouraged to proactively report any actual or suspected instances of forced labor through channels such as the labor union, employee representative conferences, and democratic life meetings, to prevent the employment of child labor and the occurrence of forced labor incidents.

Prohibit Employment of Child Labor

Applicants' Identity Verification
During recruitment, we verify the age of applicants through valid documents such as identity cards and establish records. Only after verification is confirmed accurate will we proceed with the hiring process.

We conduct irregular spot checks on employee situations to prevent child labor from posing as existing employees.

Upon discovering the mis-hiring of child labor, we immediately cease the employment, settle all wages owed, escort them back to original residence under safe and healthy conditions, and deliver them to their legal guardians.
If a child laborer genuinely needs to attend school but faces difficulties, we will provide assist them to continue education.

Prohibit Forced Labor

Guarantee the Personal Freedom of All Employees
Prohibit any actions that involve illegal recruitment, transportation, transfer, or threatening violence for profit, thereby preventing incidents such as human trafficking and slavery.
Strictly prohibit physical abuse, corporal punishment, or threats of physical abuse against employees.

Ensure that employees sign labor contracts with the company on an equal and voluntary basis.

Employees are free to leave the company after work and can take meals or breaks within the prescribed rest and work hours.

Furthermore, the company implements a registration system for the employment and special protection of young workers.

Arrange work with appropriate intensity for employees

Refrain young workers from assigning night shifts or overtime work

Ensure that young workers are not placed in hazardous or unhealthy work places

Guarantee young workers the same remuneration as adult workers for the same work

Conduct regular health examinations for all employees to maintain their well-being

During the reporting period, no incidents of child labor employment and forced labor happens within the company, with a 100% training coverage rate on child labor prevention and anti-forced labor measures.

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● Anti-Discrimination and Anti-Harassment

The company has established Regulations on Anti-Discrimination, Anti-Harassment, and Anti-Abuse, which strictly prohibit any unfriendly, discriminatory, or offensive words or behaviors based on race, skin color, religion, gender, age, disability, sexual orientation, or any other grounds during employee recruitment, job promotions, performance evaluations, training, and other processes. During the reporting period, the company recorded 0 incidents of discrimination or harassment, and achieved a 100% training coverage rate on preventing discrimination and protecting human rights.

● Diversity and Equal Opportunities

The company is committed to providing equal employment opportunities for minorities and vulnerable groups and has included special provisions for the protection of female employees in collective agreements.

Key Performance Indicators

Total Number of Female Employees:
505

Percentage of Female Employees:
45.74%

Total Number of Female Employees in Management Positions:
11

Percentage of Female Employees in Management Positions:
28.95%

Ensuring Employment Opportunities for the Disabled

Equal Opportunities	• The company provides equal opportunities for employment, promotion, and training to qualified disabled individuals who have passed health examinations and relevant assessments apart from illnesses specified by the state that prevent individuals from working.
Labor Protection	• Based on the characteristics of disabled employees, the company provides suitable working conditions and labor protection. • The company also undertakes modifications to workplaces, equipment, and living facilities to create convenient conditions conducive to the work of disabled individuals.

Special Protection for Female Employees

Fair Recruitment	• it is not prohibited to refuse to hire or change the hiring standards for females except for jobs or positions that are not suitable for them.
Protection During Special Periods	• Implement rest, leave, and benefits for female employees during pregnancy, childbirth, and lactation periods. • Dismissing, reducing salary or demoting female employees due to marriage, pregnancy, childbirth, or lactation, or assigning them to dangerous tasks during pregnancy is strictly prohibited. • Treat female employees' holidays for birth control surgery, prenatal examinations during pregnancy, maternity leave, and breastfeeding time during lactation as normal work and pay wages accordingly. • For female employees who cannot adapt to their original work during pregnancy, reduce their workload or arrange other suitable positions. • Pay maternity insurance premiums.
Female Employee Representatives	• Gradually increase the proportion of female representatives in the company's staff congress. • Involve female representatives in the formulation and revision of rules and regulations related to the rights and interests of female employees, as well as in the entire process of equal consultation and signing of collective contracts.
Salary Equity	• Ensure that female employees receive equal labor rights and benefits, implementing the principle of equal pay for equal work. • Closely monitor the salary gap between male and female employees, conduct analysis, and provide compensation as necessary.
Health and Safety Protection	• Arrange annual gynecological examination for female employees and provide the corresponding expenses. • Provide monthly hygiene products or allowances. • Every year, gynecological physical examinations are provided for female employees at the middle level and above. Medical experts are invited to give lectures on women's health (such as menstrual care, menopause health care, etc.) • In April every year, regular skills improvement competitions for women are held.

The Women's Skills Enhancement Competition in 2024

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5.3.3 Two-way Communication

The company has launched multi-level rationalization proposal activities, established an open and transparent two-way communication system, respected employees' freedom of association, and encouraged them to freely form associations and participate in trade unions, collective bargaining, and peaceful assemblies in accordance with the law. The company also encourages employees to actively participate in enterprise management.

Labor Union
- Labor union coverage:100%
- Labor union attendancy rate of formal employees:100%

Collective Agreement
- Collective agreement coverage at 100% with employees
- Reach a written agreement on matters including health and safety, labor compensation, working hours, rest and holidays, trainings, welfare system, and gender equality.

Employee Representative Congress
- Leverage the role of employee representative congresses in democratic decision-making, management, and oversight
- Organize employee representatives to participate in employee representative congresses
- Strictly prohibiting retaliation against employee representatives

Satisfaction Survey
- Conduct employee satisfaction surveys from the perspectives of career development opportunities, compensation systems, and performance evaluation systems
- Analyze the results of satisfaction surveys and make targeted improvements

The company has been committed to safeguarding employees' freedom of association and rights to sign collective agreements in the long term. We have set relevant goals, aiming to maintain 100% labor union coverage and collective agreement coverage by 2030.

In addition to the above channels, we also regularly organize employee forums to hear from employees. Regular employee satisfaction surveys are conducted, and the employee satisfaction rate in 2024 was 97.9%.

the employee satisfaction rate in 2024 was

97.9%

Regarding child labor employment, discrimination, harassment, forced labor and other anti-human rights incidents, the company has established reporting channels, such as suggestion boxes in prominent locations, WeChat groups and hotlines, and disclosed these complaint avenues publicly in the Employee Handbook to facilitate employee grievances. The company commits to investigate employee complaints in a diligent and confidential manner; once the allegations are confirmed to be true, appropriate disciplinary measures will be taken against the perpetrators, improvements related to the matters will be implemented, while ensuring the confidentiality of the informant's information and preventing retaliation.

Staff Symposium Held in 2024

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Responsible Procurement,
Shared Success
for the Future

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6.1 Supply Chain Management

Our Goals

Qualitative Indicators

- 🎯 **Reduce risks arising from ESG-related factors in the supply chain (e.g., reputational risk, supply chain risk, etc.)**
- 🎯 **Reduce the Company's environmental and social impacts through sustainable procurement practices.**

Quantitative KPIs	Year-by-Year Targets through 2030	2024 Target Achievement Status
Training Coverage Rate on Sustainable Procurement for Procurement Department Staff	**100%**	**100%**
Signing Rate of Confidentiality and Integrity Agreements by Procurement Personnel	**100%**	**100%**
Coverage Rate of Environmental Risk Assessments for Suppliers	**100%**	**100%**
Coverage Rate of Human Rights Risk Assessments for Suppliers	**100%**	**100%**

To reduce supply chain risks, build a sustainable supply chain, ensure that procured products meet standards and specifications, and prevent production safety incidents caused by defects in externally supplied products, the Company has established the Supplier Management System, the Sustainable Procurement Policy, the Supplier Code of Conduct, and related sustainable procurement objectives.

Key Performance Indicators

100% of core suppliers have signed the Supplier Code of Conduct.
100%

100% of suppliers have signed contracts containing clauses on environmental, labor, and human rights requirements.
100%

100% participation in supplier social responsibility self-assessments.
100%

100% of target suppliers have undergone on-site social responsibility audits.
100%

100% of procurement staff have received training on sustainable procurement.
100%

100% of assessed suppliers participated in corrective actions for nonconformities.
100%

Junma Chemical Fiber Obtains RSCI Responsible Supply Chain Initiative Certification

6.1.1 Raw Material Procurement

When procuring raw materials, we give priority to sustainability considerations related to the following aspects:

- Reduce Waste Generation
- Conserve Water
- Reduce Greenhouse Gas Emissions
- Enhance Energy Efficiency

6.1.2 供应商管理

For different categories of existing suppliers, the Company has established dedicated management procedures, incorporating social and environmental clauses into supplier contracts and embedding requirements on business ethics, environmental protection, labor, and human rights into supplier management. This approach further strengthens oversight of suppliers. In 2024, the Company maintained 100% of its suppliers in Category A during the supplier performance evaluation. The Company also carried out on-site audits, rectified 173 nonconformities, and supported five suppliers[12] in obtaining green environmental certifications, thereby contributing to sustainable development."

[12]On-site supplier audits are conducted once every three years to achieve full coverage.

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Risk Analysis	• Supplier risk assessments are carried out based on the following criteria: • Basic information and business license • Quality management system certificates • Environmental management system certificates • Occupational health and safety management system certificates
Social Responsibility Performance Assessment	• Questionnaires are distributed to suppliers covering the following aspects, and supplier performance is scored accordingly. Based on the results, a qualified supplier directory and records are established: • Employment of child labor and underage workers • Forced labor • Discrimination (including gender and racial discrimination) and abuse • Support for freedom of association, effective employee communication, and grievance mechanisms • Working hours and wage standards • Business ethics • Fire safety • Chemical safety • Emergency and equipment management • Dormitory and canteen management • Environmental protection (including but not limited to "three wastes" discharge, greenhouse gas emissions management and traceability, and environmental impact assessment reports) • System certifications (including but not limited to ISO 45001, ISO 50001, etc.)
Support for Vulnerable Groups	• When suppliers offer equivalent conditions in terms of products, technical services, and social responsibility performance, preference is given to those whose businesses are owned by women, persons with disabilities, or other vulnerable groups.
Onsite-Audit	• The assessment team conducts on-site social responsibility audits at the supplier's premises. • In the event of nonconformities, timely feedback shall be provided to the supplier.
Rectification Supervision	• Suppliers are required to promptly take corrective and remedial actions for any nonconformities that violate social responsibility standards. • Supplier performance is continuously monitored, with annual re-evaluations of suppliers conducted each year. • Suppliers are required to establish quality, environmental, occupational health and safety, and social responsibility management systems within one year, and obtain third-party certification.
Incentive and Penalty Measures	• Based on risk assessments, social responsibility performance scores, and on-site audit results, the Company gives preference to suppliers with strong social responsibility performance. • Suppliers that record nonconformities for three consecutive times will have their supply suspended, and a new qualified supplier will be selected.

6.2 Suppliers Engagement

6.2.1 Policy Communication

In accordance with the RSCI Code of Conduct requirements, the Company communicates its RSCI Responsible Procurement Policy and annual audit plan to all suppliers through both online and offline channels.

6.2.2 Capacity Building

To strengthen supply chain resilience, the Company organizes annual training and technical exchange sessions with key suppliers. These cover the requirements of the RSCI Code of Conduct, directions for technological improvement, and related topics. Records of communications and training sessions are maintained.

6.3 Procurement Personnel Management

Our Targets

Quantitative KPIs	ear-by-Year Targets through 2030	2024 Target Achievement Status
Training Coverage Rate on Sustainable Procurement for Procurement Department Staff	**100%**	**100%**

6.3.1 Procurement Staff Performance Assessment

To improve procurement quality, the Company incorporates suppliers' performance in quality management, business ethics, and other social responsibility areas into procurement staff performance evaluations, aiming to build a resilient and sustainable supply chain.

6.3.2 Procurement Staffs Training

In line with the Company's Sustainable Procurement Policy, training programs are provided to procurement staff to enhance their knowledge and skills on environmental and social responsibility risks across the supply chain, as well as on supplier evaluation content and processes. These programs are offered to all personnel within the procurement department. During the reporting period, the Company conducted two such training sessions, achieving 100% coverage of procurement staff.
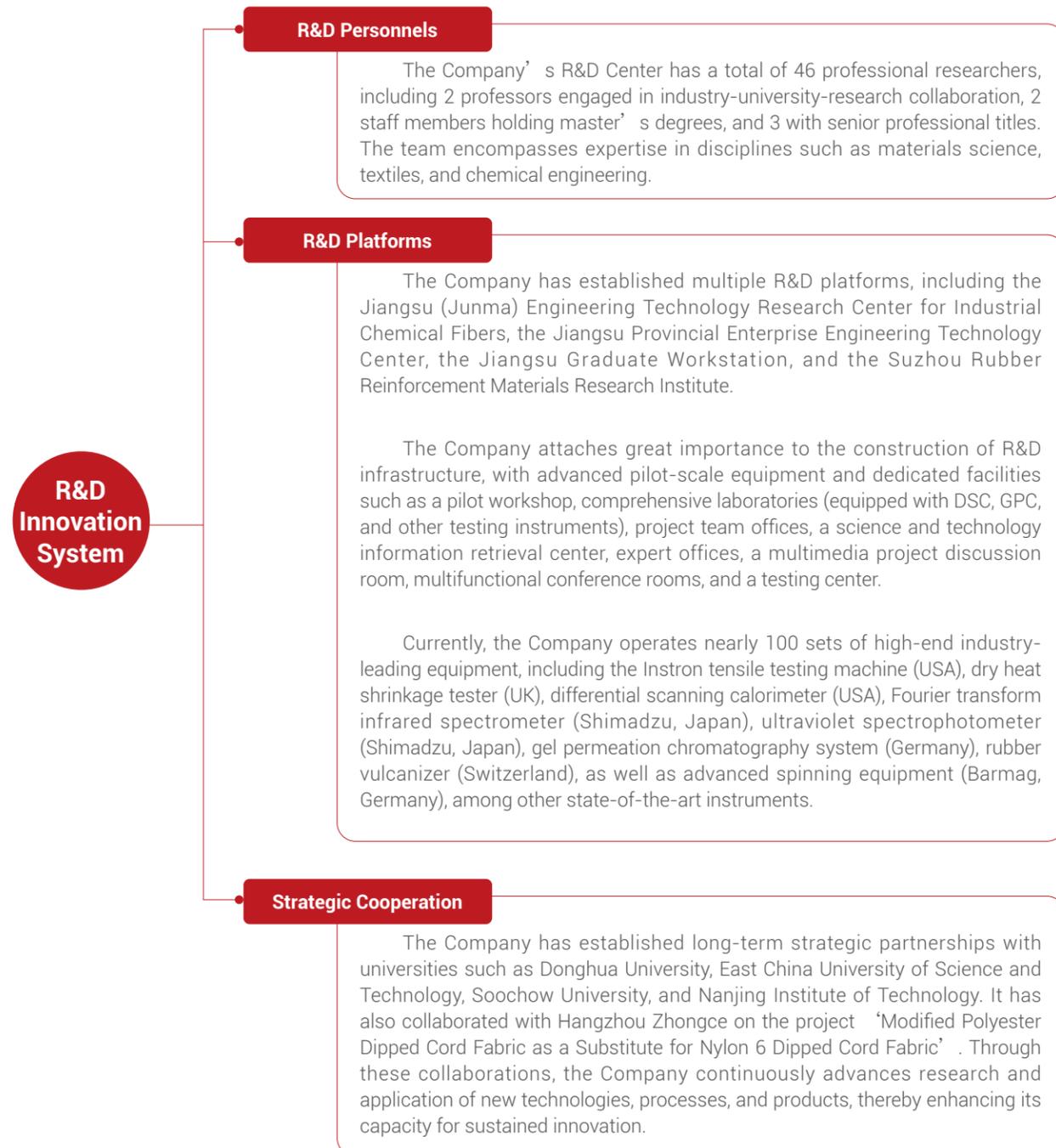
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Leading the Future through Quality Improvement and Efficiency Enhancement

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7.1 R&D and Innovation

The Company strictly complies with the Law of the People's Republic of China on Progress of Science and Technology, the Patent Law of the People's Republic of China, and other relevant laws and regulations, and has established an R&D and innovation system. Through R&D personnel, R&D platforms, and strategic cooperation, the Company continues to improve the top-level design of technological innovation and strengthen its operational mechanisms. During the reporting period, the Company invested RMB 142 million in product research and innovation.

R&D Innovation System

R&D Personnels

The Company's R&D Center has a total of 46 professional researchers, including 2 professors engaged in industry-university-research collaboration, 2 staff members holding master's degrees, and 3 with senior professional titles. The team encompasses expertise in disciplines such as materials science, textiles, and chemical engineering.

R&D Platforms

The Company has established multiple R&D platforms, including the Jiangsu (Junma) Engineering Technology Research Center for Industrial Chemical Fibers, the Jiangsu Provincial Enterprise Engineering Technology Center, the Jiangsu Graduate Workstation, and the Suzhou Rubber Reinforcement Materials Research Institute.

The Company attaches great importance to the construction of R&D infrastructure, with advanced pilot-scale equipment and dedicated facilities such as a pilot workshop, comprehensive laboratories (equipped with DSC, GPC, and other testing instruments), project team offices, a science and technology information retrieval center, expert offices, a multimedia project discussion room, multifunctional conference rooms, and a testing center.

Currently, the Company operates nearly 100 sets of high-end industry-leading equipment, including the Instron tensile testing machine (USA), dry heat shrinkage tester (UK), differential scanning calorimeter (USA), Fourier transform infrared spectrometer (Shimadzu, Japan), ultraviolet spectrophotometer (Shimadzu, Japan), gel permeation chromatography system (Germany), rubber vulcanizer (Switzerland), as well as advanced spinning equipment (Barmag, Germany), among other state-of-the-art instruments.

Strategic Cooperation

The Company has established long-term strategic partnerships with universities such as Donghua University, East China University of Science and Technology, Soochow University, and Nanjing Institute of Technology. It has also collaborated with Hangzhou Zhongce on the project 'Modified Polyester Dipped Cord Fabric as a Substitute for Nylon 6 Dipped Cord Fabric'. Through these collaborations, the Company continuously advances research and application of new technologies, processes, and products, thereby enhancing its capacity for sustained innovation.

Green R&D Case: Production of Recycled Chip Dipped Cord Fabric

Rising environmental awareness is driving the chemical industry toward green transformation. Waste chemical fibers are no longer regarded as waste, but as recyclable 'urban mines.' After recycling, sorting, and cleaning, physical or chemical regeneration processes produce nylon-6 and polyester chips, which replace petroleum-based virgin raw materials and reduce fossil resource extraction at the source. Life cycle assessments show that recycled materials can lower carbon footprints by 30–80% and significantly reduce dioxin emissions and soil and water pollution from incineration or landfill.

The Company sources recycled chips and processes them through existing drum solid-state polycondensation with nitrogen-sealed conveying to prevent moisture absorption and oxidation. By optimizing screw extrusion and drawing processes, the performance of regenerated filaments is made equivalent to that of virgin filaments. Subsequent cabling, weaving, and dipping processes yield recycled dipped cord fabric, with all key performance indicators consistent with conventional products, making them ready for direct market application. This closed-loop process not only expands access to the fast-growing market for green building materials and eco-friendly products but also provides the Company with a replicable technological pathway to build a low-carbon brand and enhance international competitiveness.

Green R&D Case: Development of Eco-Friendly Adhesives

The traditional RFL system for dipped cord fabric uses formaldehyde and resorcinol to synthesize RF, which is then reacted with latex. Since both raw materials are highly toxic and under close scrutiny by the EU, this method no longer meets future environmental requirements.

The Company has instead adopted the technology developed by Michelin's subsidiary Pod4TEX-LAB, which synthesizes a new resin, Resi4TEX, from terephthalaldehyde and phloroglucinol under alkaline conditions (neither of which is on the SVHC list). This resin fully replaces phenolic RF and, when combined with latex, produces a formaldehyde-free and phenol-free eco-friendly RFL system. After reformulating with Resi4TEX, the new adhesive and the dipped cord fabric produced with it have successfully passed all internal control indicators, laying the foundation for future large-scale green production.

Innovation R&D Case: Production of Aramid/Nylon 66 Composite Cor

By applying aramid/nylon 66 composite cords to the tire's crown, carcass, and belt layers, the Company not only enhances tire strength, reduces raw material consumption, lowers fuel consumption and rolling resistance, but also extends tire service life.

Standard Setting

As a national high-tech enterprise, the Company is committed to advancing the tire cord materials industry. By the end of 2024, the Company had developed and published 10 national standards and 3 industry standards. Key standards authored by the Company include: HDB/FZ085-2012 Standard for Processing Trade Unit Consumption of Polyester Cord Fabric, GB/T9102-2003 Standard for Nylon 6 Tire Dipped Cord Fabric, GB/T30315-2013 Test Method for Reciprocal Cord Bending Fatigue, GB/T33330-2016 Technical Requirements and Evaluation Methods for Nylon 6 Dipped Cord Fabric, and TB/T36020-2018 Test Method for Chemical Fiber Dipped Cord Fabric.With these contributions, the Company has established itself as a leader in the industry, holding a significant voice in standard setting.

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Published Standards and Standard Numbers	Type of Standards	Publication Status
Nylon-6 Cord Fabric Processing Trade Unit Consumption Standard HDB/FZ064-2010	National Standard of China	Published
Nylon 6 Industrial Filament FZ/T54044-2011	Industry Standard	Published
HDB/FZ085-2012 Polyester Dipped Cord Fabric Processing Trade Unit Consumption Standard HDB/FZ085-2012	National Standard of China	Published
HDB/FZ080-2011 Polyamide 6 Industrial Filament Processing Trade Unit Consumption Standard HDB/FZ080-2011	National Standard of China	Published
Technical Requirements for Cleaner Production Level Evaluation in the Polyamide 6 Industry	Industry Standard	Published
Processing Trade Unit Consumption Standard for Chip-Melt Spun Polyester Industrial Filament	National Standard of China	Published
Nylon 6 Dipped Tire Cord Fabric 55001-2012	National Standard of China	Published
Reciprocating Cord Bending Fatigue Test Method GB/T30315-2013	National Standard of China	Published
Technical Evaluation and Test Methods for Polyester Dipped Cord Fabric	National Standard of China	Published
Standard for Nylon 6 Tire Dipped Cord Fabric GB/T9102-2003	National Standard of China	Published
Terminology and Definitions for Dipped Reinforcement Materials	National Standard of China	Published
Polyester Cord Fabric Processing Trade Unit Consumption Standard HDB/FZ085-2012	Industry Standard	Published
Technical Evaluation and Test Methods for Nylon 6 Dipped Cord Fabric	National Standard of China	Published

Intellectual Property Protection

The Company attaches great importance to intellectual property (IP) protection and strictly complies with the Patent Law of the People's Republic of China, the Copyright Law of the People's Republic of China, and the Trademark Law of the People's Republic of China. While ensuring non-infringement of others' intellectual property, the Company is firmly committed to safeguarding its own rights, with a strong focus on protecting technological innovation achievements as well as intangible brand assets such as trademarks, patents, and copyrights.

To further expand into overseas markets and strengthen the Junma brand effect, in 2024 the Company registered the JUNMA and STEED trademarks in the EU and US markets for product categories 6, 23, and 24. This not only enhanced brand protection but also broadened the Company's international market presence.

As of now, the Company holds a total of 194 authorized patents, including 8 invention patents. In 2024 alone, 24 utility model patents were authorized

7.2 Products Quality and Safety

Our Goals

Qualitative Indicators

Commitment to Continuously Deliver Products with No Adverse Impact on Consumer Health and Safety

Quantitative KPIs	Annual Targets Through 2030	2024 Target Achievement Status
First-Grade Rate of Nylon 6 Dipped Cord Fabric	≥99.5%	99.92%
First-Grade Rate of Polyester Dipped Cord Fabric	≥99.5%	99.93%
First-Grade Rate of Nylon 66 Dipped Cord Fabric	≥98%	99.89%
Incidents of Product Recalls Due to Safety Reasons	0	0
Incidents of Violations in Health and Safety Related to Products and Services	0	0

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7.2.1 Quality Management System

The Company strictly complies with the Product Quality Law of the People's Republic of China, the Standardization Law of the People's Republic of China, the Detailed Rules for the Implementation of Industrial Product Production Licenses, and other relevant laws and regulations. It has established a quality management system and developed a Quality Manual to standardize production process management, product quality control, and related quality management procedures.

At present, the Company has obtained IATF 16949 Quality Management System certification. In line with the requirements of this standard, the Company continues to improve product quality management to ensure that customers are served with products of the highest standards.

Junma Chemical Fiber Quality Policy	Quality First, Technology-Driven Growth; Integrity as the Foundation, Customer First; Continuous Improvement, Efficiency and Energy Saving; Innovation and Progress, Leading the Industry.

Junma Chemical Fiber Obtains IATF 16949 Certification

7.2.2 Process Control

In 2024, the Company introduced a spinning filament fuzz detector, which effectively measures the number of filaments and fuzz in raw yarn to improve filament quality. It also implemented a fully automatic viscometer, which not only significantly reduces employee labor intensity but also minimizes testing errors, thereby improving product quality.

In addition, the Company conducts annual product audits, process audits, and internal audits. During the reporting period, the Company recorded no product recalls due to safety issues, and no violations or incidents related to health and safety in the products and services provided."

Fuzz Detector

Fully Automatic Viscometer

Belt Fatigue Tester

Electron Microscope

7.2.3 Quality Culture Development

To foster a positive atmosphere as a technology-driven enterprise, the Company organizes annual training programs for VDA 6.3 internal auditors and IATF 16949 internal auditors, and supports employees in obtaining the corresponding certifications. In 2024, 8 new internal auditors were certified. In addition, the Company held a Skills Competition for Young Workers, granting monetary awards to all winners. Employee participation exceeded 60%, with 78 winners recognized in 2024 and total prize rewards amounting to RMB 26,000.

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7.3 Customer Services

7.3.1 Nonconforming Product Handling

The Company is committed to delivering a high-quality customer service experience and pledges to continuously provide products with no adverse impact on consumer health and safety. To this end, the Company has established the QP-13 Nonconforming Product Control Procedure and the WI-MR-003 Emergency Plan to manage nonconforming products and product recall processes.

In cases of process or service interruptions, or when internal product quality issues arise, the Quality Department promptly organizes internal rework. Alternatively, coordination is made with the Sales Department, which then communicates with customers to seek acceptance of concessions."
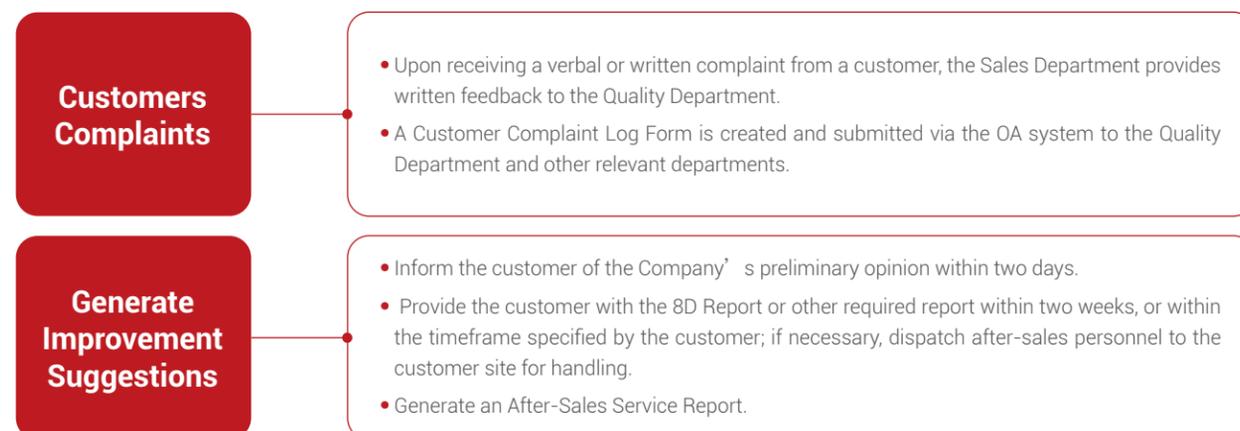
7.3.2 After-Sales Management

When receiving a customer return request, the Quality Department promptly takes measures to ensure continuous customer production without interruption. Returned products are handled in accordance with the Nonconforming Product Control Procedure and, where feasible, redirected to the next process provided they do not affect usage in subsequent stages.

In addition, sales and after-sales personnel conduct irregular follow-ups on product usage at customer sites, completing the After-Sales Product Quality Feedback Form. Where necessary, after-sales staff are dispatched to customer facilities for on-site tracking. These measures help reduce carbon emissions associated with returns and replacements, thereby promoting responsible consumption.

7.3.3 Customer Complaint Management

In 2024, the Company conducted satisfaction surveys covering 22 customers. The customer satisfaction score was 99.80% in the first half of the year and 99.94% in the second half.

Customers Complaints	• Upon receiving a verbal or written complaint from a customer, the Sales Department provides written feedback to the Quality Department. • A Customer Complaint Log Form is created and submitted via the OA system to the Quality Department and other relevant departments.
Generate Improvement Suggestions	• Inform the customer of the Company's preliminary opinion within two days. • Provide the customer with the 8D Report or other required report within two weeks, or within the timeframe specified by the customer; if necessary, dispatch after-sales personnel to the customer site for handling. • Generate an After-Sales Service Report.

Feedback	• Notify the customer of the Company's preliminary opinion within two days. • Provide the customer with the 8D Report or other requested report within two weeks, or within the timeframe required by the customer; if necessary, dispatch after-sales personnel to the customer's site for handling. • Prepare an After-Sales Service Report.
Closure and Summary	• Track and verify the effectiveness of corrective and preventive actions, and ensure that valid complaint analyses are implemented within the relevant departments. • Regularly compile and analyze recorded customer complaints.

7.4 Overseas Expansion

To implement its globalization strategy, the Company invested USD 98.87 million to establish Junma (Thailand) New Materials Co., Ltd. The project is located in the Asia Clean Energy Industrial Park in Chonburi Province, Thailand. The investment included one set of fixed polymerization equipment, multiple sets of spinning machines, energy-efficient direct cabling machines, cabling machines, weaving machines, and dipping machines, along with supporting intelligent and automated facilities. Additional auxiliary equipment such as air compressors, refrigeration units, air conditioning systems, automatic adhesive preparation and control systems, and environmental protection facilities were also procured.

The project established two spinning lines, 20 spinning positions, 50 cabling machine lines, and two dipping lines. Upon completion, it will provide an additional annual capacity of 30,000 tons of high-performance tire cord fabric.

Once operational, the project will further advance the Company's strategic objectives, significantly enhance customer stickiness and cooperation depth, and strengthen its supply and service capabilities in overseas markets, while substantially reducing exposure to political risks and other uncertainties. The Company intends to leverage this project as a key overseas sales and customer expansion platform, bringing it closer to developed markets, enabling personalized services, improving customer service levels, and ensuring stability and growth of its sales operations. This investment project carries major strategic significance and will greatly enhance the Company's competitiveness and profitability."

Thailand Project Groundbreaking Ceremony

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Social Contributions

8.1 Social Welfare

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8.1 Social Welfare

"Red Tie" Party Building Program: Assisting and Benefiting Farmers

In 2024, the company donated 300,000 yuan to Nan'gang Village, Jinfeng Town, to support local livelihood projects by supporting fresh food delivery project and improving the service conditions of the village's elderly care center, which can provide better life care and cultural entertainment for elderly residents in the area.

骏鹿学堂托起"小候鸟"多彩假期（未翻译）

The Junlu School is a three-in-one protective network established by the company through integrating business professionals, schools, and community resources. In the first phase of the "Little Migrant Birds" companionship program, priority was given to children from single-parent families and families with financial difficulties, addressing their concerns. "When the children come here to play during summer vacation, they can acquire knowledge in this school while parents can work in peace," One of our employees praised, "how considerate the company is for us." The first phase of the companionship program provided round-the-clock care services for 20 children of migrant workers, bringing them a colorful and enriching holiday.

Blood Donation

The company organizes annual voluntary blood donation activities regularly. In 2024, 29 employees participated in the blood donation, with a total blood volume reaching 9,300 milliliters.

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9 Appendix

9.1 Key Indicators of Achievement Table

Environmental Scope

Environmental Management System				
Indicators	**Unit**	**2022**	**2023**	**2024**
Percentage of employees trained (internally or externally) on environmental issues.	%	100.00%	100.00%	100.00%
Percentage of all workplaces that have undertaken an environmental risk assessment.	%	100.00%	100.00%	100.00%
Percentage of all workplaces that are ISO 14001 certified.	%	100.00%	100.00%	100.00%

Exhaust Emission				
Indicators	**Unit**	**2022**	**2023**	**2024**
Total emissions of waste gas pollutants	**tonnes**	**5.97**	**5.72**	**7.26**
Volatile organic compounds emissions	tonnes	4.35	4.05	2.65
Particulate matter emissions	tonnes	1.07	1.15	4.15
Ammonia	tonnes	0.48	0.43	0.424
Formaldehyde emissions	tonnes	0.07	0.07	0.039
Emission of exhaust pollutants per unit of production	**kg/per tonne**	**0.09**	**0.08**	**0.13**

Wastewater discharge				
Indicators	**Unit**	**2022**	**2023**	**2024**[13]
Total wastewater discharge	**cubic metres**	**188,904.00**	**208,941.00**	**316,033.00**
Domestic wastewater discharge	cubic metres	188,904.00	208,941.00	260,535.00
Production wastewater discharge	cubic metres	0.00	0.00	0.00
Wastewater discharge per unit of production	**cubic metres/ per tonne**	**2.82**	**2.93**	**5.72**

[13]The company has zero discharge of production wastewater, and domestic wastewater (including circulating cooling water) is discharged through the municipal pipeline network to the municipal wastewater treatment plant for treatment. 2024 more detailed calculations based on the requirements of the water balance, 2024 wastewater emissions to include cooling towers and dormitories in the scope of statistics.

Solid waste generation				
Indicators	**Unit**	**2022**	**2023**	**2024**
Hazardous Waste Generation	tonnes	88.00	99.00	81.80
Hazardous waste generation per unit of production	kg/per tonne	1.32	2.42	1.48
General Waste Generation	tonnes	2,964.00	2,753.26	3783.47
General waste per unit of production	kg/per tonne	44.32	67.26	68.48

Packaging material recycling				
Indicators	**Unit**	**2022**	**2023**	**2024**
Paper Tube Usage	kg	949,813.00	1,064,701.86	1,053,792.92
Paper Tube Recycling Rate[14]	%	30.38	41.54	69.44

Energy use				
Indicators	**Unit**	**2022**	**2023**	**2024**
Total Electricity Consumption	**MWh**	**198,524.00**	**210,467.03**	**222,474.36**
Purchased electricity	MWh	195,537.00	208,875.51	220,949.98
Solar photovoltaic power generation	MWh	2,987.00	1,591.52	1,524.38
Power consumption density per unit of production	**MWh/tonne**	**2.97**	**3.40**	**4.03**
Purchased Steam Consumption	**tonne**	**82,513.00**	**91,701.81**	**105,016.83**
Liquefied natural gas consumption	**litres**	**30,080.00**	**7,595.00**	**0.00**[15]
Natural gas usage	**Million cubic metres**	**383.40**	**395.32**	**504.69**
Diesel usage	**kg**	**46,780.00**	**18,564.00**	**49,474.29**[16]

[14]Paper tube recycling rate = 100% - annual end-of-life rate of paper tubes.

[15]LNG forklift trucks were completely decommissioned in 24 years, so the volume of use was 0.

[16]Increase in the use of diesel forklifts in 2024 as a result of a recalculation of the number of forklifts according to asset ownership.

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Water usage

Indicators	Unit	2022	2023	2024[17]
Total water consumption	cubic metres	365,955.00	399,752.49	245,148.91
Municipal water withdrawal	cubic metres	62,332.00	91,186.59	138,125.95
Recycled water withdrawa[18]	cubic metres	303,623.00	308,565.90	318,039.07
Density of water consumption per unit of production	cubic metres/ per tonne	5.47	6.77	4.44

Greenhouse gas emission

Indicators	Unit	2022	2023	2024[19]
Total greenhouse gas emissions	tonnes of carbon dioxide equivalent	1,394,954.99	1,003,738.72	731,879.51
Scope I emissions	tonnes of carbon dioxide equivalent	23,005.22	9,343.60	11,937.32
Scope II emissions	tonnes of carbon dioxide equivalent	276,225.96	162,666.96	165,225.28
Scope III emissions	tonnes of carbon dioxide equivalent	1,095,720.81	831,728.15	554,716.92

[17] Calculation methods for water abstraction and consumption redefined and replaced in 2024 in accordance with the requirements for water balance calculations.

[18] Purchased by Surma Steel Cord, then conveyed to Surma Junma Tyre Cord.

[19] 2024 data from initial audit reports issued by qualified third-party auditing organisations, verification data from unofficial certificates.

Social Scope

Employment

Employee Profiles

Indicators	2022	2023	2024
Total number of employees	945	987	1104
Labour contract signing rate	100.00%	100.00%	100.00%
Proportion of standard starting level wage above local minimum wage	100.00%	100.00%	100.00%
Proportion of standard starting wage level above the local maintenance wage	100.00%	100.00%	100.00%

By Gender	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Male	539	57.04%	578	58.56%	599	54.26%
female	406	42.96%	409	41.44%	505	45.74%

By Grade	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Senior Management	5	0.53%	5	0.51%	8	0.72%
Middle Management	32	3.39%	30	3.04%	30	2.72%
General Staff	908	96.08%	952	96.45%	1066	96.56%

By Age	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Under 30 years old	90	9.52%	120	12.16%	129	11.68%
30-50 years old	688	72.80%	688	69.70%	702	63.59%
Over 50 years old	167	17.67%	179	18.14%	273	24.73%

By Region	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
China (including Hong Kong, Macao and Taiwan)	945	100.00%	987	100.00%	1104	100.00%
Overseas Countries or Regions	0	0.00%	0	0.00%	0	0.00%

By Ethnicity	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Han ethnic group	937	99.15%	987	100.00%	1100	99.64%
ethnic group	8	0.85%	0	0.00%	4	0.36%

By Education Level	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Bachelor degree and above	59	6.24%	79	8.00%	83	7.52%
College and below	886	93.76%	908	92.00%	1021	92.48%

By Professional Composition	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Production staff	784	82.96%	814	82.47%	929	84.15%

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	2022		2023		2024	
Sales staff	37	3.92%	42	4.26%	34	3.08%
Technical staff	104	11.01%	103	10.44%	114	10.33%
Financial staff	17	1.80%	19	1.93%	15	1.36%
Administrative staff	1	0.11%	1	0.10%	2	0.18%
Others	2	0.20%	8	0.80%	10	0.90%

By Health Status	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Persons with disabilities	0	0.00%	0	0.00%	0	0.00%

Total number and percentage of new employees by gender, age and region

Indicators	2022	2023	2024
Total number of new employees	82	130	153

By Gender	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Male	43	52.44%	79	60.77%	76	49.67%
female	39	47.56%	51	39.23%	77	50.33%

By Age	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Under 30 years old	16	19.51%	52	40.00%	54	35.29%
30-50 years old	55	67.07%	70	53.85%	86	56.21%
Over 50 years old	11	13.41%	8	6.15%	13	8.50%

By Region	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
China (including Hong Kong, Macao and Taiwan)	82	100.00%	130	100.00%	153	100.00%
Overseas Countries or Regions	0	0.00%	0	0.00%	0	0.00%

Total number and percentage of management employees by gender, age and ethnicity

Indicators	2022	2023	2024
Total number of management employees	37	35	38

By Gender	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Male	25	67.57%	22	62.86%	27	71.05%
female	12	32.43%	13	37.14%	11	28.95%

By Age	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Under 30 years old	0	0	0	0.00%	0	0.00%
30-50 years old	27	72.97%	30	85.71%	29	76.32%
Over 50 years old	10	27.03%	5	14.29%	9	23.68%

By Ethnicity	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Han ethnic group	37	100%	35	100.00%	38	100.00%
ethnic group	0	0	0	0.00%	0	0.00%

By Health Status	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Persons with disabilities	0	0.00%	0	0.00%	0	0.00%

Training and development

Total number and percentage of employees receiving regular performance and career development appraisals, by gender and rank

Indicators	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Total number and percentage of employees receiving regular performance and career development appraisals	945	100.00%	987	100.00%	1104	100.00%

By Gender	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Male	539	100.00%	578	100.00%	599	54.26%
female	406	100.00%	409	100.00%	505	45.74%

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By Grade	2022		2023		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
Senior Management	5	100.00%	5	100.00%	8	0.72%
Middle Management	32	100.00%	30	100.00%	30	2.72%
General Staff	908	100.00%	952	100.00%	1066	96.56%

Number of hours of staff training and coverage rate by gender and grade [20]

	2022	2023	2024
Total number of employees receiving training	945	987	1104

Indicators	Hours of training	Average number of hours	Hours of training	Average number of hours	Hours of training	Average number of hours
Number of staff training hours	7,600	8.04	23,625	23.94	27,810	25.19

By Gender	2022		2023		2024	
	Average number of hours	Coverage	Average number of hours	Coverage	Average number of hours	Coverage
Male	9.23	100.00%	21.77	100.00%	25.24	100.00%
female	6.46	100.00%	27.00	100.00%	25.13	100.00%

By Grade	2022		2023		202	
	Average number of hours	Coverage	Average number of hours	Coverage	Average number of hours	Coverage
Senior Management	4.80	100.00%	16.20	100.00%	30	100.00%
Middle Management	6.81	100.00%	22.93	100.00%	30	100.00%
General Staff	8.10	100.00%	24.01	100.00%	25	100.00%

[20]Training coverage rate for each category of employees = number of personnel in a category who participated in training during the reporting period/number of employees in that category at the end of the reporting period x 100 per cent.
Average number of hours of training = total number of hours of training provided to employees / total number of employees.
Average number of hours of training per category of employees = total number of hours of training provided to employees in that category / total number of employees in that category.

Rights & Benefits

Employment Compliance			
Indicators	2022	2023	2024
Proportion of all workplaces that have undergone human rights reviews or human rights impact assessments.	100.00%	100.00%	100%
Number of penalties imposed for violations of laws and regulations on hiring and firing of employees, pay and benefits, working hours and holidays, equal opportunity, anti-discrimination, etc.	0	0	0
Number of violations of laws and regulations on hiring and firing, compensation and benefits, working hours and holidays, equal opportunities, and anti-discrimination.	0	0	0

Employee Communication			
Indicators	2022	2023	2024
Number of employees covered by collective bargaining agreements	945	987	1104
Proportion of employees covered by collective bargaining agreements	100.00%	100.00%	100.00%
Number of trade union members	945	987	1104

Discrimination			
Indicators	2022	2023	2024
Total number of incidents of discrimination that occurred during the reporting period.	0	0	0
Number of violations in the areas of hiring and firing of employees, compensation and benefits, working hours and leave, equal opportunity, and anti-discrimination.	0	0	0
Number of employees trained to prevent discrimination and human rights violations.	945	987	1104
Percentage of employees who have received training on prevention of discrimination and human rights violations.	100.00%	100.00%	100.00%

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Employee Social Insurance Coverage

By Gender	2022	2023	2024
Male	100.00%	100.00%	100.00%
female	100.00%	100.00%	100.00%

Health and Safety

Occupational Health Management

Indicators	2022	2023	2024
Number of workers covered by occupational health management system	945	987	1104
Number of employees in occupational disease risk positions	413	453	487
Number of employees participating in occupational disease medical examination	413	453	487
Number of employees suffering from occupational diseases	0	0	0

Workplace Injuries

Indicators	2022	2023	2024
Number of deaths due to work-related injuries	0	0	0
Percentage of deaths due to work-related injuries	0.00%	0.00%	0.00%
Number of recordable work injuries	2	2	7
Rate of recordable injuries (multiplied by 200,000 working hours)[21]	0.21	0.20	0.63
Rate of recordable injuries (multiplied by 1,000,000 hours worked)[22]	1.06	1.01	3.17
Hours of work lost due to work injuries	1,024	488	1680
Serious Accident Rate of Lost Work Hours of Immediate Labour Force	0.00%	0.00%	0.00%
Percentage of all workplaces that have adopted employee health and safety risk assessment	100.00%	100.00%	100.00%
Number of incidents in which penalties were imposed for breaches of occupational health and safety laws and regulations	0	0	0

[21]Recordable injury rate = number of recordable injuries/number of hours worked * 200,0000

[22]Recordable injury rate = number of recordable injuries/number of hours worked*1,000,0000

Supply Chain Management

Number and percentage of suppliers by geographic location and type

Indicators	2022	2023	2024
Total number of suppliers	28	28	33

By Geographic Location	2022		2023		2024	
	Number	percentage	Number	percentage	Number	percentage
Mainland China, Hong Kong, Macao and Taiwan	27	96.43%	27	96.43%	32	96.97%
Overseas	1	3.57%	1	3.57%	1	3.03%

By Type	2022		2023		2024	
	Number	percentage	Number	percentage	Number	percentage
Manufacturers	22	78.57%	22	78.57%	28	84.85%
Traders	6	21.43%	6	21.43%	5	15.15%

Supplier Basic Information

指标	2022 年	2023 年	2024 年
Number of suppliers that have undergone CSR assessments	28	28	33
Proportion of suppliers that have undergone CSR self-assessment	100.00%	100.00%	100.00%
Proportion of suppliers that have undergone CSR on-site audits	100.00%	100.00%	100.00%
Proportion of suppliers that have signed the Supplier Code of Conduct	100.00%	100.00%	100.00%
Proportion of suppliers with contracts that include environmental, labour and ethical issues	100.00%	100.00%	100.00%
Proportion of suppliers trained in business ethics	100.00%	100.00%	100.00%
Proportion of suppliers trained in sustainable procurement	100.00%	100.00%	100.00%

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Supplier environmental assessment [23]

Indicators	2022		2023		2024	
	Number	percentage	Number	percentage	Number	percentage
Number of new vendors screened using environmental criteria	0	0.00%	0	0.00%	5	100.00%
Number of suppliers that have conducted environmental impact assessments	28	100.00%	28	100.00%	33	100.00%
Number of suppliers identified by the company as having actual and potential significant negative environmental impacts	0	0.00%	0	0.00%	0	0.00%
Suppliers identified by the company as having actual and potential significant negative environmental impacts and agreed to improve after assessment	0	0.00%	0	0.00%	0	0.00%
Suppliers identified by the company as having actual and potential significant negative environmental impacts, and after evaluation decided to terminate the relationship	0	0.00%	0	0.00%	0	0.00%

Social assessment of suppliers[24]

Indicators	2022		2023		2024	
	Number	percentage	Number	percentage	Number	percentage
Number of new suppliers screened using social criteria	0	0.00%	0	0.00%	5	100.00%
Number of suppliers that have conducted social impact assessments	28	100.00%	28	100.00%	33	100.00%
Number of suppliers identified by the company as having actual and potential significant negative social impacts	0	0.00%	0	0.00%	0	0.00%
Suppliers identified by the company as having actual and potential significant negative social impacts and agreed to improve after assessment	0	0.00%	0	0.00%	0	0.00%
Suppliers identified by the company as having actual and potential significant negative social impacts that have been assessed and decided to terminate the relationship	0	0.00%	0	0.00%	0	0.00%

[23]2024 excludes the number of environmental assessments conducted but not selected as official suppliers, and corrects the data for 2022 and 2023.

[24]Number of social assessments conducted but not selected as official suppliers excluded in 2024 and corrected for 2022, 2023 data.

Products & Services

Product Quality and Safety

Indicators	2022	2023	2024
Number of complaints received about products and services	5	3	4
Customer complaint handling rate	100.00%	100.00%	100.00%
Number of incidents in which fines or penalties were imposed for breaches of health and safety related regulations	0	0	0
Number of incidents in which warnings were issued for breaches of health and safety related regulations	0	0	0
Number of incidents of non-compliance with voluntary health and safety codes for products and services	0	0	0
Customer Satisfaction	99.48%	100.00%	99.87%

R&D and Innovation

R&D Costs

Indicators	Unit	2022	2023	2024
Investment in R&D	billion	1.33	1.01	1.42

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Community Communication and Development

Community Communication and Philanthropy				
Indicators	单位	2022	2023	2024
Public Welfare Donation Amount	RMB	250,000	502,000	300,000

Governance Performance

Anti-Corruption

Anti-Corruption Policy and Procedures			
Indicators	2022	2023	2024
Number of training sessions on anti-corruption	3	2	1
Number of employees participating in anti-corruption related training	945	987	1104
Average number of hours of anti-corruption training received by employees	1.1	1.2	3

Corruption risk assessment			
Indicators	2022	2023	2024
Percentage of operations that have conducted a corruption risk assessment	100.00%	100.00%	100.00%

Corruption incidents identified and actions taken			
Indicators	2022	2023	2024
Confirmed incidents of corruption	0	0	0

Compliance Marketing

Breaches involving product and service information and labelling						
Indicators	2022		2023		2024	
	Products	Services	Products	Services	Products	Services
Incidents in which fines or penalties were imposed for breaches of regulations	0	0	0	0	0	0
Incidents in which warnings were issued for breaches	0	0	0	0	0	0
Incidents of violation of voluntary codes	0	0	0	0	0	0

Breaches involving marketing (including advertising, promotion and sponsorship)						
Indicators	2022		2023		2024	
	Products	Services	Products	Services	Products	Services
Incidents in which fines or penalties were imposed for breaches of regulations	0	0	0	0	0	0
Incidents in which warnings were issued for breaches	0	0	0	0	0	0
Incidents of violation of voluntary codes	0	0	0	0	0	0

Information Security

Information security incidents and corrective actions taken			
Indicators	2022	2023	2024
Number of information security incidents identified	0	0	0
Number of substantiated complaints of breaches of customer privacy and loss of customer data	0	0	0
Total number of incidents of violation of law and order in relation to customer privacy cases	0	0	0

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9.2 GRI Content Index

Use Statement:	Junma Tyre Cord has referred to the GRI guidelines for the preparation of the report.
GRI 1 used:	GRI 1 Basis 2021.
GRI industry standards used:	There are no applicable industry standards.

GRI Standards	Disclosure Items	Corresponding Chapter
GRI 2：General Disclosures 2021	2-1 Organizational details	About this Report
	2-2 Entities included in the organization's sustainability reporting	About this Report
	2-3 Reporting period, frequency and contact point	About this Report
	2-4 Restatements of information	About this Report
	2-5 External assurance	10 Statement of Independent Validation
	2-6 Activities, value chain and other business relationships	1.2Business Layout
	2-7 Employees	5.3 Rights and Welfare
	2-9 Governance structure and composition	3.1Governance Structure
	2-12 Role of the highest governance body in overseeing the management of impacts	3.1Governance Structure
	2-13 Delegation of responsibility for managing impacts	3.1Governance Structure
	2-14 Role of the highest governance body in sustainability reporting	2.1Sustainable Development Governance
	2-15 Conflicts of interest	3.3Business Ethics
	2-16 Communication of critical concerns	2.2Stakeholder Engagement
	2-19 Remuneration policies	5.3 Rights and Welfare
	2-20 Process to determine remuneration	5.3 Rights and Welfare
	2-22 Statement on sustainable development strategy	2.1Sustainable Development Governance
	2-23 Policy commitments	2.1Sustainable Development Governance
	2-25 Processes to remediate negative impacts	3.2Risk Management and Internal Control
	2-26 Mechanisms for seeking advice and raising concerns	3.2Risk Management and Internal Control
	2-27 Compliance with laws and regulations	3.2Risk Management and Internal Control
	2-28 Membership associations	1.4Association Participation and Honors
	2-29 Approach to stakeholder engagement	2.2Stakeholder Engagement
	2-30 Collective bargaining agreements	5.3 Rights and Welfare

GRI Standards	Disclosure Items	Corresponding Chapter
GRI 3：Material Topics 2021	3-1 Process to determine material topics	2.3Materiality Assessment
	3-2 List of material topics	2.3Materiality Assessment
	3-3 Management of material topics	2.3Materiality Assessment
GRI 201：Economic Performance 2016	201-2 Financial implications and other risks and opportunities	4.5.3 Climate Risks and Opportunities
	201-3 Defined benefit plan obligations and other retirement plans	5.3 Rights and Welfare
GRI 205：Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	3.3. Business Ethics
	205-2Communication and training about anti-corruption policies and procedures	3.3. Business Ethics
	205-3 Confirmed incidents of corruption and actions taken	3.3. Business Ethics
GRI 206：Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust,and monopoly practices	3.3. Business Ethics
GRI 301：Materials 2016	301-1 Materials used by weight or volume	4.3 Resource Management
	301-2 Recycled input materials used	4.3 Resource Management
GRI 302：Energy 2016	302-1 Energy consumption within the organization	4.3 Resource Management
	302-3 Energy intensity	4.3 Resource Management
	302-4 Reduction of energy consumption	4.3 Resource Management
GRI 303：Water and Effluents2018	303-1 Interactions with water as a shared resource	4.3 Resource Management
	303-2 Management of water discharge-related impacts	4.3 1Resource Management
	303-3 Water withdrawal	4.3 Resource Management
	303-4 Water discharge	4.3 Resource Management
GRI 304：Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	4.6 Biodiversity
GRI 305：Emissions 2016	305-1 Direct (Scope 1) GHG emissions	4.4 Accounting for greenhouse gas emissions
	305-2 Energy indirect (Scope 2) GHG emissions	4.4 Accounting for greenhouse gas emissions
	305-3 Other indirect (Scope 3) GHG emissions	4.4 Accounting for greenhouse gas emissions
	305-4 GHG emissions intensity	4.4 Accounting for greenhouse gas emissions
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	4.4 Accounting for greenhouse gas emissions
GRI 306：Waste 2020	306-1 Waste generation and significant waste-related impacts	4.2 Emissions and Waste Management
	306-2 Management of significant waste-related impacts	4.2 Emissions and Waste Management
	306-3 Waste generated	4.2 Emissions and Waste Management
	306-5 Waste directed to disposal	4.2 Emissions and Waste Management

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GRI Standards	Disclosure Items	Corresponding Chapter
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	6.1 Supply Chain Management
	308-2 Negative environmental impacts in the supply chain	6.1 Supply Chain Management
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	5.3 Rights and Welfare
	401-2 Benefits provided to full-time employees that are not	5.3 Rights and Welfare
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	5.10Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident	5.10Occupational Health and Safety
	403-3 Occupational health services	5.10Occupational Health and Safety
	403-4Worker participation, consultation, and communication	5.10Occupational Health and Safety
	403-5 Worker training on occupational health and safety	5.10Occupational Health and Safety
	403-6 Promotion of worker health	5.10Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.10Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	5.10Occupational Health and Safety
	403-9 Work-related injuries	5.10Occupational Health and Safety
	403-10 Work-related ill health	5.10Occupational Health and Safety
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	5.2Employee Development and Training
	404-2 Programs for upgrading employee skills and transition assistance programs	5.2Employee Development and Training
	404-3 Percentage of employees receiving regular performance and career development reviews	5.2Employee Development and Training
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	5.3 Rights and Welfare
	405-2 Ratio of basic salary and remuneration of women to men	5.3 Rights and Welfare
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	5.3 Rights and Welfare
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	5.3 Rights and Welfare
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	5.3 Rights and Welfare
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.3 Rights and Welfare
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	5.3 Rights and Welfare
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	6.1 Supply Chain Management
	414-2 Negative social impacts in the supply chain and actions taken	6.1 Supply Chain Management
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	7.3 Customer Services
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	7.3 Customer Services
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	7.3 Customer Services
	417-2 Incidents of non-compliance concerning product and service information and labeling	7.3 Customer Services
	417-3 Incidents of non-compliance concerning marketing communications	7.3 Customer Services
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.3.5Information Security and Privacy Protection

9.3 United Nations Sustainable Development Goals (SDGs) Benchmarking Index

SDGs	Related Content	Corresponding Chapters
1 NO POVERTY	Goal 1 No poverty	5.3 Rights and Welfare
2 ZERO HUNGER	Goal 2 Zero Hunger	5.3 Rights and Welfare
3 GOOD HEALTH AND WELL-BEING	Goal 3 Good health and well-being	5.3 Rights and Welfare
4 QUALITY EDUCATION	Goal 4 Quality Education	5.2Employee Development and Training
5 GENDER EQUALITY	Goal 5 Gender Equality	5.3 Rights and Welfare
6 CLEAN WATER AND SANITATION	Goal 6 Clean water and sanitation	4.3.3 Water Resources Management
7 AFFORDABLE AND CLEAN ENERGY	Goal 7 Affordable and clean energy	4.3.2 Energy management
8 DECENT WORK AND ECONOMIC GROWTH	Goal 8 Decent work and economic growth	5.3 Rights and Welfare
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Goal 9 Industry, innovation and infrastructure	7.1 R&D and Innovation
10 REDUCED INEQUALITIES	Goal 10 Reducing inequality	5.3 Rights and Welfare
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Goal 12 Responsible consumption and production	6.1 Supply Chain Management
13 CLIMATE ACTION	Goal 13 Climate action	4.5 Responding to Climate Change
15 LIFE ON LAND	Goal 15 Terrestrial Biology	4.6 Biodiversity
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Goal 16 Peace, Justice and Strong Institutions	3.3 Business Ethics

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10 Statement of Independent Validation

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Independent Assurance Statement

Introduction

TÜV Rheinland (Shanghai) Co., Ltd., a member of TÜV Rheinland Group (hereinafter "TÜV Rheinland" or "We"), was entrusted by Junma Tyre Cord Company Limited (hereinafter "Junma Tyre Cord" or "the company") to conduct an independent third-party assurance of 2024 Environmental, Social and Corporate Governance (ESG) of Junma Tyre Cord (hereinafter "the report"). The report disclosed its sustainability information for the fiscal year 2024 (1 January 2024 to 31 December 2024).

Responsibilities

Junma Tyre Cord is not only responsible for the preparation of ESG report and the collection and submission of sustainability information in accordance with applicable reporting standards but also has the obligation to implement and maintain effective internal control of information and data to support the report compilation process.

TÜV Rheinland is a global service provider that provides CSR and sustainability services in more than 65 countries, with experienced and technical expertise in the areas of environment, CSR, sustainability and stakeholder engagement. TÜV Rheinland Assurance team follows the TÜV Rheinland Global Business Ethics Compliance Policy and Procedures, covering the principles of integrity compliance and conflict of interest. Therefore, our assurance services are based on the principles of independence and impartiality, and we do not participate in the writing and preparation of the report of Junma Tyre Cord. It is the duty of TÜV Rheinland to carry out independent assurance in accordance with the assurance agreement and the agreed scope of assurance work, and to make independent and impartial judgments on ESG reporting.

Assurance Standard

TÜV Rheinland undertook assurance work for the sustainability information disclosed in ESG report of Junma Tyre Cord in accordance with the AccountAbility AA1000 Assurance Standard v3 (AA1000AS v3), Type-1 and Moderate level.

Assurance Objectives

The purpose of the assurance was to provide management of Junma Tyre Cord, and stakeholders concerned with the company's sustainability information and performance to provide an independent view of the assurance, including assessment of whether the content of the report adhered to the AA1000AP (2018) Assurance Principles (including inclusivity, materiality, responsiveness and impact), and verification of sustainability information disclosure.

Assurance Criteria

The following assessment criteria were used in undertaking the work:
- GRI Sustainability Reporting Standards (GRI Standards) of Global Sustainability Standards Board (GSSB)
- United Nations Sustainable Development Goals (UN SDGs)
- Adherence to the AA1000 AP AccountAbility Principles, i.e., *Inclusivity, Materiality, Responsiveness, and Impact*

Methodology

Our assurance activities and procedures include:
- Inquiring management and those personnel responsible for collecting and aggregating sustainability performance information to understand the management processes, systems, and controls for sustainability performance information.
- Reviewing and assessing the availability, adequacy, and relevance of performance information based on sampling principles.

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- Applying analysis program to assess the accuracy of the information available for performance data.
- Collecting and examining the supporting evidence of available performance information to assess the extent to which the relevant evidence and information related to the scope of the assurance in the ESG report supports and adheres to the AA1000AP AccountAbility Principles.
- Reporting assurance observations or recommendations to give the company's management an opportunity to correct errors before the assurance process is completed.

Limitations

TÜV Rheinland planned and executed the verification in accordance with the scope of the assurance agreed upon in order to obtain all the information, evidence and necessary explanations to provide the basis for the conclusion of the assurance in accordance with the moderate level of AA1000AS v3.

The information and performance data relating to the assurance is limited to the disclosure of the contents of this report. Our assurance work did not include financial report and its financial data, as well as other information not related to the topic of sustainability.

Conclusions

Based on the above assurance procedures and methodology performed and the evidence obtained, we conclude that there are no instances or information that would be contrary to the following statements:
- 2024 ESG Report of Junma Tyre Cord and its content adhere to the AA1000AP AccountAbility Principles.
- Junma Tyre Cord has implemented relevant systems or processes to collect and aggregate key performance data related to material issues within the reporting boundary. And the company has assessed materiality issues.
- The sustainability information and performance disclosed in the report have been evaluated and supported by documentary evidence.

TÜV Rheinland shall not bear any liability or responsibility to a third party for perception and decision on Junma Tyre Cord based on this Assurance Statement.

Adherence to the AA1000AP AccountAbility Principles

Inclusivity

The key stakeholder groups identified by Junma Tyre Cord included government and regulatory agencies, shareholders and investors, customers, employees, suppliers, communities and the public, industry associations, and non-governmental organizations (NGOs) and non-profit organizations. In 2024, the company conducted a stakeholder questionnaire survey on ESG issues, providing a reference for the assessment of materiality issues. We recommend that Junma Tyre Cord continue to implement its stakeholder engagement strategy and measure the results of stakeholder engagement.

Materiality

Based on the analysis of business development characteristics, peer benchmarking, foreign ESG standards, and stakeholder survey results, Junma Tyre Cord has evaluated and prioritized important issues, including but not limited to climate change adaptation and mitigation, innovative research and development, supply chain management, occupational health and safety, corporate governance, etc. The company's management reviewed and confirmed the results of the evaluation of the above material issues.

Responsiveness

The channels for Junma Tyre Cord's communication with key stakeholders are diverse, including regulatory inspections, after-sales service hotlines, customer satisfaction surveys, employee training, supplier training and evaluation, whistleblowing and complaint mechanisms, forums and seminars, participation in industry standard formulation, community public welfare projects, etc.

The report disclosed data on key performance indicators (e.g., emissions and waste, energy use, water use, greenhouse gas emissions, employee employment, occupational health management, business ethics, etc.) that are historically comparable. The report also disclosed the management of targets and indicators, including the achievement of targets,

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to give timely responses to the concerns of key stakeholders.

Impact

Junma Tyre Cord focused on risk management in the fields of production safety, environment and climate, business ethics, intellectual property protection, and sustainable procurement, and combined operation management, compliance management, and internal control systems to control related material ESG risks. In 2024, the company joined the United Nations Global Compact (UNGC) and continued to respond to the United Nations Sustainable Development Goals (UN SDGs). We recommend that Junma Tyre Cord conduct a sustainability impact assessment of its business operations and manage these impacts.

Daniel Pan
Technical Manager of Corporate Sustainability Services
TÜV Rheinland (Shanghai) Co., Ltd
Shanghai, China, 2 September 2025

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