



2024

SUSTAINABILITY REPORT



EASTROC BEVERAGE(GROUP)CO.,LTD.

Stock code 605499

EASTROC BEVERAGE(GROUP)CO.,LTD.

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About This Report

Introduction

This is the fourth sustainability report published by Eastroc Beverage (Group) Co., Ltd. Adhering to the principles of objectivity, standardization, transparency and comprehensiveness, this report thoroughly discloses the practical measures taken by Eastroc Beverage to achieve sustainable development and the results achieved in 2024.

Reporting Scope

Reporting Period:This report covers the period from January 1, 2024 to December 31, 2024. To improve the comparability and completeness of this report, some statements and data are retrospective and extended where appropriate.

Scope of Organization:Unless otherwise specified, this report covers Eastroc Beverage (Group) Co, Ltd. and its subsidiaries (see the 2024 Annual Report for details).

Release Cycle

This report is a sustainability report released annually.

Preparation Basis

- Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 - Sustainability Report (for Trial Implementation)
- Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards)
- Guidelines for Sustainable Development Reports of Chinese Enterprises (CASS-ESG 6.0) issued by China Enterprise Reform and Development Society
- Task Force on Climate-related Financial Disclosures (TCFD) Framework
- UN Sustainable Development Goals (SDGs)
- Sustainability Accounting Standards Board (SASB) Standards

Data Sources and Explanations

Data sources used in the Report include the Company’s actual operational data, annual financial data, internal statistical reports, third-party questionnaire surveys, etc. The financial data in this report is expressed in RMB. For any discrepancy between this report and the financial statements, the financial statements shall prevail.

Definition

To enhance clarity of this report, the references “Eastroc Beverage”, “the Group”, “the Company” or “we” are used instead of consistently using the formal “Eastroc Beverage (Group) Co., Ltd.”. Please refer to the full names of the Company’s subsidiaries in the “Interpretation” column of the table below.

Term	Interpretation
Hai Peng Plant	Eastroc Beverage (Group) Co., Ltd. Haifeng Yunlian Natural Water Plant
Zeng Peng Plant	Guangzhou Eastroc Beverage Co., Ltd.
Hui Peng Plant	Anhui Eastroc Beverage Co., Ltd.
Guan Peng Plant	Guangdong Eastroc Vitamin Beverage Co., Ltd.
Hua Peng Plant	Guangdong Eastroc Beverage Co., Ltd.
Gui Peng Plant	Nanning Eastroc Beverage Co., Ltd.
Qing Peng Plant	Chongqing Eastroc Vitamin Beverage Co., Ltd.
Xiang Peng Plant	Changsha Eastroc Vitamin Beverage Co., Ltd.
Zhe Peng Plant	Zhejiang Eastroc Vitamin Beverage Co., Ltd.

Access and Feedback

This report is published in Chinese and English versions. In the event of discrepancies between the two versions, the Chinese version shall prevail. This report is available for download at the website of the Shanghai Stock Exchange (<http://www.sse.com.cn/>) and the Company’s website (<https://www.szeastroc.com/>).
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Message from the Chairman

Continuing the Chapter of Sustainable Development, Conveying the Infinite Energy of a Proudly Chinese Brand

2024 has been a year of transformation and opportunity. In the face of a turbulent global economic landscape and an ever-changing consumer market environment, Eastroc Beverage remains steadfast in its original mission, adhering to a long-term vision, and deeply embedding the concept of sustainability into every facet of its operations. As it strides towards becoming the leader in China's energy drink market and a diversified beverage group, Eastroc Beverage closely collaborates with its stakeholders, including shareholders, customers, employees, suppliers, and partners, working together to contribute to the construction of a shared future for humanity.

Business Breakthrough: Expanding Across Multiple Fronts, Driving the Leap in Brand Energy

Record Performance, Leading the Industry

In 2024, Eastroc Beverage firmly focused on its three core competencies - product strength, brand power, and channel effectiveness, achieving a dual leap in both operational performance and market presence. The Company reported a year-on-year revenue increase of 40.63%, with net profit attributable to shareholders of the listed company rising by 63.09%. According to the Frost & Sullivan market research report, Eastroc Beverage has ranked first in China's functional beverage market by sales for four consecutive years since 2021. Our leading position continues to be solidified, with market share growing from 15.0% in 2021 to 26.3% in 2024. In the highly competitive energy drink market, Eastroc Vitamin Energy Drink has consistently reinforced its dominant position. With outstanding product quality and brand influence, it has become the consumer's preferred choice, further increasing market share.

Expanding Product Categories, Achieving Significant Results

We have seized the dual opportunities of consumption recovery and health-driven upgrades, resolutely advancing the multi-category strategy. By driving innovation, deepening channel development, and fostering production-sales collaboration, we have achieved a comprehensive breakthrough in both scale and profitability. The synergistic effects of our multi-category approach are evident, not only meeting the diversified needs of consumers but also injecting continuous energy into the long-term and stable growth of the Company.

Upgrading Marketing, Strengthening Brand Recognition

We continue to innovate our marketing model, engaging in comprehensive and multidimensional integrated marketing activities across both online and offline channels. These efforts allow us to precisely reach various consumer groups, strengthening brand recognition and consumer affinity. We actively participate in a variety of sports events and cultural activities, leveraging trending events to increase brand visibility. With strong brand power, we continue to drive sales growth, embedding the Eastroc brand deeply in the hearts of consumers.

Deepening Channels, Expanding Network

We further advanced our national strategic blueprint, refining our channel management and continuously enhancing our channel operation capabilities. During the reporting period, the number of cooperating distributors steadily increased, and the number of terminal outlets expanded, reaching nearly 4 million. This extensive coverage across urban and rural areas significantly increased the market exposure of our entire product range, effectively driving sales at the terminal level.

Governance Progress: Compliance First, Laying a Solid Foundation for Steady Development

In 2024, Eastroc Beverage continued to optimize its long-term operational mechanisms, deeply integrating the concept of compliance into every detail of the corporate culture. We strictly adhere to business ethics code, working together with stakeholders to foster a clean, self-disciplined, and legally compliant business environment. We are continuously improving our internal control systems and strengthening risk management. By regularly conducting internal audits, we comprehensively identify risks across production and operations, proactively address potential risk points and implement targeted prevention and control measures, elevating corporate governance standards to new heights, thus safeguarding our stable development.

Environmental Responsibility: Green Development, Embarking on a Shared Journey for a Better Ecological Future

We deeply recognize the close connection between business development and environmental protection. In 2024, we further integrated the ESG principles into all aspects of our business operations. We have vigorously promoted a series of sustainable development practices, including green production, green packaging, green warehousing, green logistics, and green workplace initiatives, actively exploring new pathways for our green transformation. We continue to increase investments in energy conservation, emission reduction, and resource recycling. Through technological upgrades, equipment modernization, and the implementation of photovoltaic (PV) power generation, our production bases have reduced greenhouse gas (GHG) emissions by 20,490.19 tons of CO2 equivalent. In packaging, we have consistently advocated for the use of environmentally friendly materials, optimized packaging design, and minimized the environmental impact of packaging waste. These tangible actions contribute to the protection of our planet's future.

Social Contribution: Shouldering Responsibility on Our Shoulders, Demonstrating the Charismatic Value of Our Brand

Commitment to Quality, Leading Through Innovation

We continuously improve our quality management system, ensuring strict control over product quality and safety throughout the entire process from raw material procurement, production and processing, warehousing, logistics, to product sales. We are committed to ensuring that every bottle of beverage from Eastroc Beverage meets high-quality standards. At the same time, we have increased our investment in R&D, conducting in-depth market research to accurately grasp shifts in consumer demand trends. We constantly launch innovative products that cater to the diversified needs of the market, using high-quality products to repay the trust of our consumers.

Employee Care, Promoting Mutual Growth

We consistently view our employees as the most valuable asset of the Company, placing great importance on protecting employee rights and promoting career development. We strive to create a fair, just, and inclusive work environment, improve employee communication and feedback mechanisms, and encourage employees to actively engage in company management. We continue to optimize our talent development system, offering a wide variety of training programs and skill improvement activities. In 2024, we launched 22 specialized talent development projects, with a total of 58 sessions, directly reaching 3,048 employees and accumulating over 33,000 hours of training. In addition, each department conducts monthly training sessions, including cross-training and independent business skills training. The total training hours exceeded 100,000, helping employees realize their personal value and career growth, fostering a mutually beneficial and supportive development environment for both the Company and its employees.

Industry Support, Advancing Together

We actively fulfill our corporate social responsibility, takes rural revitalization as our mission and deep engages in agricultural industry support. Focusing on Guangdong's unique fruit industry, including lychees, longan, and amla, we have transformed these distinctive fruits into juice beverages beloved by consumers through innovative product development. This not only effectively expands sales channels for fruit farmers but also enhances the added value of agricultural products. At the same time, we strengthen our collaboration with agricultural research institutions and universities to engage in technological innovation and project cooperation to promote the modernization of the agricultural industry. This approach ensures mutual benefits and a win-win situation for both the Company and the agricultural sector.

Philanthropic Initiatives, Spreading Love

We adhere to the philanthropic principle of "Empower love with vitality" and actively engage in social welfare initiatives. We continue to focus our efforts on areas such as poverty alleviation through education, medical aid, and disaster relief. We donate educational supplies to schools in impoverished regions to improve teaching conditions; support medical outreach activities in remote areas to help enhance grassroots healthcare services; and respond swiftly in the face of natural disasters, and donate materials to assist affected communities in overcoming difficulties. Through these actions, we embody our corporate social responsibility and commitment, spreading warmth and love from Eastroc.

Looking back on 2024, we have made significant progress on the path to sustainable development, achieving substantial results. Due to our outstanding performance in fulfilling social responsibilities and green development practices, we were awarded multiple honors, including the "2024 Five Star Gold Medal for Social responsibility of China Manufacturing Listed Companies". These honors not only recognize our past efforts but also serve as powerful motivation to drive us forward. Looking ahead to 2025, Eastroc Beverage will remain steadfast in our corporate mission of "providing customers with healthy functional drinks, building a career platform for employees, and offering reasonable returns to shareholders". We will deepen our sustainable development strategy, continuously enhance the Company's core competitiveness, and actively fulfill our social responsibilities. With this, we will march confidently toward our grand goal of "building China's leading beverage group", contributing even more Eastroc power to economic development, social progress, and environmental protection.



The Chairman of Eastroc Beverage (Group) Co., Ltd.



About Eastroc Beverage

Company Profile

Eastroc Beverage (Group) Co Ltd. was listed on the main board of the Shanghai Stock Exchange on May 27, 2021, with the stock code: 605499 and stock abbreviation: Eastroc Beverage.

The Company specializes in the research, development, production, and sales of beverages, with brands such as Eastroc Vitamin Energy Drink, Eastroc Water Boost, Shang Cha, Fruit Tea, Quench & Nourish, Coffee Master, Coco Island Coconut, and Amla Juice under its portfolio. In the energy drink field, the Company continues to focus on consumer needs, having initially developed a diverse product matrix led by energy drinks, complemented by categories such as electrolyte drinks, tea beverages, coffee beverages, plant-based protein drinks, and fruit and vegetable juice drinks. This strategy aims to expand the multi-category market presence and brand recognition, transitioning from a single-category product line to a diversified beverage group.

Eastroc Beverage is accelerating the construction of its production bases, with a nationwide footprint across 12 production facilities in Guangdong, Guangxi, Anhui, Chongqing, Zhejiang, Hunan, Tianjin, Yunnan, and more. In addition, the Company has established a national sales network with numerous points of sale, ensuring wide coverage and strong market penetration, with 100% coverage in prefecture-level cities. This provides strong support for the multi-category development and nationwide capacity layout.



Notes:
 (1) Top 20 ranking based on sales volume in 2024 globally, according to Frost & Sullivan
 (2) Last-twelve-month year-over-year revenue growth based on the latest available financial period
 (3) According to Frost & Sullivan, in terms of sales volume
 (4) As of December 31, 2024

Corporate Culture

Eastroc Beverage's Vision
Invigorating strivers with energy boost

Eastroc Beverage's Strategic Objectives
Becoming the Best energy drink brand in China

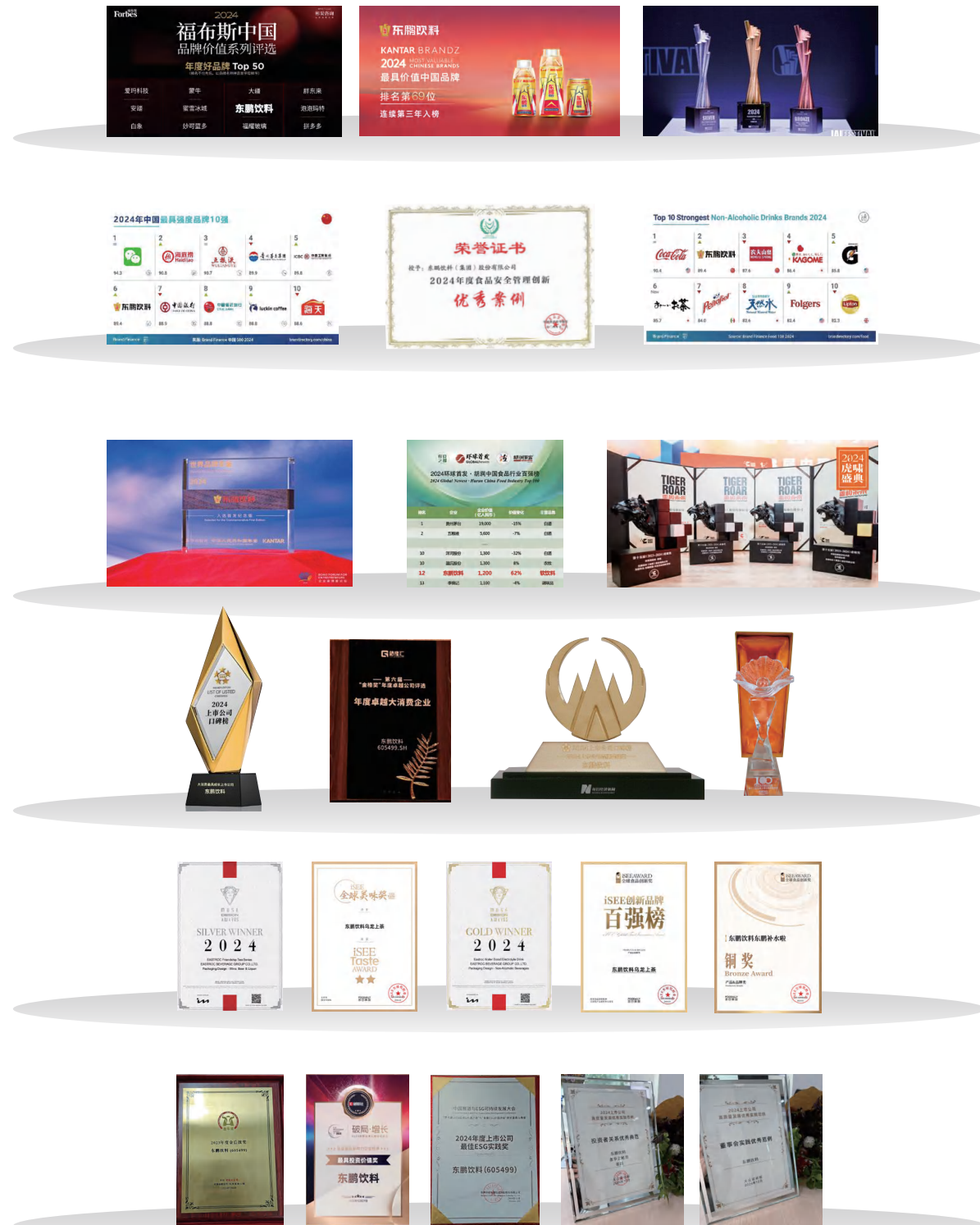
Eastroc Beverage's Mission
 Providing customers with healthy functional drinks
 Building a career platform for employees
 Offering reasonable returns to shareholders

Eastroc Beverage's Core Values
Simplicity: Simplicity originates from trust; efficiency derives from simplicity; be at ease with people and be devoted to work
Integrity: To be the best Company to work for; to be the most reliable partner to work with; to empower the most honest employees from within
Cooperation: Be cooperative when it is needed; be responsible when it is needed
Diligence: Endeavor to realize self value; strive hard to achieve Eastroc's goals



Highlights 2024

Honor Image



Award Category	Honor Winner	Event Name	Award Information
Brand Building	Eastroc Beverage	2024 Forbes China Brand Value Series Selection	Top 50 Annual Good Brands
		2024 China's Top 500 Brand Value	Top 10 Most Powerful Brands in China 2024
		Tiger Roar Award	Annual Brand Digitalization Award
		IAI International Advertising Award	Most Influential Brand of the Year
		Global Soft Drink Brand Value 50 (Non-Alcoholic Drinks 50)	Ranked 15th, rising by two positions, with a BSI score of 89.4, ranking 2nd in brand strength
		Kantar Rankings	Ranked 69th among Kantar BrandZ Top 100 Most Valuable Chinese Brands
		World Brand Yearbook 2024	Selected
Production Quality	Eastroc Beverage	2024 Global Debut Hurun China Food Industry Top 100	Ranked 12th with a brand value of RMB 120 billion, rising 10 places from the previous year, the fastest growth in the soft drink industry
		China Food Safety Conference	2024 Annual Food Safety Management Innovation Excellent Case
Capital Brand	Eastroc Beverage	2024 14th Listed Companies Reputation Rankings	Most Growth-Oriented Listed Company in Consumer Goods
		2024 14th Listed Companies Reputation Rankings	Listed Company Brand Building Award
		18th China Listed Companies Value Ranking	Top 100 Mainboard Listed Companies by Value
		Capital Market Most Valuable Influence Ranking	Most Investment-Attractive Award
		Golden Grid Award	Golden Grid Annual Excellence in Consumer Goods Enterprises
		26th Listed Companies Golden Bull Award	Golden Trust Award
		2024 Outstanding Practice for High-Quality Development of Listed Companies	Best Board Practices Award
		2024 Outstanding Practice for High-Quality Development of Listed Companies	Excellent Investor Relations Model
Product Innovation	Eastroc Water Boost	China Track and ESG Sustainable Development Conference	2024 Best ESG Practice Award for Public Companies
		Muse Design Awards	Muse Golden Award
		Shang Cha	Muse Silver Award
		Shang Cha	iSEE Global Taste Two-Star Award
		Eastroc Water Boost	iSEE Global Food Innovation Award
	Shang Cha	iSEE Global Food Innovation Award	iSEE Global Food Innovation Copper Award
		Global Food Innovation Top 100 Rankings	Global Food Innovation Top 100 Rankings

Diverse Product Categories

Eastroc Beverage continues to explore and expand new beverage categories, establishing a “dual-engine” business model with energy drinks and electrolyte drinks. The Company also offers a comprehensive and balanced product matrix that includes tea beverages, plant-based protein drinks, coffee beverages, and fruit and vegetable juice beverages. Among these, the electrolyte drink “Eastroc Water Boost” has caused a market sensation since its launch in 2023. With its precise positioning as a “quick electrolyte replenisher”, the product saw a staggering 280.37% year-on-year sales growth in 2024. It has developed into a “twin-star” product matrix that synergistically grows alongside the Company’s original energy drink products.



Full-Channel Sales Network

The Company continues to strengthen channel management and global distribution network development. Building on its strong presence in offline channels such as supermarkets and convenience stores, the Company has fully expanded into traditional e-commerce platforms like Tmall, JD, and Pinduoduo, as well as emerging social media platforms like Tik Tok, REDnote, and Youzan WeChat mini-programs. The Company has also innovatively engaged in new retail models such as live-streaming sales, deeply integrating its traditional distribution system with digital capabilities, enabling it to reach consumers across all touch points and sales scenarios.

The launch of the Changsha production base in March 2024, along with the commencement of construction at the Tianjin base, marks the completion of a nationwide network of 12 production bases covering key regions such as Guangdong, Guangxi, Anhui, and Chongqing. This network provides the capacity support needed for both intensive domestic market cultivation and international market expansion, laying a strategic foundation for the global development of our brands.

In 2024, the Company had 3,193 distributors, with a 100% coverage rate in prefecture-level cities. The number of active terminal points nationwide has continued to grow steadily, reaching nearly 4 million. The Company’s production capacity across its operational bases exceeds 4.8 million tons per year, and it has cumulatively reached over 210 million unique end-consumers.



High-Impact Brand Promotion

The Company has consistently centered its brand proposition around “Eastroc Energy, Glory for the Nation”, leveraging a strategy of “precise positioning + efficient reach” to continuously strengthen its brand association as the top choice for consumers during moments of fatigue. In 2024, seizing the opportunity of the Paris Olympic Games, the Company partnered with CCTV to closely align “Eastroc Energy” with the Olympic spirit. This collaboration led to the successful inclusion of Eastroc as a “Strong Nation Brand” on CCTV, and the Company was honored with the title of “Top Marketing Partner of CCTV for the Paris Olympic Games”.

During the reporting period, the Company implemented a comprehensive and multi-dimensional marketing strategy, focusing on key target groups within the “8 groups, 20 categories”, deploying integrated online and offline marketing efforts to provide energy support for every moment of struggle. The Company made continuous breakthroughs in its precision marketing for the sports community, capitalizing on high-profile global sports events such as the BWF World Tour Finals, the Thomas and Uber Cups, the Snooker World Championship, the China Street Athletics Series, and sponsoring marathons across various regions. It also deeply penetrated consumer markets by embedding its presence in the HHI Street Dance Championship, attracting crowds to key business districts.



In addition, the Company implemented a youth-focused strategy through various IP collaborations. For three consecutive years, Eastroc has sponsored the top-level professional Honor of Kings League and, for the first time, collaborated with *Happy Poker*. Additionally, the Company launched a themed partnership with the ancient martial arts mobile game *Treacherous Waters Online* to promote its “Shang Cha” product, strengthening the emotional connection between the brand and younger audiences. In terms of content integration with TV shows and variety programs, Eastroc sponsored the Tianjin Satellite TV Spring Festival Crosstalk Gala and the online variety show *I am Playing Basketball In Hengdian*. The brand also provided deep product integration and sponsorship in popular TV dramas such as *To the Wonder*, *The Tale of Rose*, *Fox Spirit Matchmaker*, *The Double*, *Fangs of Fortune*, *City of the City*, *Under The Skin 2*, *Detective Chinatown 2*, and *THE HOPE*, forming a comprehensive communication matrix to boost brand visibility.



Performance in 2024



Economic Performance

Operating Income

158.39RMB '00000000

Net Profit

33.27RMB '00000000

Basic Earnings per Share

6.40Yuan/Share

Total Assets

226.76RMB '00000000



Environmental Performance

Environmental Investment

2,153.41RMB '0000

Environmental Training

30Times

Compliance Rate of Three Waste Emissions

100%

Decrease of GHG Emissions per Unit Output Compared to Last Year

9.59%

Decrease of Electricity Consumption per Unit Output Compared to Last Year

0.46%

Decrease of Natural Gas Consumption per Unit Output Compared to Last Year

10.05%

Decrease of Water Consumption per Unit Output Compared to Last Year

7.45%

Reuse Consumption of Reclaimed Water

45.57'0000 tons



Governance Performance

Total Number of Regular Reports and Interim Announcements

104Copy

Investor Relations Events

140+Sessions

Cash Dividend per Share Distributed for 2023

100,002.50RMB '0000

Cash Dividend to be Distributed for 2024

130,003.25RMB '0000



Social Performance

Investment in R&D

6,267.13RMB '0000

New Patents Granted in 2024

23Item

Cumulative Patents Granted

104Item

Number of Employees

10,985Person

Number of Trained Employees

3,048Person

Training Hours

33,000+Hour

Occupational Health Examination Coverage

100%

Total Investment of External Donations and Public Welfare Projects

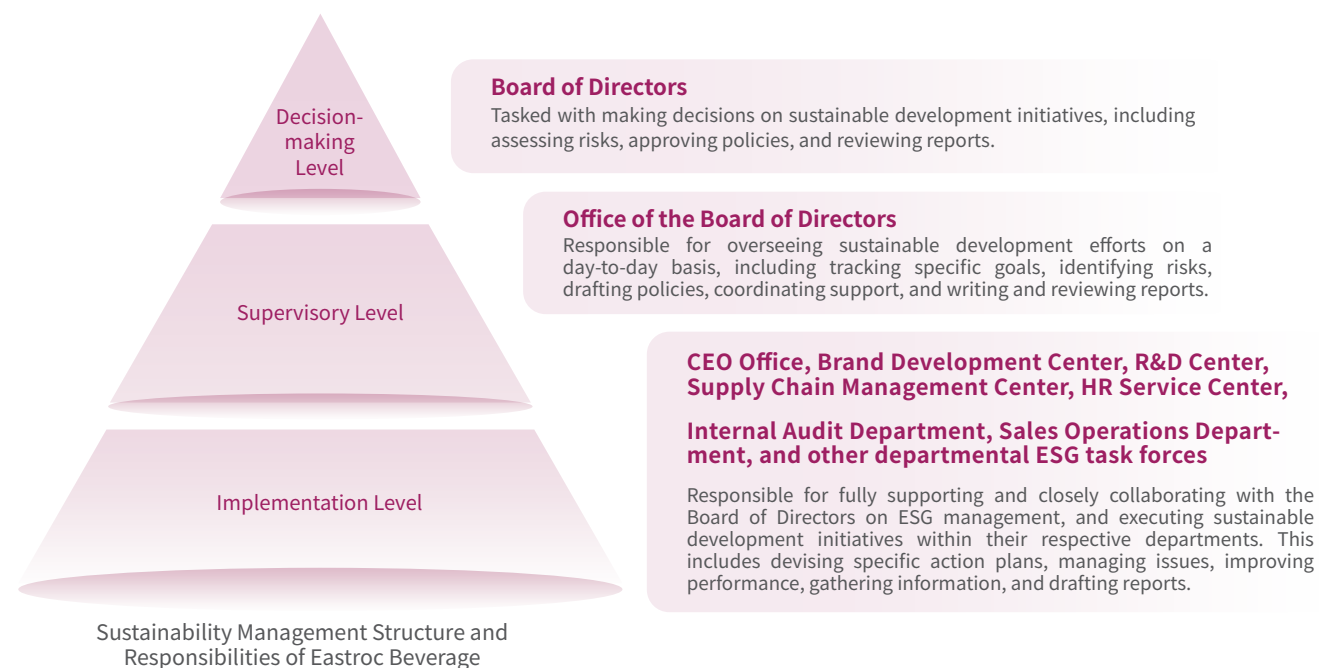
3,835.86RMB '0000

Sustainable Development Management

Sustainability Governance Framework

Governance Framework

The Company has established a clear and structured “Decision-making Layer - Supervisory Layer - Executive Layer” framework with clearly defined roles and responsibilities. The Board of Directors continues to strengthen its oversight and involvement in the Company’s sustainable development initiatives, actively integrating sustainability factors into the Company’s development strategy, major decisions, and production operations. As the decision-making body for sustainable development management, the Board of Directors reviews and supervises all sustainability-related matters that may impact the Company’s business or operations, as well as those that could affect the interests of shareholders and other stakeholders. Various specialized committees assist in carrying out relevant tasks, ensuring that sustainable development efforts are effectively aligned with the Company’s business growth. During the reporting period, the Company has actively engaged in sustainable development practices, continuously working on ESG planning and design to strengthen the governance layer’s comprehensive participation and responsibility in sustainable development efforts.



Sustainable Development Training

To further promote the Company’s sustainable development initiatives and enhance employees’ awareness and practical abilities regarding sustainability, Eastroc Beverage invited external experts to engage in discussions at the Company. These experts, considering the Company’s specific circumstances, explained key areas and improvement directions related to the Company’s sustainability work. This initiative brought fresh insights and inspiration, sparking a sense of responsibility and enthusiasm among employees for sustainable development. We fostered an awareness of actively participating in sustainable development actions, creating a positive atmosphere for driving sustainability within the organization, thereby infusing the Company’s sustainability efforts with strong momentum.

Sustainable Development Goals

Eastroc Beverage actively engages with the United Nations Sustainable Development Goals (SDGs), aligning our practices to promote sustainability and partnering with stakeholders to shape a sustainable future.








1 NO POVERTY

End poverty in all its forms everywhere by 2030.
Initiatives
Support underprivileged patients with complimentary medical care; consistently donate essential supplies for educational support and poverty alleviation over the past four years.

<div>2 ZERO HUNGER</div> <div>End hunger, achieve food security and improved nutrition and promote sustainable agriculture. Initiatives Donate rice and flour to families facing financial hardships for years.</div>	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>Build resilient infrastructure, promote sustainable industrialization and foster innovation. Initiatives Solidify the product R&D system and enhance research on product nutrition and health; engage in industry-academic collaborations to foster technological innovations in the sector.</div>
<div>3 GOOD HEALTH AND WELL-BEING</div> <div>Ensure healthy lives and promote well-being for all at all ages. Initiatives Promote a culture of quality awareness and emphasize food safety protocols; broaden channels for employee communication, ensuring staff welfare through charitable contributions; offer ongoing support for rural healthcare infrastructure.</div>	<div>10 REDUCED INEQUALITIES</div> <div>Reduce inequality within and among countries. Initiatives Respect employee differences and foster an equal, diverse, and inclusive work environment.</div>
<div>4 QUALITY EDUCATION</div> <div>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. Initiatives Initiate rural public welfare projects and support sports-related hardware and software development; utilize a digital learning platform to offer diverse skill development programs for employees.</div>	<div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>Make cities and human settlements inclusive, safe, resilient and sustainable. Initiatives Provide aid for major natural disasters and ensure 100% compliance in disposal of solid waste.</div>
<div>5 GENDER EQUALITY</div> <div>Achieve gender equality and empower all women and girls. Initiatives Ensure equal pay for equal work and offer several benefits for female employees.</div>	<div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>Ensure sustainable consumption and production patterns. Initiatives Adopt eco-friendly production materials and promote responsible production; practice a circular economy by improving sustainable packaging management and enhance the recycling of reusable materials.</div>
<div>6 CLEAN WATER AND SANITATION</div> <div>Ensure availability and sustainable management of water and sanitation for all. Initiatives Strengthen the management of water resources throughout their lifecycle and improving the proportion of recycled water usage.</div>	<div>13 CLIMATE ACTION</div> <div>Take urgent action to combat climate change and its impacts. Initiatives Develop energy-saving initiatives and increase the proportion of non-fossil energy use; promote low-carbon transportation.</div>
<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>Ensure access to affordable, reliable, sustainable and modern energy for all. Initiatives Develop and adopt energy-efficient technologies, and harness solar power generation.</div>	<div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div> <div>Promote peaceful and inclusive societies, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. Initiatives Strengthen compliance operations, establish a culture of integrity, and safeguard investor interests.</div>
<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Initiatives Expand recruitment channels and refine the employee compensation and benefits system.</div>	<div>17 PARTNERSHIPS FOR THE GOALS</div> <div>Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development. Initiatives Contribute to the development and revision of standards and organizing training programs for distributors.</div>

Communication with Stakeholders

The Company has established a regular communication mechanism to facilitate diverse forms of interaction. This helps to understand the expectations and feedback from stakeholders regarding ESG topics, enabling the identification of sustainable development risks and opportunities.

Stakeholders	Focus Topics	Practices of Communication
 Consumers	Safe and healthy products Excellent customer services	Quality-oriented strategy Product traceability system Product quality and safety culture Meet the diverse needs of consumers Communicate with consumers through multiple channels
 Shareholders and Investors	Safeguard the investors' interests and return on investment Compliance governance and stable operation Operational risks control Investor protection Innovative development and sustainable growth	Information disclosure in the form of annual reports, announcements, etc. Organize "Investor Reception Days" and other similar events to communicate with investors Product R&D and innovation
 Government and Regulatory Agencies	Leading industrial development Compliance with laws and regulations Lawful tax payment Business ethics	Compliant operation Pay taxes on time and in full Information disclosure Strengthen the anti-corruption mechanism
 Suppliers and Partners	Business ethics and integrity Promote sound development of the industrial chain Mutual benefit and common development Anti-corruption	Supplier access and management system Transparent procurement policy Green procurement Digital management
 Employees	Welfare and benefits Employee growth and development Occupational health and safety	Sound compensation and benefits Equal pay for equal work and lawful employment Promotion channels and vocational training Safety production management Employee care and culture building
 Community, Public & Media	Giving back to society Work on poverty alleviation initiatives and offer social support Public welfare and charity Media communication	Philanthropic initiatives Support medical and health services Empower sports education in rural areas Social rescue operations
 Environment	Reduce pollution Resource conservation Implement "carbon peaking and carbon neutrality" goals	Improve the energy management system Water recycling PV generation Promote low carbon and energy saving

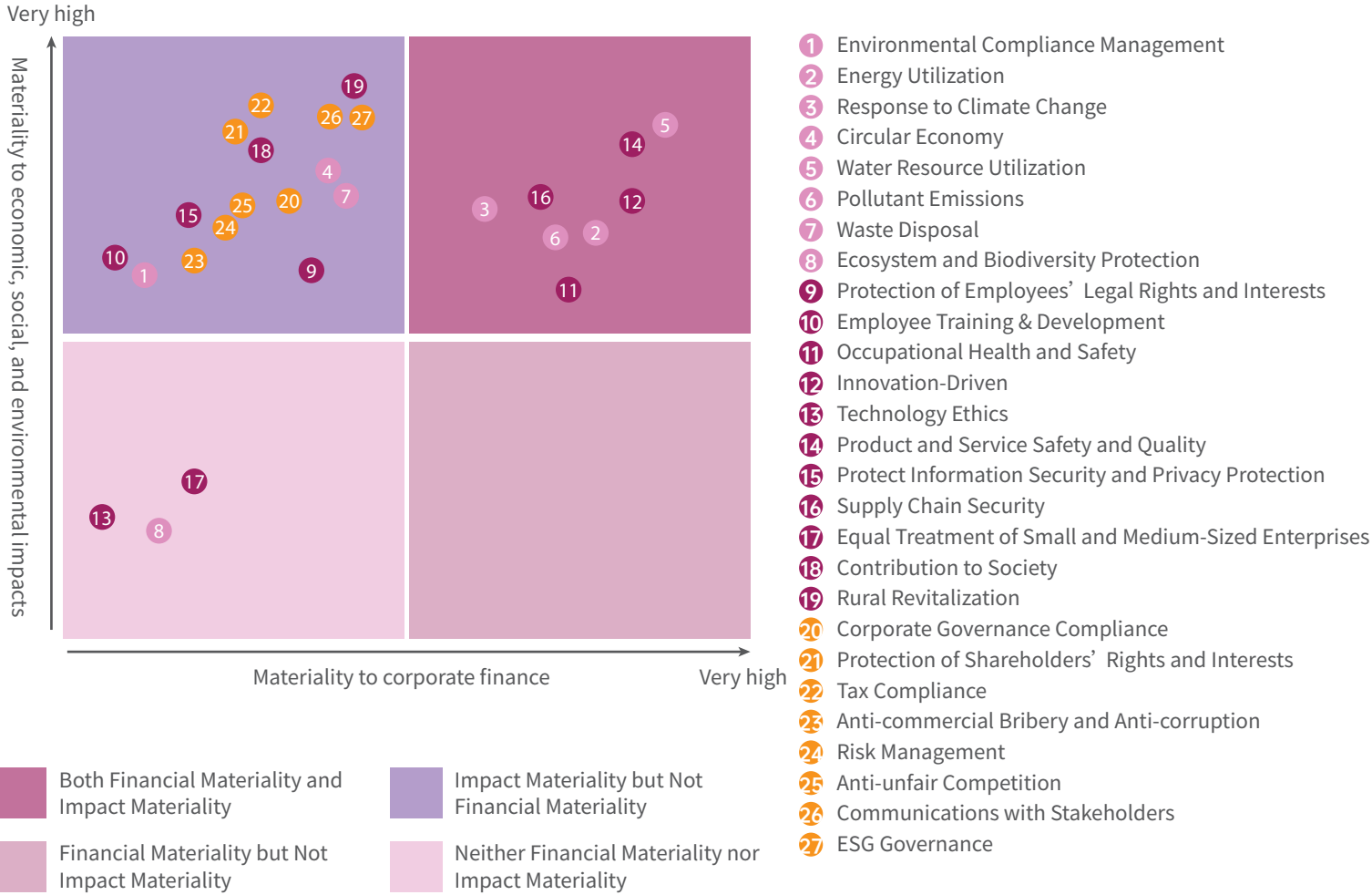
Management of Material Topics

Assessment Process and Methods

With reference to the *Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 - Sustainable Development Reports (Trial)* (hereinafter referred to as the *Guidelines*), and based on the characteristics of the industry and the business realities of the Company, we conducted a comprehensive assessment of the Company's performance on various relevant topics to see whether they will have a material impact (i.e., impact materiality) on the economic, social, and environmental aspects. We also evaluated whether each issue will have a material effect (i.e., financial materiality) on the business model, operations, development strategy, financial situation, cash flow, financing methods and costs, value chain of the Company. Through such materiality assessment, and with reference to the relevant requirements of the international mainstream sustainability reporting standards, the Company conducted the materiality assessment of the issues in the topic library. The specific implementation steps are as follows:

Assessment Process of Material Topics	Assessment Method
Step 1: Learn about company background	Analyze the background of the Company based on global macro trends, China's industry development trends, the industry in which the Company operates, and the Company's business model, and identify the Company's stakeholders and the impacts, risks, and opportunities the Company faces.
Step 2: Conduct preliminary topic screening	Using the 21 topics outlined in the <i>Guidelines</i> as a baseline, referencing GRI standards and industry practices, and aligning with the UN SDGs, Milkyway has established a 2024 ESG issue library comprising 27 issues.
Step 3: Assess the materiality of topics	<p>① Impact Materiality Assessment</p> <p>Efforts were made to identify the potential or actual positive or negative impacts of each issue on the external environment, society, and economy. A survey was conducted among stakeholders in the form of questionnaires, with 75 responses collected. Expert judgment was combined to assess issues with significant impact.</p> <p>② Financial Materiality Assessment</p> <p>Through the analysis of impacts, dependencies, and other factors, in combination with expert judgment and risk identification and evaluation lists from departments, risks and opportunities under each relevant issue were identified and assessed, and issues with financial materiality were identified.</p>
Step 4: Identify and approve material issues	An issue list was formed based on impact materiality and financial materiality, and efforts were made to ensure that the relevant issues are transparently, fairly, and comprehensively disclosed in the report.

Identification Results of Material Topics



Dimension	Topics	Materiality
E	Environmental Compliance Management	Impact Materiality
	Energy Utilization	Dual Materiality
	Pollutant Emissions	Dual Materiality
	Circular Economy	Impact Materiality
	Water Resource Utilization	Dual Materiality
	Waste Disposal	Impact Materiality
	Response to Climate Change	Dual Materiality
	Ecosystem and Biodiversity Protection	Neither Financial Materiality nor Impact Materiality
	Protection of Employees' Legal Rights and Interests	Impact Materiality
	Occupational Health and Safety	Dual Materiality
S	Employee Training & Development	Impact Materiality
	Innovation-driven	Dual Materiality
	Product and Service Safety and Quality	Dual Materiality
	Protect Information Security and Privacy Protection	Impact Materiality
	Technology Ethics	Neither Financial Materiality nor Impact Materiality
	Supply Chain Security	Dual Materiality
	Contribution to Society	Impact Materiality
	Equal Treatment of Small and Medium-Sized Enterprises	Neither Financial Materiality nor Impact Materiality
	Rural Revitalization	Impact Materiality
	Corporate Governance Compliance	Impact Materiality
G	Protection of Shareholders' Rights and Interests	Impact Materiality
	Tax Compliance	Impact Materiality
	Anti-commercial Bribery and Anti-corruption	Impact Materiality
	Risk Management	Impact Materiality
	Anti-unfair Competition	Impact Materiality
	Communications with Stakeholders	Impact Materiality
	ESG Governance	Impact Materiality

03

Defining Trust Through Integrity

Our Concept

The Company is committed to continuously refining its governance framework, actively promoting transparency, and expanding investor communication channels. By enhancing our governance standards, we achieve efficient management. We see compliance as the bedrock of our high-quality development, operating strictly within legal frameworks, strengthening internal control and supervision mechanisms, optimizing procedural and institutional processes, and fostering a culture of compliance across the organization. These efforts ensure the Company's stable and sustainable growth.

Our Actions

Implement standardized governance practices, strengthen the compliance system construction, enhance risk control measures, ensure transparency in information disclosure, protect shareholders rights, and uphold high business ethics.

Responded SDGs

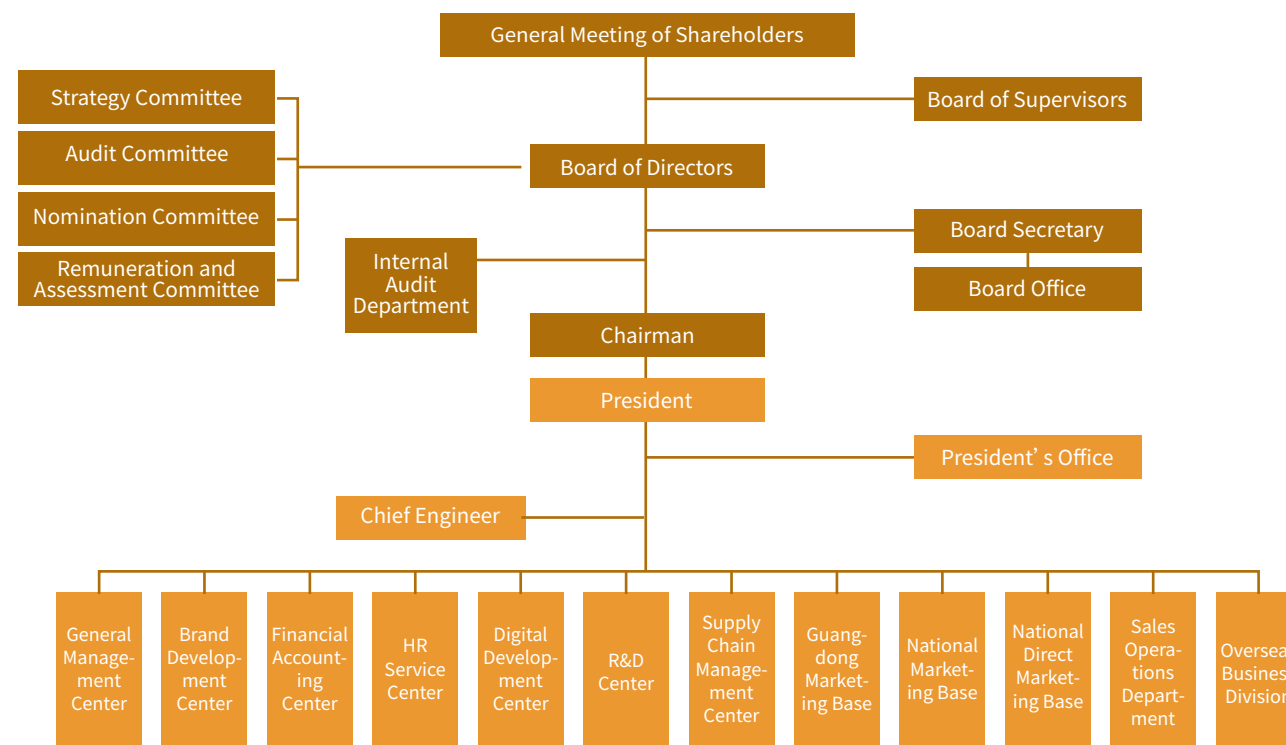


Standardization of Corporate Governance

Eastroc Beverage's excellent corporate governance is a core pillar and solid guarantee for its steady growth. The Company continually refines its governance structure, systematically develops internal control and management systems, and fully enhances the effectiveness of governance. These efforts ensure operational compliance and efficiency, laying a strong foundation for long-term and sustainable development.

Governance Framework

In accordance with the provisions of the *Company Law of the People's Republic of China* (the *Company Law*), the *Securities Law of the People's Republic of China* (the *Securities Laws*), *Governance Code for Listed Companies*, the *Rules Governing the Listing of Stocks on the Shanghai Stock Exchange* and other laws and regulations, the Company has established the *Articles of Association of Eastroc Beverage (Group) Co., Ltd.* (the *Articles of Association*) and such other internal management systems, as well as a governance framework comprising the General Meeting of Shareholders, the Board of Directors and the Board of Supervisors. Each entity operates according to the *Articles of Association*, with clearly defined responsibilities, and close collaboration. This scientific, standardized and efficient governance mechanism has been instrumental in improving management systems, advancing governance standards, and promoting continuous development during the reporting period.



Eastroc Beverage's Organizational Structure Diagram¹

¹Note:

1. In 2025, the Company's General Meeting of Shareholders was renamed to Shareholders' Meeting;
2. The Strategy Committee was renamed the Strategy and Sustainable Development Committee in March 2025;
3. The Board of Supervisors was abolished in April 2025, with its duties now exercised by the Audit Committee of the Board of Directors, as approved by the Shareholders' Meeting.

Governance through the General Meeting of Shareholders, Board of Directors, and Board of Supervisors

General Meeting of Shareholders

The General Meeting of Shareholders is the highest authority of the Company. In strict accordance with the *Company Law*, the Company's *Articles of Association*, and the *Rules of Procedure for General Meeting of Shareholders*, etc., we regulate the procedures for convening, holding and voting at General Meeting of Shareholders. This ensures that all shareholders, especially minority shareholders, can fully exercise their rights granted by laws, regulations, and the *Articles of Association*, thus effectively safeguarding their interests.

Board of Directors

The Board of Directors is the decision-making body of the Company and answers to the General Meeting of Shareholders. The Board of Directors performed its duties in accordance with the *Articles of Association* and *Rules of Procedure for the Board of Directors*, ensuring that the convening, holding, and voting procedures of board meetings met all required standards. The Board of Directors has established four specialized committees: Strategy Committee, Audit Committee, Nomination Committee, and Remuneration and Assessment Committee. Each committee strictly follows the Company's *Articles of Association* and their own Rules of Procedure to fulfill its duties, providing ample support for the professional and efficient decision-making of the Board. The minutes of each meeting of the Board of Directors are securely stored and the contents are authentic, accurate, and complete. The resolutions of the meetings are disclosed promptly and accurately.

Key Performance:

In 2024, we convened **4** sessions of General Meeting of Shareholders and deliberated **21** proposals.

Key Performance:

In 2024, the Company held **13** meetings of the Board of Directors and deliberated **62** proposals, with an attendance rate of **100.00%** by the board members.

The Company held **11** specialized committee meetings and deliberated **24** proposals;

The Strategy Committee held **1** meeting and deliberated **1** proposal;

The Audit Committee held **7** meetings and deliberated **18** proposals;

The Nomination Committee held **2** meetings and deliberated **3** proposals;

The Remuneration and Assessment Committee held **1** meeting and deliberated **2** proposals.

Board Diversity

The diverse socio-economic backgrounds of our directors contribute to varied perspectives in strategic planning, enhancing Board efficiency. We emphasize diversity in gender, culture and professional expertise on the Board. In 2024, women held three out of nine director positions, making up one-third of the board. Our directors bring extensive experience in marketing, finance, accounting, and law, equipping them with the requisite knowledge, skills and qualities to fulfill their roles effectively.

Board Independence

Our independent directors play a crucial role in overseeing major issues, offering professional advice, participating in Board decisions, and providing independent opinions, all of which ensure effective Board operations. In 2024, the Board comprised 9 members, including 3 independent directors, constituting 1/3 of the Board.

Board of Supervisors

Subject to the provisions of the Company’s *Articles of Association*, the Board of Supervisors is composed of three supervisors, one of whom is an employee representative, meeting legal and regulatory requirements in terms of number and composition. Supervisors are accountable to the General Meeting of Shareholders, monitoring the Company’s financial health and the legality of directors' and senior officers’ duties. This oversight safeguards the Company’s and shareholders’ legitimate interests. The procedures for convening, holding and voting at Board of Supervisors meetings adhere to the *Articles of Association* and the *Rules of Procedure for Board of Supervisors Meetings*.

Key Performance:

In 2024, the Company convened a total of 12 meetings of the Board of Supervisors and deliberated 36 proposals.

Management

As at the end of 2024, our senior management team comprised six members who are experts in management, finance, accounting, branding and marketing. This team, with its extensive industry background and operational expertise, enables the Company to seize market opportunities and manage operations efficiently.

Key Performance:

In 2024, the proportion of female executives in the management team was 16.67%.

Compensation Management

In line with the corporate governance standards for listed companies, the Company has developed a compensation and incentive plan for its directors, supervisors, and senior management. The compensation structure consists of a fixed salary and an annual performance bonus. The annual performance bonus is awarded based on the overall performance of the Board of Directors (such as the achievement of strategic goals and group profit margins), with a variable portion tied to performance. While the Company places emphasis on current performance and contributions, it also prioritizes incentives for future growth and long-term value creation, aligning the interests of senior management and core employees with the Company’s long-term objectives.

Legal and Compliant Operations

The Company adopts a compliance management model that meets the needs of its operational development, implementing various business activities and processes in accordance with legal requirements. By establishing a comprehensive and effective internal control system, the Company strengthens supervision, monitoring, and evaluation processes. Additionally, it continuously improves its internal monitoring mechanisms, conducts regular compliance training, and fosters a compliance-oriented culture throughout the organization, thus providing a strong foundation for steady operations and long-term growth.

Ensuring Governance Compliance

Compliance System

The Company continues to delve into the establishment of compliance system covering key business processes such as human resources, social responsibility, corporate culture, capital activities, funds raising and using management, procurement, asset management, sales, R&D, engineering projects, financial reporting information disclosure management and budget management, control management, and overseas businesses, etc.

Policies and Regulations

In compliance with the *Company Law*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Basic Standard for Enterprise Internal Control*, the *Guidelines on Internal Control of Listed Companies in Shanghai Stock Exchange* and other applicable guidelines, we continuously improve our rules and procedures, establishing the *Internal Control and Risk Management System* and its associated management processes.

Regulatory Departments

Internal Audit Department: oversee the Company's annual compliance audits and daily compliance investigations.
Legal Department: manage the legal aspects of compliance issues in coordination with other departments.

Internal Control System

The Company has established an Internal Audit Department with dedicated audit personnel who independently exercise their duties under the leadership of the Board’s Audit Committee. This department, functioning as an operational unit, supervises and inspects the Company's business activities and internal control processes based on the principles of preemptive, concurrent, and follow-up supervision, issuing special audit reports. The Company conducts daily and regular reviews, rectifications, and evaluations of its internal controls to ensure timely identification and effective remediation of operational risks and compliance deficiencies. This process helps minimize business operational risks.

In 2024, the Company bolstered its internal control and risk management system, undertaking 11 internal audit projects that identified 49 risks in business processes, and took corresponding to control and rectify these issues and risks, achieving a 100% rectification completion rate.

Compliance Training

To raise employees’ compliance awareness, the Company organized various compliance training sessions, including *Key Points of the Company Law*, *Labor Law and Regulations in Practice*, *Business Law and Investment Legal Training*, and *Marketing Civil Law Training*. These initiatives ensure that all employees strictly comply with relevant laws and regulations in their daily work, reduce operational risks, and improve the overall level of compliance management.

Key Performance:

In 2024, the Company conducted 4 sessions of legal and regulatory training, with a total of 207 participants and 18 hours of instruction.



Tax Management

The Company strictly adheres to relevant national laws and regulations, including the *Law of the People's Republic of China on the Administration of Tax Collection*, *Provisional Regulations on Value-Added Tax of the People's Republic of China*, and the *Law of the People's Republic of China on Enterprise Income Tax*. It has also established a *Tax Accounting and Payment Process*, continuously improving its tax management system. The Company rigorously follows tax processing procedures and actively fulfills its tax obligations. Additionally, it strengthens internal management, monitors policy changes, and continuously tracks tax burdens to prevent tax risks, ensuring compliance and the alignment of tax obligations with business development.



Management of Connected Transactions

To regulate the decision-making process for related-party transactions and prevent harm to the Company and non-related shareholders' interests, the Company complies with the *Company Law*, *Securities Law*, and other relevant regulations. It strictly enforces a related-party avoidance mechanism. Eastroc Beverage always adhere to the principles of fairness, impartiality, and openness in transactions with all related parties, ensuring that such related-party transactions do not harm the interests of the Company and shareholders thereof.

Safeguarding Investors' Rights and Interests

Eastroc Beverage continues to optimize its information disclosure mechanisms to ensure the timeliness, accuracy, and comprehensiveness of information transmission. The Company also continuously improves its investor relations management, enhancing decision-making transparency and taking practical actions to safeguard investors' legitimate rights and interests, working together to create long-term value.

Transparency in Information Disclosure

The Company rigorously adheres to information disclosure requirements, complying with relevant laws and regulations and its own *Information Disclosure Management System*. We fulfill our disclosure obligations through channels designated by the China Securities Regulatory Commission, ensuring that information is disclosed in a truthful, accurate, complete and prompt manner. By continuously enhancing the quality of information disclosures, we promote transparency, protect shareholders' rights to be informed, and ensure all shareholders receive timely and equitable access to information about the Company's affairs. During the reporting period, the Company was not subject to any regulatory criticism, condemnation, or penalties due to violations of information disclosure regulations.

Key Performance:

In 2024, the Company published **4** periodic reports and **100** interim announcements (including announcement numbers).

Investor Relations Management

We've significantly enhanced our investor relations management by employing a multifaceted communication strategy. Engaging with investors through phone hotlines, emails, the investor relations interaction platform, and the "Investor Relations" section on the Company website, as well as hosting earnings briefings, we aim to foster a deeper understanding and stronger recognition of the Company among our stakeholders.

Key Performance:

In 2024, the Company engaged in over **140** deep exchanges with investors through various methods, including performance briefings, research visits, participation in brokerage strategy meetings, roadshows, reverse roadshows, and conference calls. These interactions reached more than **1,000** domestic and international investment institutions. Additionally, the Company responded to **28** investor inquiries on the Shanghai Stock Exchange "SSE E-Interactive Platform".

Protection of Shareholders' Rights and Interests

In accordance with the *China Securities Regulatory Commission's Notice on Further Implementing Cash Dividends for Listed Companies*, No.3 *Guideline for the Supervision of Listed Companies - Cash Dividend Distribution of Listed Companies*, and the *Articles of Association*, the Company has developed the *Shareholders' Dividend Return Plan for the Next Three Years (2024-2026)*. While actively returning profits to shareholders, the Company balances its actual operational situation and sustainable development, further improving and enhancing its scientific, sustainable, and stable profit distribution policy.

On May 17, 2024, during Eastroc Beverage's 2023 Annual General Meeting, a resolution was passed to distribute the 2023 net profit among all shareholders, based on 400,010,000 ordinary shares. A cash dividend of RMB 25 (inclusive of tax) for every 10 shares was distributed, totaling RMB **1,000,025,000**.

Between May 27, 2021 and December 31, 2024, the Company executed five profit distributions, amounting to a cumulative payout of RMB **4,000,100,000** in cash dividends.

In 2025, the Company plans to distribute a cash dividend of RMB **1,300.0325** million for 2024.

Adherence to Business Ethics

Eastroc Beverage firmly regards the adherence to business ethics and the maintenance of integrity as the foundation for its sustainable growth. The Company consistently strengthens its anti-corruption and anti-fraud initiatives, embedding a culture of integrity into every aspect of daily management, operations, and external partnerships. This approach contributes to fostering a positive and sustainable business ecosystem.

Fostering a Culture of Integrity

The Company places paramount importance on conducting business with honesty and integrity, which it considers one of its core values. In support of this, it has established and continuously refines its anti-corruption framework. The Company has recently revised and strictly enforces key policies, including the *Employee Handbook*, *Disciplinary Action Management System*, *Family Member Conflict of Interest Management Policy*, and the *Eight Basic Codes of Conduct for Managers*. It strictly prohibits unethical behaviors such as embezzlement and commercial bribery; clearly outlines the code of conduct for employees and a comprehensive set of internal regulations; regularly engage key employees in integrity discussions, have them sign the *Integrity Commitment*, and hold procurement personnel to integrity pledges to reinforce behavior standards and awareness. Moreover, we issued a the *Notice on Regulating Gift Management* to remind employees to refuse gifts and cash from stakeholders.

We actively promote integrity and compliance throughout the Company, organizing regular anti-corruption training session, and we also hold activities to report and address fraud incidents. Key employees across all functional centers, marketing bases and production bases participate in integrity discussions to continuously enhance overall integrity awareness and foster a culture of honesty.

Anti-Commercial Bribery and Anti-Corruption Training

Directors, Supervisors and Senior Management

An online course titled *Internal Audit Knowledge and Practice* has been specially recorded to facilitate learning for directors and senior management.

Employees

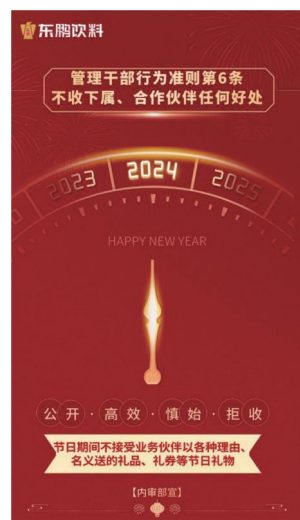
Specialized training on anti-commercial bribery and anti-corruption is conducted during the annual review and distributor conferences, with an emphasis on fostering a clean and honest work ethic.

Suppliers

A supplier conference is held every two years, where on-site advocacy and pledging are used to jointly create a healthy and positive business environment with suppliers.

All Staff

Every year, during major holidays, a company-wide notice is issued to employees, prohibiting the acceptance of benefits from partners. Additionally, the statement "not accepting any gifts from subordinates or business partners" is incorporated into the code of conduct for management personnel.



Integrity Promotion



Integrity Pledge of Procurement Team

Anti-Fraud System Development

The Company is steadfast in promoting fair competition and upholding integrity and abides by proper business ethics to establish and enhance our anti-fraud framework. Sticking to the principle of "Transparency, Integrity and Zero Tolerance for Fraud", we continuously fortify our internal oversight system with a comprehensive *Measures for Management of Complaint and Whistle-Blowing* to ensure our business operations remain fair, just and transparent. We have established dedicated channels for reporting, encouraging both internal and external stakeholders to report any suspected illegal, unethical or improper conduct. Whistleblowers may be kept confidential for their information and rewarded based on the nature of their reports.

New employees sign commitment letters related to integrity, anti-corruption, non-compete clauses, related-party transactions, and confidentiality at the time of joining.

The Internal Audit Department is responsible for auditing various compliance matters and collaborates with relevant departments to investigate and handle reported incidents. Public reporting channels include email and telephone, and internal employees can also report violations of integrity standards or fraudulent activities via the corporate WeChat platform. Furthermore, we have a whistleblower protection mechanism in place to ensure the confidentiality of the whistleblower's identity. Anyone found leaking information related to a report will face strict consequences, and any acts of retaliation against whistleblowers will be pursued rigorously.

Reporting phone number

18902333215, 18666660142

Reporting Email Address

neishenbu@szeastroc.com

Address of the reporting letter

Internal Audit Department, Eastroc Beverage (Group) Co, Ltd., Mingliang High-tech Park, 142 North Zhuguang Road, Taoyuan Subdistrict, Nanshan District, Shenzhen, Guangdong Province

Anti-Fraud Due Diligence

The Company controls procurement and sales risks through the risk management system and improves management of anti-fraud compliance associated with procurement and sales. In 2024, the Company performed thorough due diligence on distributors and suppliers, swiftly addressing any identified risks and issues with targeted recommendations, and conducted regular on-site visits for key partners to ensure compliance and integrity. Our contracts with external partners incorporate anti-corruption clauses, and we mandate the signing of a *Commercial Cooperation Integrity Agreement* and an *Audit Commitment* to protect mutual interests and deter fraudulent activities. We actively promote anti-fraud principles during our annual supplier and distributor conferences, reinforcing compliance awareness and fostering trustworthy business relationships. Partners found in violation of the *Integrity Agreement* will face consequences proportionate to the breach's severity, including potential termination of the partnership and further accountability measures.



04

Interpreting Green Development through Action

Our Concept

Eastroc Beverage puts green development into practice through tangible actions, strengthens ecological civilization construction, addresses climate change, enhances environmental protection systems, and focuses on pollution control and resource efficiency, ensuring the harmonious coexistence of the enterprise and nature.

Our Actions

Response to climate change, improving environmental management systems, pollution control, strengthening energy and water resource utilization, and promoting circular economy development.

Responded SDGs



Response to Climate Change

As global warming intensifies and extreme weather events become more frequent, addressing climate change has become a critical issue for businesses. Eastroc Beverage actively responds to the opportunities and challenges climate change may bring to the Company, aligns with the national “Dual Carbon” goals, and continues to explore climate action plans.

Governance

Eastroc Beverage actively responds to national policies by establishing and improving climate risk management mechanisms and systems, ensuring that all departments fully perform their functions and collaborate to drive climate change-related work.

Strategy

In accordance with the recommendations of the Task Force on Climate Related Financial Disclosure (TCFD), Eastroc Beverage evaluates the risks and opportunities related to climate change and takes effective measures to address the impacts of climate change on the Company's business operations and sustainable development.

Type of Risk/Opportunity	Description of Risk/Opportunity	Likelihood of occurrence ²	Impact Duration ³	Expected Financial Impact	Countermeasures
Physical Risks	Acute Risks Extreme weather events such as low temperatures, snow, heavy rain, and typhoons may cause damage to infrastructure such as factories, warehouses, and transportation systems.	Medium	Short and Medium Term	Factory production and raw material supply may be affected, leading to production or service interruptions, rising costs, and reduced revenues.	1. Establish a sound emergency management mechanism and develop emergency plans; 2. Strengthen and protect key equipment through reinforcement and protective measures; 3. Stay informed about the supply of raw materials and establish a supply chain risk management mechanism.
	Chronic Risks Global warming caused by climate change leads to rising sea levels, triggering natural disasters such as high temperatures and droughts, which affect the Company's production and operations.	Low	Medium and Long Term	This impacts factory production efficiency, resulting in a decrease in revenue.	1. Develop emergency response plans for high temperatures, and monitor temperature and humidity in real time; 2. Establish and improve cold chain logistics to ensure the stability of the supply chain.
Transition Risks	Policy Risks Climate-related disclosure requirements are becoming increasingly stringent, with growing demands for the timeliness, accuracy, and transparency of climate-related information.	High	Short, Medium and Long Term	Increase compliance and operational costs.	1. Stay updated and strictly comply with relevant laws and regulations; 2. Continuously monitor disclosure requirements for greenhouse gas emissions from regulatory bodies, investment institutions and other organizations, and strengthen climate change-related information disclosure.
	Technology Risks With the ongoing implementation of national “dual carbon” policies, the industry chain is transitioning to low-emission technologies, facing the risk of underdeveloped emission reduction technologies.	High	Short, Medium and Long Term	The costs for carbon-reduction equipment and low-emission technology transformation continue to rise.	Remain committed to advancing technological innovation, actively collaborate with research institutions, and enhance the research and application of carbon reduction technologies.
	Market Risks Consumer demand is changing to green and low-carbon, and competition in the market is intensifying.	High	Short, Medium and Long Term	Failure to introduce green products in a timely manner may lead to a loss of market share.	1. Strengthen the development of green and low-carbon products, focusing on product packaging; 2. Focus on consumer demand, developing environmentally friendly products.

²Likelihood of occurrence refers to the frequency or probability of a risk/opportunity occurring, primarily based on historical occurrence probability, external scenarios, progress in policy implementation, and expert predictions. The likelihood of occurrence ranges from “low” to “high”.

³The Impact Duration refers to the different periods when different climate-related risks and opportunities will affect the Company. The Company categorizes the impact duration into short-term (0-1 year), medium-term (1-5 years), and long-term (over 5 years).

☆ Impact, Risk and Opportunity Management

Eastroc Beverage actively engages in climate change mitigation, continuously improving its climate risk management processes. It identifies and assesses the risks and opportunities posed by climate change, referencing both domestic and international climate policy standards, and formulates scientific climate change response plans.

Climate Change Risk Management Process

Risk Identification

With reference to the TCFD's proposed disclosure framework, the Company adheres to current national laws, regulations, and policy requirements. It monitors global trends in sustainable development, fully considers its operational realities, and identifies the risks and opportunities the Company faces in addressing climate change.

Risk Assessment

Based on risk identification, the Company evaluates the likelihood, impact duration, and potential major financial impacts of climate change risks and opportunities.

Risk Response

The Company takes risk response measures to reduce or eliminate the adverse impacts of climate change risks on the Company's operations and financial health.

🕒 Indicators and Goals

Eastroc Beverage upholds the concept of green development and sets relevant goals to better evaluate the implementation of climate change mitigation efforts.

Indicator	Goals	Achievement
GHG Emission Intensity	By 2030, the Company aims for a 15%-20% reduction compared to 2024.	In progress

🌱 Management of Carbon Emission

Since the second half of 2022, the Company has actively responded to the national "Dual Carbon" strategy. Through initiatives such as PV power generation, technological transformation, and green office practices, the Company has been actively engaged in reducing GHG emissions and practicing green, low-carbon development principles. As of 2024, the Company has implemented PV power generation at eight production bases, namely Zeng Peng Plant, Hua Peng Plant, Hai Peng Plant, Qing Peng Plant, Gui Peng Plant, Zhe Peng Plant, Hui Peng Plant, and Xiang Peng Plant.

📊 Key Performance:

During the reporting period, the total PV power generation at the Company's eight production bases amounted to **24,957.6** MWh, resulting in a reduction of **20,490.19** tons of CO₂ equivalent GHG emissions. The GHG emission per unit of production was **0.04** tons of CO₂ equivalent per ton of product, representing a **9.59%** decrease compared to 2023.

Indicator	Unit	2022	2023	2024
Greenhouse Gas Emissions (Scope 1)	tCO ₂ e	41,531.54	46,674.09	60,322.47
Greenhouse Gas Emissions (Scope 2)	tCO ₂ e	71,016.22	93,291.98	121,480.79
Total GHG Emissions (Scopes 1 and 2)	tCO ₂ e	112,547.76	139,966.07	181,803.26

Environmental Compliance Management

Eastroc Beverage has always adhered to the principles of respecting nature and protecting the environment, deeply integrating low-carbon and environmental awareness into every aspect of its operations, and actively putting these principles into action.

Environmental Management

🏢 Governance

The Company strictly complies with national environmental laws and regulations as well as the requirements of its operating locations. It insists on transparent environmental information disclosure, leveraging external supervision to enhance internal environmental protection. It has established a Health, Safety, and Environment (HSE) management system, enabling comprehensive management of water resources, energy and waste discharge, thereby enhancing our overall environmental performance. At the same time, with the guidance of internal systems such as the *Environmental Factors Identification and Control Procedure*, the Company directs its subsidiary factories to develop practical environmental protection management systems and emergency response plans, ensuring coordinated environmental efforts across the Company.

The Company actively promotes clean production and has established a Clean Production Management Leadership Team, headed by the General Manager, with the Deputy General Manager of the Production Department as the deputy leader. It prioritizes the use of clean production technologies, processes, and equipment that are resource-efficient and generate minimal pollution, and gives rewards to employees who demonstrate outstanding performance in energy conservation, pollution elimination, and cleanliness.

Environmental Laws and Regulations	Internal Environmental Management Systems
<i>Environmental Protection Law of the People's Republic of China</i>	<i>Environmental Factors Identification and Control Procedure</i>
<i>Law of the People's Republic of China on Environmental Impact Assessments</i>	<i>Emergency Preparedness and Response Control Procedure</i>
<i>Water Law of the People's Republic of China</i>	<i>Environmental Impact Monitoring and Control Procedure</i>
<i>Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution</i>	<i>Compliance Evaluation Procedure</i>
<i>Law of the People's Republic of China on the Prevention and Control of Water Pollution</i>	<i>Waste Chemicals Management Procedure</i>
<i>Law of the People's Republic of China on the Prevention and Control of Noise Pollution</i>	<i>Operation and Maintenance Specifications for Sewage Treatment Facilities</i>
<i>Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Wastes</i>	<i>Operation and Maintenance Specifications for Waste Gases Treatment Facilities</i>
<i>Regulations on the Administration of Construction Project Environmental Protection</i>	<i>Environmental and Occupational Health and Safety Inspection System</i>
<i>Regulations on the Administration of Environmental Protection Acceptance of Completed Construction Projects</i>	

During the reporting period, the Company did not experience any significant environmental accidents or violations of laws and regulations concerning environmental protection. Among the Company's subsidiaries: The Gui Peng Plant, Guan Peng Plant, Zeng Peng Plant, Hui Peng Plant and Hua Peng Plant have all been certified as water-saving enterprises; Qing Peng Plant, Hui Peng Plant, Guan Peng Plant, Zeng Peng Plant, and Hua Peng Plant successfully obtained ISO 14001 Environmental Management System certification.



Qing Peng Plant Environmental Management System Certificate



Hui Peng Plant Environmental Management System Certificate



Hua Peng Plant Environmental Management System Certificate



Zeng Peng Plant Environmental Management System Certificate



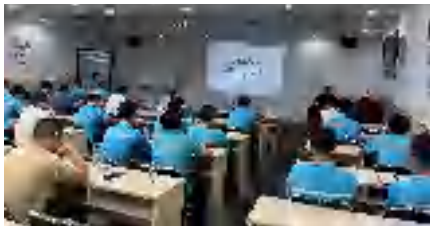
Guan Peng Plant Environmental Management System Certificate

Key Performance:

In 2024, the Company invested RMB 21.5341 million in environmental protection initiatives.

Eastroc Beverage carried out specialized training on ISO 14001 Environmental Management System standard

In 2024, Eastroc Beverage deepened its environmental management system construction by organizing specialized training on the ISO 14001 EMS standard. Employees significantly enhanced their awareness of environmental responsibilities and risk control abilities through systematic learning of international standards, environmental factor identification, and compliance management practices.



Specialized Training on ISO 14001 Environmental Management System Standard

Case

Key Performance:

In 2024, the Company organized a total of 30 environmental protection training sessions, with 180 participants and a total of 206 hours of training.

Strategy

Eastroc Beverage has consistently prioritized environmental management and pollutant control as key focus areas. It actively identifies and assesses environmental impacts related to production and operations, taking timely improvement measures to continuously enhance environmental performance.

Type of Risk/Opportunity	Description of Risk/Opportunity	Likelihood of Occurrence	Impact Duration	Expected Financial Impact	Countermeasures	
Risks	Policy Risks	Upgrades to environmental regulations (such as stricter carbon emission and wastewater discharge standards) have led to increased compliance costs or potential fines.	High	Short and Medium Term	Increase in operational costs.	1. Regularly monitor policy developments; 2. Invest in wastewater treatment and carbon reduction technologies in advance; 3. Apply for green certifications to secure policy subsidies.
	Reputation Risks	Pollution leaks or environmental violations may lead to negative public opinion, resulting in damage to brand image and a decrease in market share.	Low	Short, Medium and Long Term	Consumer loss leading to revenue decrease and increased public relations costs.	1. Establish an environmental incident emergency mechanism; 2. Strengthen transparent communication with communities and environmental organizations.
Opportunities	Resource Efficiency	Optimize production processes to reduce water and energy consumption, minimize resource waste, and lower long-term costs; improve resource utilization efficiency and reduce resource wastage through waste classification, recycling, and reuse.	High	Long Term	Reduced operating costs.	1. Optimize production processes by introducing advanced technologies and equipment to improve resource utilization; 2. Enhance waste resource utilization, uncover potential in each process, and achieve efficient resource allocation and benefit conversion.

Impact, Risk and Opportunity Management

(1) Management of Environmental Risks

Eastroc Beverage places great emphasis on environmental risk management. The Company regularly conducts internal environmental inspections, commissions third-party agencies for testing, and participates in environmental inspections by external regulatory bodies to identify and assess environmental factors, developing corresponding risk control measures for effective environmental risk management.

(2) Emergency Plan

The Company complies with national environmental protection laws, including the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, and the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*. It has formulated an *Emergency Response Plan for Environmental Emergencies*, establishing a robust emergency system to ensure rapid responses in the event of sudden environmental incidents, avoiding and minimizing environmental damage and harm arising from such incidents.

(3) Identification of Hidden Hazards

To continuously strengthen environmental management, Eastroc Beverage strictly implements environmental protection responsibilities. Each production base conducts at least one specialized environmental inspection per month to thoroughly check for environmental hazards, ensuring that production operations meet environmental standards and promoting green sustainable development.

Indicators and Goals

Eastroc Beverage strictly adheres to the environmental management system standards and sets annual environmental protection goals. It closely monitors the discharge indicators for various pollutants and waste materials, driving environmental management optimization through data, and demonstrating its steadfast commitment and responsibility in the path of green development.

Indicator	Goals	Achievement
Safe Disposal Rate of Solid Waste and Hazardous Waste	100%	Achieved
Air Pollutants and Water Pollutants Discharge Compliance Rate	100%	Achieved

Pollutant Control

The Company places great emphasis on environmental protection and pollution prevention, and has established management systems for wastewater discharge and gas emissions. Each production base carefully considers the protection of the surrounding environment during the design phase. All bases strive to minimize their impact on the environment during construction, strictly adhering to environmental impact assessment (EIA) requirements. The design, construction, and installation of corresponding environmental protection and treatment equipment are carried out according to these standards, and projects undergo rigorous commissioning and acceptance testing upon completion, including monitoring. In 2024, the construction project of Zeng Peng Plant passed environmental acceptance and obtained a pollutant discharge permit. The Company also conducts self-monitoring in accordance with regulations, ensuring that pollutant emissions met the required standards in 2024.

Indicator	Unit	2022	2023	2024
Conforming Rate Observed in Pollutant Monitoring	%	100	100	100
Synchronized Operation Rate of Environmental Facilities	%	100	100	100
Compliance Rate of "Three Simultaneities" in Environmental Protection for Construction Projects	%	100	100	100

The Zengcheng production base is a key pollutant discharge unit. The main pollutants discharged in the beverage production process include wastewater, waste gas emissions, and noise. After treatment by environmental protection facilities, the emissions meet the standards. The wholly-owned subsidiaries Guan Peng Plant, Hua Peng Plant, Gui Peng Plant, Hui Peng Plant, Qing Peng Plant, Zhe Peng Plant, and Xiang Peng Plant are non-key pollutant discharge units. Their primary business is beverage production. Among these, Hui Peng mainly discharges wastewater and noise, while other subsidiaries primarily discharge wastewater, air emissions, and noise. These emissions are treated by environmental protection facilities, ensuring compliance with standards.

Zeng Peng Wastewater Treatment Plant uses a "first-stage flotation + A/O + MBR membrane filtration" process. The wastewater treatment facilities operate continuously and stably. In June 2024, Zeng Peng Plant initiated a pilot project for industrial wastewater discharge into the municipal sewage network, allowing the wastewater to be processed by a central city water treatment plant. Zengpeng Boiler uses natural gas as a clean energy source for its boiler. The flue gas is collected through a chimney and discharged at a high altitude, with sulfur dioxide and Nitrogen oxide emissions consistently meeting the required standards. To address noise, Zeng Peng Plant employs soundproofing measures such as sound barriers and landscaping to reduce noise levels. In addition, since 2018, Zeng Peng Plant has entrusted a qualified third-party environmental monitoring agency to conduct quarterly testing of wastewater, waste gas, and noise emissions. All pollutant emissions are consistently within the legal limits.

Wastewater Treatment Equipment Upgrade

Case

In 2024, the Company upgraded the primary wastewater treatment equipment, replacing the screw-type blower with an air suspension blower. This upgrade significantly enhanced energy efficiency while greatly reducing operational noise.



Air Suspension Blower

Waste Disposal

The Company strictly adheres to relevant laws and regulations, including the *Standard for Pollution Control on the Non-Hazardous Industrial Solid Waste Storage and Landfill* (GB18599-2001) and its amendments, as well as the *Standard for Pollution Control on Hazardous Waste Storage* (GB18597-2001) and its amendments, to ensure compliance in the treatment, storage, and transfer of solid waste. By establishing comprehensive tracking systems, real-time recording, and waste disposal monitoring, the Company ensures 100% compliance with waste disposal regulations.

General Solid Waste: Waste Sorting

We rigorously enforce waste sorting management by setting up dedicated waste sorting stations at each production base, ensuring proper collection, scheduled transfer and responsible disposal of solid waste.

For materials with recyclable value, such as cardboards and packaging films, we centralize recycling efforts to maximize resource utilization and minimize waste production.

Hazardous Solid Waste: Establishing Regulations like the *Hazardous Waste Management System*

Hazardous waste generated at our production bases is carefully categorized and stored in compliance with hazardous waste management requirements, with warehouse staff maintaining detailed entry logs for storage.

All hazardous waste is entrusted to companies possessing qualifications for both hazardous waste treatment and transportation.

Our production bases actively optimize waste generation processes, striving to reduce the generation of hazardous waste.

Key Performance:

In 2024, we achieved full (100%) compliance in the disposal of both general and hazardous waste.

Resource Management

The Company deeply integrates the concept of a circular economy into its operations. It implements energy-saving transformations, strengthens water resource management, promotes sustainable packaging, and encourages green low-carbon office practices to reduce the total resource usage in its operations, contributing to the creation of a resource-saving, environmentally-friendly society.

Resource Management System

Governance

Eastroc Beverage strictly follows the *Energy Conservation Law of the People's Republic of China*, the *Water Law of the People's Republic of China*, and other relevant laws and regulations. It has developed systems such as the *Clean Production Management Procedure*, enforcing strict control over resource consumption, improving resource utilization efficiency, and promoting sustainable economic and social development. As a major energy-consuming unit, the Company has taken the lead in forming an Energy Management Leading Group to oversee our energy management initiatives. We have established a robust energy management framework and deployed an energy consumption tracking system. Furthermore, we have embarked on a range of comprehensive energy efficiency improvement projects to ensure tangible results; at each production base, the water consumption is managed by the Company's Equipment Division.

Strategy

The Company places a high priority on resource management, conducting regular identification and assessment of energy and water resource risks and opportunities. This work provides a solid foundation for developing accurate and effective strategies, helping the Company steadily advance along the path of sustainable development.

Energy Utilization Risks and Opportunities						
Type of Risk/Opportunity		Description of Risk/Opportunity	Likelihood of Occurrence	Impact Duration	Expected Financial Impact	Countermeasures
Risks	Energy Price Volatility	Fluctuation of energy prices, such as increases in electricity and natural gas prices, could lead to rising production costs, increasing energy expenses in the Company's production processes.	Medium	Short and Medium Term	Cost increase.	<div>1. Enter into long-term cooperation agreements with energy suppliers;</div> <div>2. Optimize production processes to improve energy efficiency and reduce energy consumption per unit of product.</div>
Opportunities	Technical Opportunities	The continuous development of new energy technologies and energy-saving technologies provides opportunities to reduce energy costs and improve energy efficiency.	High	Short, Medium and Long Term	Lower costs and increased profit margins.	<div>1. Actively explore and apply new energy technologies and energy-saving measures;</div> <div>2. Monitor industry innovations in energy technologies and promptly adopt mature and advanced technologies;</div> <div>3. Continue to advance the construction of PV systems.</div>

Water Resource Utilization Risks and Opportunities						
Type of Risk/Opportunity		Description of Risk/Opportunity	Likelihood of Occurrence	Impact Duration	Expected Financial Impact	Countermeasures
Risks	Shortage of Water Resource	The production of food and beverage companies relies heavily on high-quality water resources. If the region where the Company operates faces water resource shortage, or experiences droughts or changes in water distribution policies, there could be insufficient water supply, impacting normal production.	Low	Short Term	Cost increase.	Strengthen the management of water resources across their entire lifecycle, improve water utilization efficiency, and reduce water consumption per unit of product.
Opportunities	Market Opportunities	Growing consumer awareness on environmental protection and sustainability as consumer attention to environmental protection and sustainability increases, the Company's green initiatives in water usage, such as water conservation and wastewater recycling, can help enhance brand image and attract more consumers.	High	Short, Medium and Long Term	Increased market share and higher revenues.	Use advertising and social media channels to convey the Company's green initiatives and philosophy to consumers.

Impact, Risk and Opportunity Management

The Company actively collects information related to energy supply, demand, water quantity, and water quality, identifying potential sources of risk and assessing the likelihood, impact duration, and expected financial consequences of these risks. Based on this, the Company develops corresponding strategies for each type of risk. The Company has established an energy and water resource monitoring network, regularly collecting and analyzing monitoring data. When risks change, it promptly adjusts its risk response strategies.

Indicators and Goals

Based on the actual situation, the Company sets reasonable energy-saving and water-saving targets, improving energy and water resource utilization efficiency, reducing waste, and ensuring that limited resources can create more value.

Indicator	Goals	Achievement
Water Consumption Intensity	Reduce water consumption intensity by 5%-10% by 2030 compared to 2024.	In progress

Energy Utilization

The Company has taken a series of energy-saving and consumption-reduction measures at each base, leading to a decrease in energy consumption per ton of product. Compared with 2023, in 2024, the electricity consumption per ton of product decreased from 58.40 kWh in 2023 to 58.13 kWh, a reduction of 0.46%, saving approximately 8.8913 million kWh. The natural gas consumption per ton of product decreased from 7.46 m³ in 2023 to 6.71 m³, a reduction of 10.05%, saving approximately 3.2296 million m³ of natural gas, effectively reducing carbon emissions.

Implementation of Energy-Saving Technological Reform

Energy-Saving and Consumption-Reduction Project of Eastroc Beverage	
Project Name	Processes Applied
Energy Efficiency Improvement	<ul style="list-style-type: none">Streamlining the blow nozzle of the production line drying machine to minimize compressed air usage.Introducing a heat recovery project for low-pressure air compressors to decrease steam usage and boost steam efficiency.Elevating boiler gas supply pressure to minimize heat loss during steam transmission and enhance natural gas utilization.Using heat recovery from cooling tower water to increase the inlet temperature of raw water, reducing the need for steam.
Building Energy Efficiency	<ul style="list-style-type: none">The building orientation, plane shape, spatial layout, appearance, and size, spacing, floor height choice of energy-efficient construction materials, insulation of external maintenance structure, etc. are determined in a way that is scientific, appropriate, and conducive to energy-saving construction and maintenance and minimizing the energy consumption of buildings.
Process Upgrade and Optimization	<ul style="list-style-type: none">The medium-temperature wet process line has been upgraded to an ambient-temperature, aseptic dry process line. This enhancement switches the bottle sterilization method from using liquid peracetic acid and aseptic water rinsing in the wet process line to gaseous hydrogen peroxide. As a result, it significantly cuts down on the usage of aseptic water and the steam needed to heat it.The CIP cleaning process during batch production has been optimized from the original 5-step method to a 3-step method, which reduces the use of RO water and the steam required to heat the RO water.The packaging method for the production line was changed from line spraying to point spraying, reducing the use of hot melt adhesive.

Indicator	Unit	2022	2023	2024
Purchased Electricity Consumption	MWh	128,153.60	158,762.69	216,586.30
Purchased Steam Consumption	Ton	61,214	87,347	143,184
Natural Gas Consumption	10,000 m³	1,920.81	2,158.65	2,789.88
Electricity Consumption Per Unit Output	KWh/t (product)	64.79	58.40	58.13
Decrease of Natural Gas Consumption Per Unit Output	m³/t (product)	11.82	7.46	6.71

Promotion of Low-Carbon Transportation

Eastroc Beverage actively promotes green logistics by optimizing the use of palletized transportation, increasing transport efficiency, and reducing carbon emissions. The Company also continuously improves delivery routes and vehicle scheduling to reduce fuel consumption and exhaust emissions.

In addition, the Company has built a green intelligent warehouse to improve warehouse operation efficiency, achieving efficient collaboration between warehouse and transportation processes. This reduces the time goods spend in the transition between storage and transport, minimizing energy waste and further lowering the overall carbon emissions of the supply chain.

Green Warehousing	<ul style="list-style-type: none">We are advancing our warehousing operations through the deployment of smart warehouse infrastructure, the utilization of push-pull forklifts, and the implementation of full-board loading with pallet transportation to boost operational efficiency.We optimize lighting usage and adopt high-efficiency ventilation systems for substantial energy savings.We’ve upgraded forklift batteries from lead-acid to lithium and switched from rubber tires to eco-friendly alternatives to reduce pollution.We’ve introduced a shared pallet model for inventory management, harnessing the power of the sharing economy to drive sustainable logistics.
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Water Resource Utilization

As a water-intensive industry, the effective management of water resources is critical to the sustainable development of the food and beverage sector. The Company strengthens the management of water resources across the entire lifecycle from source acquisition and production use to wastewater treatment and reuse. This helps reduce dependence on external water resources, reduce environmental footprint, enhance competitiveness, and align with increasingly stringent environmental regulations and societal expectations.

During the reporting period, the Company implemented multiple water resource management measures, including technological improvements to reduce water usage in production and minimize wastewater generation. These measures resulted in a 7.45% reduction in water consumption per ton of product, decreasing from 2.55 tons to 2.36 tons, saving approximately 119,600 tons of water.

Water Resource Full Lifecycle Management of Eastroc Beverage	
Process	Measures
Source Acquisition	The Haifeng Water Plant closely monitors local water usage and water withdrawal policies, water quantity, water quality, and other factors to regulate the management and utilization of water sources, strengthening the protection of water sources.
Production Use	The Company adopts water-saving technologies and equipment, optimizes production processes, and reduces water waste.
Wastewater Treatment and Reuse	The Company enhances the recycling of wastewater, with treated water being used for landscaping within its campus.

Water-Saving Technologies of Eastroc Beverage	
Processes Applied	Water-Saving Benefits
For the medium-temperature wet process line, improvements were made to reduce the aseptic water pressure for bottle rinsing and consequently reduce the flow rate of nozzles. Simultaneously, the number of rinsing nozzles was reduced, and compliance with residual peracetic acid validation was confirmed.	After the upgrades, each production line can now cut its aseptic water usage by 2.1 tons per day.
The medium-temperature wet process line has been upgraded to an ambient-temperature, aseptic dry process line. This enhancement switches the bottle sterilization method from using liquid peracetic acid and aseptic water rinsing in the wet process line to gaseous hydrogen peroxide.	This has led to a reduction in the volume of aseptic water used.
The product conveying chain at the end of the production line has shifted from wet lubrication to dry lubrication.	Reduction in tap water usage.
The CIP cleaning process during batch production has been optimized from the original 5-step method to a 3-step method, which reduces the use of RO water and the steam required to heat the RO water.	Reduction in RO water usage.
The water collected from mechanical seals on ingredient pumps is reused in the cooling tower, reducing the amount of water required for tower makeup.	Reduction in RO water usage.

Indicator	Unit	2022	2023	2024
Water Consumption	10,000 tons	522.64	736.56	979.70
Reuse Consumption of Reclaimed Water	10,000 tons	42.36	93.32	45.57

Reclaimed Water Reuse Rate	%	8.42	12.67	4.65
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Sustainable Packaging

The Company implements various measures to reduce packaging material use and promote resource recycling through the adoption of sustainable packaging materials, optimized packaging design, and the establishment of recycling systems. The Company is also actively involved in industry standard-setting to promote the sustainable development of packaging across the entire beverage industry. During the reporting period, the Company continued to optimize packaging design and launched weight reduction initiatives, saving 19,000 kg of shrink film for 250 mL products and 240,000 kg for 500 mL products. This led to a total reduction of about 323,600 kg in plastic film consumption and slashed GHG emissions by 60 t. Additionally, the Company continues to reduce the weight of individual bottle preforms while maintaining product quality. Starting from October 2024, the preform weight for 500 mL Eastroc Vitamin Energy Drink products has been reduced from 26 g to 25g, resulting in an estimated reduction of 2.6 tons of PET usage throughout the year.

Packaging Design	<ul style="list-style-type: none">The Company adheres to a minimalist and environmentally friendly design philosophy. The packaging structure is simplified while ensuring the safe transport and storage of products, which helps reduce the amount of packaging materials used.
Adoption of Sustainable Packaging Materials	<ul style="list-style-type: none">The Company actively chooses eco-friendly and biodegradable packaging materials, and has switched all shrink labels from PVC to the more environmentally friendly PET material, which effectively reduces pollution.It works with material suppliers to develop new eco-friendly packaging materials and engages in industry-university-research collaborations to tackle packaging technology challenges.
Packaging Waste Recycling Management	<ul style="list-style-type: none">Dedicated packaging recycling points are set up both at the production facilities and at sales terminals to encourage consumers to sort out and recycle used packaging.Recycled packaging materials are either directly returned to the production process for reprocessing or are treated through collaboration with professional recycling companies, facilitating the reduction, reuse, and recycling of packaging waste.

Material Usage Breakdown for 2024		
Category	Unit	Consumption
Paper	Ton	120,000
Plastic	Ton	300,000
Metal	Ton	4,500
Adhesives	Ton	600

Green Office

The Company integrates the concept of green development into daily operations and places high importance on promoting sustainable office practices. By implementing measures such as paperless offices, energy-efficient equipment, and waste sorting management, the Company has not only effectively reduced resource consumption and carbon emissions, but also fostered a corporate culture of sustainable development, enhancing its brand image and social impact.

Paper Saving	<ul style="list-style-type: none">Streamlining approval processes online to promote paperless office operations and promoting practices like double-sided printing to optimize paper usage and reduce resource consumption.
Water Saving	<ul style="list-style-type: none">Encouraging employees to save water, with water-saving slogans posted in areas like tea rooms and restrooms, and ensuring prompt repairs to faulty water equipment to prevent wastage of water resources.
Energy Saving	<ul style="list-style-type: none">Maintaining the office building's central air conditioning at around 26°C to ensure a comfortable working environment and save electricity;Urging employees to power off computers and other devices at the end of the day and promptly switch off lights in unoccupied offices.
Management of Wastes	<ul style="list-style-type: none">Encouraging employees to use their own lunch boxes or communal tableware instead of disposable items to minimize waste generation;Guiding employees in proper garbage classification and disposal within the office area.

05

Interpreting Value through Quality

Our Concept

Eastroc Beverage has always adhered to the philosophy of “quality first”, committed to providing consumers with health-enhancing beverages. It strictly complies with relevant laws and regulations, including the *Food Safety Law of the People's Republic of China* and the *Law of the People's Republic of China on Product Quality*, continuously improving its quality assurance system and strengthening quality control measures to ensure the high quality and safety of its products. While maintaining a strong focus on quality, the Company actively promotes product R&D and digital innovation, continuously exploring market opportunities to meet the increasingly diverse needs of consumers. Additionally, we integrate the concept of sustainable development deeply into supply chain management. With “mutual benefit and win-win result” at the core, we work closely with our supply chain partners for mutual growth and progress.

Our Actions

Eastroc Beverage insists on R&D innovation, intellectual property protection, strengthening quality control, safeguarding consumer rights, enhancing supply chain management, responsible sourcing, and information security and privacy protection.

Responded SDGs



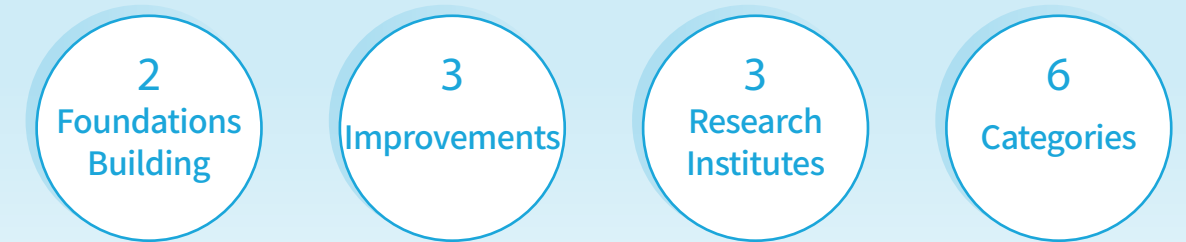
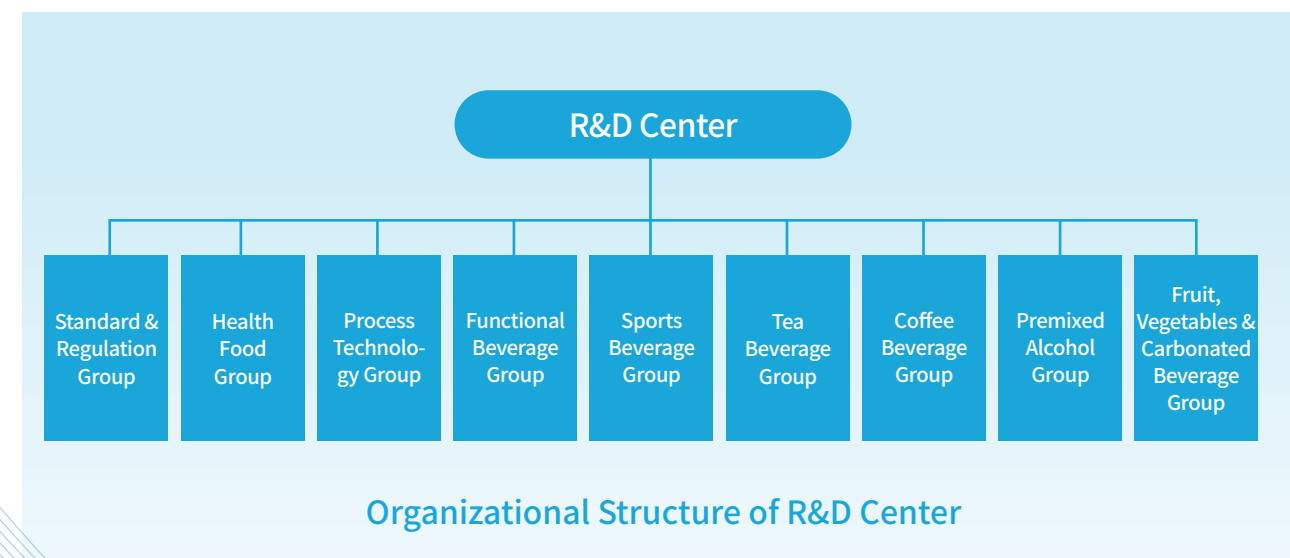
Innovation-Driven Development

Driven by the dual forces of “technology + health”, Eastroc Beverage strives for development through R&D innovation, driving value upgrades across the entire industry chain. By improving the R&D system, strengthening team building, and fostering scientific platform exchanges and collaborations, the Company aims to create healthier and higher-quality products for consumers.

Innovation Management System

Governance

The Company has developed a robust R&D framework, encompassing processes such as *Annual Product Development Planning and Budget Management Process*, *Product R&D Process*, and *Product Launch Management Process*, ensuring standardized coverage across all stages of the product lifecycle from planning, R&D, design, trial production, launch, and eventual phase-out.



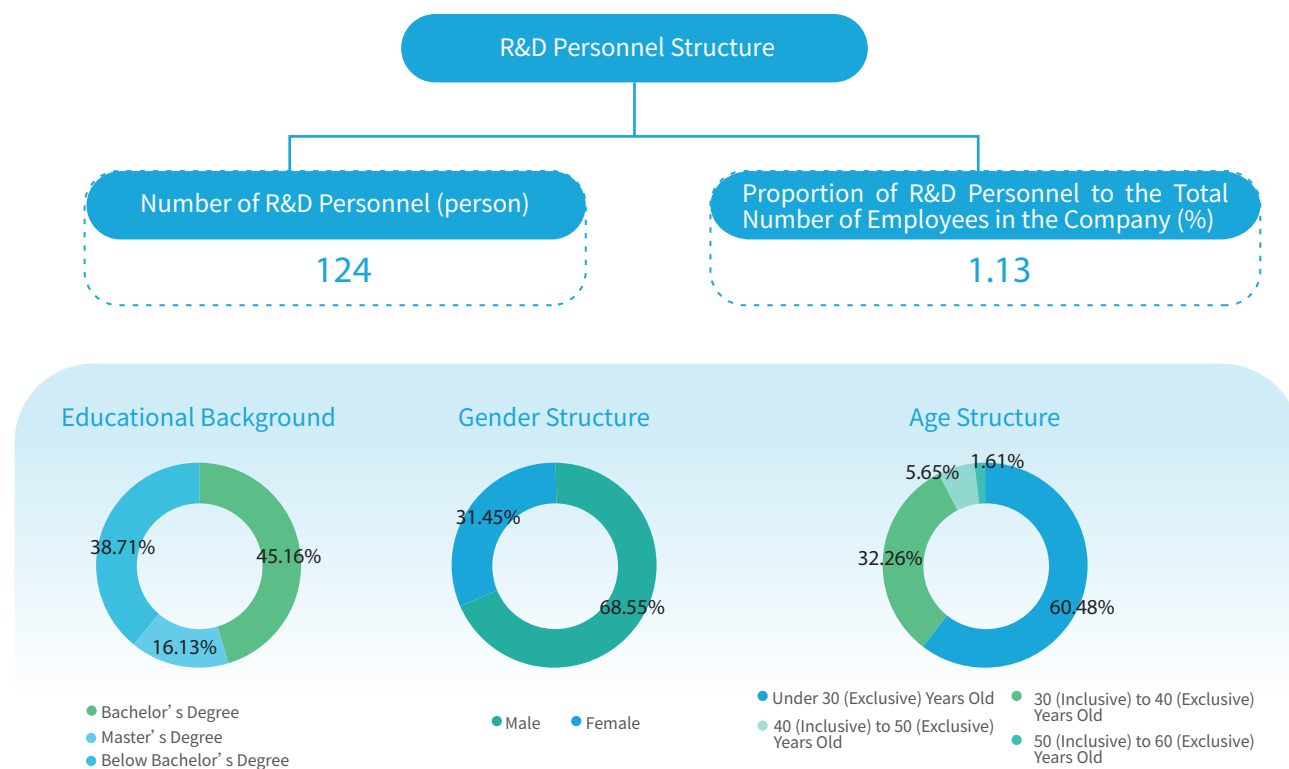
- ★ Talent Pipeline
 - ★ Innovation Capabilities
 - ★ Tea Research Institute
 - ★ Functional Beverage
 - ★ System and Process
 - ★ Regulation Study and Crisis Control
 - ★ Hydration Research Institute
 - ★ Sports Beverage
 - ★ Process R&D and Transformation
 - ★ Functional Research Institute
 - ★ Tea Beverage
 - ★ Coffee Beverage
 - ★ Protein Beverage
 - ★ Fruits, Vegetables and Carbonated Beverages
- Department Policy: Foundation, Building, Technological Improvement, Ingredient Research, and Product Innovation

The R&D Center of Eastroc Beverage is staffed with 1 senior engineer, 2 associate senior engineers, and 6 intermediate-level engineers. The center has set up 9 groups, including the Functional Beverage Group, Coffee Beverage Group, Tea Beverage Group, Sports Beverage Group, Fruit, Vegetables & Carbonated Beverage Group, Premixed Alcohol Group, Health Food Group, Process Technology Group, and Standard & Regulation Group.

In 2024, the Company organized 131 R&D training sessions, covering all R&D personnel⁴.

Functional Beverage Group	Specialize in basic R&D and optimization of functional beverages.
Coffee Beverage Group	Specialize in basic R&D and optimization of coffee-based drinks and vegetable protein drinks.
Tea Beverage Group	Specialize in basic R&D and optimization of tea-based beverages.
Sports Beverage Group	Specialize in basic R&D and optimization of sports beverages.
Fruit, Vegetables & Carbonated Beverage Group	Specialize in basic R&D and optimization of fruits, vegetables & carbonated beverages.
Premixed Alcohol Group	Specialize in basic R&D and optimization of premixed alcohol.
Health Food Group	Be responsible for the R&D, registration, renewal, change or license renewal of health food products, as well as market analysis of health food products.
Process Technology Group	Be responsible for the collection and testing of new processes and technologies, as well as the development of equipment or the introduction of new technologies.
Standard & Regulation Group	Be responsible for the analysis and research of new policies, regulations and standards related to technology, and for the compliance review of raw materials, formulas, labels and products.

⁴ These personnel include all R&D staff from the Digital Development Center, R&D Center, and Supply Chain Operations Center.



Eastroc Beverage has been recognized as a High-tech Enterprise and received the “Specialized and Sophisticated” certification. In January 2025, the Company became a member of the China Nutrition and Health Food Association, joining the Second R&D Committee of the Committee for Health Food Research and Development with a certificate.



Member of the Second R&D Committee of the Committee for Health Food Research and Development China Nutrition and Health Food Association

Strategy

Eastroc Beverage systematically identifies and assesses potential risks in its business operations, taking targeted and effective measures to minimize the impact of risks. At the same time, the Company remains highly attuned to market dynamics, actively seizing development opportunities to continue developing innovative products with core competitiveness. These efforts ensure that products precisely match customer needs, delivering high-quality and consumer-oriented beverage experiences.

Type of Risk/Opportunity		Description of Risk/Opportunity	Likelihood of Occurrence	Impact Duration	Expected Financial Impact	Countermeasures
Risks	Market Competition Risks	Mismatch between innovative products and consumer demand (e.g., health concepts not meeting expectations) leading to market share loss; impact from competitors or trial sales feedback not meeting expectations, resulting in a decrease in market share.	Medium	Short and Medium Term	Decreased market share, reduced revenue.	1. Use big data analysis to understand consumer profiles; 2. Monitor competitor dynamics and conduct competitive analysis; 3. Conduct regional pilot sales and dynamically adjust product positioning.
	Technology Risks	Failure in the development of new formulas or production processes, leading to delays in technological iteration or cost overruns.	Medium	Short and Medium Term	Increased R&D costs, reduced short-term revenue.	1. Strengthen pre-research and feasibility analysis; 2. Stage-wise investment in R&D resources to ensure the technical path is feasible; 3. Strengthen strategic cooperation with research institutions and universities.
Opportunities	Technical Opportunities	Digital production technologies (such as AI quality control and IoT warehousing) to improve efficiency and lower unit costs.	High	Medium and Long Term	Improved production efficiency, saving operational costs and increasing revenues.	Collaborate with industrial solution providers to jointly build smart factories and apply for government subsidies.
	Market Opportunities	The health consumption upgrade among Generation Z, with innovative products failing to meet the diverse needs of consumers for health-oriented and functional drinks, elevating customer coverage.	High	Short, Medium and Long Term	Increased market share and revenue.	1. Launch sugar-free oolong tea, Coco Island Coconut juice, and other health-oriented drinks; 2. Increase investment in the R&D of health-oriented and functional beverages.

Impact, Risk and Opportunity Management

Eastroc Beverage identifies, assesses, monitors, and manages various R&D innovation risks, establishing a sound risk management mechanism and dynamically adjusting strategies to ensure business stability and sustainability.

Risk Identification	Collect and analyze market demand, clarifying the objectives and scope of risk identification.
Risk Assessment	Assess identified risks, determining the likelihood of occurrence and the impact cycle.
Risk Monitoring	Establish risk monitoring mechanisms to detect and resolve potential issues in a timely manner.
Risk Management	Closely monitor the impact of various risks, and take effective measures to control risks related to new product development, continuously enhancing the Company's innovation capabilities.

Indicators and Goals

Eastroc Beverage continues to implement the multi-category strategy, with the objectives for the reporting period achieved as expected. The goal for 2025 remains centered around developing products within the multi-category strategy.

R&D Investment of Eastroc Beverage in the Past Three Years

Performance Indicators	Unit	2022	2023	2024
Investment in R&D	RMB 10,000	4,375.48	5,439.07	6,267.13
Proportion of Total R&D Investment to Operating Revenue	%	0.51	0.48	0.40

R&D Innovation Initiatives and Achievements
Collaborative Research Platforms and Partnerships

In 2024, Eastroc Beverage further strengthened its strategic cooperation with research institutions and universities, building an open and collaborative innovation ecosystem. The Company established a Tea Deep Processing and Beverage Development Joint Research Center with Anhui Agricultural University. This collaboration focuses on joint research in tea cultivation, processing technology, quality control, and efficacy validation, aiming to develop tea beverage products with raw material and process barriers. Additionally, we founded the Lingnan Fruit and Vegetable Beverage Processing Technology Joint Research Institute with the Guangdong Academy of Agricultural Sciences. The institute works with government, suppliers, and agricultural research institutes to develop and utilize local Lingnan fruit and vegetable resources, such as Chaoshan amlas, Zhanjiang pineapples, Maoming lychees, and Meizhou pomelos, to create Lingnan specialty products. In the future, we will continue to deepen product innovation research collaborations, focusing on cutting-edge technologies and market needs in the functional beverage sector, and develop more high-quality products with core competitiveness.



Tea Deep Processing and Beverage Development Joint Research Center



Lingnan Fruit and Vegetable Beverage Processing Technology Joint Research Institute

New Product R&D Innovation

The Company continues to develop products across various categories. While solidifying its position as the leader in the energy drink market, it accelerates the expansion of new categories such as electrolyte drinks, sugar-free tea beverages, and large packaging drinks. This enriches the product matrix, drives optimization and upgrading of the product structure, and better meets the diverse needs of consumers. In 2024, the Company kept pace with the trend of health-focused drinks, launching several innovative products. These include energy drink series that were launched in markets such as the United States, Malaysia, and South Korea; electrolyte drink series in white peach and lychee flavors (0 sugar); and tea beverage series, which include two main categories: “Shang Cha” (with Jasmine, Pu-er, and Yinghong)and “Fruit Tea” (with lemon black tea, honey peach oolong tea, and grapefruit jasmine tea), blending fruit flavors with tea aromas. The coconut juice series introduced the Coco Island Coconut Juice. During the reporting period, the Company developed 15 new products.

In addition, the Company is actively preparing for the development of health drinks, combining traditional Chinese medicine concepts, and plans to launch herbal teas, plant-based beverages, and other products such as chrysanthemum tea, goji berry drinks, and red date ginger tea. These products will retain the essence of traditional health practices while using modern techniques and flavor innovations to meet consumers’ demand for health management and functional beverages.

R&D Achievements and Progress

Standards Progress

We actively engage in national standardization efforts and participate in the formulation and revision of national, industry, regional, and group standards.

Key Performance:

As of the reporting period, the Company contributed to the formulation of 32 standards, including 20 national, 3 industry and 9 group standards.

Honors and Awards

During the reporting period, the Company received the following awards: 4 Excellent New Product Awards, 1 Lingnan Specialty Food Award, 1 Famous Brand Product Award, and 1 Scientific Achievement Evaluation Certificate.

Honor/Award Name	Award Level	Project Name
Guangdong Province Food Industry Science and Technology Achievement Evaluation Certificate	/	A Study on Formula Development and Production Process of Low-Temperature Extraction of Jasmine Tea Beverages
2024 Guangdong Lingnan Specialty Food Award	/	Fresh-squeezed Amla Juice
2024 Guangdong Province Food Industry Famous Brand Product	/	Coffee Master Classic Latte (Low Sugar)
2024 Guangdong Province Food Industry Excellent New Product Award	First Prize	VIVI Pre-mixed Cocktail
2024 Guangdong Province Food Industry Excellent New Product Award	First Prize	Coffee Master Coconut Latte (Coffee Drink)
2024 Guangdong Province Food Industry Excellent New Product Award	Third Prize	Oolong Shang Cha (Tea Beverage)
2024 Guangdong Province Food Industry Excellent New Product Award	Third Prize	Jasmine Shang Cha (Tea Beverage)



Protection of Intellectual Property Rights

Intellectual Property Management

Protection of Intellectual Property Rights	Management and Maintenance of Intellectual Property Rights	Intellectual Property Training
<p>The Company strictly abides by the <i>Patent Law of the People's Republic of China</i> and the <i>Copyright Law of the People's Republic of China</i>. We have formulated a complete <i>Intellectual Property Management Process and Measures for Intellectual Property Management</i> and established an intellectual property incentive system to comprehensively strengthen the Company's innovative formulation, unique process, equipment innovation, packaging innovation, raw material innovation and other aspects of intellectual property protection. We regulate intellectual property management and promote the transformation and application of scientific and technological achievements.</p>	<p>The Company manages all types of intellectual property rights such as patents, copyrights, and trademarks in a unified manner. Each department works in collaboration to carry out the application and maintenance of intellectual property rights in a standardized and orderly manner. We have passed the intellectual property management system certification and obtained the Intellectual Property Management System Certification.</p>	<p>We organize regular training on intellectual property-related processes, systems and basic knowledge to deepen employees' understanding of intellectual property application and protection fostering a proactive attitude towards intellectual property protection.</p>

In 2024, the Company was granted **23** new patents. As of the end of the reporting period, the total number of authorized patents reached **104**, including **14** invention patents and **90** utility model patents.



Intellectual Property Management System Certification

Patent License



Global Trademark Intellectual Property Layout

As of the disclosure date of this report, the Company has laid the groundwork for a global trademark intellectual property system covering 47 countries and regions, including the United States, the European Union, and Southeast Asia.



Digital Management

Since 2015, the Company has embarked on a digital transformation. Nearly ten years later, the Company has progressed from a "one product, one code" system to a "five-code connection" model, establishing three major digital systems: marketing digital system, supply chain digital system, and management digital system. These systems provide real-time, objective, and accurate data feedback, offering effective decision-making support.

The Company has built and refined an industry-leading marketing digital platform and actively embraced the digital upgrade of all-channel business scenario marketing. The Company's digital marketing platform integrates robust features such as sales analysis, inventory aging analysis, consumer engagement, sales team management, promoter management, terminal services and anti-counterfeiting measures, leveraging digital tools to enhance the precision and efficiency of marketing decisions. The supply chain digital system covers the entire process from raw material procurement to product delivery, enabling real-time analysis of data such as sales dynamics, inventory age, and stock levels. Based on this data, production plans are reasonably arranged, effectively avoiding inventory backlog or stockouts. Digital tools have made sales operations more efficient, intelligent, and simplified, achieving refined operations and management; the data dashboard tracks real-time sales information, supporting decision-making in inventory management, supply chain optimization, and other areas.



Product and Service Quality Safety

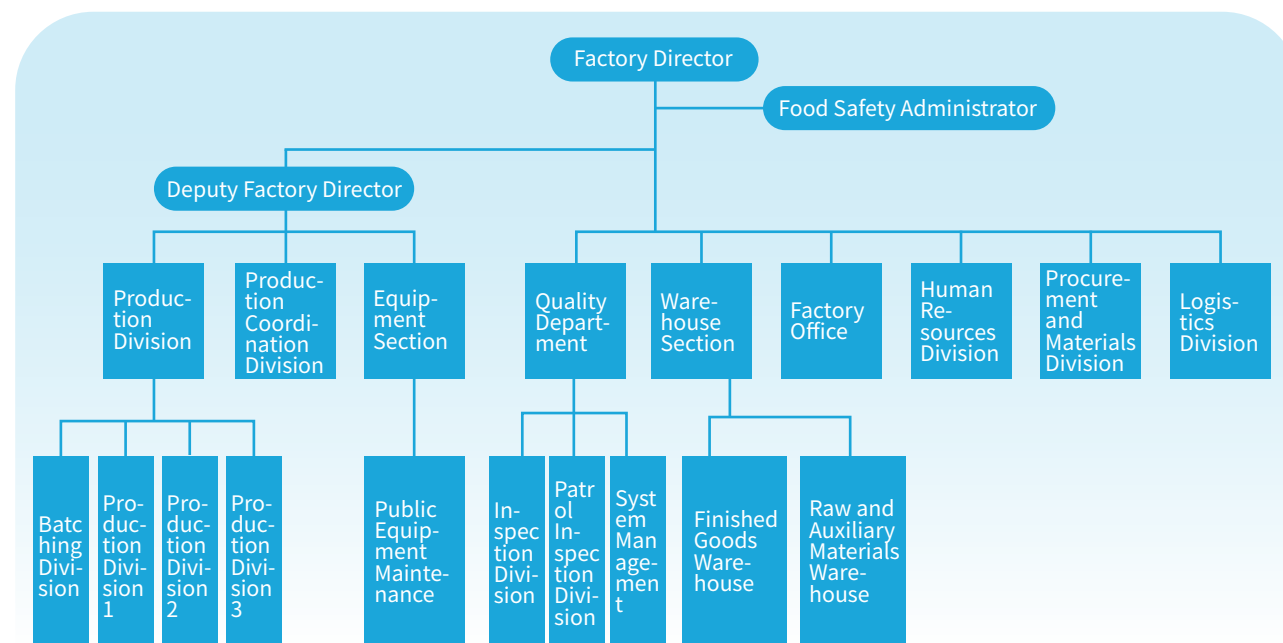
Eastroc Beverage adheres to the food safety management policy of “Cleanliness, Hygiene, Responsibility, and Safety”, committed to providing consumers with healthy functional beverages. The Company aims for a 100% product pass rate at the factory level, integrating HACCP and ISO international standards. We have established a comprehensive quality control system covering the entire process from supplier management to production end. We have also introduced and continuously optimized AI-based inspection equipment to ensure the quality of our products.

Quality and Safety Infrastructure

Governance

Eastroc Beverage meticulously adheres to the *Food Safety Law of the People's Republic of China*, the *Law of the People's Republic of China on Product Quality* and other pertinent laws and regulations. We’ve established developed a *Food Safety Management Manual* and a comprehensive quality assurance system that covers every aspect of quality control, from raw material verification and acceptance to process control, finished product delivery, warehousing, and sales processes. In addition, we’ve instituted a series of quality improvement normative documents. We rigorously adhere to these processes, ensuring that each step of the quality improvement journey is meticulously followed. Post-quality enhancement, the resultant output information is meticulously crafted into standardized specification documents, which are promptly deployed across our production bases.

We clearly defined our organizational structure and responsibilities concerning food safety, setting up a food safety group that continuously enhances the Company’s quality management capabilities. During the reporting period, we did not experience any significant safety or quality-related incidents involving its products or services.



Organizational Chart of Food Safety Management

The Company strictly follows the requirements of the ISO22000 Food Safety Management System and the HACCP Hazard Analysis and Critical Control Points System, integrating the process-based approach of ISO9001, to establish a comprehensive food safety management system. This is aimed at effectively controlling risks and ensuring that 100% of products meet the required standards before delivery from the factory. As of the end of the reporting period, all beverage production bases have obtained ISO22000 certification and fully complied with the HACCP system requirements.



Food Safety Management System Certification (Part)



HACCP System Certification (Part)

To ensure the effective operation of the food safety management system, the audit department of the Company regularly conducts quality audits to identify and improve deficiencies in food safety management, continuously enhancing the food safety management level. At the same time, each production base conducts annual self-inspections and hires third-party certification bodies to audit the quality management system to ensure that product quality and safety are always under strict monitoring. During the reporting period, the Company conducted annual internal audits and third-party audits, and the results were all qualified.

Strategy

The Company closely monitors consumer demand, industry development trends, as well as changes in food safety regulations and standards. We promptly identify potential product quality risks and improvement opportunities, thereby building a strong brand image and reputation, and enhancing consumer trust and loyalty.

Type of Risk/Opportunity		Description of Risk/Opportunity	Likelihood of Occurrence	Impact Duration	Expected Financial Impact	Countermeasures
Risks	Product Quality and Food Safety	With the growing awareness of consumer health and rights protection, coupled with the rapid dissemination of information via the Internet, any incident related to product quality and food safety could weaken consumer confidence, lead to liability claims, reduce demand, and result in a loss of market share, ultimately having a negative impact on the Company's operations.	Medium	Short Term	Cost increase, revenue decrease.	<div>1. Establish a comprehensive quality management system;</div> <div>2. Implement a product traceability system;</div> <div>3. Strictly review supplier qualifications and develop a comprehensive emergency response plan.</div>
Opportunities	Products and Services	Consumers' demand for personalized and healthy products continues to rise. By seizing the opportunities in the health beverage market and successfully launching new products that meet consumer needs, the Company will create new revenue growth points.	High	Short, Medium and Long Term	Increased market share and higher revenues.	<div>1. Effective communication with consumers is crucial to understanding changes and trends in consumer demands;</div> <div>2. Increase investment in the R&D of health beverage.</div>

Impact, Risk and Opportunity Management

The Company has formulated systems such as the *Risk and Opportunity Identification and Control Procedure*, *Food Safety Control Plan*, *Emergency Preparedness and Response Procedure* to conduct pre-event risk assessments, manage risks during the event, and handle post-event crisis communication. The Company regularly performs risk identification and assessments on raw materials and products, and holds discussions on preventive control measures, including vulnerability analysis, hazard analysis, and allergen hazard analysis. In addition, the Company has established a raw material and product risk early-warning and information-sharing platform, allowing it to quickly identify risks and reduce safety hazards.

Indicators and Goals

The Company has set up comprehensive product and service safety quality objectives, linking the achievement of these goals to departmental performance indicators. This approach strengthens supervision and assessment, raising awareness of food safety quality management across the Company, ensuring full protection of product quality, and safeguarding the product quality lifeline.

Indicator	Goals	Achievement
Factory Pass Rate	100%	Achieved
Major Quality and Safety Incidents	0 times	Achieved

Crafting Quality with Excellence

Eastroc Beverage strengthens product lifecycle management, monitors, analyzes, manages and prevents potential issues at every critical point, from source to final product. This all-encompassing approach guarantees that our product quality consistently leads the industry. Across all our plants, we've established robust mechanisms for product quality verification. We rigorously oversee quality verification processes whenever there are changes in production lines, parameters or environmental conditions. This meticulous approach ensures that our products maintain stable, safe, and hygienic quality characteristics, even amidst evolving internal and external factors. Ultimately, our goal is to provide consumers with beverages that are consistently reliable, safe and of the highest quality.

Full Lifecycle Quality Control

We promote food safety and quality control throughout the raw material procurement, production process, warehousing, logistics, and product sales stages. Through strict process control and multi-layered, multi-perspective quality management measures, we effectively reduce quality risks and enhance customer satisfaction.



Incoming Material End	<ul style="list-style-type: none"> Select qualified suppliers and assess their quality management systems. Regularly audit suppliers to ensure continuous compliance with quality standards. Inspect raw and auxiliary materials to ensure they meet quality standards. Engage third-party testing agencies to inspect key raw materials to ensure compliance with standards.
Production End	<ul style="list-style-type: none"> Combine automated equipment and manual inspections to monitor key parameters in the production process. Conduct random inspections of semi-finished products during the production process to ensure quality at every stage. Inspect every batch of finished products before they leave the factory to ensure they meet delivery standards. Conduct annual product type inspections to ensure they meet the Company's quality requirements.
Warehousing and Logistics	<ul style="list-style-type: none"> Inspect finished products before entry to ensure no damage or quality issues. Establish detailed stacking requirements to ensure that the storage and transportation processes do not impact product quality. Conduct final inspections before shipment to ensure delivery quality. Establish a product quality management system for the distribution process to ensure the integrity of products during transportation, storage, and distribution.
Sales and After-sales Service	<ul style="list-style-type: none"> Establish a customer feedback mechanism to promptly collect and handle customer feedback on product quality. Engage third-party institutions to conduct random inspections of market products to ensure the stability of product quality. In the event of significant quality issues, promptly initiate the product recall procedure to ensure consumer safety. Establish a product quality investigation mechanism in the product market circulation process to ensure stable product quality in sales and distribution.

Key Performance:

In 2024, the Company conducted annual audits of **25** suppliers, including **16** packaging material suppliers and **9** raw and auxiliary material suppliers.

End-to-end Quality Traceability

Eastroc Beverage continues to improve the product traceability information chain, creating an advanced digital product traceability system that ensures coverage of 11 key processes and approximately 20 links, achieving 100% traceability of key quality information across the product chain. At the same time, we have established an information management system for quality traceability, covering three levels: procurement, sales, and production bases. Through the steps of planning, contracting, and execution, we regularly perform a three-level verification of the product traceability effectiveness to ensure 100% traceability of products.

We have established a *Product Recall (Withdrawal) Control Procedure* in line with the national *Measures for Administration of Food Recall*, improving the recall mechanism by specifying the recall initiation process, information transmission, recall implementation procedures, and subsequent analysis and improvement requirements. In 2024, Eastroc Beverage's products achieved a 100% factory pass rate with no major product recalls or returns.

Comprehensive Product Inspection

The Company boasts a lineup of cutting-edge inspection equipment, including high-performance liquid chromatography, gas chromatography, microcomputer compressive strength tester, aseptic bench, microbiological testing lab, digital refractometer, etc. These tools are utilized to conduct batch inspection, fixed-point detection and regular self-testing of the physicochemical, microbiological and efficacy components found in our raw materials, semi-finished products and finished goods. Moreover, every testing instrument undergoes meticulous calibration and verification in accordance with national metrological verification standards. During the reporting period, the Company achieved 100% coverage of product testing, with 9 inspection laboratories under the group's management. In 2024, a new laboratory was established. In 2024, we conducted testing on a total of 3,799 batches, including inspections on 59,477 batches of raw materials.

Quality Culture Development

We're dedicated to fostering a culture of quality consciousness among all team members, instilling a sense of shared responsibility for product safety and quality control. This philosophy cultivates a corporate environment where every individual is empowered to champion quality standards. We've instituted a *Monthly Food Safety Information Briefing* policy to ensure that all changes in laws, regulations and internal policies are promptly communicated to our team. During the reporting period, the Company actively conducted training on food safety management system key knowledge and food protection plans, continuously improving employees' food safety awareness and professional skills to ensure the provision of safe and high-quality products to consumers.

Quality Culture Development

Case

In 2024, in response to the national "Quality Month" initiative, the Supply Chain Management Center officially launched the "Crafting Quality, Quality Wins the Future" Quality Month activity, aiming to further strengthen all employees' awareness of quality and actively implement the work policy of quality-oriented principles.



2024 "Quality Month" Activity

Key Performance:

In 2024, the Company conducted **238** quality training sessions, totaling **488** hours of training, with **11,900** participants.

Responsible Marketing

As a leading beverage enterprise, the Company strictly adheres to the Advertising Law of the People's Republic of China, the *Measures for the Administration of Internet Advertising*, the *Anti-Unfair Competition Law of the People's Republic of China*, and other laws and regulations. We actively practice responsible marketing by establishing systems such as the *Industrial Design Procedure* and the *Advertising Material Management Procedure*, as well as basic application standards and VI manuals for products, ensuring that relevant processes comply with the required standards. We prohibit exaggerated advertising and misleading information, strictly implement an audit procedure for advertisements and marketing content, hold monthly meetings for promotion and communication, and centrally review materials provided by each marketing center to ensure that every piece of marketing content is truthful, scientific, and beneficial. We regularly conduct training for each marketing center and other related departments on laws and regulations, as well as advertising and promotional activities, to raise employees' awareness of their responsibilities. Each year, we conduct a thorough review of our brand and visual elements, providing promotional materials for key events. We also engage third-party agencies to perform market audits, ensuring the consistent application of visual elements and maintaining a cohesive brand image in the marketplace. At the same time, we actively advocate for a healthy lifestyle, guiding consumers to make rational choices through product innovation and public education, while spreading positive energy.

Protecting Consumer Rights and Interests Consumer Communication

The Company attaches great importance to consumer needs and feedback, strictly follows the *Law of the People's Republic of China on the Protection of Consumers' Rights and Interests*, and continuously improves its consumer service system. Through smooth communication channels and efficient feedback mechanisms, the Company strives to protect consumer rights. We've established a dedicated consumer service hotline and offer various service channels, including the WeChat public account "Eastroc Vitamin Energy Drink", WeChat mini-program "Eastroc Beverage+", Pengzhirui, Eastroc Beverage's official Weibo account, Douyin, Kuaishou, and the mini-program "Eastroc Beverage Merchant" for direct interaction with consumers and merchants. These platforms facilitate seamless and efficient communication. In addition to our professional customer service team, we leverage AI technology to promptly address common queries, significantly boosting our response efficiency. We also actively monitor public media platforms to capture consumer feedback, ensuring we stay attuned to their voices and maintain effective communication.

Service Hotline: 4006-338-299



Official WeChat Public Account



"Eastroc Beverage+" Mini-Program



Official Weibo Account

Response to Feedback

To enhance the systematic and standardized management of customer complaints, we have established the *Complaint Handling Procedure*. This protocol categorizes and prioritizes customer complaints, setting clear timeframes for issue resolution to ensure top-notch customer service. When consumers offer suggestions and feedback, our relevant departments give them serious consideration, devising and implementing optimization plans while conducting timely follow-ups. We also use consumer satisfaction surveys to identify and address service deficiencies, continuously improving to meet consumers' expectations for high-quality products. To elevate service levels, we continuously bolster our customer service team through enhanced daily management and training, and set key performance indicators (KPIs) for customer service management to motivate staff to improve service awareness and quality.

In 2024, we assisted with 153,913 consumer inquiries and complaints, all of which were resolved satisfactorily and received customer approval. The timely response rate and resolution rate for complaints both reached 100%, with a satisfaction rate of 99%. Our highly standardized information processes ensure that every customer's rights and interests are protected.

Sustainable Supply Chains

Eastroc Beverage deeply integrates the concept of sustainable development into all links of supply chain management, strengthening management of suppliers and distributors through multiple measures, and is committed to building a green, efficient, and sustainable industrial ecosystem with its partners.

Supply Chain Management System

Governance

Eastroc Beverage continues to improve the supply chain management system, systematically managing suppliers through a supplier collaboration platform (SRM system). We select quality-qualified suppliers and enhances their ability to consistently provide quality, stable products and services, thereby reducing supply chain risks and improving overall competitiveness.

Supplier Management Process	
Admission of Suppliers	The Company conducts quality reviews when engaging new suppliers, manufacturers, materials, production lines, molds, or any other key changes. Based on the potential quality risks of materials, we may choose written audits, sample tests, or on-site audits as part of the admission process.
Supplier Assessment	Each quarter, the Company conducts quality evaluations of suppliers, covering areas such as product pass rates, quality exceptions, quality management levels, quality cooperation, and base satisfaction.
Supplier Management	Suppliers are rated as A (Excellent), B (Good), C (Qualified), or D (Unqualified), and management resources are allocated accordingly, applying differentiated supplier quality management measures based on quality levels.
Supplier Exit	If any of the following conditions are verified, suppliers will be immediately removed from the list of qualified suppliers: Suppliers providing invalid or fraudulent necessary qualification documents; products that are found by the Company or the government to contain banned substances or exceed permissible limits, or fail to meet national food safety standards; a site audit or quality evaluation results in a D-grade, issuing a "Red Card" warning, and failing to pass verification after improvements.

Strategy

To ensure smooth operation of the supply chain, Eastroc Beverage actively identifies and evaluates the risks and opportunities present within the supply chain, driving sustainable development.

Type of Risk/Opportunity	Description of Risk/Opportunity	Likelihood of Occurrence	Impact Duration	Expected Financial Impact	Countermeasures
Risks	Raw Material Price Fluctuations Our core raw materials include PET products and white sugar, the prices of which are subject to various influencing factors. A significant increase in raw material prices or abnormal fluctuations in inventory could put pressure on inventory turnover, impacting cost structures and profitability.	Medium	Short Term	Increased costs and reduced profits.	1. Establish a comprehensive raw material procurement management system and flexible inventory management methods; 2. Consider the use of alternative raw materials.
Opportunities	Digital Transformation Through the integration of advanced information technologies, our supply chain management becomes more intelligent and automated, thereby improving the supply chain's responsiveness and decision-making accuracy.	High	Medium and Long Term	Reduced operating costs.	1. Strengthen procurement digitalization through the SRM system; 2. Promote the use of IoT, big data, and other advanced technologies to enhance the intelligence of the supply chain process.

Impact, Risk and Opportunity Management

Eastroc Beverage strengthens supply chain risk management by proactively identifying and assessing potential risks and opportunities within the supply chain, ensuring stable and healthy operation.

Management Process	Management Measures
Risk Identification	Identify and perform information collection of potential risks from qualified suppliers, including supplier information, raw material sources, and more.
Risk Assessment	Apply a combination of qualitative and quantitative methods to comprehensively assess supply chain risks.
Risk Monitoring	Strengthen supply chain monitoring by adopting advanced technologies to improve the responsiveness of the supply chain and update information in a timely manner, offering feedback based on different scenarios.
Risk Management	Establish backup suppliers, reducing reliance on a single supplier and enhancing collaboration stability through close partnerships with existing suppliers.

Indicators and Goals

Eastroc Beverage sets up a scientific and reasonable supply chain management indicator system to strengthen the supply chain risk prevention, optimize supply chain management processes, and enhance operational efficiency and market competitiveness.

Indicator	Goals	Achievement
Management of Supplier Sustainability Risks	Build a long-term supplier certification system to regularly conduct risk assessments of suppliers	In progress
Supplier Quality Management	Through systematic and standardized management methods, carry out full lifecycle quality management for suppliers	Achieved
Supplier Review Coverage Rate	100%	Achieved

Supplier Situation		
Key Indicators	Unit	2024
Total Number of Suppliers	Nos.	245
Supplier Localization Proportion	%	51
Supplier Audit		
Number of Suppliers Certified under Quality Management Systems	Nos.	180+
Number of Suppliers Certified under Environmental Management Systems	Nos.	90+
Number of Suppliers Certified under Occupational Health and Safety Management Systems	Nos.	50+
Number of Suppliers Suspended due to Non-compliance	Nos.	0
Number of Prospective Suppliers Rejected due to Non-compliance	Nos.	0

Supplier Quality Empowerment

Eastroc Beverage selects industry-leading enterprises from A-grade suppliers and organizes technical exchange activities between each base's quality team and A-grade suppliers. These exchanges cover topics such as process control, quality systems, and case studies, exploring solutions to quality anomalies and enhancing professional knowledge in quality inspection. For suppliers rated C and D, we initiate quality improvement programs, and form a special quality group and quality empowerment group based on the severity of the issues to collaborate with suppliers. They share excellent peer quality management measures with suppliers, offer training to product inspection personnel, and improve the suppliers' quality management capacity.

Supplier Quality Improvement Projects

Case

In 2024, the Company carried out quality improvement projects for suppliers such as Dongguan Lishan, Anhui Guangyuan, Foshan Miaosheng, Shanghai Döhler, and Guangdong HUATANG. These projects involved risk assessments and suggested quality improvement measures for each supplier's identified issues.



Dongguan Lishan Quality Improvement



Anhui Guangyuan Quality Improvement

Technical Exchange Activity of Qingxin Hongquan

Case

In April 2024, the Company organized quality teams from each base to visit Qingxin Hongquan to learn about the production process and key quality control points for preforms and bottle caps. The Company shared its supplier quality management system and material change verification requirements, while engaging in detailed discussions about the causes and improvement measures for bottle preform and cap quality anomalies. This expanded the quality team's knowledge of defects in preforms and caps.



Technical Exchange Activity of Qingxin Hongquan

Eastroc-Döhler Special Improvement Training on Sensory Study

Case

In October 2024, the Guangzhou 2Dragon collaborated with the sensory science team from Shanghai Döhler to conduct a two-day sensory evaluation training for 39 quality management department inspection team members. The training, based on actual cases, involved sensory inspection theory, material, and product evaluation, with on-site inspections and assessments to enhance inspection capabilities, increase material and product inspection accuracy, and speed up the release process.



Eastroc-Döhler Special Improvement Training on Sensory Study

Key Performance:

During the reporting period, the Company conducted **8** supplier training sessions, covering **86** participants.

Responsible Purchasing

Transparent Procurement

Eastroc Beverage advocates for supplier integrity governance by signing an *Integrity Agreements* with all cooperating suppliers. The agreement clearly requires suppliers and their affiliates to strictly adhere to self-discipline regulations, prohibiting any form of bribery or corruption, ensuring the integrity of procurement processes. If any supplier is found violating the *Integrity Agreement*, we will immediately cancel their status as a *Qualified Supplier*. During the reporting period, the Company achieved a 100% signing rate for the *Integrity Agreement* with suppliers.

Smart Procurement

In its general material procurement process, Eastroc Beverage has integrated e-commerce platforms and continues to enhance the data support decision-making system, accelerating the digital-to-smart transition. This has led to the creation of a fully online and transparent digital operations platform from the supply side to the consumer side, empowering the transformation and development of the enterprise.

Skill Development

Eastroc Beverage places significant emphasis on the development of professional capabilities and skills among its internal procurement staff. During the reporting period, a total of 11 personnel from the Company's Procurement Management Department obtained the CIPS (Chartered Institute of Purchasing and Supply) International Certificate in Purchasing and Supply, accounting for 32% of the department's total staff.

Distributor Collaboration

Distributor Management

Eastroc Beverage has established close strategic partnerships with its distributors, formulating policies such as the *Measures for Management of Distributor Establishment, Termination, and Change* and the *Measures for Management of Large-scale Distribution Customers*. These policies, in conjunction with signed distribution agreements, standardize various aspects of distributor management, including entry requirements, daily operations, pricing mechanisms, logistics, return/exchange policies, and inventory management.

Furthermore, we conduct regular visit and satisfaction surveys with distributors each year, closely monitor distributor feedback on various factors such as product delivery timelines, product supply pricing, and the quality of products and services, allowing us to better understand distributor needs and enhance management practices.

Digital Management

Eastroc Beverage's digital marketing system plays a crucial role at multiple levels, including distributor inventory management, distribution guidance, daily management of service support teams, sales activity execution, and performance management for business representatives and regional managers. Leveraging our proprietary systems "Eastroc PXT", "Eastroc Beverage Distributor" mini-program and "Eastroc Beverage Merchant" platform, along with our data analysis tools like "Eastroc Data Hub" and "Five Code Association" digital technology, we've built an industry-leading marketing management system. This intelligent digital platform seamlessly connects distributors, suppliers and end merchants, significantly enhancing management efficiency.

Training and Promotion

We regularly organize distributor meetings and conduct distributor visits to promote corporate performance planning and marketing strategies. Additionally, Eastroc Beverage periodically holds online or offline specialized training for distributors. During the reporting period, the Company organized 1,695 distributor training sessions with a total of 31,900 participants.



Distributor Conference Training

Data Security and Privacy Protection

Information security is an integral part of the Company's operations. Eastroc Beverage integrates information security construction and management into its business processes, continuously improving its information security management system, enhancing data protection capabilities, and ensuring the secure conduct of business activities. During the reporting period, the Company experienced no data security incidents or customer privacy breaches.

Information Security Management System

Eastroc Beverage strictly adheres to national laws and regulations such as the *Data Security Law of the People's Republic of China* and the *Cybersecurity Law of the People's Republic of China*. The Company has established internal documents, including the *Information Security Management Manual* and the *Measures for Management of Cybersecurity*. In addition, we have set up an Information Technology Construction Committee to oversee information security construction and management, continually improving the information security management system. During the reporting period, the Company obtained ISO27001 Information Security Management System certification.



Information Security Management System Certification of Eastroc Beverage

Normalized Security Governance Measures

Eastroc Beverage has taken comprehensive measures to improve data security and privacy protection. The Company plans to conduct level protection assessments on merchant systems, consumer systems, and other systems involving personal information, providing a solid foundation for the Company's information security management.

Secure Access Control

The Company has formulated the *Measures for Management of Access Control* and adheres to the basic principle of "No access unless explicitly authorized". In 2024, to ensure the security of information systems and data, we conducted vulnerability scanning and penetration testing of our information systems.

Information Security Audit

Eastroc Beverage has also established the *Measures for Management of Information System Security Audit*. In 2024, we carried out six information security audits, including external supervision audits, bastion host log audits, and information system account audits, and took corrective measures based on the findings.

Training on Information Security

We organized training sessions including information security awareness and IT basic system information, archive information security management, and cybersecurity awareness. In 2024, the headquarters conducted five information security training sessions, with a coverage rate up to 95%.

Information Security Risk Management

We have also formulated the *Measures for Management of Information Security Risks* and established risk identification and evaluation tables, as well as risk disposal plans. We conduct annual risk assessments and make improvements as necessary. Through asset identification, threat evaluation, and vulnerability assessments, risks are calculated in terms of likelihood and impact of security incidents.

Customer Privacy Protection

Regarding customer privacy protection, our merchant systems and consumer systems have privacy agreements in place, clearly informing customers about the potential uses of their personal data.

Supplier Oversight for Information Security

We've laid out clear information security standards for our suppliers during service delivery and ensure their adherence to the Company guidelines. Moreover, we actively encourage our suppliers to fortify their own information security systems, thereby elevating the overall security posture across our supply chain.



Cybersecurity Training

Information Incident Management

In order to enhance and improve emergency management measures for network and information security, the Company has developed the *Measures for Management of Network and Information Security Emergency* along with an information security continuity exercise plan. We regularly conduct disaster recovery drills on applications, databases, and other critical systems to quickly control and minimize the impact of any network or information security incidents. After each emergency response, the Company modifies and maintains its plans based on identified issues found during such process and evaluation findings, improving the overall cybersecurity incident management process.

Moreover, our information incident management protocol mandates prompt reporting of any identified information security breaches by both our employees and external partners. We've established a streamlined reporting and resolution process to swiftly address any potential impacts on our operations.

06

Interpreting Responsibility with Love

Our Concept

Eastroc Beverage adheres to a “people-oriented” approach, valuing the integration of corporate development and social responsibility, and is committed to creating a diverse, equal, and comfortable working environment, safeguarding employees’ legal rights, and continually enhancing talent development. The Company is also focused on rural revitalization and public welfare, aiming to achieve mutual development for both the Company and society.

Our Actions

Safeguarding of occupational health and safety, equal employment, improvement of compensation and welfare system, strengthening of democratic management, emphasis on employee training and development, support for rural revitalization, and charitable activities.

Responded SDGs



Occupational Health and Safety

Eastroc Beverage adheres to the work safety policy of “safety first, prevention as the primary approach, and comprehensive management”, striving to establish and improve the occupational health and safety management system. Through actions such as safety training, emergency drills, and the improvement of safety facilities, the Company works to create a safe and healthy working environment for its employees, minimizing safety risks to the greatest extent.

Occupational Health and Safety Management System

Governance

Eastroc Beverage strictly complies with the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*, the *Law of the People's Republic of China on Work Safety*, and other relevant laws and regulations. We have formulated the *Comprehensive Management Manual for Environmental and Occupational Health and Safety*, established a Work Safety Committee, and is fully responsible for all work safety matters within the Company. We continuously improve its occupational health and safety management system. During the reporting period, all employees signed the *Work Safety Responsibility Agreement*, and the Company, as well as its factories, obtained ISO45001 Occupational Health and Safety Management System certification.



Occupational Health and Safety Management System Certification of Hua Peng Plant



Occupational Health and Safety Management System Certification of Zeng Peng Plant



Occupational Health and Safety Management System Certification of Hui Peng Plant



Occupational Health and Safety Management System Certification of Qing Peng Plant



Occupational Health and Safety Management System Certification of Guan Peng Plant

Key Performance:

During the reporting period, the Company invested RMB **5.9167** million in work safety initiatives.

Strategy

The Company identifies and assesses risks and opportunities possibly in the production process and takes corresponding response measures for the identified risks to improve management efficiency and ensure the life safety of employees.

Type of Risk/Opportunity		Description of Risk/Opportunity	Likelihood of Occurrence	Impact Duration	Expected Financial Impact	Countermeasures
Risks	Operating Risks	Occupational health or work safety accidents may lead to a decline in operational efficiency, and in severe cases, may result in business interruption, requiring significant investments for incident management.	Low	Short Term	Increase in operational costs/fines.	1. Strengthen emergency management and hidden hazard investigation, focusing on root cause management of risks; 2. Continue to improve occupational health protection, including employee health checks and the provision of protective equipment.
Opportunities	Management Efficiency	By implementing occupational health management, the Company can more effectively prevent and control potential hazards in the work environment, improve employee work efficiency, and reduce the time and costs of handling accidents.	High	Medium and Long Term	Reduce expense expenditure.	Introduce advanced production equipment, improve process flows, and actively promote digitalization to strengthen factory safety management.

Impact, Risk and Opportunity Management

The Company has developed the *Hazard Source Identification and Risk Evaluation Procedure* to establish and improve the risk management system, effectively identifying, assessing, and classifying safety risks.

Management Process	Management Measures
Daily Safety Inspections	Regular safety inspections are conducted monthly. Safety engineers carry out daily inspections, weekly 6S inspections, and monthly comprehensive inspections, with safety engineers, 6S project leaders, and system supervisors following up on corrective actions for all types of inspections.
Hazard Identification and Management	In 2024, the Company headquarters conducted 12 rounds of hidden hazard investigations, identifying 21 hazards, all of which were rectified, achieving a 100% rectification rate.
Emergency Plan	The Company has formulated emergency plans and the <i>Accident and Incident Investigation and Handling Procedure</i> , conducting a comprehensive analysis of potential hazards and outlining corresponding emergency response plans for incidents.
Emergency Response Drills	Every year, the Company develops a drill plan and conducts exercises based on the emergency response contents, including typhoon response, chemical leakage emergency drills, fire safety emergency drills, and others. Among these, annual fire emergency drills are mandatory. In 2024, the Company conducted 61 emergency drills.

Spring-Summer Fire Evacuation Drill at Hua Peng Plant in 2024

Case

To test the effectiveness of fire safety education and training, and to enhance employee awareness of fire safety, the Company conducted fire emergency preparedness and response drills in May 2024. This exercise enhanced employees' ability to respond to sudden fire incidents, trained emergency rescue teams, and validated the feasibility of emergency rescue plans.



Drill Site

Firefighting Hands-on Training

Case

In November 2024, to improve employees' fire safety awareness and enhance self-rescue capabilities in case of a fire, the Company, in accordance with the "119 Fire Safety Publicity Month" activity requirements, organized hands-on firefighting training. The training covered the use of firefighting equipment, initial fire fighting, emergency evacuation from fire scenes, and connecting fire hoses. This activity enabled employees to gain a deeper understanding and mastery of basic firefighting knowledge and improve their awareness of fire hazards.



Firefighting Equipment Explanation Photos



Firefighting Hands-on Training Photos

Indicators and Goals

To better assess the effectiveness of work safety management and define the direction of work safety work, Eastroc Beverage has established occupational health and safety management goals.

Indicator	Goals	Achievement
Occurrence Frequency of Occupational Diseases	0 Occurrence	Achieved
Number of Fire and Explosion Accidents	0 Occurrence	Achieved
Special Equipment Accidents	0 Occurrence	Achieved

Safety and Health Management Measures

Construction of Safety Culture

◎ Safety Education and Training

The Company has developed the *2024 EHS Annual Training Plan*, focusing on maintaining the EHS management system, risk identification, and compliance requirements. We also provide special training sessions for employees in relevant positions, and strengthen system implementation through internal auditor qualification exams. Additionally, we organize "Self-discipline Work Safety Training" in cooperation with the China Society of Emergency Management every 1-3 months, and provide new employees with safety education training during their onboarding process, continuously improving overall safety awareness and system implementation capabilities.



Scene of Safety Education and Training

Key Performance:

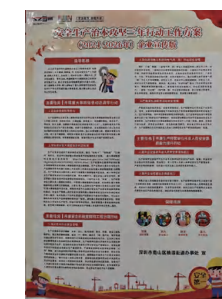
During the reporting period, the total investment in safety training by the Company amounted to RMB 2 million. The Company conducted **36** training sessions, with **8,000** participants, totaling **16,000** hours of safety training. The coverage rate of safety training among employees was **80%**, and the coverage rate for safety risk protection training was **85%**.

◎ Safety Knowledge Promotion

The Company, based on actual production conditions, has developed "Safety Knowledge and Skills" materials. These materials are reinforced through pre-shift meetings, safety bulletin displays, and the playing of promotional videos to enhance overall safety awareness among employees. In 2024, safety education was carried out in various forms such as meeting room training, hands-on exercises, pre-shift learning, and random checks of safety knowledge. Simultaneously, the Company promoted fundamental safety awareness initiatives to improve the effectiveness of training across multiple dimensions. In 2024, the Company headquarters held one offline traffic safety training session with 23 participants, and a campaign focusing on core safety issues, attracting 61 participants both online and offline.



Bulletin Board of EHS Management System



Poster of Three-Year Action Campaign for Fundamental Safety Awareness

Digital Management Platform

Environmental Monitoring System of Data Center

Through the deployment of data collection equipment and sensors in the data centers at various production bases, the Company collects and monitors key parameters such as access control, surveillance, UPS systems, temperature, humidity, water leakage, and smoke. In the event of an alarm, warning information is immediately sent to the headquarters and on-site management staff via enterprise WeChat or SMS, enabling timely preventive action to avoid safety accidents.



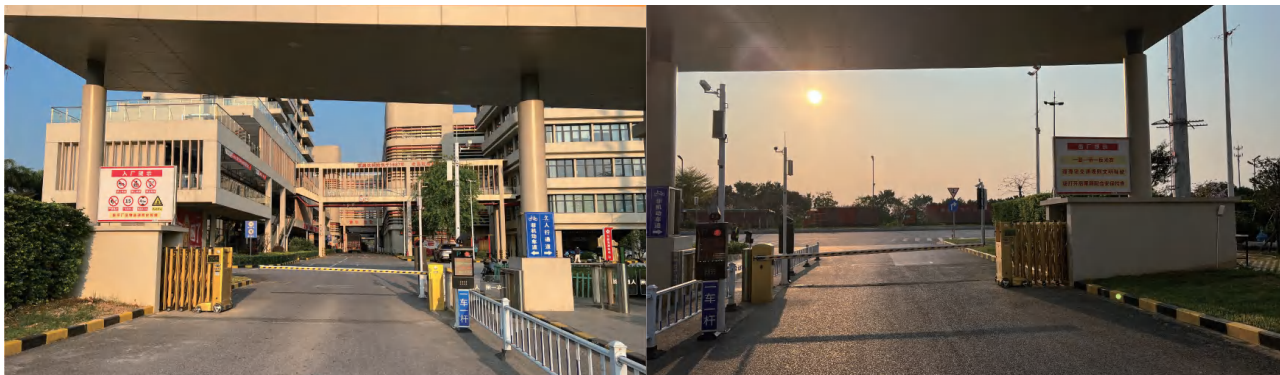
AI Video Monitoring System

Utilizing a smart AI video management system, the Company enhances work safety monitoring across various domains. With video intelligent perception technology, the value of surveillance cameras is maximized, transforming the monitoring from mere "visibility" to "actionable insights". For key operational scenarios such as "sleeping on the job", "leaving the post", "using mobile phones", and "wearing work caps", real-time monitoring and intelligent perception are implemented to trigger alerts, enabling early intervention and timely elimination of hazards to ensure work safety and regulate operations.



Safety Management for Related Parties

Eastroc Beverage has developed the *Related Party Management Procedure*, specifying clear requirements for occupational health and safety management for suppliers, subcontractors, and engineering contractors operating within the Company's premises. These requirements include reviewing the qualifications of external construction units, managing on-site safety, identifying health and safety risks associated with procured goods, and regulating personnel and vehicle access to ensure that the products and services provided by external parties comply with the Company's occupational health and safety standards.



Factory Entry Instructions

Factory Exit Instructions

Protection of Occupational Health

Occupational Health Protection

The Company strictly complies with the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* and other relevant laws. We have hired third-party organizations to conduct a *Report on the Current Status Assessment of Occupational Disease Hazards*, which identifies potential occupational disease hazards, assesses their impact on employee health, and evaluates the effectiveness of protective measures and occupational health management practices. The report also includes recommendations for improvements in areas where occupational disease protection standards have not been met. Regarding occupational health assessments, the Company designs specific health checkups for employees based on the occupational disease hazards associated with their respective job roles, ensuring a reasonable and comprehensive understanding of their health conditions.

Key Performance:

During the reporting period, the Company achieved a **100%** certification rate for employees in special positions. The total investment in work injury insurance amounted to RMB **2.7562** million, covering **100%** of employees. The rate of occupational health checkups for base production line employees was also **100%**.

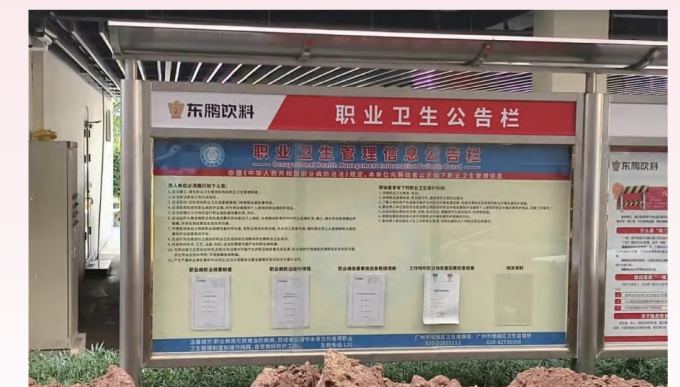


Scene of Health Check-up

Health Protection Measures

The Company has established the *Occupational Disease Prevention Facility Maintenance and Repair System* and the *Occupational Disease Protection Equipment Management System*. Based on the nature of the occupational disease hazards exposed to workers, the Company provides appropriate personal protective equipment for each job category, including dust masks, gas masks, earplugs for noise protection, safety goggles, and gloves. In addition, the Company conducts regular maintenance and management of occupational disease prevention facilities to ensure their proper functioning. The Safety and Environmental Protection Department oversees the execution of maintenance, repair, and upkeep records for these protective facilities for future reference.

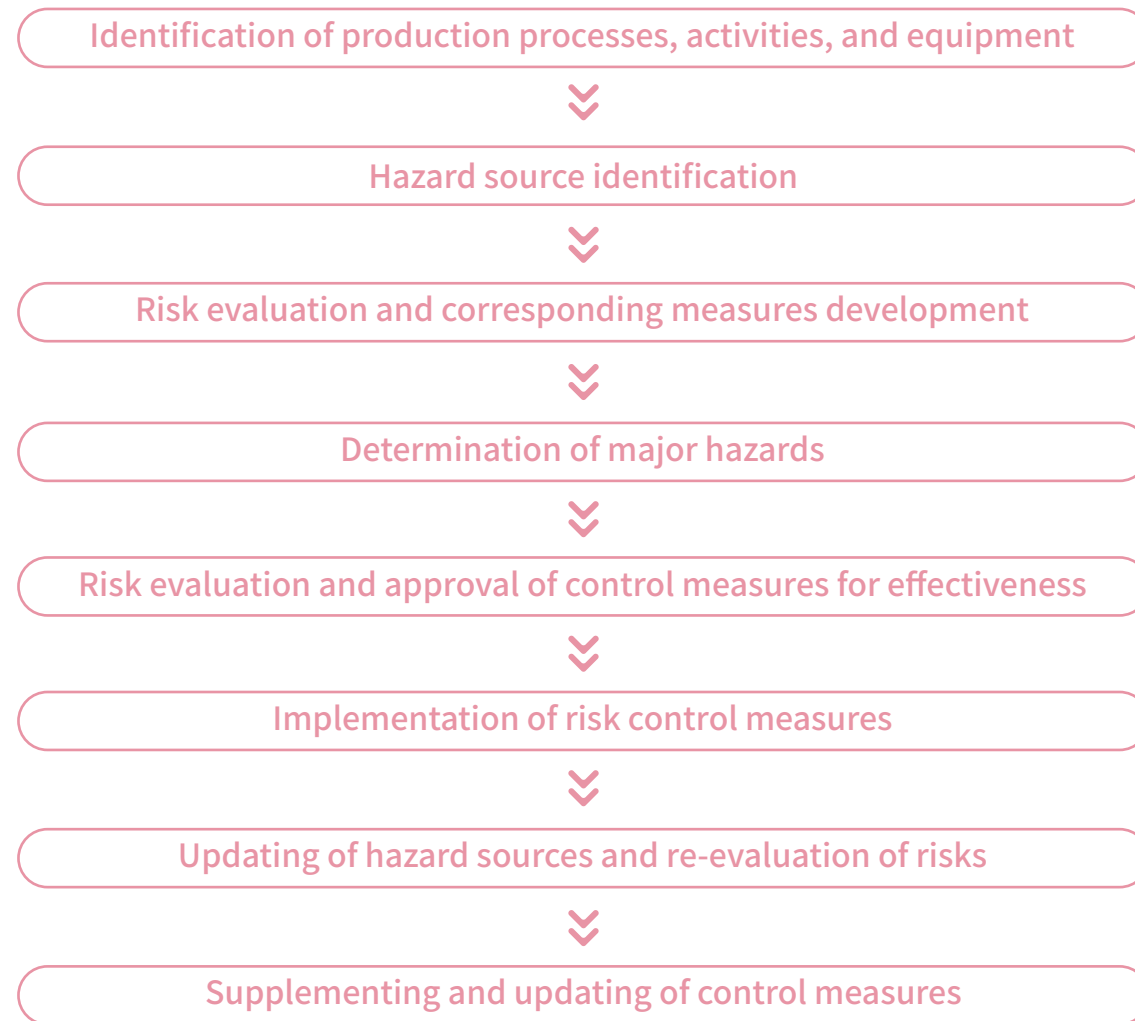
Additionally, the Company has created an occupational health bulletin board to promote awareness of occupational disease requirements and publicly displays the annual occupational health inspection results.



Occupational Health Bulletin Board

Hazardous Factor Detection

The Company has hired third-party organizations to conduct an *Report on the Current Status Assessment of Occupational Disease Hazards*, which identifies potential occupational disease hazards, assesses their impact on employee health, and evaluates the effectiveness of protective measures and occupational health management practices. The report also includes recommendations for improvements in areas where occupational disease protection standards have not been met. Furthermore, the Company proactively identifies potential hazards affecting occupational health and safety in its management and production activities, evaluates these risks, determines significant hazards, and regularly updates for effective management and control.



Hazard Identification, Risk Evaluation and Control Flowchart

Key Performance:

During the reporting period, the Company's occupational disease hazard factor detection rate was **100%**, and the detection compliance rate for occupational disease hazard factors was **100%**.

Creating a Harmonious Workplace

Eastroc Beverage's mission is to "provide a platform for employees' careers," striving to offer every employee a fair, safe, and healthy working environment. The Company continuously motivates creativity and team cohesion by ensuring the protection of employees' legal rights and interests, thereby laying a foundation for the sustainable development of the enterprise.

Compliant and Fair Employment

Respect for Employee Diversity

The Company strictly complies with the *Company Law of the People's Republic of China*, the *Labor Law of the People's Republic of China*, and other relevant laws and regulations. We have established systems such as the *Employee Handbook* and the *Recruitment and Hiring Management System*, standardizing the recruitment, selection, and hiring processes. We recruit employees from diverse backgrounds in terms of gender, profession, age, and education background to build a diverse workforce, supporting our multi-category development strategy.

We have established overseas branches to venture into international markets and actively recruit foreign employees. We fully respect the cultural beliefs and practices of local employees, treating everyone equally without discrimination based on ethnicity, religion, gender, age, nationality or any other differences. We ensure equal rights for all employees through consistent processes and standards, creating a diversified and inclusive workplace. If any instances of discrimination or harassment occur, employees can report them via email or phone to ensure their legal rights and interests are not violated. In terms of compensation and benefit packages, we are committed to ensuring equal pay for equal work, implementing fair compensation policies, and strictly prohibiting forced labor and child labor during the recruitment process. During the reporting period, the Company did not use child labor or forced labor, and was not subjected to any legal disputes related to employment discrimination.

Protection of the Rights and Interests of Female Employees

Eastroc Beverage attaches great importance to the protection of female employees' rights. We provide adequate maternity leave and paternity leave, ensuring that female employees receive full pay during their maternity leave, thereby safeguarding their economic income during this period. When female employees return to work after maternity leave, the Company reasonably arranges their tasks based on their specific circumstances, allowing an adaptation period to help them smoothly transition back into their work routine. To enrich the leisure life of female employees and enhance communication and interaction among them, the Company organizes various celebrations during the annual "International Women's Day" on March 8. Additionally, the Company regularly organizes women's health lectures, inviting professional doctors to educate female employees on topics such as gynecological disease prevention and health care, thereby improving their health awareness and self-care ability.



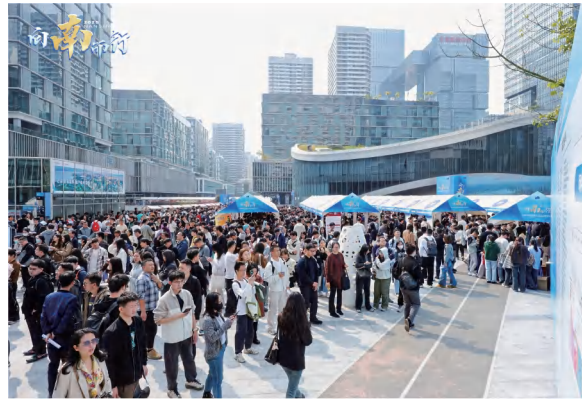
Women's Health Lectures

Key Performance:

In 2024, the proportion of female managers in the Company was **12%**. The number of employees on maternity leave was **80**, with a return-to-work rate of **89%**. The number of employees on paternity leave was **281**, with a return-to-work rate of **94%**.

Talent Acquisition

The Company actively broadens its recruitment channels through a variety of methods, both online and offline, gathering talent from all sectors to inject energy into the Company's growth. The Company strictly adheres to regulations in signing labor contracts and conducts new employee training to protect the rights of flexible employment personnel. During the reporting period, the Company held 65 recruitment events, including 32 campus recruitment sessions, 27 social recruitment sessions, and 6 live-streamed online recruitment sessions, bringing in a total of 5,276 new employees.

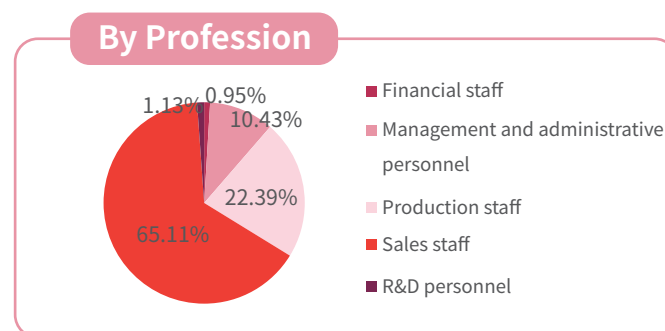
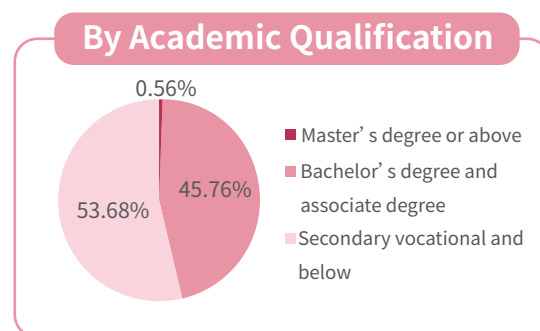
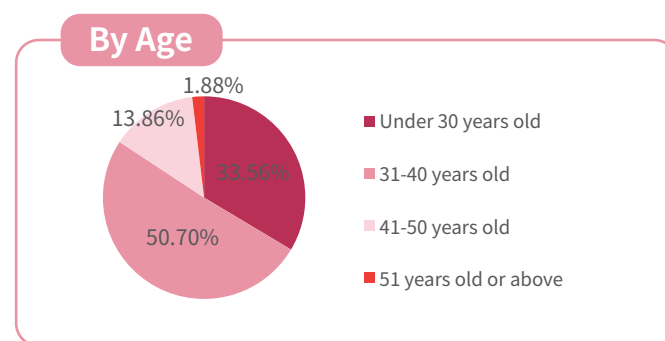
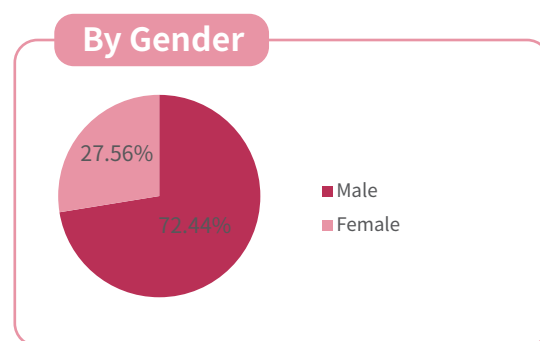


On-site Recruitment Interviews



Online Live-streamed Recruitment Interviews

2024 Employee Composition	
Performance Indicators	2024
Total Number of Employees (Persons)	10,985
Number of Employees of Minority Nationalities (Persons)	1,089



Remuneration and Benefits Management

Compensation System

Eastroc Beverage advocates for talent-driven incentives at its core and implements a position-based salary system, committed to providing employees with a comprehensive and competitive compensation and benefits system. The Company regularly conducts both internal and external salary surveys to understand market salary levels. Based on our strategic positioning and financial strength, we formulate a reasonable compensation strategy. Differentiated compensation incentives are implemented for employees based on their positions, levels, and contributions. The salary level and grade are determined through job evaluations, performance assessments, and other methods to ensure alignment with employees' abilities and contributions.

Performance Management

The Company continues to refine its performance management system by integrating employee performance with company objectives through a digital platform. This involved digitizing the entire process, including setting performance targets, reviewing targets, allocating indicators, assessing results, and conducting performance reviews. Following performance evaluations, leaders at all levels engaged in one-on-one discussions with employees to provide feedback on their performance and guidance. Additionally, an appeals process was established to validate performance evaluation results, ensuring that employees' input on performance received effective feedback and prompt responses.

Welfare System

The Company emphasizes the development of its benefits system. In addition to legally required benefits, the Company provides employees with dormitory and cafeteria services, organizes regular health checkups, hosts holiday events, distributes holiday bonuses and birthday gifts, and provides assistance to employees in difficult situations. These measures aim to stimulate continuous creativity and enthusiasm, while enhancing employees' sense of belonging and loyalty to the Company.

Key Performance:

During the reporting period, the Company achieved a **100%** social insurance coverage rate, with an average of **4.3** days of paid annual leave per employee. The percentage of employees receiving regular performance and career development assessments was also **100%**.

Focusing on Employee Voices

Eastroc Beverage consistently upholds democratic management practices. Based on the *China Federation of Trade Unions* and the *Trade Union Law of the People's Republic of China*, the Company continuously improves and implements democratic management systems through employee representative elections and work councils, enhancing employees' awareness and participation in company affairs, and ensuring their rights to information, participation, expression, and supervision. The Company actively listens to employee voices, sets up smooth communication channels, and has established three major communication platforms: "Group News", *Eastroc Fighter Enterprise Journal*, and "Small Innovations, Big Improvements". These platforms combine online and offline channels, utilizing visual and video formats to convey real-time and intuitive information on the Company's latest development strategies and corporate culture. We thoroughly gather employees' input on business development, corporate culture and team building to help us understand employee needs, constantly boost their sense of belonging and satisfaction.

During the reporting period, the Company conducted a departmental satisfaction survey to gather employees' honest and precious feedback on areas such as collaboration response, professional abilities, collaborative improvement, service attitudes, and suggestions. This survey helps drive continuous departmental improvement, enhance work efficiency, create value, and foster a business growth-oriented atmosphere focused on "putting clients first and striving for the highest satisfaction." In this survey, a total of 1,100 employees participated, with an overall completion rate of 94%. Among them, 566 managerial-level employees (and above) had a participation rate of 90%, while 534 employees at the non-managerial level (supervisors & department heads) had a 99% participation rate. The overall score was 1.32 points higher on the 100-point scale compared to the average score in 2023.

Putting Employee Care into Practice

Caring Community Assistance Program

Eastroc Beverage designates May 20 every year as “Eastroc Caring Community Day.” Inspired by the charity vision of “supporting one another through thick and thin”, the Company has set up the “Eastroc Beverage Caring Community Fund”, advocating every Eastroc employee to voluntarily “contribute a day’s wage” to foster a culture of mutual support. This initiative aims to provide essential assistance to participating employees (including distributors and business agents), their spouses and dependent children during times of financial strain caused by severe illnesses in the family. The 520 Caring Community initiative has garnered widespread attention within the organization, with over **4,580** participants raising a substantial fund exceeding RMB **1.4285** million in 2024. By the end of 2024, it had extended support to **10** individuals, offering a total aid amounting to RMB **1.3351** million.



Caring Community Assistance Program

Retired Employee Care

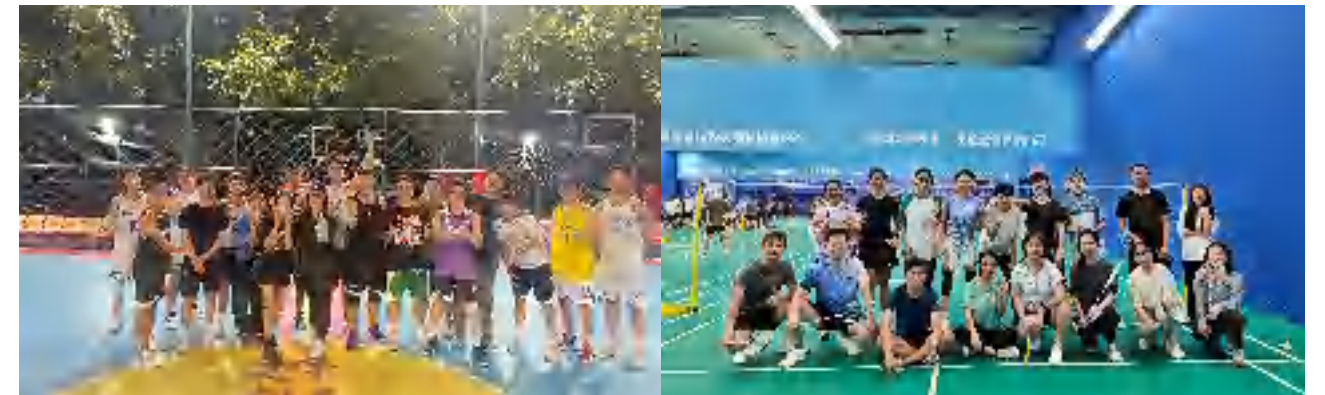
The Company also strengthens its communication and connection with retired employees by actively organizing care activities for them. This is a way of expressing sincere gratitude to retired staff and ensuring that they feel respected and appreciated by the Company. Additionally, the Company pays close attention to employees’ physical and mental health by offering a series of care and support measures. We also organize diverse cultural activities that help employees balance their work and personal lives, continuously enhancing employee cohesion and well-being.



Retired Employee Care

Work-Life Balance

The Company values the physical and mental health of its employees and regularly organizes diverse employee activities. These activities enhance communication and understanding between colleagues, fostering trust and camaraderie. These initiatives not only provide employees with a chance to relax amidst their busy work schedules but also make them feel the Company’s care and concern, contributing to a harmonious work-life balance.



Basketball Activity

Badminton Activity



Team-building Activity

Dragon Boat Festival Activity



Coco Island Coconut Activity

Product Knowledge Event

Employee Training & Development

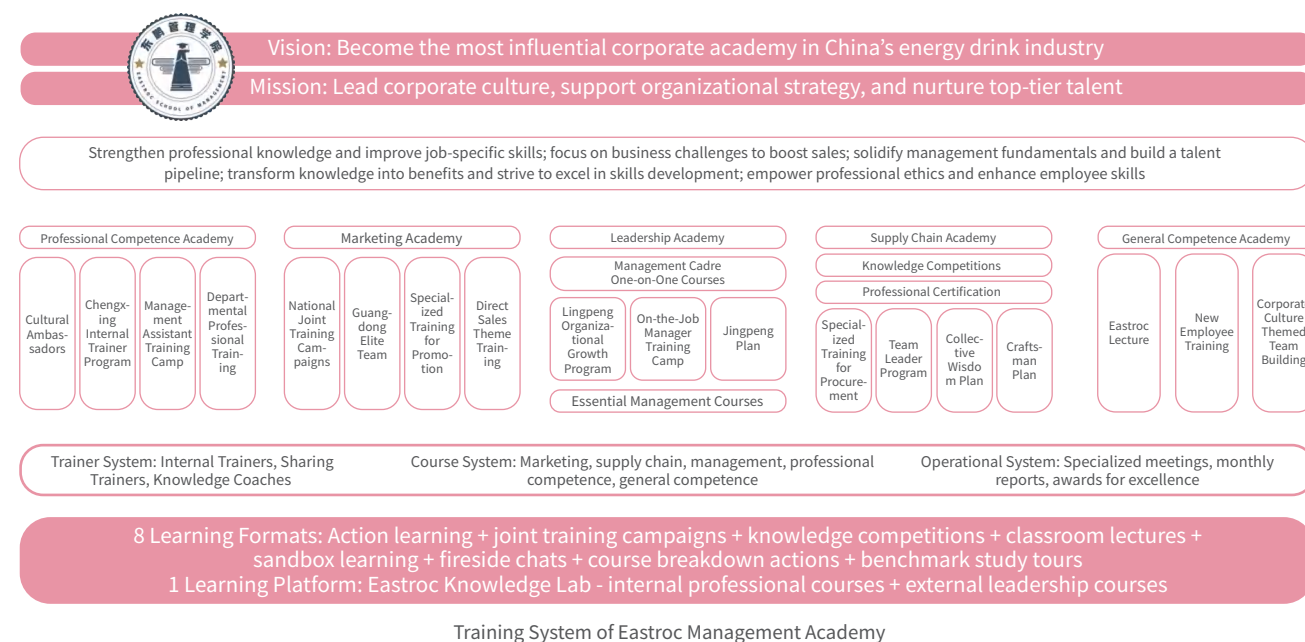
Eastroc Beverage always regards employee development as the core driving force for the Company's growth. The Company tailors diversified career development paths and ongoing learning opportunities for its employees. By offering regular skills training, leadership enhancement programs, and cross-department rotation opportunities, the Company helps employees continuously break through personal limits, gaining experience and growing their skills in practice.

Employee Training Management

Improving Training System

The Company has upgraded its talent training program with the mission of "leading corporate culture, supporting organizational strategy and cultivating top-notch talent." The program is designed to "activate the organization, activate people and provide talent for multi-category development". The Company formulated the *Training Management Measures* and other systems to define training requirements and standardize training processes. Utilizing both internal and external resources, the Company relies on the "Eastroc Management Academy" digital learning platform to build a more systematic corporate training system for all employees.

With internal trainers at the core of a learning organization, the Company continues to refine its internal trainer team. In 2024, the Company had 127 certified trainers, 20 invited trainers, and 25 online sharing instructors. These trainers, drawn from the marketing, supply chain, and various functional departments, form the key teaching force for cross-departmental training. The Company also continuously develops an online learning platform, which currently offers 373 courses. Of these, 197 are self-created by the Company, and 176 are externally sourced courses. The online course viewing volume exceeded 100,000 views, meeting the online learning needs of employees at all levels.



Capability Development Program

In the specialized talent development programs, the Company has established five major training systems: marketing, supply chain, professional competence, leadership, and general competence. In 2024, the Company carried out 22 systematic talent development projects, including the "Lingpeng Organizational Growth Program", "Chengxing Internal Trainer Program", "Marketing Joint Training Campaigns", "Supply Chain Knowledge Competition", and "Corporate Culture Themed Team Building". In terms of talent pipeline development, the Company has a clear structure, with distinct promotion paths and development plans for employees at all levels, from entry-level staff to senior management. This includes new employee onboarding training, professional skills training for current employees, leadership development programs, and career skills training. This ensures that employees receive the necessary knowledge and skills at different stages, maintaining sufficient talent reserves at each level.

Leadership System

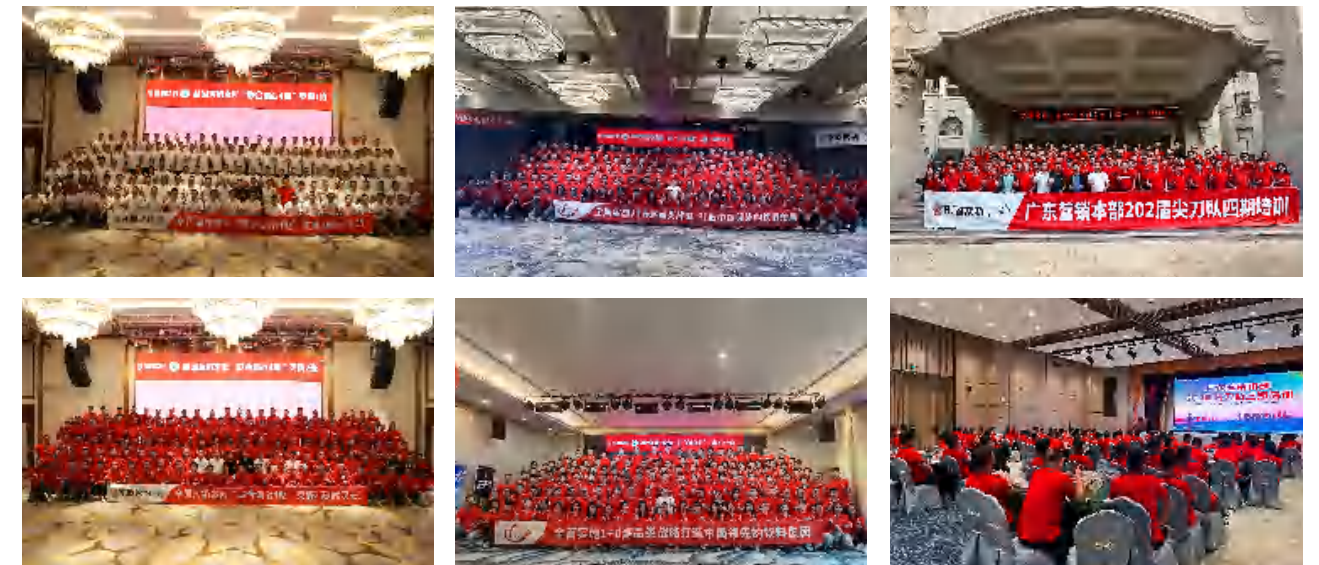
We've launched the Reserve Colonel Training Camp (director trainees), Reserve Major Training Camp (manager trainees), New Blood Training Camp (management trainees), and Jingpeng Class (new comers) to build a robust talent cultivation and empowerment system for our leadership pipeline.



Leadership Training

Marketing System

Through precise talent empowerment initiatives like "Lecture + Practice" Training Program, "In-house Marketing Training", "Elite Team Training Camp" and "Feipeng Class", we've established a targeted marketing training system that covers three marketing divisions and caters to different groups within the organization.



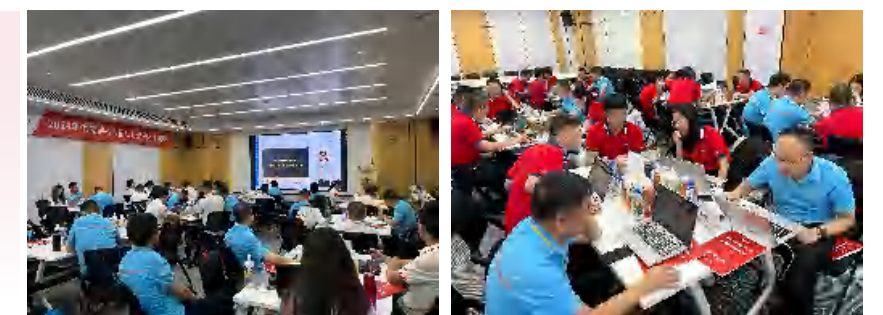
Joint Training Campaigns

Internal Training for Promotion

Elite Team Training

Supply Chain System

We focus on developing specialized modules to enhance supply chain capabilities as the core of our training curriculum, aiming to achieve comprehensive coverage of "knowledge" and "skills" for all front-line positions.



Supply Chain System Training

Professional Competence System

Our focus is on developing a professional team training system by empowering the finance team, nurturing corporate culture ambassadors, managing archives, enhancing the skills of management assistants, and empowering sales operations.



Professional Skills Training

General Competence System

Emphasizing the cultivation of employees' learning ability, innovative thinking and teamwork skills through general knowledge training programs such as New Hire Training and Eastroc Lecture, we're building a comprehensive general skills training system.



General Competence Training

Key Performance:

In 2024, the Company launched **22** specialized talent development projects, with a total of **58** sessions, directly reaching **3,048** employees and accumulating over **33,000** hours of training and the satisfaction score of 94 points. In addition, each department conducts monthly training sessions, including cross-training and independent business skills training, with the total training hours exceeding **100,000**.

Showcase Training Initiatives

Supply Chain "Knowledge Contest" Program

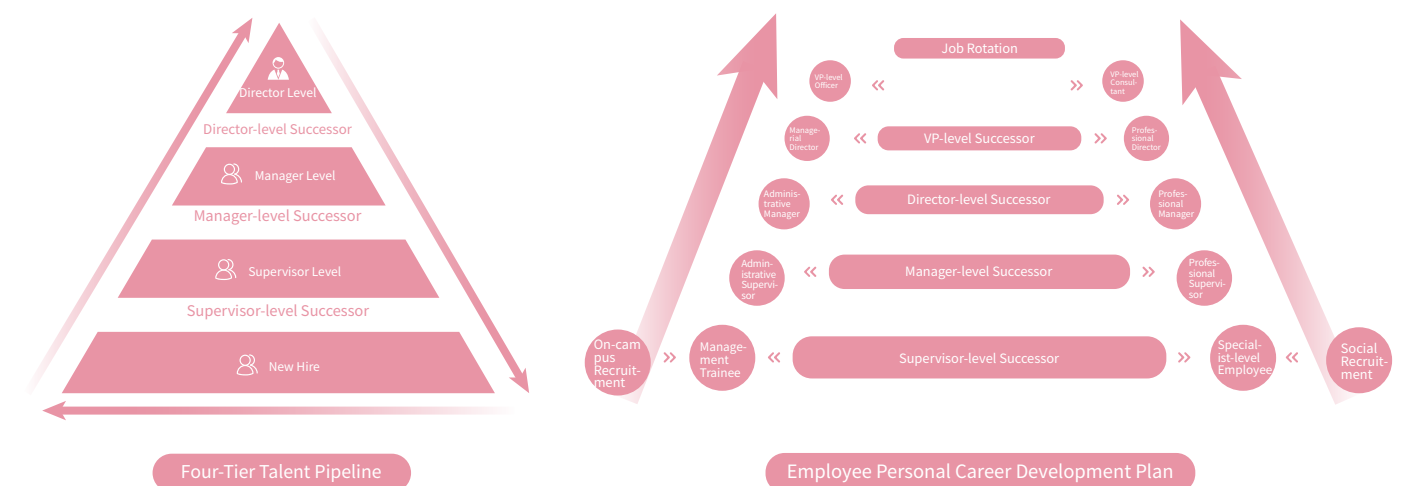
From September 23 to October 25, 2024, Eastroc Management Academy - Supply Chain Academy hosted the Supply Chain Knowledge Competition. The event was divided into three stages: practical competition, all-staff quiz, and finals, aiming to enhance supply chain employees' theoretical knowledge and skills, foster a positive learning atmosphere for all employees, and demonstrate the professionalism and team spirit of supply chain personnel, and ultimately contributing collectively to the development of Eastroc's business.



Employee Development Pathways

The Company adheres to the principle of "valuing creators of value, balancing performance with virtue and ability" and has formulated systems such as the *Group Organizational Hierarchy and Job Level Management System* and the *Employee Promotion and Demotion Management System*. These systems clarify employees' career development pathways and establish a fair, just, and open internal competition mechanism based on performance, forming a positive talent development environment where "the capable is promoted, while the incompetent is removed". The Company continues to develop its talent pipeline by setting four categories of job positions based on the nature, characteristics, and management needs of the roles: Management (M Class), Functional (F Class), Technical (P Class), Operational Support (O Class). The level of each position is determined based on the responsibilities, work complexity, and the employee's virtue, ability, performance, and work experience. Promotions and advancements for all positions must align with the Company's cultural values and the qualifications required for the position, including professional skills, work experience, and leadership development for management positions. For technical roles, relevant professional qualifications and certificates are required. At the same time, By introducing the "Digital Talent Selection System", we've established digital evaluation models for frontline marketing and production roles, creating a comprehensive digital talent assessment framework to ensure scientific personnel selection. This enables a scientific and precise approach to personnel selection.

Additionally, we have implemented the *Job Rotation Management System*, establishing a comprehensive job rotation mechanism. This system broadens employees' thinking, cultivates multidimensional abilities, and lays a foundation for developing versatile talents within the Company.



Digital Talent Evaluation System



Eastroc Beverage upholds the public welfare philosophy of “Empower love with vitality” and views social responsibility as an important part of the Company’s development. For many years, the Company has focused on areas such as healthcare, sports education, and scholarship donations, providing practical support for disaster relief and helping groups in need. This has led to the establishment of a unique public welfare operation system that embodies Eastroc’s distinctive character. In March 2024, Eastroc Beverage received several honors for its outstanding performance in fulfilling corporate social responsibility and its long-standing support for public welfare causes. These included the titles of “Annual Public Welfare Enterprise” and “Annual Charity Role Model”.

In addition, the Company has always upheld a strong sense of social responsibility, committed to promoting agricultural development and rural revitalization. Through the development of fruit and vegetable juice beverages, such as Fresh-squeezed Amla Juice, the Company supports farmers by helping them increase income and injects continuous vitality into rural revitalization.

During the reporting period, the Company made a total contribution of RMB **38.3586** million to external donations and public welfare projects. Among these, the Company donated RMB **25.5** million through the Shenzhen Eastroc Beverage Foundation, which will continue to invest in the coming years to provide support and assistance to society.

Gathering Warmth and Power



《Annual Responsible Public Welfare Activity》



《Annual Charity Role Model》



《Public Welfare Innovation Case》



《2023 Annual Public Welfare Enterprise》

Cash Donation
RMB 37.506 million

- ★Donation through Shenzhen Eastroc Beverage Foundation: RMB **25.5** million
- ★Donation through “Han Hong Love Charity Foundation - Hundred People Medical Care” Public Welfare Activity: RMB **5** million
- ★Donation through “Han Hong Charity - Depression Intervention Project”: RMB **3** million
- ★Donation through Yao Foundation “Rising Stars of Basketball” Public Welfare Program: RMB **2** million
- ★Donation through Eastroc Beverage - Children of Truck Drivers Scholarship Program: RMB **1.05** million
- ★Donation through Southern Medical University’s Scholarship Program of “Rising Stars of White Coat”: RMB **500,000**
- ★Donation through the Temple of Longevity Thousand-Hand Kwan-yin Statue Project in Zengcheng District: RMB **316,000**
- ★Donation through the South China Agricultural University Education Development Foundation: RMB **50,000**
- ★Donation for rural revitalization assistance: RMB **50,000**
- ★Donation to the People’s Government of Jingwu Town, Xiqing District, Tianjin: RMB **20,000**
- ★Donation to Daojiao Town for poverty relief in Guangdong: RMB **20,000**

In-Kind Donations: RMB 852,600

- ★Donation of products worth RMB **559,100** to flood relief in Hunan, including Huarong, Pingjiang, and Xiangtan
- ★Donation of products worth RMB **149,800** for post-disaster reconstruction in Nanyang, Henan
- ★Donation of products worth RMB **143,700** for typhoon “Capricorn” disaster relief in Hainan

Healthcare

Supporting “Han Hong Love Charity Foundation - Hundred People Medical Care” to Boost Grassroots Healthcare Construction

As a long-standing strategic public welfare partner, Eastroc Beverage has collaborated with the Han Hong Foundation since 2017 to uplift rural healthcare standards. For five consecutive times, we’ve supported the “Hundred People Medical Care” drive, contributing 10 emergency rooms, 11 sight restoration centers and 80 ambulances to regions including Ningxia, Yunnan, Shaanxi, Heilongjiang, and Jilin. These efforts are focused on providing professional and effective medical aid to remote areas, safeguarding the health of the public.

In August 2024, Eastroc Beverage supported the “Han Hong Love Charity Foundation - Hundred People Medical Care” large-scale free clinic. The Company donated 20 ambulances and built 2 vision restoration centers in Jilin Province, along with organizing 10 free medical consultation sessions along the way, conducting local disease screenings, and distributing free medicines. The Company’s employees also participated as volunteers, embodying the spirit of youth volunteer service, and spreading the energy of love to more people.



Launching the “Depression Intervention” Project to Build a Mental Health Social Support System

In 2024, Eastroc Beverage reached an agreement with the Han Hong Foundation to cooperate on a depression intervention project. The first phase of medical social worker training was launched in Wuhan, connecting various forces including government, hospitals, universities, and social institutions, to build a mental health social support system centered on depression patients. By 2024, 31 medical social workers had joined the specialized field of depression.



Education Assistance

“Rising Stars of Basketball” Public Welfare Program, Supporting Sports Education in Rural Primary Schools

Eastroc Beverage understands the importance of sports education for the healthy growth of young people. Since 2022, the Company has continuously collaborated with the Yao Foundation to carry out the “Rising Stars of Basketball” public welfare program. This program has supported over 300 rural primary schools in sports education and built public basketball courts in Guizhou, Jiangxi, Sichuan, Hubei, Hunan, and Yunnan, benefiting over 300,000 rural youth. The program allows children in underdeveloped regions to enjoy basketball and chase their sports dreams, injecting new vitality into rural sports education. During the reporting period, the Eastroc Beverage - Yao Foundation “Rising Stars of Basketball” public welfare program once again won the “Best Sports Public Welfare” Award.

In 2024, the Company donated basketball hoops, basketballs, uniforms, and other facilities to over 100 rural primary schools, and also supported college student volunteers in teaching, basketball training camps, and league activities, covering 140,000 rural youth.



“Children of Truck Drivers Scholarship Program” - Helping the Next Generation Pursue Dreams in Higher Education

In 2024, Eastroc Beverage launched the “Eastroc Beverage - Children of Truck Drivers Scholarship Program” in collaboration with the China Workers Development Foundation. The program supports 165 children of truck drivers who were admitted to undergraduate institutions in 2024 and whose families face certain difficulties. It provides scholarships to ease the financial burden on truck drivers’ families, enhance their sense of professional well-being and social honor, and encourage the next generation to bravely pursue their dreams and look toward the future. In 2024, the “Eastroc Beverage - Children of Truck Drivers Scholarship Program” was selected for the 2024 “Warm Journey - Professional Development and Protection Action for Truck Drivers and Taxi Drivers”.



Scholarship Program of “Rising Stars of White Coat” - Encouraging Future Medical Professionals to Pursue Dreams

The Scholarship Program of “Rising Stars of White Coat” was jointly initiated by Eastroc Beverage and Southern Medical University in 2020. Over the past five years, the program has donated a total of RMB 2.5 million, specifically to reward outstanding students who are admitted to the eight-year continuous MD/PhD program at Southern Medical University. The goal is to inspire young individuals to strive for excellence in the medical field, continuously advance in their careers, and contribute to public health and the well-being of the people.



Social Disaster Relief

Eastroc Beverage has taken active steps in emergency disaster relief, demonstrating its unwavering commitment. In 2024, the Company donated a total of 3,840 cases of products to support flood relief efforts in Hunan’s Huarong, Pingjiang, and Xiangtan areas. The Company also aided post-flood reconstruction in Nanyang, Henan, and provided disaster relief for typhoon “Capricorn” in Hainan, offering help to frontline rescue workers and affected civilians. This effort is in line with the Company’s commitment to its slogan, “Empower love with vitality”, and its corporate social responsibility.

Eastroc Beverage’s Support for Huarong Disaster Relief

Case

In July 2024, due to continuous heavy rainfall, a levee breach occurred in the Tuanzhou Dyke along Dongting Lake in Huarong County, Yueyang, Hunan Province. To support flood control and disaster relief in Huarong, Eastroc Beverage quickly mobilized its Central China Business Division, the Xiangbei Region, and local distributors. They donated 24,000 bottles of beverages as the first batch of supplies, providing energy support and logistical assistance to the fire brigades, armed police officers, and affected residents on the frontlines.



Caring for New Workforce Groups

Eastroc Beverage has been keeping an eye on the needs and challenges of the new workforce, including delivery drivers, truck drivers, and other gig economy workers. The Company has provided a variety of material support for these groups and organized the “Little Migrant Birds Guangzhou-Shenzhen Study Tour” public welfare event for two consecutive years, bringing warmth and positivity to society. During the reporting period, the Shenzhen Eastroc Beverage Foundation, in partnership with the Taoyuan Street Women’s Federation, Youth League Committee, and the Working Committee for the Care of the Next Generation, held a series of public welfare activities for Children’s Day. These included eco-friendly craft classes, visiting and offering support to children in difficult circumstances, and organizing visits to the Eastroc South China Base. Through these activities, the foundation provided heartfelt care to the children of delivery workers and families in need. In addition, the Company donated RMB 84,000 in cash to support 42 disadvantaged children in Taoyuan Street.



Looking Ahead

Against the backdrop of the concept of sustainable development increasingly becoming a core issue for global enterprises, Eastroc Beverage, as a leading domestic functional beverage enterprise, has integrated low-carbon transformation, social responsibility, and governance optimization into its corporate DNA while maintaining performance growth. Through technological innovation, transparent management, and industry collaboration, the Company aims to achieve both economic and social value enhancement.

Strengthening Governance Transparency and Promoting Corporate Sustainability

In the future, the Company will actively improve ESG information disclosure, optimize shareholder return mechanisms, strengthen internal controls and risk management, and improve the long-term governance mechanisms for sustainable development. These efforts will ensure that the sustainable development strategy aligns with the Company's business strategy.

Promoting Low-Carbon Transformation in Environmental Dimensions and Building a Green Production System

The Company will further optimize the energy structure of its production bases, increase the use of clean energy such as PV power, and upgrade process technologies to improve resource efficiency for water, electricity, etc. In addition, the Company will enhance green packaging design, further reduce plastic usage, and increase the proportion of recyclable materials to lower its environmental footprint from the source. Furthermore, the Company will promote low-carbon initiatives across the entire supply chain, reduce regional transportation carbon emissions through a nationwide production base establishment, and achieve a balance between scale benefits and green development, creating synergies for a green industry.

Enhancing Social Responsibility and Creating Social Value

In response to consumers' growing demand for healthy beverages, the Company will continue to accelerate product formula upgrades, strengthen quality control systems, and maintain brand trust. Regarding employee management, the Company will improve its employee health and safety management mechanisms, establish transparent channels for employee care and communication, and foster personal development and capabilities. Additionally, the Company will focus more on public welfare projects in education, healthcare, and other areas, increasing investment in these initiatives to improve its corporate social image.

Annex

Indexes

Chapters and Sections		Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards)	Guide to Corporate Sustainability Reporting in China (CASS-ESG 6.0)	Self-Regulatory Guidelines for Listed Companies No. 14 - Sustainability Report (for Trial Implementation)
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Chapters and Sections		Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards)	Guide to Corporate Sustainability Reporting in China (CASS-ESG 6.0)	Self-Regulatory Guidelines for Listed Companies No. 14 - Sustainability Report (for Trial Implementation)
Interpreting Value through Quality	Innovation-driven	416-1	S2.1.1/S2.1.2/S2.1.3/S2.1.4/S2.1.5/S2.1.6/S2.1.7/S2.1.8/S2.1.10/S2.1.11/S2.1.12/S2.1.13	Article 11 Article 42
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Interpreting Responsibility with Love	Occupational Health and Safety	403-1/403-2/403-3/403-4/403-5/403-6/403-7/403-8/403-10	S4.2.1/S4.2.2/S4.2.3/S4.2.4/S4.2.5	Article 11 Article 49 Article 50
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	Gathering Warmth and Power	203-1/203-2	S1.1.2/S1.1.4/S1.2.1/S1.2.2/S1.2.5/S1.2.6	Article 38 Article 39 Article 40
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Additional Environmental Information

2024 Emission Data of Zeng Peng Plant

Category	Pollutant	Emission Concentration	Environmental Protection Facilities	Treatment Capacity	Treatment Outcome
Wastewater	Chemical oxygen demand	32mg/L	Sewage Treatment Station	600 tons/day	Achieved
	Ammonia nitrogen	0.498mg/L			
Waste gases	Non-methane hydrocarbons	1.52mg/m³	Centralized, high-altitude discharge	-	Achieved
	Sulfur dioxide	ND			
	Nitrogen oxide	23mg/m³			
Noise	Noise	Daytime < 60 dB(A) Nighttime < 50 dB(A)	Noise barrier/green Belt	-	Achieved

Note:

1.Zeng Peng Plant, officially known as Guangzhou Eastroc Beverage Co., Ltd., is a subsidiary of Eastroc Beverage and the Company’ s only key pollutant discharge unit.

2. During the reporting period, Zeng Peng Plant maintained fully operational environmental protection facilities, ensuring that pollutant emissions consistently met regulatory standards. The plant’ s wastewater treatment system utilized a “primary air flotation + A/O + MBR membrane filtration” process, with facilities running smoothly around the clock. Since June 2024, Zeng Peng Plant has received approval from the Environmental Protection Bureau and the Water Affairs Bureau of Zengcheng District to begin a pilot program for industrial wastewater discharge into the municipal sewage network. The boilers operated on clean natural gas, with emissions collected through a chimney for high-altitude discharge. Emissions of sulfur dioxide and Nitrogen oxides remained well within allowable limits. Exhaust gases were discharged at high-altitude centrally.

3. The Company has installed sewage monitoring equipment to track and record pollutant emission levels in real-time. Since 2018, Zeng Peng Plant has contracted a certified third-party environmental testing agency to conduct quarterly assessments of wastewater, exhaust gases and solid waste.

4. Zeng Peng Plant has been officially recognized as a water-efficient enterprise.

5. The Company’ s *Emergency Response Plan for Environmental Accidents* was successfully filed on November 24, 2021, under the registration number 341172-2021-005-L.

Pollutant Emissions for Major Production Bases (not key pollutant discharge units) in 2024 (Excluding Zeng Peng Plant)

Entity	Category	Pollutant	Emission Concentration	Environmen-tal Protection Facilities	Treatment Capacity	Treatment Outcome
Guan Peng Plant	Wastewater	Chemical oxygen demand	26 mg/L	Sewage treatment station	500 tons/day	Achieved
		Ammonia nitrogen	0.476 mg/L			
	Waste gases	Sulfur dioxide	ND	Centralized, high-altitude discharge	-	Achieved
		Nitrogen oxide	33 mg/m³			
		Particulate matter	4 mg/m³			
		Non-methane hydrocarbons	1.68 mg/m³			
	Noise	Noise	Daytime < 65dB(A) Nighttime < 55dB(A)	Noise barrier/green Belt	-	Achieved
Hua Peng Plant	Wastewater	Chemical oxygen demand	13 mg/L	Sewage treatment station	1000 tons/day	Achieved
		Ammonia nitrogn	0.213 mg/L			
	Waste gases	Sulfur dioxide	ND	Centralized, high-altitude discharge	-	Achieved
		Nitrogen oxide	33 mg/m³			
		Particulate matter	3.8 mg/m³			
		Non-methane hydrocarbons	7.88 mg/m³			
	Noise	Noise	Daytime < 60dB(A) Nighttime < 50dB(A)	Noise barrier/green Belt	-	Achieved
Gui Peng Plant	Wastewater	Chemical oxygen demand	41 mg/L	Sewage treatment station	390 tons/day	Achieved
		Ammonia nitrogn	0.519 mg/L			
	Waste gases	Sulfur dioxide	4	Centralized, high-altitude discharge	-	Achieved
		Nitrogen oxide	118 mg/m³			
		Particulate matter	ND			
	Noise	Noise	Daytime < 60dB(A) Nighttime < 50dB(A)	Noise barrier/green Belt	-	Achieved

Entity	Category	Pollutant	Emission Concentration	Environmental Protection Facilities	Treatment Capacity	Treatment Outcome
Hui Peng Plant	Wastewater	Chemical oxygen demand	196 mg/L	Sewage treatment station	1500 tons/day	Achieved
		Ammonia nitrogen	33.4 mg/L			
	Waste gases	Non-methane hydrocarbons	0.82 mg/m³	Centralized, high-altitude discharge	-	Achieved
	Noise	Noise	Daytime < 65dB(A)	Noise barrier/green Belt	-	Achieved
Qing Peng Plant	Wastewater	Chemical oxygen demand	143 mg/L	Sewage treatment station	1000 tons/day	Achieved
		Ammonia nitrogn	1.55 mg/L			
	Waste gases	Sulfur dioxide	ND	Centralized, high-altitude discharge	-	Achieved
		Nitrogen oxide	32 mg/m³			
		Particulate matter	4.1 mg/m³			
	Noise	Noise	Daytime < 60dB(A)	Noise barrier/green Belt	-	Achieved
			Nighttime < 50dB(A)			
Zhe Peng Plant	Wastewater	Chemical oxygen demand	453 mg/L	Sewage treatment station	1800 tons/day	Achieved
		Ammonia nitrogen	5.76 mg/L			
	Waste gases	Non-methane hydrocarbons	3.95 mg/m³	Centralized, high-altitude discharge	-	Achieved
	Noise	Noise	Daytime < 60dB(A)	Noise barrier/green Belt	-	Achieved
Xiang Peng Plant	Wastewater	Chemical oxygen demand	192 mg/L	Sewage treatment station	1800 tons/day	Achieved
		Ammonia nitrogen	3.16 mg/L			
	Waste gases	Sulfur dioxide	ND	Centralized, high-altitude discharge	-	Achieved
		Nitrogen oxide	21 mg/m³			
		Particulate matter	7.5 mg/m³			
		Non-methane hydrocarbons	1.38 mg/m³			
	Noise	Noise	Daytime < 60dB(A)	Noise barrier/green Belt	-	Achieved

Note:

1. Full names of the Bases: Guan Peng Plant: Guangdong Eastroc Vitamin Beverage Co., Ltd.; Hua Peng Plant: Guangdong Eastroc Beverage Co., Ltd.; Gui Peng Plant: Nanning Eastroc Beverage Co., Ltd.; Hui Peng Plant: Anhui Eastroc Beverage Co., Ltd.; Qing Peng Plant: Chongqing Eastroc Vitamin Beverage Co., Ltd.; Zhe Peng Plant: Zhejiang Eastroc Vitamin Beverage Co., Ltd.; Xiang Peng Plant: Changsha Eastroc Vitamin Beverage Co., Ltd.

2. All the above production bases comply with emission standards. Wastewater and exhaust gases are centrally discharged, and all environmental protection facilities are fully operational.

3. Gui Peng Plant, Guan Peng Plant, Hui Peng Plant and Hua Peng Plant have all been certified as water-saving enterprises.

Feedback

Thank you for reading the *2024 Sustainability Report of Eastroc Beverage (Group) Co., Ltd.* To improve Eastroc Beverage's performance in environment, society, and corporate governance, further enhance our sustainable development capabilities and levels, and strengthen communication with all sectors of society, we sincerely hope that you will provide valuable feedback and suggestions on our work and report amidst your busy schedule.

Your Information

Name: _____ Tel.: _____

Unit: _____ Email: _____

Multiple Choice (Please check ☒ in the appropriate box)

1. Your overall assessment of Eastroc Beverage's 2024 Sustainability Report:

☐ Good ☐ Average ☐ Needing Improvement ☐ I don't know

2. How do you think Eastroc Beverage has performed in terms of customer service?

☐ Good ☐ Average ☐ Needing Improvement ☐ I don't know

3. How do you think Eastroc Beverage has performed in terms of technological innovation?

☐ Good ☐ Average ☐ Needing Improvement ☐ I don't know

4. How do you think Eastroc Beverage has performed in terms of corporate governance?

☐ Good ☐ Average ☐ Needing Improvement ☐ I don't know

5. How do you think Eastroc Beverage has performed in terms of team building?

☐ Good ☐ Average ☐ Needing Improvement ☐ I don't know

6. How do you think Eastroc Beverage has performed in terms of social welfare?

☐ Good ☐ Average ☐ Needing Improvement ☐ I don't know

7. How do you think Eastroc Beverage has performed in terms of environmental protection?

☐ Good ☐ Average ☐ Needing Improvement ☐ I don't know

8. How do you think Eastroc Beverage has performed in terms of sustainable supply chains?

☐ Good ☐ Average ☐ Needing Improvement ☐ I don't know

9. Do you have any comments on Eastroc Beverage's performance in sustainable development efforts?
