

*Rooted in Legacy  
Together for a Healthier Life*



2025

Sustainability Report  
Yihai Kerry Arawana Holdings Co., Ltd.

# CONTENTS

About The Report	01
Message from the Chairman	03
About Yihai Kerry Arawana	05
2025 ESG Performance Highlights	07
ESG Management	11
Corporate Governance	17

<b>Feature 1: A Better Life Powered by Innovation</b>	<b>25</b>
---	-----------

<b>Feature 2: Green Actions for a Net-Zero Future</b>	<b>41</b>
---	-----------

## 01 Green Ecosystem, Green Homeland

- Green Development, Ecology First 65
- Resource Efficiency, Circular Economy 71

## 02 Quality Commitment, Consumer Confidence

- Uphold Standards, Quality First 81
- Sincere Service, Healthier Life 88

## 03 Together for Symbiosis, United for Value Creation

- United for Value Creation 93
- Open Cooperation for Industry Prosperity 99

## 04 Together We Achieve More

- Safety First, Health for All 103
- Empower Growth, Excel Together 107

## 05 Give Back to Society, Shoulder Responsibility Together

- Revitalize Rural Areas to Achieve Common Prosperity 119
- Embrace Public Welfare to Fulfill Social Responsibility 122

- Appendix 1: Key Performance Indicators 125
- Appendix 2: Index to the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)* 130
- Appendix 3: Index to the United Nations Sustainable Development Goals (SDGs) 131
- Appendix 4: GRI Standard Index 132
- Appendix 5: Index to SASB Food Retailers and Distributors (FB-FR, 2018-10) 136



# About The Report

## Overview

This is the fifth Sustainability Report (hereinafter referred to as the “Report” or the “ESG Report”) released by Yihai Kerry Arawana Holdings Co., Ltd. (hereinafter referred to as “Yihai Kerry Arawana (YKA)”, “Yihai Kerry”, the “Group”, the “Company” or “We”). We aim to faithfully disclose the Company’s ESG performance as well as its responsible practices towards key stakeholders including shareholders, customers, partners, employees, the environment and communities. The Report covers the fiscal year from January 1, 2025 to December 31, 2025 (the “Reporting Period”), with certain information retroactive to previous years or covering 2026.

## Preparation Basis

The Report has been prepared with reference to the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)* (hereinafter the “Guidelines”), the *GRI Sustainability Reporting Standards* (hereinafter the “GRI Standards”) issued by the Global Sustainability Standards Board (GSSB), and the standards of the Sustainability Accounting Standards Board (SASB). Reference has also been made to relevant requirements including the Morgan Stanley Capital International ESG Rating (the “MSCI ESG Ratings”) and S&P Global Corporate Sustainability Assessment (CSA).

The content of the Report has been determined through a structured process, which includes identifying and prioritizing key stakeholders; identifying and prioritizing material ESG-related topics; defining the boundary of the ESG report; collecting relevant information and data; drafting the report based on such information, and reviewing the information contained in the report.

## Report Scope and Boundary

The policies and data presented in the Report cover the Company and its subsidiaries. Environmental performance data and certification rates relating to environment, quality, health and safety do not cover entities under new construction, reconstruction, suspension or other non-operational status. Unless otherwise specified, the scope of the Report is consistent with that of the Annual Report.

## Data Sources and Assurance of Reliability

Data and cases included in the Report are mainly derived from the Company’s statistical reports and relevant documents. The Board of Directors of the Company confirms that the Report contains no false records or misleading statements, and assumes responsibility for the authenticity, accuracy and completeness of its content.

## Confirmation and Approval

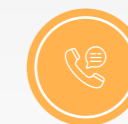
The Report was reviewed and approved by the Board of Directors on April 16, 2026.

## Access and Contact Information

The electronic version of the Report is available via the Shenzhen Stock Exchange’s website at <http://www.szse.cn> or YKA’s website at [www.yihaikerry.net.cn](http://www.yihaikerry.net.cn). Should you have any comments or suggestions regarding YKA’s environmental, social and governance (ESG) disclosures and performance, please contact us through the following channels:



E-mail:  
Sustainability-Yihaikerry@cn.wilmar-intl.com



Tel:  
021-31199999

## Message from the Chairman

The year 2025 marks a year of dedicated growth and steady progress for YKA. Against the backdrop of escalating climate challenges, energy transition and evolving consumer needs, we have remained true to our founding aspiration: “To Build an Ideal Group.” With sustainability deeply embedded in our corporate growth, we have taken solid steps to translate ESG from concept into action and from plans into tangible results.

Throughout the year, our robust ESG practices have been widely recognized by leading authorities worldwide. In the S&P Global Corporate Sustainability Assessment (CSA), we achieved a historic high score of 75, maintaining our leading position in China’s food industry. Meanwhile, YKA retained its MSCI ESG Rating of A for the third consecutive year. These achievements are not only honors, but also represent the capital market’s recognition of our commitment to sustainable development and our consistent delivery of solid value.

This year, we remained committed to advancing our carbon neutrality strategy and turning our climate pledges into concrete action plans. The Group’s *2050 Net-Zero Targets and Roadmap* systematically covers Scope 1, Scope 2 and a portion of Scope 3 emissions. We ramped up the adoption of clean energy, comprehensively improved energy efficiency, and collaborated with supply chain partners to foster a green ecosystem. These efforts not only position us to gain an edge in future carbon market competition and achieve a win-win between operational performance and social responsibility, but also represent our tangible response to the national “Dual Carbon” strategy, as we contribute expertise and strength to the green transition of Chinese enterprises.

Guided by our philosophy of “Oriental Nutritional Wellness”, we support the “Healthy China 2030” Plan and continuously pursue innovative ways in the “health & wellness food industry”. We launched Arawana Feng Yi Tang, our flagship health & wellness brand,

integrating century-old Chinese dietary therapies with modern nutritional science to build a three-tier product portfolio focused on safety, health and functional benefits. Committed to the concept of “Moderate Processing & Nutrition First”, we safeguard food safety for consumers and deliver precision nutrition solutions tailored to people across all life stages. We are also dedicated to driving the food industry’s strategic transformation from basic dietary provision toward food-based wellness. This cannot be done without our sustained efforts in deepening industry development and consistent investment in innovation and R&D over the years.

We firmly believe that the essence of business lies in co-creating value. We strive to build a safe, healthy platform full of growth opportunities for our employees. We grow alongside our supply chain partners to share the fruits of development. And we actively integrate into local communities to become a trusted “good neighbor”. With these practical efforts,

we have turned our ESG pledges from words into real impact in daily operations.

Standing at a new starting point, YKA will continue to lean into technological innovation and champion green and low-carbon growth as we deepen ESG governance and practice. Together with our partners, we will stay grounded and keep delivering, hoping to jointly build a more sustainable and prosperous future.

Kuok Khoon Hong

Chairman, Yihai Kerry Arawana Holdings Co., Ltd.





## About Yihai Kerry Arawana

### Company Profile

Yihai Kerry Arawana Holdings Co., Ltd. is one of China's leading agricultural product and food processing enterprises. YKA's core businesses cover the R&D, production and sales of kitchen food, feed raw materials, and oleochemicals. Spanning the entire industrial chain, YKA is mainly engaged in oilseed crushing, oil refining, oil filling, specialty fats, oleochemicals, rice circular economy, corn, wheat and soybean processing and their extended industrial chains, food ingredients, grain and oil technology R&D, layer farming, functional health & wellness products, central kitchen food parks, and other sectors.

YKA owns a portfolio of well-known brands including Arawana, Orchid, Olivoila, Wonder Farm, Neptune, Golden Delicious, Feng Yuan, Reyland and Jiejin 100. We have built a comprehensive marketing network covering retail, catering and food industry channels, with products ranging from edible oils, rice, flour and noodles, condiments, food and beverages, catering products, specialty fats, food ingredients, eggs, functional health & wellness products, feed raw materials and oleochemicals. YKA has established an extensive, integrated and efficient domestic marketing network to provide full-range services to consumers.

As of the end of 2025

YKA has in China:

**83** production bases in operation

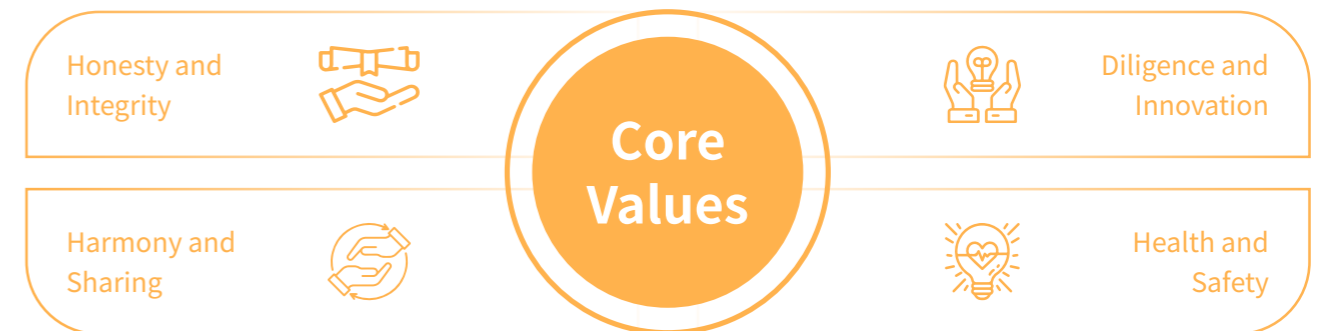
More than **100** manufacturing entities

Over **36,000** employees

2025 Revenue RMB **245.1** billion

Corporate Vision: To Build an Ideal Group

We are committed not only to achieving sustained growth, but more importantly to building a group with a first-class team, an excellent corporate culture, and a spirit of compassion and integrity—a group that earns respect from all sectors of society, shares weal and woe together, acts in the public interest, readily assumes its social responsibilities, and develops healthier and safer products to benefit society.



# 2025 ESG Performance Highlights

## ESG Awards and Honors

<p>Selected into <i>Practice Cases for Building a Beautiful China</i> All-China Environment Federation</p>	<p>2025 Best Practice for Sustainable Development, China Association for Public Companies China Association for Public Companies</p>
<p>Selected as Model Enterprise Case of Healthy Products in 2025 "Sustainable Competitiveness" Corporate Brand and Value Cases China Business Daily</p>	<p>Excellent Case in Fulfilling Corporate Social Responsibility China Food News</p>
<p>2025 ESG Practice Benchmark Case for Human Resources and Public Welfare China Times</p>	<p>2025 Corporate ESG "Golden Responsibility Award" – Excellent Sustainable Development Award Sina Finance</p>
<p>ESG Pioneer Enterprise Award Cailian Press</p>	<p>Selected as "21<sup>st</sup> Century Vitality-ESG Social Responsibility" Case Southern Finance Omnimedia Corp.</p>
<p>2025 Leading Enterprise in ESG Social Responsibility Practice Guangdong Times Media Group Co., Ltd.</p>	<p>Pilot Enterprise for Standardization of Moderate Processing of Grain, Oil and Foodstuffs Standard and Quality Center, State Grain and Materials Reserve Bureau</p>
<p>Rural Revitalization Contribution Award Sichuan Federation of Returned Overseas Chinese, Sichuan Chamber of Commerce for Returned Overseas Chinese</p>	<p>2024 Advanced Agricultural Entity for Boosting Farmers' Income CPC Guanghan Municipal Committee, People's Government of Guanghan City</p>
<p>Low-Carbon Pioneer Award Yili Group</p>	<p>Progress Award McDonald's</p>
	<p>Excellence Award for Sustainable Development Ecosystem Partners Haier Smart Home</p>

For more awards obtained by YKA and its subsidiaries, please refer to YKA's 2025 Annual Report.

## ESG Ratings

**International Ratings**

- MSCI ESG Rating **A**
- Achieved a score of **75** in the S&P Global Corporate Sustainability Assessment; Selected into the S&P Global Sustainability Yearbook 2026; Ranked **first** in China's food industry and among the top **5%** globally in the sector.

**Domestic Ratings**

- CNI ESG Ratings: **AA**
- Wind ESG Ratings: **AA**
- CSI ESG Ratings: **A**

## Environmental Performance Highlights

### During the Reporting Period

<p>obtained <b>24</b> new "Green Factory" certifications</p> <p>including <b>52</b> at the national level <b>60</b> at the provincial level <b>15</b> at the municipal level</p>	<p>as of the end of 2025, the Group has accumulatively obtained a total of <b>127</b> "Green Factory" certifications</p>
<p>obtained <b>4</b> new "Carbon Neutral Factory" certifications</p>	<p>as of the end of 2025, <b>7</b> operation sites have obtained the "Carbon Neutral Factory" certification</p>
<p>obtained <b>11</b> new "Zero-Waste Factory" certifications</p>	<p>as of the end of 2025, <b>19</b> operation sites have obtained the "Zero-Waste Factory" certification</p>

### During the Reporting Period



### Social Performance Highlights

#### During the Reporting Period



# ESG Management

YKA has always regarded ESG as an inherent driving force for its high-quality development. We are committed to continuously enhancing and improving our operational and management capabilities. Together with our upstream and downstream partners and a broad range of stakeholders, we're dedicated to building a more resilient and inclusive business ecosystem and shaping a shared sustainable future.

## ESG Governance Structure

YKA has established a robust ESG governance structure with the Board of Directors as the ultimate decision-making body for ESG affairs, responsible for overseeing key ESG-related areas such as environmental management (climate change response, water management, energy management, etc.), social responsibility and business ethics. The Sustainability Committee provides leadership and oversight; the Sustainability Department coordinates and facilitates implementation; and relevant functional and business units deliver on-the-ground execution. YKA's ESG principles are integrated into daily operations and strategic decision-making through clear roles and close collaboration at all levels, comprehensively elevating its ESG governance, management capabilities and performance.

### ESG Governance Structure

<p><b>Board of Directors</b></p> <ul style="list-style-type: none"> <li>• Reviews and approves YKA's sustainability strategy</li> <li>• Reviews and approves the annual sustainability report</li> </ul>
<p><b>Sustainability Committee of the Board of Directors</b></p> <ul style="list-style-type: none"> <li>• Formulates YKA's ESG strategy, identifies ESG-related risks, assesses ESG performance and supervises ESG implementation</li> <li>• Leads the work of YKA's Sustainability Department</li> </ul>
<p><b>Sustainability Department</b></p> <ul style="list-style-type: none"> <li>• Responsible for planning, organizing and coordinating the Group's ESG and other sustainability initiatives, and establishing and improving the Group's sustainability mechanisms</li> </ul>
<p><b>Sustainability Working Group (Related Functional Departments and Business Units)</b></p> <ul style="list-style-type: none"> <li>• Implements YKA's sustainability action plans and improves sustainability performance</li> </ul>

# Stakeholder Engagement

YKA has established and continuously improved a diversified communication mechanism to ensure timely, efficient and targeted responses to the concerns of all stakeholders. During the Reporting Period, based on the Company's actual business operations and in light of stakeholder concerns, we have collated and identified the following key influential stakeholders.

Stakeholders	Expectations and Demands	Our Response	Communication Channels
 Government and Regulatory Agencies	<ul style="list-style-type: none"> <li>• Operation compliance</li> <li>• Product quality and safety</li> <li>• Drive social employment</li> <li>• Drive technological innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Comply with laws and regulations</li> <li>• Implement regulatory requirements</li> <li>• Help local economic development</li> <li>• Enhance innovation capability</li> </ul>	<ul style="list-style-type: none"> <li>• Regular meetings</li> <li>• Information reporting</li> <li>• Thematic meetings</li> </ul>
 Shareholders and Investors	<ul style="list-style-type: none"> <li>• Reduce business operational risk</li> <li>• Regulate corporate governance</li> <li>• Capital appreciation</li> <li>• Protect rights and interests of investors</li> </ul>	<ul style="list-style-type: none"> <li>• Enhance risk control</li> <li>• Improve corporate profitability</li> <li>• Improve the corporate governance system</li> <li>• Disclose information according to the laws</li> <li>• Protect rights and interests of small and medium-sized investors</li> </ul>	<ul style="list-style-type: none"> <li>• Shareholder meetings</li> <li>• Earnings release</li> <li>• Press releases, announcements, and disclosures</li> <li>• Roadshows and reverse roadshows</li> </ul>
 Clients and Consumers	<ul style="list-style-type: none"> <li>• Ensure product and service quality</li> <li>• Promote business ethics</li> <li>• Product promotion and brand communication</li> </ul>	<ul style="list-style-type: none"> <li>• Provide high-quality products and services</li> <li>• Strictly fulfill the contract obligations</li> <li>• Responsible promotion</li> </ul>	<ul style="list-style-type: none"> <li>• Customer satisfaction survey</li> <li>• Regular communication</li> </ul>
 Employees	<ul style="list-style-type: none"> <li>• Protect basic rights and interests</li> <li>• Provide a good career path</li> <li>• Provide a healthy and comfortable work environment</li> </ul>	<ul style="list-style-type: none"> <li>• Comply with laws and regulations</li> <li>• Provide career development planning</li> <li>• Provide occupational health and employee care</li> </ul>	<ul style="list-style-type: none"> <li>• Employee communications meetings</li> <li>• Employee training and career development planning</li> <li>• Employee care activities</li> </ul>
 Partners	<ul style="list-style-type: none"> <li>• Adhere to the integrity of the business</li> <li>• Conduct fair trade</li> <li>• Drive partners in industry chain to fulfill their social responsibility</li> <li>• Energy conservation and consumption reduction</li> </ul>	<ul style="list-style-type: none"> <li>• Establish and follow open and transparent procurement principles and cooperation mechanisms</li> <li>• Pursue mutually beneficial cooperation</li> <li>• Ensure effective dealer management</li> <li>• Ensure responsible sourcing</li> <li>• Green production</li> </ul>	<ul style="list-style-type: none"> <li>• Open and transparent bidding process</li> <li>• Sign tender contracts</li> <li>• Industry chain partner training and management</li> <li>• Industrial communication</li> </ul>
 Community	<ul style="list-style-type: none"> <li>• Foster community development</li> <li>• Support community construction</li> <li>• Participate in community charity activities</li> <li>• Support disaster relief</li> <li>• Rural Revitalization</li> </ul>	<ul style="list-style-type: none"> <li>• Participate in voluntary activities</li> <li>• Provide disaster relief</li> <li>• Support the rural revitalization</li> </ul>	<ul style="list-style-type: none"> <li>• Charity activities</li> <li>• Voluntary service</li> </ul>
 Media	<ul style="list-style-type: none"> <li>• Daily communication</li> <li>• Disclose social responsibility and sustainability policies and efforts</li> <li>• Provide specialized interviews and other communication</li> </ul>	<ul style="list-style-type: none"> <li>• Information disclosure</li> <li>• Media interviews and communication</li> </ul>	<ul style="list-style-type: none"> <li>• Press releases</li> <li>• Media communication</li> </ul>

## Double Materiality Assessment

YKA has established a regular framework for identifying and managing material sustainability topics. Each year, consistent with its industry and business profile, YKA assesses and determines material topics in accordance with the double materiality principle, identifying sustainability topics that bear financial materiality and impact materiality to YKA. Drawing on the material impacts, risks and opportunities identified, YKA implements ESG governance in a systematic fashion.

During the Reporting Period, in line with the requirements of the Guidelines and drawing on experience and outcomes from prior materiality assessments, YKA has integrated its original 26 material topics into the 21 topics set forth in the *Guidelines*. Incorporating perspectives from internal and external stakeholders, YKA has reviewed the impacts of each topic on its business model, operations, development strategy, financial position and operating results, updated its double materiality assessment outcomes, and provided focused disclosures in the Report on the identified topics with impact materiality and financial materiality.

### Assessment Process

Building on the previous 26 material topics, YKA has systematically reviewed internal and external conditions and requirements in light of the following key elements, and preliminarily formulated an updated list of potential material sustainability topics.

#### Review of Corporate Activities and Business Conditions

- Overall corporate strategy, business operations and financial conditions
- Geographic locations of business activities, products and services
- Upstream and downstream partners within the value chain
- Changes in sustainability-related laws, regulations and policies in the markets served
- Sustainability-related developments, key trends and focal points within the industry
- Outcomes of engagement with stakeholders and investors, including specific topics of concern

#### Identification of ESG Potential Material Topics

- The 21 sustainability topics set forth in the *Guidelines*
- Leading domestic and international disclosure standards such as SASB<sup>1</sup> and GRI<sup>2</sup>
- Key focus areas of major ESG rating agencies including MSCI<sup>3</sup> and CSA<sup>4</sup>
- Material topics of common concern across the industry

<sup>1</sup> Namely, the Sustainability Accounting Standards Board (SASB). YKA has referred to the SASB standards for the Food Retailers and Distributors industry, taking into account the industry in which it operates and its actual business practices.

<sup>2</sup> Global Reporting Initiative, GRI

<sup>3</sup> Morgan Stanley Capital International, MSCI

<sup>4</sup> S&P Global Corporate Sustainability Assessment, CSA

## Correspondence between the 21 Topics set forth in the *Guidelines* and the 26 Topics of Yihai Kerry Arawana

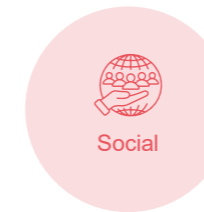
### 21 sustainability topics set forth in the *Guidelines*

### 26 sustainability topics of Yihai Kerry Arawana



- Climate Change Tackling
- Pollutant Discharge
- Waste Disposal
- Ecosystem and Biodiversity Protection
- Environmental Compliance Management
- Energy usage
- Usage of Water Resources
- Circular Economy

- Tackling Climate Change
- Pollution Prevention and Control
- Pollution Prevention and Control
- Ecological Protection and Biodiversity
- Pollution Prevention and Control
- Energy Management
- Water Resource Management
- Circular Economy
- Packaging Material Management



- Rural Revitalization
- Contributions to the Society
- Innovation-driven
- Ethics of Science and Technology
- Supply Chain Security
- Equal Treatment of Small and Medium-sized Enterprises
- Safety and Quality of Products and Services
- Data Security and Customer Privacy Protection
- Employees

- Rural Revitalization
- Community Investment and Development
- Technology and Innovation
- Technology and Innovation
- Supply Chain Management
- Supply Chain Management
- Product Safety and Quality
- Data Security and Privacy Protection
- Occupational Health and Safety
- Diversity and Inclusion
- Nutrition and Health
- Sustainable Sourcing
- Responsible Marketing and Product Labeling
- Labor Practices
- Human Capital Development



- Due Diligence
- Communications with Stakeholders
- Anti-commercial Bribery and Anti-corruption
- Anti-unfair Competition

- Corporate Governance
- Win-win Cooperation
- Corporate Governance
- Risk Management
- Business Ethics
- Risk Management
- Business Ethics

## Conduct of Stakeholder Engagement

YKA identifies key stakeholders within its operations and value chain, develops, distributes and collects stakeholder surveys to capture views and assessment results from internal and external stakeholders on the potential impacts, risks and opportunities of each topic.

### Research and Engagement on Impact Materiality

A total of 1,017 valid stakeholder questionnaires were collected during the Reporting Period, covering all nine stakeholder categories, ensuring that views from all parties are reflected in the sustainability topic list and subsequent assessment process.

#### External stakeholders:

Government and Regulatory Agencies

Shareholders and Investors

Clients and Consumers

Partners and Suppliers

Community

Media

#### Internal stakeholders:

Board Members

Company Management

Employees

### Research and Engagement on Financial Materiality

YKA conducts research among internal departments, management and other stakeholders through questionnaires, departmental seminars, expert scoring and other methods. We qualitatively analyze the financial impacts of actual and potential risks and opportunities of each topic against pre-set financial materiality thresholds and fully assess the financial materiality of each topic.

### Integration, Prioritization and Reporting of Double Materiality Topics

YKA consolidates the methodologies, processes and findings of impact and financial materiality assessments, formulates a comprehensive double materiality matrix based on assessment results and priorities of each topic. The matrix is reviewed and approved by the Sustainability Committee of the Board of Directors and disclosed in the Report.

## Disclosure of Assessment Results

YKA comprehensively analyzes the nature, scale, scope, irreversibility and likelihood of the Company's economic, social and environmental impacts under each topic, as well as the financial effects of actual or potential risks and opportunities posed by each topic to YKA. We identify 11 topics with impact materiality and two topics with financial materiality, forming a double materiality matrix.

Double Materiality Topic Matrix of YKA



# Corporate Governance

## Sound Operation and Risk Prevention

YKA continuously enhances risk identification and response capabilities by establishing sound control mechanisms, conducting regular risk assessments and audits, and empowering risk management with digital technologies, so as to effectively ensure sound operation and sustainable development.

### Sound Risk Management Structure

#### Risk Management System

In 2025, YKA formulated and officially issued the *Group Risk Assessment Management Measures*, which standardized the Group's risk management work at the institutional level and systematically elaborated the fundamental purpose and basic principles of risk management. The measures specified in detail the methods, tools, procedures and frequency of risk assessment, and established a regular working mechanism combining periodic assessment and dynamic assessment. We defined various response strategies for risks of different types and levels and established strict mechanisms for risk review, reporting, communication and accountability.

#### Risk Management System

YKA has established a top-down, three-tier organizational structure system of risk management, forming a complete risk management closed loop of “decision-making—coordination—execution” to ensure that risk management responsibilities are implemented at all levels.

The Strategy and Risk Management Committee, chaired by YKA's chairman of the board, together with the board of directors and the shareholders' meeting, serves as the decision-making body for YKA's risk management. The Strategy and Risk Management Committee pays attention to and supervises the construction of the Company's risk management system, promotes the establishment and improvement of YKA's risk management systems and processes, urges YKA to continuously strengthen risk control in food safety, operation management, market operation and other aspects, and improves the Company's ability to control risks.

The President, as the organizational leader of risk management, is responsible for promoting the implementation of risk management policies. The audit department, as an independent supervision department, is responsible for coordinating, guiding, supervising and inspecting the risk management work of each business unit, and reporting major risk matters to the Strategy and Risk Management Committee.

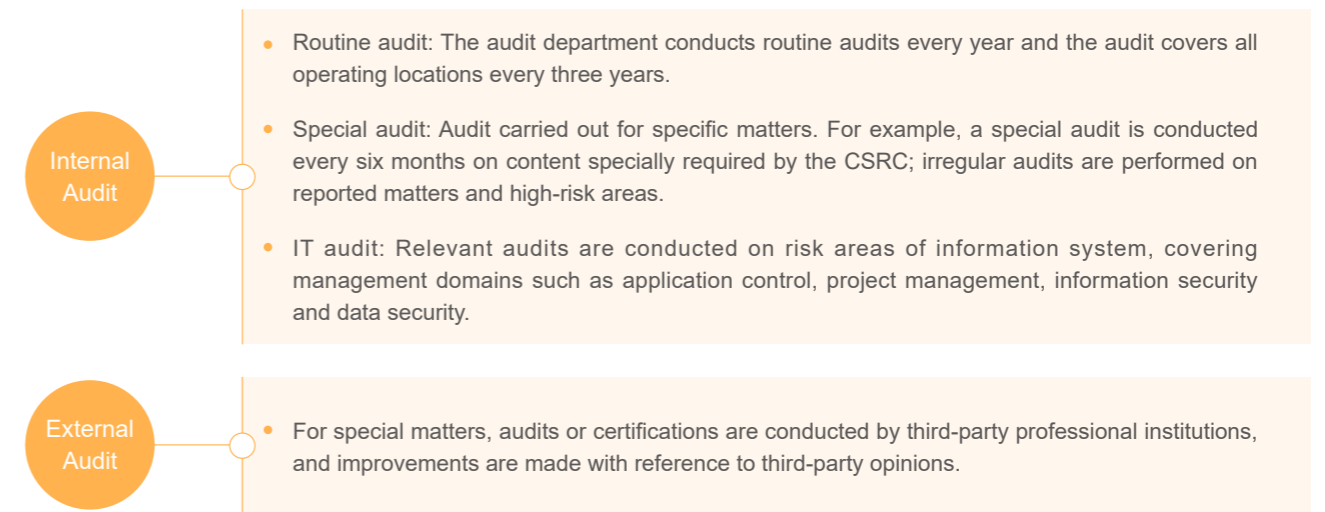
Each business unit and functional unit, as the executive subject of risk management, is responsible for identifying, assessing and responding to specific risks in their respective fields, and reporting the risk management situation to the Audit Department.



### Improved Risk Management Process

#### Risk Identification and Assessment

With a sound risk management mechanism, YKA conducts independent audit work every year and comprehensively reviews risk exposures through a three-level system of self-inspection, internal audit and external audit. We formulate a risk matrix based on the frequency and impact of risks, scientifically determines priorities and develops control measures. Each business segment is staffed with professionals to dynamically monitor risks from financial and operational areas, policies and regulations, natural disasters and infrastructure construction, so as to ensure risk prevention and control cover the entire business chain.



After risks are identified in audits, YKA promptly communicates with relevant units, clarifies rectification measures and responsible persons, and submits a formal audit report to the management. The audited units shall regularly give feedback on rectification progress. Stricter tracking management is applied to units rated as “needs improvement” or below, and such units are required to submit monthly reports on rectification progress. Such reports shall be further submitted on a regular basis to the management to ensure timely and effective rectification of issues.

#### Risk Matrix

In accordance with the *Basic Standards for Enterprise Internal Control* and supporting guidelines, YKA has established a risk control matrix system covering three categories: control environment, control activities and control methods, with a total of 32 items, providing a systematic framework for identifying, assessing and managing various risks.





In 2025, focusing on major risks that may seriously affect the achievement of strategic objectives, and upon deliberation and approval by the Strategy and Risk Management Committee of the Board of Directors, YKA identified five core risk assessment topics: raw material price fluctuation, food safety, production safety, inappropriate crisis management, and oil transit. Furthermore, we adopted diversified and systematic risk assessment methods. Through questionnaire surveys, in-depth interviews, special meetings, data analysis and other means, we collected risk information from all aspects, scientifically assessed risk levels, and formulated effective response measures.

During the Reporting Period, audited by third-party professional institutions, YKA maintained effective internal control over financial reporting in all material aspects in accordance with the *Basic Standards for Enterprise Internal Control* and relevant provisions.

## Digital Risk Management Platform

To further enhance the efficiency, quality and early warning capability of audits, YKA's Audit Department has established two core systems: an audit operation management platform and an audit data analysis platform. This initiative strengthens technical support for YKA's risk management and facilitates the full transformation from traditional auditing to digital and intelligent auditing.

### Audit Operation Management Platform

- 
**Standardized process management**  
 Improve the audit operation management process and realize standardized and regulated management through information-based means.
- 
**Collaborative information sharing**  
 To ensure information sharing and security through online filing, information transmission and structured storage.
- 
**Intelligent efficiency improvement**  
 Support full-process online collaboration, provide functions including automatic document generation, batch processing, progress monitoring and intelligent prompts, and automatically complete information collection, summary and analysis. Multi-dimensional audit guidelines are built in to enhance professionalism and accuracy.
- 
**Closed-loop rectification management**  
 Expected to realize online closed-loop feedback and management for the tracking and rectification of audit issues.
- 
**Unified resource allocation**  
 To ensure efficient implementation of audit work through unified management of audit projects, talent pool and performance evaluation as well as resource allocation optimization.

## Automated Audit Analysis Tools

- Automatically collect and organize key group system data through RPA robots to reduce manual time consumption.
- Develop automated audit data analysis tools using BI, SQL, Python and other technologies, model mature audit experience, and standardize the quality of basic audit analysis, covering more than 50 analysis topics.

## Enhance Risk Prevention and Control Awareness

### Strengthen Risk Management Training and Promotion

In early 2025, YKA's Audit Department carried out systematic risk management training for major business segments, covering six core areas: sales and accounts receivable management, procurement and accounts payable management, production and inventory management, engineering management, fixed asset management, and transit business management. Based on the risk management matrix, the training, centering around the key control points in the matrix as well as typical issues found in daily audits, is designed to promote internal control among the Group's affiliated subsidiaries and issue risk alerts to them, thus helping all business units improve their risk identification and prevention capabilities.

To ensure the extensiveness and effectiveness of the training, YKA adopted flexible and diverse training methods. Recorded courses on the sales, procurement, production and inventory, engineering, fixed assets and transit business segments were offered so that could study at their convenience. In addition to recorded courses, online live training was also conducted for the three core business segments of sales, procurement and production and inventory, with more than 450 participants. Through a hierarchical and categorized training system, we effectively enhanced the risk management awareness of all employees, promoted the effective implementation of risk prevention and control measures in all business areas, laying a solid foundation for the continuous improvement of the internal control system.

## Compliance, Self-discipline, Integrity and Clean Conduct

Business ethics is given top priority in the development of YKA. We firmly believe that only by upholding ethical standards can we achieve steady and sustainable growth. Guided by this principle, we have established a full-process business ethics management system that covers integrity, self-discipline, anti-fraud, anti-money laundering and anti-unfair competition, ensuring that compliance runs through every aspect of business operations.

### Business Ethics and Anti-corruption

Strictly abiding by national laws and regulations, YKA has established a full-process business ethics management system. Focusing on core areas including anti-corruption, anti-fraud, anti-money laundering and anti-unfair competition, YKA has formulated a series of regulatory documents such as the *Code of Business Ethics*, the *Anti-corruption Policy* and the *Employee Code of Conduct*, which clearly define the criteria for identifying prohibited acts including corruption, bribery, fraud, money laundering, unfair competition and conflicts of interest, as well as the mechanisms for handling violations. This management system applies to all employees and external partners, including suppliers, contractors and distributors etc., ensuring that business ethics requirements are effectively implemented throughout the value chain.

To strengthen the implementation of regulations, YKA incorporates business ethics performance into its employee performance management system by directly linking it to personnel decisions such as annual performance reviews, promotion, and salary adjustments, thereby forming an effective incentive and restraint mechanism. At the governance level, the Audit Committee of the Board of Directors exercises overall oversight over business ethics management to ensure the continuous improvement and effective operation of the management system.

In the event of misconduct or verified reports, YKA shall activate a tiered accountability mechanism:

- Holding directly responsible individuals accountable.
- Requiring relevant supervisors and the general manager to bear corresponding management responsibilities.
- concurrently imposing joint liability on individuals and departments that conceal violations or fail to fulfill supervision duties.
- Referring acts suspected of violating laws or crimes to judicial authorities in accordance with the law.
- Recording all violations in disciplinary archives as an important basis for year-end assessments and position adjustments.

During the Reporting Period, no material verified violations occurred, including corruption, bribery, discrimination, harassment, customer privacy breaches, conflicts of interest, money laundering or insider trading.

### Training and Publicity

YKA regularly provides training on business ethics and anti-corruption for all employees, including full-time and part-time employees, to ensure they fully understand and comply with relevant policies and requirements. In 2025, YKA implemented diversified publicity and education initiatives among all employees to ensure they thoroughly study, accurately understand and strictly observe all integrity rules and standards.

Furthermore, the concept of combating corruption and promoting integrity has been deeply integrated into YKA's entire supply chain management process. YKA has established integrity cooperation agreements with suppliers to clarify the boundaries of responsibilities and the protection of rights and interests for both parties in ethical business operations. And YKA also requires all partners to sign the *Anti-commercial Bribery Agreement* to jointly build a clean and transparent industrial ecosystem.

## Reporting Mechanism and Whistleblower Protection

To foster a safe and trustworthy reporting environment and effectively protect the legitimate rights and interests of whistleblowers, YKA further optimized its reporting channels in 2025 and established a diversified reporting network to ensure unimpeded submission of reporting information. By issuing the *Reporting Policy*, YKA has set up an open and transparent compliance reporting mechanism that clarifies the procedures for receiving, investigating and resolving reports, providing clear operational guidance and institutional protection for whistleblowers. This policy applies to the entire process of YKA's operations and management. Whistleblowers under protection include all employees, as well as suppliers, customers, partners and other external stakeholders having business relations with YKA.

### Reporting Channel Development

To ensure smooth and convenient reporting channels, YKA has set up diversified reporting channels.

- Reporting to the Chairman via email: kkh@wilmar.com.sg, to ensure major issues are reported directly to the top management.
- Direct reporting to relevant responsible personnel of the Company.
- Both named and anonymous reporting are accepted.



### Reporting Incentives

YKA encourages employees, customers, suppliers and other stakeholders to report misconduct. For verified cases reported by real-name informants, graded cash rewards will be provided based on the nature and severity of the issues.



### Whistleblower Protection

YKA imposes strict and permanent confidentiality over the identity, contact details and other personal information of whistleblowers. Such information shall only be disclosed to necessary investigators and approving personnel. YKA adopts a zero-tolerance policy towards the disclosure of whistleblower information or any form of retaliation. Should any entity or individual violate confidentiality requirements, leak whistleblower information, or engage in retaliation, intimidation, threats, position adjustment, unfair treatment or any other retaliatory acts against whistleblowers and informants, YKA will impose severe penalties and issue a company-wide notification.



### Reporting Case Handling

Relevant departments shall register and evaluate report information, and initiate investigation procedures based on the nature and severity of the matter. Verified violations of laws and disciplines shall be subject to strict accountability in accordance with internal policies and applicable laws and regulations.



### Reporting Channel Training

In 2025, YKA provided training on the reporting mechanism through various means including employee training, policy briefings and online courses. The training covered the selection of reporting channels, demonstration of operational procedures, explanation of rights and interests protection, and introduction of handling processes, ensuring that every employee fully understands the procedures for using the Company's reporting channels.



## Data Security and Customer Privacy Protection

### Information Security Management System

YKA attaches great importance to information security and customer privacy protection, and strictly complies with relevant national laws including the *Cybersecurity Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, and the *Data Security Law of the People's Republic of China*. We have established a management framework where Board members are directly responsible for information security and cybersecurity management, and the Chief Technology Officer oversees the implementation of relevant work.

So far, YKA has established a sound information security system, covering a series of policies and specifications such as the *Information Security Management System*, the *Mobile Internet Application Management Specifications*, the *IT Asset Management System*, the *IT Incident Reporting Specifications*, and the *Data Backup and Recovery System*. YKA implements strict hierarchical and classified management of sensitive personal information. Among them, YKA's *Information Security Management System* contains clear specifications on the classification of sensitive personal information, cybersecurity, access control, password requirements, application requirements, physical requirements, and other aspects. In addition, the *Mobile Internet Application Management Specifications* specify the compliance requirements for Apps and Mini Programs regarding the collection of personal privacy information.

Meanwhile, to address emerging information security risks such as those associated with artificial intelligence (AI), YKA strictly observes compliance regulations on the fields of AI and facial recognition. We have established a multi-party governance framework involving legal, audit, internal control and business departments to ensure business processes comply with the latest privacy regulatory requirements.

During the Reporting Period, YKA strengthened information security governance in accordance with the requirements of the ISO 27001 standard, set annual objectives and implemented four core initiatives:

#### Asset inventory

YKA implemented a digital strategy and included all electronic assets in the Configuration Management Database (CMDB). By establishing a group-level data asset system, we translate business strategies into clear indicators to enable data-driven decision-making.

#### Risk identification

YKA established an asset and personnel risk identification system to systematically identify external threats including but not limited to cyberattacks and malware, as well as internal risks such as system defects and process vulnerabilities.

#### Risk analysis

We conducted graded analysis of the likelihood and impact of risks, generate assessment reports to support management decision-making, and ensure the implementation of risk control measures by the internal control department.

#### Full life cycle management

YKA implemented end-to-end control featuring "pre-impact classification + post-implementation audit". Before the launch of systems and projects, the security department sets graded protection requirements based on data sensitivity. After launch, they are subject to regular audits with dynamic verification of users, permissions, processes and data within the system.

YKA follows the principle of “Responsibility First” in information security and has established a preliminary data security governance framework. During the Reporting Period, YKA drew on extensive industry’s best practices and formulated the first draft of the *Data Classification and Grading Protection Standard*, which is scheduled to be officially issued in 2026 as the guiding blueprint for data security protection across the Group. To date, YKA has applied the data classification and grading mechanism to its core data assets, assigned a clear owner to each data asset, and implemented precise access control, thus comprehensively enhancing its data security governance capacity. No material information security incidents caused by control failures occurred during the Reporting Period.

2025 marked a milestone in YKA’s information security certification development. The Group’s IT Infrastructure Department and Information Security Management Department were awarded ISO27001 certification. The “Yi Fen Xiao” system passed the Classified Protection of Cybersecurity Level 3 (S3A3). The assessment report was issued as of the publication of the Report, and the registration certificate was issued by the public security authority on January 6, 2026.



ISO27001 Certificate

### Information Security Risk Management

YKA places strong emphasis on its information security risk monitoring framework, and conducts irregular verifications of the risk monitoring system to strengthen risk management and control. We classify risk incidents into four levels and test the contingency plans and incident response procedures for at least one information system annually, with a view to enhancing our resilience and response efficiency against potential information security risks. To date, YKA has established a six-step information security risk monitoring process: “Alarms–Assessment–Control–Elimination–Recovery–Summary and Review”, further strengthening its ability to defend against information security risks.



### Information Security Training and Publicity

In 2025, YKA conducted dedicated annual IT audits covering personal information protection, business systems, ITOT and other areas. We also carried out multiple information security awareness initiatives, including awareness promotion regarding the security of WeChat Work, email and desktop screensavers, as well as phishing simulation drills to strengthen information security awareness.



## Feature 1

# A Better Life Powered by Innovation

As a leading player in China's agricultural and food processing sector, YKA consistently takes a forward-looking approach to identify industry trends and seize new growth opportunities. As the "Healthy China 2030" Plan deepens and the "Oriental Nutritional Wellness" philosophy gains popularity, YKA draws on its long-standing R&D and industry experience to provide healthier, higher-quality and more diverse products and services for the public, while driving innovation and upgrading in the health and wellness food industry, safeguarding public dietary health, and enabling people to live healthier lives.



# Feature 1 A Better Life Powered by Innovation

## Nutrition and Health Strategy

### Nutritious and Healthy Product Strategy

YKA strictly abides by applicable laws and regulations, including the *Food Safety Law of the People's Republic of China*, to ensure product safety, nutrition and health. We support the implementation of the "Healthy China 2030" Plan through strategic focuses: launching diversified high-quality products, improving product nutritional value, optimizing the national dietary structure and promoting green organic food.

### Product R&D Strategic Goals

- Selecting high-quality germplasm resources to enhance the nutritional value of raw materials**

YKA partners with scientific research institutions to improve crop varieties through technology, developing agricultural products with higher nutritional value and better taste as well as significantly richer dietary fiber, minerals, vitamins and other nutrients, which further serve as premium raw materials for health & wellness food.
- Moderate processing to maximize nutrient retention**

Adhering to the principle of "Moderate Processing, Nutrition First", YKA maximizes the retention of natural beneficial components such as vitamin E and phytosterols and reduces harmful substances such as trans fatty acids through proprietary process innovations, while strictly ensuring food safety.
- Developing functional products to advance food-based wellness**

Building on technological innovation, YKA develops processes to extract functional nutrients from natural ingredients and further create "plant functional chips" that support preventive healthcare for targeted populations.

### Supporting the "Healthy China 2030" Plan

From 2020 to 2030, YKA's R&D center plans to invest RMB 100 million to support scientific research, supporting the "Healthy China 2030" Plan.

In 2019, the R&D Center and the Chinese Nutrition Society co-initiated the National Nutrition Research Fund, focusing on areas including the health effects of oils and fatty acids, dietary management and interventions for common chronic diseases (obesity, diabetes, cardiovascular diseases, etc.), food nutrition research, and the development of a nutrition information sharing platform. By supporting clinical studies on health and nutritional benefits for specific population groups, the Fund aims to improve public nutritional health and strengthen China's original innovation capacity in nutrition research. By 2025, the Fund had launched four rounds, with 40 projects funded in total, 20 of which had been successfully completed.

Some representative achievements include:

#### Technological Innovation Breakthroughs

Led by Yihai Kerry and carried out jointly with Southeast University, Qingdao University, Huadong Hospital Affiliated to Fudan University and Peking Union Medical College Hospital, the project "Key Technological Innovation and Industrialization of Soy Protein and Phytosterols Based on Nutritional Health Needs" for the first time verified the equivalence of soy protein and whey protein. And we have successfully developed functional products such as phytosterol protein milk.

#### Dietary Pattern Innovation

The dietary intervention model for cardiometabolic diseases co-developed with Tianjin Medical University has demonstrated significant effects in reducing blood lipid levels, diastolic blood pressure and visceral fat, while preventing muscle loss. It provides an important scientific basis for the localized non-pharmaceutical intervention of cardiometabolic diseases.



# Health Transformation and Upgrading

In April 2025, YKA grandly launched the health & wellness brand “Arawana Feng Yi Tang” in Shanghai, marking YKA’s strategic leap from a leading player in traditional grain and oil industry to the health & wellness food sector.

Upholding our philosophy of “Oriental Nutritional Wellness”, Arawana Feng Yi Tang deeply integrate century-old Chinese dietary therapies with modern nutritional science. Backed by scientific formulations, precise nutrition and innovative processes, the brand is committed to integrating health management into Chinese people’s daily diets to support the long-term goal of “preventing diseases before they occur”. Grounded in the Healthy China strategy, the brand takes culture as its root and technology as its driving force, unlocks the value of “food and medicine sharing the same origin”, and drives the food industry to transform and upgrade from “basic dietary provision” to “food-based wellness”.

Closely aligned with the national “Healthy China 2030” Plan and the “Weight Management Year” Campaign, YKA has developed three major product lines: safety, health and high-functionality.

## Health and Wellness Product Matrix



# Quality First, Safety Always

YKA regards food safety as the foundation of its business, and has built a full-chain quality management system covering the entire process from source to end consumers. Backed by rigorous technical specifications and lean production processes, it provides solid assurance for the safety and health of every product, safeguarding consumers’ food safety.

- We have established green partnerships with major raw material suppliers to jointly implement stringent raw material management standards, ensuring natural, safe and high-quality raw materials from the source. While enhancing product quality, we also strive to reduce environmental impacts.
- YKA proactively introduces the integrated mechanism of inspection and production technologies throughout the grain and oil processing process and strictly controls harmful substance residues in all production links. With dual safeguards of source prevention and process monitoring, we have built a solid line of defense for product quality and safety.
- For flour and dried noodle production sites, YKA conducts in-depth research and implements strict access control. We carry out monitoring and acceptance in strict accordance with national standards to effectively prevent and control quality risks in raw material screening and ensure the safety and stability of flour and dried noodle products.

In addition, to respond to consumers’ growing demand for high-quality products, YKA has strategically positioned itself in the organic sector, continuously launching a wide range of organic products across oils, rice, condiments and other categories.

By the end of 2025, YKA has launched a total of **70** organic products

## Science-Based Nutrition Upgrading

Building on its ongoing efforts to enhance food safety, YKA embraces the philosophy of upgrading food nutrition. Guided by the core principle of “moderate processing, nutrition first”, we adopt proprietary innovative processing technologies to preserve natural and beneficial active ingredients in food. These technologies not only boost the nutritional value of products but also reduce or eliminate the use of artificial additives such as preservatives, antioxidants and sweeteners, thereby addressing consumers’ growing demand for premium nutrition and helping foster healthy eating habits in daily life.

In 2025, building on its existing healthy product portfolio, YKA launched additional high-nutrition products, including purple glutinous fragrant rice and plant-based meat.



### The Secret of Nutrition Behind Taste and Health—Arawana Purple Glutinous Fragrant Rice

YKA launched Arawana purple glutinous fragrant rice in 2025 to address the common drawbacks of coarse grains and brown rice, such as rough texture, firmness and poor digestibility. Through breakthroughs in breeding technology, the product achieves a perfect balance between nutrition and taste. It contains 243 mg/kg of anthocyanins and 4.6 g/100g of dietary fiber, and is rich in essential minerals including phosphorus and magnesium, offering comprehensive and balanced nutrition.



### Low-carbon Healthy Protein Alternative: Plant-based Meat Products

YKA has successfully developed and launched a range of plant-based meat products in varied forms, including shredded, sliced and diced plant meat. Using high-quality non-GMO soy protein as the main raw material, these products are produced with advanced extrusion texturization and flavor reconstruction technologies, delivering taste, texture and cooking performance similar to traditional meat. Compared with conventional meat, plant-based meat features low fat, zero cholesterol and a high content of quality plant protein.



### “Three Reductions” Innovation: Buckwheat Noodles With Less Salt, Oil and Sugar

YKA has achieved remarkable progress in the research and development of “Three Reductions” products. In terms of sodium reduction, we have successfully launched low-fat, low-salt buckwheat dried noodles with over 90% less salt. The buckwheat noodles contain up to 72% buckwheat flour, with 2.9 g/100 g of fat and 39 mg/100 g of sodium. The oat buckwheat dried noodles contain 62% buckwheat flour plus 10% yam paste, quinoa flour or oat flour, with 55 mg/100 g of sodium. Both noodle varieties have received low-GI certification.



### Nutrition Fortification: Nutritionally Fortified Dried Noodles for Children

YKA has successfully developed nutritionally fortified dried noodles for children to support their healthy growth. Its colorful fruit and vegetable noodles with calcium, iron, zinc and DHA are made with a variety of fruit and vegetable pastes, fortified with calcium, iron, zinc and DHA. Per 100g, they contain 125 mg of calcium, 2.3 mg of iron and 2.5 mg of zinc, with no added salt, pigments, flavors or preservatives. Its magic rainbow noodles provide six types of nutrient fortification: per 100g, they contain 125 mg of calcium, 2.3 mg of iron, 2.5 mg of zinc, 0.3 mg of vitamin B1, 0.3 mg of vitamin B2 and 4.0 mg of niacin.



## Scientific Nutrition & Precise Intervention

Adhering to technology-driven product innovation and with focuses on the nutritional health needs of the public, YKA has built an innovative product portfolio covering healthy oils, functional proteins, low GI staple foods and other sectors, providing consumers with comprehensive nutrition and health solutions.

### Diacylglycerol (DAG) Oil

To further advance the concept of healthy eating, YKA successfully developed diacylglycerol (DAG) edible oil in 2025. Leveraging the competitive absorption mechanism of diacylglycerol over triacylglycerol, the product reduces the body’s intake of triacylglycerol and delivers significant health benefits.

Through three core technologies, YKA has achieved high-efficiency industrial production of DAG, enabling the availability of a customizable product line with DAG content ranging from 40% to 80%. This lineup caters to the diverse needs of different application scenarios.



#### Self-developed enzymatic catalysis technology

YKA has established a full-chain R&D system for enzymatic catalysis to achieve highly selective synthesis of DAG, greatly improving production efficiency and product yield.



#### Separation and purification technology

We have introduced a German short-path molecular distillation system and developed a unique dual separation and purification process, achieving efficient separation of diacylglycerol and significantly enhanced product purity.



#### Precision processing and quality control

We have established a full-process precision processing system and developed dedicated analytical and testing methods, precisely controlling DAG content and pollutant indicators to ensure product safety and stable quality.

In addition, YKA has successfully developed diacylglycerol-based products for a variety of applications. In the baking sector, we have launched two specialty oil products: Golden Delicious DAG shortening and Golden Delicious DAG liquid shortening, both with a DAG content of more than 40%. Golden Delicious DAG shortening has been successfully launched on the market. Thanks to their innovation and excellent quality, the two products won the Quality Innovation Award at the 28<sup>th</sup> China Bakery Exhibition 2025, gaining high recognition from the industry.

## 🔍 Phytosterol Protein Milk

Phytosterols are naturally found in fruits, nuts and seeds and exhibit various biological functions. Based on scientific guidelines such as the *2016 European Society of Cardiology (ESC)/European Atherosclerosis Society (EAS) Guidelines for the Management of Dyslipidemias and the Dietary Reference Intakes for China (2023 Edition)*, YKA has continued to innovate based on its first-generation phytosterol ester soymilk products. Through collaborative research with Southeast University and Qingdao University, YKA was the first to discover that the combined use of phytosterols and phospholipids delivers better health benefits than phytosterols alone. Building on this research breakthrough, YKA successfully launched its second-generation phytosterol protein milk, raising the phospholipid content to 0.5 g per bottle, further enhancing the product's health benefits. The product has won the First Prize of the Science and Technology Award from the Chinese Nutrition Society.



### Second-generation phytosterol protein milk

- Soybean content  $\geq 25$  g
- Protein content  $\geq 10$  g
- Phytosterol ester added  $\geq 3.4$  g (equivalent to 2 g of phytosterols)
- Phospholipid added  $\geq 0.5$  g
- 0 trans fatty acids
- 0 lactose

## 🔍 Low GI Sugar Control Series

To meet blood sugar management needs, YKA has launched a series of rice products, including Feng Yi Tang low GI healthy mixed grain rice (GI  $\leq 55$ , high in dietary fiber and protein), Feng Yi Tang low GI rice (GI  $\leq 55$ , satiety for  $\geq 5$  hours, 0 fat, 0 sodium, 0 additives), Feng Yi Tang low GI rice noodles (GI = 38, slow-digesting), as well as a series of flour products such as 72% low GI buckwheat dried noodles and low GI grain flour. Among them, the quinoa-flavored low GI grain flour co-branded with Dingdong Maicai won the Golden Star Award at the Private Label Fair Asia (PLF). This grain flour can be used to make noodles, fried dough sticks and steamed buns, overcoming the technical bottlenecks in producing low-GI steamed buns. The GI value of the steamed buns made is about 50, offering consumers far more healthy eating choices.

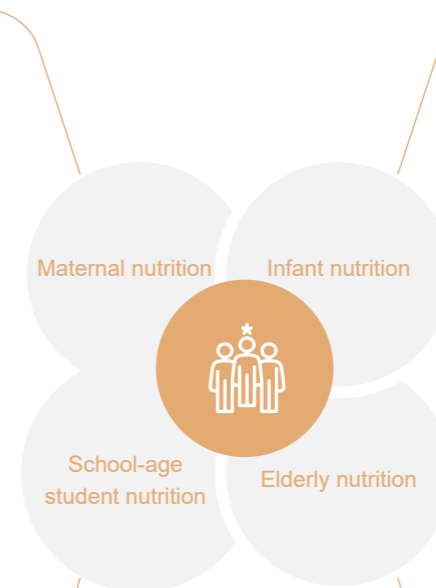


## 🔍 Focusing on Special Groups

YKA continuously pays attention to and conducts in-depth research on the nutritional health needs of diverse populations. We have developed precision nutrition products and solutions covering the whole life cycle for special groups, including infants, young children, primary and secondary school students, pregnant and lactating women, and the elderly. Through scientific formulation, carefully selected raw materials and technological innovation, YKA provides professional and customized nutritional support for people of all age groups, helping to improve the health of the whole nation.

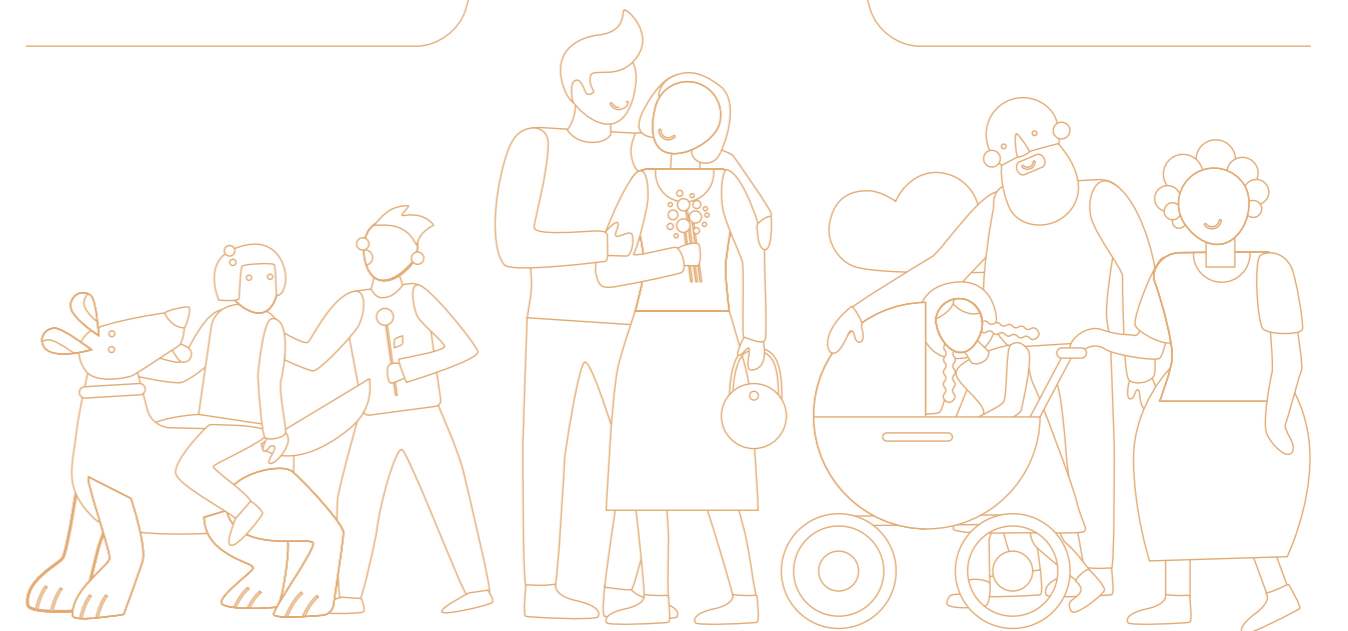
YKA selects high-quality imported raw materials to produce sunflower seed and flaxseed edible blended oil, with  $\alpha$ -linolenic acid content as high as 55,000 ppm and linoleic acid content reaching 44%. This product helps pregnant and postpartum women obtain adequate n-3 polyunsaturated fatty acids. It also meets daily household cooking needs.

As an industry pioneer, YKA launched an upgraded nutrition meal scheme tailored for primary and middle school students. It uses high-quality rice bran oil to prepare healthy and delicious meals and also offers exclusive products including Rice Bran Oil for Rice and High-Protein Running Cow Milk, providing balanced nutritional support for the healthy growth of children.



YKA has developed high-quality breast milk fat substitutes to meet the growth needs of infants and independently created structured lipid OPO, ensuring the lipid structure in infant formula is close to that of breast milk (not a breast milk substitute).

In response to the physiological characteristics and nutritional needs of the elderly, YKA has developed diverse nutritional diet programs and designed nearly 100 scientific recipes. We provide professional nutritional catering services for elderly care institutions, helping the elderly achieve scientific diets and healthy aging.



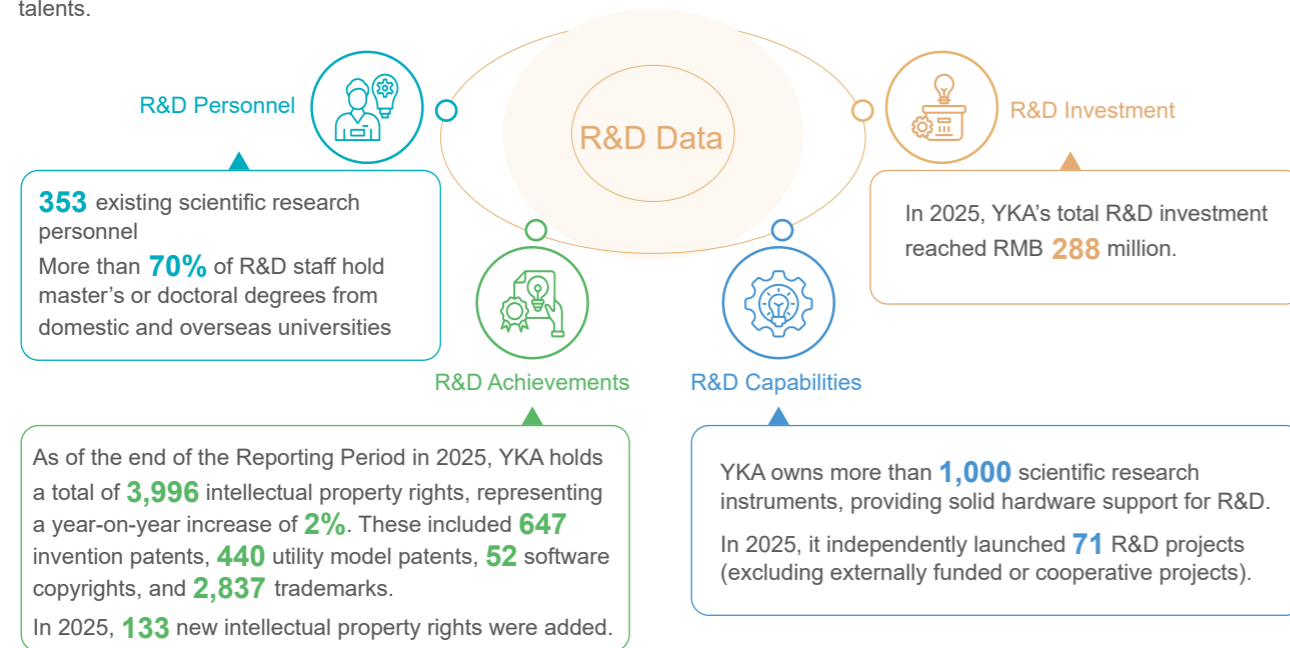
## Solid Support for Nutrition and Health

### Innovation Engine

#### Innovation Talent Team

YKA has appointed Professor Nam-Hai Chua – a world-renowned plant molecular biologist, tenured professor at Rockefeller University, and foreign member of the Chinese Academy of Sciences – to serve as chairman of its R&D center. We have also formed a senior advisory panel, which is composed of top scientists from both home and abroad, to provide authoritative guidance on research strategies and key technological breakthroughs. As of 2025, YKA has built a well-structured, highly competent scientific research team with strong theoretical expertise and cutting-edge research vision. The team is supported by experienced R&D project managers with in-depth market insights, enabling close alignment with market demand and effective commercialization of research outcomes.

Through multiple channels, including professional recruitment, campus hiring, internal promotion, and industry-academia-research collaboration, YKA continuously expands its talent pipeline. We have established a comprehensive talent development system featuring customized professional training, mentorship programs, and hands-on project experience. Supported by competitive compensation and incentive mechanisms, YKA provides clear career paths and broad growth opportunities for R&D talents.





#### Innovation Incentive Mechanism

##### Staff-wide Innovation Incentives

YKA's management has issued the *Group Innovation Work Incentive Management System* to guide and incentivize innovation across the Group, promote the application and promotion of innovative projects within the Group, and enhance corporate competitiveness. YKA has established a Group Management Innovation Promotion Group led by the President, responsible for the planning, organization, coordination and advancement of overall innovation work. We have set up a Management Innovation Award. Through a multi-level selection process from factories to business divisions and then to the Group, winning projects are evaluated and awarded honors and bonuses.

#### R&D Innovation Incentives

YKA has established a multi-dimensional and systematic innovation incentive mechanism to intensify the R&D culture that encourages exploration, advocates innovation and recognizes achievements, while continuously stimulating the innovative vitality and potential of R&D personnel.

 Academic exchange support	YKA actively supports R&D personnel in participating in cutting-edge research conferences, professional training and academic exchange activities, with relevant expenses reimbursed in accordance with regulations. By establishing a learning and development platform, it enables R&D personnel to broaden their technical vision, keep abreast of industry frontiers, bridge the gap between research and practice, and continuously enhance their professional competence and innovation capabilities.
 Project recognition and rewards	YKA organizes an annual selection of outstanding R&D projects. We publicly recognize projects with outstanding innovation achievements and significant business contributions and provide corresponding cash rewards to the project teams. By setting innovation benchmarks, YKA aims to foster a positive atmosphere where the project teams are encouraged to learn from each other, dare to innovate and strive for excellence.
 Intellectual property incentives	YKA has formulated the <i>Measures for the Reward of Employees' Service Inventions and Creations</i> , according to which material rewards will be provided to employees who have been granted patents, as recognition for the value of intellectual property. By establishing the patent incentive mechanism, YKA aims to cultivate and enhance employees' awareness and capabilities in continuous improvement and technological innovation, while promoting the accumulation and translation of innovative achievements.

### Path Exploration

Based on public services, YKA has established a multi-level R&D and innovation system under a three-in-one framework featuring "Key Technology Platform–Technology Support & Product Development Platform–Product Application Platform", forming a complete chain extending from key technologies to product development and then to market application.

Key technology platform	Technology support & product development platform	Product application platform
YKA conducts innovation practices centering on five core areas: R&D of grain and oil technologies and products, technical consulting on new product formulas, product technical services, scientific and technological cooperation and exchanges, and training of professional talents for grain and oil food, so as to consolidate the foundation for technological innovation.	YKA conducts in-depth innovation R&D in cooking oils, specialty oils, grains, feed, oleochemicals and other fields, aiming to provide systematic technical solutions for the industry and drive the continuous upgrading and iteration of products.	YKA provides transformation and upgrading solutions for grain and oil companies, continuously optimizing resource allocation, reducing energy consumption and lowering environmental impact, so as to help the industry achieve sustainable development goals.



**Case** Technological Innovation of Soy Protein and Phytosterols Won the First Prize of the 9<sup>th</sup> Science and Technology Award of the Chinese Nutrition Society

Guided by consumers' nutritional and health needs, YKA advances industry-academia-research collaborative innovation. Yihai Kerry R&D center, as the leading party, jointly carried out the project "Key Technological Innovation and Industrialization of Soy Protein and Phytosterols Based on Nutritional Health Needs" with Southeast University, Qingdao University, Huadong Hospital Affiliated to Fudan University and Peking Union Medical College Hospital, Chinese Academy of Medical Sciences. The project team has overcome key technical challenges such as precise extraction of soy protein and efficient separation and purification of phytosterols and established a complete innovation chain from basic research to industrial application. The R&D achievements have been successfully applied to the large-scale production of plant sterol series products and diversified soy protein products (i.e., soy protein isolate, textured soy protein and soy milk), providing consumers with higher-quality and healthier nutritional solutions.

In September 2025, the project was awarded the first prize of the 9<sup>th</sup> Science and Technology Award of the Chinese Nutrition Society. This marks the first time since the launch of the award that the first prize has been presented to an enterprise-led project, fully demonstrating YKA's comprehensive strength in original R&D of nutritional products and industry-academia-research collaborative innovation. Through continuous technological innovation and industrial practices, YKA has not only enhanced its core competitiveness, but also made important contributions to advancing the high-quality development of the nutrition and health industry and meeting the public's demand for better nutrition.



**Other Major Awards:**



Technological Innovation and Industrialization of Precise Nutritional Design and Green Biomanufacturing of Human Milk-Similar Lipids



Risk Assessment of Dietary Trans Fatty Acids for Chinese Residents and Key Technologies and Application of Industrial Control



International Nutritional Medicated Diet and Functional Foods

**Compliance with Scientific and Technological Ethics**

YKA strictly complies with the *Food Safety Law of the People's Republic of China*, the *Advertising Law of the People's Republic of China* and the *Anti-unfair Competition Law of the People's Republic of China*, as well as a series of national food safety standards. We have set up a dedicated post for legal representatives, who are responsible for ethical review, safety risk assessment and whole-process follow-up supervision. For external cooperation projects, YKA clarifies the compliance responsibilities of all parties through contractual clauses, requiring partners to conduct R&D in strict accordance with national laws, regulations and ethical norms.

YKA does not directly conduct any animal testing or clinical trials itself. All animal testing and clinical trials are entrusted to external professional institutions, which are managed and regulated through technical contracts, and national requirements such as the declaration of human genetic resources are strictly implemented. YKA fully complies with the *Biosecurity Law of the People's Republic of China* and the *Regulation of the People's Republic of China on the Administration of Human Genetic Resources (2024 Revision)*. In joint research projects, qualified partners shall bear the responsibility for implementing relevant laws and regulations.

While adhering to the bottom line of compliance, YKA actively promotes technological innovation. Through scientifically rigorous experimental verification and standardized administrative approval procedures, it voluntarily applies for new food raw materials or seeks to expand the application scope of existing raw materials, providing technical support for product upgrading. Meanwhile, YKA has put in place a regular training mechanism, which includes specialized sessions on intellectual property protection and regulatory interpretation, to continuously enhance compliance awareness and ethical competence among all employees.

## Collaborative Strength

Adhering to the concept of open innovation and through deeper industry-academia-research collaboration, YKA integrates global superior scientific research resources to continuously tackle key technical bottlenecks in the fields of oils and fats, rice and flour products, and functional foods. By building a collaborative innovation community and actively participating in international and domestic academic exchanges and industry dialogues, YKA continuously strengthens its scientific and technological innovation capacity and promotes the translation and application of technological achievements, contributing to the high-quality development of the grain and oil food industry and the cultivation of new quality productive forces.

### Oleochemicals sector

Through cooperation with universities including Jiangnan University, Xiamen University, Zhejiang University, Shanghai Jiao Tong University, Beijing Technology and Business University, and Shanghai Institute of Technology, YKA has conducted cutting-edge research on a wide range of topics, such as the regulation of chocolate fat crystallization by polar lipids, volatile compounds in oils and fats during high-temperature cooking, clinical studies of human milk-mimicking lipids (OPO/OPL, MLCT), the mechanism of medium-chain fatty acids in improving glucose and lipid metabolism, regulating lipid metabolism with palmitic acid esters, the influence of fats and oils on Chinese flaky pastries, flavor evaluation of fermented butter, and artificial reconstruction of milk fat globule-mimicking oil bodies.

### Peanut and oilseeds sector

In cooperation with institutions, including Henan Academy of Agricultural Sciences, Oil Crops Research Institute of Chinese Academy of Agricultural Sciences, Beijing Technology and Business University, Institute of Agro-Food Science and Technology of Chinese Academy of Agricultural Sciences, Henan University of Technology, and Fudan University, YKA has carried out R&D of key technologies regarding pollutant traceability, breeding of peanut-specific varieties, rapid detection for safety and nutritional indicators, simultaneous improvement of peanut oil and peanut protein quality, regulatory mechanism of peanut protein structure and function, new sesame decortication, and materials for removing hazardous substances in oils.

### Rice and flour sector

Through cooperation with Jiangsu University, YKA has conducted research on the structural evolution and water absorption during the pre-cooking process of various beans and the prediction of water absorption-rehydration models. In collaboration with Jiangnan University, we have carried out research on the processing adaptability and efficacy evaluation of rice bran fiber in porridge and rice products. And we have carried out multiple cooperative projects in the field of wheat processing with Henan University of Technology.

### Functional food sector

In cooperation with universities including Northwest A&F University, East China University of Science and Technology, Beijing University of Chemical Technology, Shanghai Jiao Tong University, Beijing Technology and Business University, and Shanghai University of Traditional Chinese Medicine, YKA has conducted research on the nutritional efficacy of plant proteins, the application of plant nitrogen sources in fermentation, the monitoring of plant protein extrusion molding, the regulation of soybean storage quality, the taste improvement of high-fiber by-products, and the processing mechanism of traditional Chinese medicine malt.



### Case Deepen Global Academic Exchanges and Technological Cooperation

In 2025, YKA actively participated in international academic exchanges and industry dialogues, continuously enhancing its influence in the global grain and oil science and technology field. YKA was invited to attend important international academic conferences, including the 2025 annual meeting of the American Oil Chemists' Society (AOCS), the 23<sup>rd</sup> international nutrition conference, the 20<sup>th</sup> annual meeting of the European Lipid Society, the 2<sup>nd</sup> forum on the future development of oilseeds (plant-based protein development prospects), the 9<sup>th</sup> forum on bioactive peptides and functional foods, and the annual meeting of the international society for nutritional foods and functional foods. YKA delivered special reports at these conferences, sharing the latest research achievements in the fields of oil nutrition, protein development and functional foods. In addition, we carried out in-depth exchanges with the Japan Rice Quality and Taste Research Association, drawing on the international advanced grain quality evaluation system and technical standards.



### Case Promote Domestic Industry Exchanges and Industrial Development

In 2025, with research programs on germplasm resources and food safety being successfully implemented by Huihua Global Peanut Industry Research Institute, YKA launched another major scientific research project - High-value Utilization Technology and Industrial Demonstration of Peanut Oil and Protein, which directly addresses core consumer concerns including "peanut oil safety" and "upgrading the health profile of oils and fats". Supported by the SCO International Food Innovation Center and led by Professor Liu Yuanfa's team from Jiangnan University, the project focuses on breakthroughs in green and efficient processing technologies. By adopting innovative processing techniques, YKA has significantly improved the comprehensive utilization of peanut oil and protein, enhanced the nutritional safety of peanut oil, boosted the edibility, usability and nutritional functionality of peanut protein, and realized full value enhancement for every peanut from "field to table". This project has also been approved as a Major Scientific and Technological Innovation Project of Shandong Province.

### Transparent Factory Initiative

YKA has launched the "transparent factory" initiative across the country, inviting all sectors of society to visit its production lines in an open and transparent manner. By fully showcasing our raw material traceability system, production processes and quality inspection standards to the public, we have turned food safety from a mere corporate promise into a visible, tangible experience for all.

During the Reporting Period, all factories held more than 4,600 transparent factory events and received about 100,000 visitors, including government officials at all levels, partners, media representatives, and consumer representatives. During the visits, YKA's professional teams systematically educated the public on food safety knowledge, nutrition and health concepts, and scientific dietary practices, which has effectively raised public awareness of food health and scientific literacy. This innovative practice has not only boosted consumer trust but also fostered a positive social atmosphere that values food safety and promotes healthy living.

#### During the Reporting Period



All factories held  
**4,600+**  
transparent factory events



Received approximately  
**100,000**  
visitors



## Feature 2

# Green Actions for a Net-Zero Future

Acting on the national “Dual Carbon” strategy, YKA has established its 2050 net-zero target and roadmap. We conduct annual greenhouse gas inventories and regularly engage third parties for external verification. To address climate challenges, YKA continuously enhances its climate resilience by thoroughly identifying and tracking the potential impacts, risks and opportunities of climate change on its operations and business.



# Feature 1 Green Actions for a Net-Zero Future

## Governance

A stable and efficient climate governance structure serves as the anchor and compass for the Company to address climate change challenges. In response to the national "Dual Carbon" strategy, YKA has put in place a climate governance structure headed by the Board of Directors and its Sustainability Committee. This structure guides the phased implementation of climate governance and supports the delivery of our 2050 net-zero target and roadmap.

### YKA's Climate Change Governance Structure

Decision-making Level

The Board of Directors oversees all climate change-related matters, reviews major strategies for addressing climate change, and regularly receives reports on dedicated climate governance work, including the implementation progress and performance of climate-related targets.

Management Level

The Board has established a Sustainability Committee chaired by the Chairman and comprising senior management. The Committee formulates YKA's climate change strategy, monitors the implementation of climate-related targets, and provides recommendations and proposals to the Board based on implementation outcomes and target achievement.

Execution Level

Led by the Sustainability Department, YKA coordinates all functional, business and subsidiary units to carry out sustainability initiatives in a coordinated manner. These include identifying climate-related risks and opportunities, establishing a sound climate emergency management mechanism, advancing climate governance and environmental initiatives, and regularly assessing GHG emission reduction and green operational performance, so as to continuously enhance YKA's climate resilience and risk management capabilities.

The remuneration of YKA's senior management is aligned with their positions, responsibilities, professional competence, job performance, the achievement of corporate business objectives, remuneration policies, and YKA's sustainable development. In its ongoing efforts to create sustainable value for stakeholders, YKA incorporates key sustainability targets into the annual performance assessment of senior management, including climate change, responsible procurement and supply, product quality and safety, business ethics and compliance, and talent retention. YKA emphasizes that each senior manager shares and advances the Company's sustainable development values.

YKA highly values climate change governance and has established a regular reporting and dynamic early warning system. This system enables the decision-making level to promptly identify the impacts, risks and opportunities of climate change, which serve as key references in forward-looking decision-making, and ensures that climate issues are fully embedded in YKA's business operations. Through ongoing professional development and capacity building, YKA continuously strengthens the climate governance capabilities, skills and competencies of its management personnel, so as to support the Company in addressing climate challenges with professionalism and underpin its sustainable business growth.



# Strategy

## Climate Action Roadmap

In 2024, we published the *Yihai Kerry Arawana 2050 Net-Zero Targets and Roadmap*. With 2022 as the baseline year, we have established two key milestones for 2030 and 2040, and targets net-zero greenhouse gas emissions by 2050. Against this net-zero goal, YKA has defined eight action pathways to steadily advance green and low-carbon operations. We continue to improve energy efficiency and reduce carbon emissions in our own operations, while promoting sustainable and low-carbon practices across our upstream and downstream value chain. YKA engages partners and stakeholders for collaborative emission reduction, working toward full value chain net-zero emissions.



### 2022 (Baseline Year)



#### Establishing a Solid Foundation and Advancing Green Practices

Anchoring the base year, steadily advancing GHG reduction actions through eight key areas:

- Optimizing energy structure
- Improving energy efficiency
- Practicing low-carbon operations
- Reducing fugitive emissions
- Achieving carbon neutrality progressively
- Promoting low-carbon logistics
- Strengthening supplier management
- Disseminating low-carbon concepts

As of the end of 2025, reduce packaging material usage by 15,000 tonnes, and strive to achieve an annual recyclable packaging rate of over 90%.

### 2030



#### Progressing Steadily and Accelerating Emission Reductions

Following the established emission reduction roadmaps, practicing low-carbon operations, and comprehensively advancing GHG reductions to accelerate sustainable production and operations.

- Achieve an installed capacity of 200 MWp for solar photovoltaic projects by 2030.
- Significantly improve the energy efficiency of compressed air stations.
- Continuously increase the proportion of biomass replacing coal.
- Further enhance the overall utilization efficiency of waste heat and pressure.
- Gradually expand the application of zero-carbon or carbon-neutral fuels.

### 2040



#### Full-Scale Advancement Towards Net-Zero

For GHG emissions that cannot be fully eliminated by existing reduction technologies, various high-quality carbon sinks will be utilized for compensation and offset, to ensure that the net-zero emissions target is fully achieved.

- Achieve 100% clean electricity usage by 2050.
- Reach 100% biomass substitution for coal by 2050.
- Maximize the recovery and utilization of biogas.
- Completely eliminate direct biogas emissions.

### 2050



#### Ongoing Emission Reductions, Paving the Way for a Net-Zero Future

We remain committed to adopting and leveraging new emission reduction technologies while adhering to sustainable operations to further reduce our greenhouse gas emissions. At the same time, we actively embed sustainability principles throughout the value chain—both upstream and downstream—to drive collective emission reductions with our partners and stakeholders, paving the way toward a net-zero future.



# Impact, Risk and Opportunity Management

YKA refers to the relevant requirements of the *Guidelines and the Self-Regulatory Guidance No.3 for Companies Listed on Shenzhen Stock Exchange—Preparation of Sustainability Reports No.2—Responding to Climate Change* (hereinafter referred to as the “Guidance”), as well as the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), to regularly identify the impacts, risks and opportunities arising from climate change.

## Material Climate-related Impacts, Risks and Opportunities

### Material Climate-related Impacts






Guided by the fundamental principle of “Identification first, precise response”, YKA reviews and proactively controls the full spectrum of impacts its operations exert on the external economy, environment and society. During the Reporting Period, YKA undertook qualitative analysis of climate-related impacts, aiming to translate potential environmental and social impacts into a core impetus for the industry’s green and sustainable transition, lower consumption of natural resources, and foster a virtuous symbiosis between corporate growth and social ecology.

Type of Impact	Business Activity	Impact on Economy, Environment and Society	Affected Stakeholders	Response Strategy
Potential environmental impact	There are energy-intensive stages in production, processing, manufacturing, and packaging & logistics, involving the use of diverse energy sources (including but not limited to coal, natural gas, electricity, steam, etc.), water resources and packaging materials.	<p>If uncontrolled, such issues may lead to, including but not limited to:</p> <ul style="list-style-type: none"> <li>Increased direct and indirect greenhouse gas emissions</li> <li>Increased discharge of waste (wastewater, waste gas, solid waste, etc.)</li> <li>Heightened regional water resource pressure (particularly for manufacturing entities located in water-scarce areas)</li> </ul> <p>And may exert certain impacts on the ecological environment and local communities surrounding the production sites.</p>	 Natural ecology   General public	<p>Regarding greenhouse gas emissions, YKA has put in place a comprehensive carbon emission management mechanism and set a net-zero target by 2050. We’re steadily advancing the green and low-carbon production transformation through eight action pathways: optimizing the energy mix, reducing fugitive emissions, progressing toward carbon neutrality, improving energy efficiency, practicing low-carbon operations, and others, with the aim of lowering greenhouse gas emissions year by year. YKA is extensively expanding into green energy sectors such as solar power and biomass substitution for coal, aiming to progressively reduce the negative environmental and social impacts arising from its production activities.</p> <p>Regarding environmental compliance, YKA relies on a clearly defined and efficiently operating environmental management system to strictly control wastewater, waste gas and solid waste discharges, ensuring full environmental compliance and promoting the development and certification of “Green Factories” and “Zero-Waste Factories”.</p> <p>Regarding water resources, YKA has implemented water resource management and water conservation measures across all its manufacturing entities based on specialized policies including the <i>Environmental Policy</i> and the <i>Water Resources Management Procedure</i>. We conduct water stress tests year by year to identify production sites located in water-scarce areas. We have developed and implemented targeted water-saving plans and have been tracking the water performance of these sites annually. YKA is supporting green operation with concrete actions.</p>

### Climate-Related Risks

YKA fully recognizes the profound impact of climate-related factors (i.e., extreme weather events and natural disasters) on business continuity. We integrate climate risk identification into our corporate risk management process and establish a rapid response mechanism for climate-related incidents, enabling timely detection of potential risks and mitigation of negative impacts (i.e., potential operational disruptions and financial losses), so as to maintain a steady pace throughout our green transition.

#### Physical Risk Identification and Impact Assessment

Risk Type	Acute/Chronic	Potential Risk Impact Pathway	Potential Financial Impact	Impact Period	Value Chain Segment
 Extreme precipitation or flooding caused by climate change	Acute	<ul style="list-style-type: none"> <li>Increased pressure on drainage systems at production and operation sites</li> <li>Impaired safety of production activities, e.g., goods transportation</li> <li>Loss of agricultural output and disrupted supply chain</li> <li>Impacted employee commuting and operational safety</li> <li>Damage to infrastructure such as power facilities</li> </ul>	<ul style="list-style-type: none"> <li>Asset impairment losses</li> <li>Increased operating costs</li> <li>Decreased operating revenue</li> </ul>	<ul style="list-style-type: none"> <li>Short-term</li> <li>Medium-term</li> </ul>	<ul style="list-style-type: none"> <li>Raw material production and transportation</li> <li>Product manufacturing and processing</li> <li>Product transportation and distribution</li> </ul>
 Typhoon / Hurricane	Acute	<ul style="list-style-type: none"> <li>Vessels unable to berth at terminals on time, disrupting raw material transportation</li> <li>Loading and fleet transport suspended, increasing pressure on product distribution</li> <li>Heightened risk of asset damage and threats to employee safety under typhoon conditions</li> </ul>	<ul style="list-style-type: none"> <li>Asset impairment losses</li> <li>Increased operating costs</li> <li>Decreased operating revenue</li> <li>Increased insurance costs</li> </ul>	<ul style="list-style-type: none"> <li>Short-term</li> <li>Medium-term</li> </ul>	<ul style="list-style-type: none"> <li>Raw material production and transportation</li> <li>Product manufacturing and processing</li> <li>Product transportation and distribution</li> </ul>
 Frequent extreme heatwaves caused by climate change	Chronic	<ul style="list-style-type: none"> <li>Impact on employee health and safety, leading to reduced or interrupted production and operational efficiency</li> <li>Disrupted moisture balance, impaired growth, and increased pests and diseases in crops under high temperatures, disrupting the Company’s raw material supply</li> <li>Increased energy consumption for air conditioning, ventilation and other cooling equipment at production and operation facilities</li> <li>Increased demand for heatstroke prevention and cooling supplies</li> </ul>	<ul style="list-style-type: none"> <li>Decreased operating revenue</li> <li>Increased operating costs</li> </ul>	<ul style="list-style-type: none"> <li>Short-term</li> <li>Medium-term</li> </ul>	<ul style="list-style-type: none"> <li>Raw material production and transportation</li> <li>Product manufacturing and processing</li> </ul>
 Drought	Chronic	<ul style="list-style-type: none"> <li>Affected water availability and productivity, and potential rise in water costs</li> <li>Hindered crop growth, reduced yield and compromised quality due to drought, disrupting supply chain security</li> </ul>	<ul style="list-style-type: none"> <li>Increased operating costs</li> <li>Decreased operating revenue</li> </ul>	<ul style="list-style-type: none"> <li>Medium-term</li> <li>Long-term</li> </ul>	<ul style="list-style-type: none"> <li>Raw material production and transportation</li> <li>Product manufacturing and processing</li> </ul>
 Sea level rise	Chronic	<ul style="list-style-type: none"> <li>Seawater inundation submerges coastal production sites, suspending production and operation activities</li> <li>Seawater corrodes production equipment and facilities, affecting service life and operational safety while increasing maintenance costs</li> </ul>	<ul style="list-style-type: none"> <li>Asset impairment losses</li> <li>Increased operating costs</li> <li>Decreased operating revenue</li> </ul>	<ul style="list-style-type: none"> <li>Medium-term</li> <li>Long-term</li> </ul>	<ul style="list-style-type: none"> <li>Product manufacturing and processing</li> </ul>

Physical Risk Response Strategies

Risk Control Capability	Risk Monitoring Capability	Risk Response Capability
Formulate sound extreme weather systems and management procedures; develop emergency plans in advance, conduct safety inspections, and deploy protective devices and emergency equipment to address challenges posed by extreme weather and enhance climate resilience.	Monitor climate change in a timely manner and regularly complete climate impact assessments, enterprise resilience assessments, and supplier supply risk analyses; keep abreast of climate-related information, understand the impacts of major climate disasters on the Company's production and operations; and evaluate the effectiveness of existing measures.	Issue early warning in advance and conduct response drills; arrange staff work, production and delivery schedules ahead of time; develop inventory strategies for key suppliers; and purchase insurance to mitigate losses from climate disasters.

Transition Risk Identification and Impact Assessment

As the world accelerates its shift toward a low-carbon economy, YKA adapts to changes in policies and regulations, technological advances, and market preferences. Using a combination of qualitative analysis and quantitative assessment, YKA identifies and assesses the potential transmission effects of transition risks on its business, enabling early strategic positioning to mitigate potential impacts.



Risk Type	Risk Description	Potential Financial Impact	Impact Period	Value Chain Segment	Response Measures	
Policy and Legal Risk	Energy transition	<ul style="list-style-type: none"> <li>Under national policies for energy transition, YKA doubles down on clean energy procurement and the construction, investment and management of related projects</li> </ul>	<ul style="list-style-type: none"> <li>Increased investment expenditure</li> </ul>	<ul style="list-style-type: none"> <li>Short-term</li> <li>Medium-term</li> <li>Long-term</li> </ul>	<ul style="list-style-type: none"> <li>Raw material production and transportation</li> <li>Product manufacturing and processing</li> <li>Product transportation and distribution</li> </ul>	<ul style="list-style-type: none"> <li>Reduce consumption of fossil fuels such as coal</li> <li>Increase procurement of renewable and clean energy</li> <li>Accelerate the development of clean energy projects</li> </ul>
	Policy & law	<ul style="list-style-type: none"> <li>Driven by China's "Dual Carbon" Goal, YKA has taken actions to reduce energy consumption and emissions, resulting in additional operating costs</li> <li>Higher client requirements related to climate change may lead to default risks</li> </ul>	<ul style="list-style-type: none"> <li>Increased compliance costs</li> </ul>	<ul style="list-style-type: none"> <li>Short-term</li> <li>Medium-term</li> </ul>	<ul style="list-style-type: none"> <li>Raw material production and transportation</li> <li>Product manufacturing and processing</li> <li>Product transportation</li> <li>Product disposal and recycling</li> </ul>	<ul style="list-style-type: none"> <li>Closely follow domestic and foreign environmental and carbon-related laws, regulations and policy changes; make early plans; lead the industrial chain in formulating sustainable development plans; and accelerate the green transition</li> </ul>
	Carbon market	<ul style="list-style-type: none"> <li>China's carbon quota trading mechanism may expose YKA to excess emissions</li> </ul>	<ul style="list-style-type: none"> <li>Increased operating and management costs</li> </ul>	<ul style="list-style-type: none"> <li>Short-term</li> <li>Medium-term</li> <li>Long-term</li> </ul>	<ul style="list-style-type: none"> <li>Product manufacturing and processing</li> </ul>	<ul style="list-style-type: none"> <li>Make early plans; manage YKA's carbon assets; and optimize carbon performance across the full value chain</li> </ul>
	Disclosure requirements	<ul style="list-style-type: none"> <li><i>Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)</i> published in 2024 required disclosure of climate change information</li> </ul>	<ul style="list-style-type: none"> <li>Increased compliance costs</li> </ul>	<ul style="list-style-type: none"> <li>Short-term</li> <li>Medium-term</li> </ul>	<ul style="list-style-type: none"> <li>Raw material production and transportation</li> <li>Product manufacturing and processing</li> <li>Product transportation</li> <li>Product disposal and recycling</li> </ul>	<ul style="list-style-type: none"> <li>Disclose relevant information accurately and in high quality in accordance with regulatory and national legal requirements and rules</li> </ul>
Technology Risk	Low-carbon technologies and products	<ul style="list-style-type: none"> <li>Replace low-efficiency production technologies</li> <li>Develop low-carbon technologies and products</li> <li>Potential investment failures in low-carbon technologies and products</li> </ul>	<ul style="list-style-type: none"> <li>Develop low-carbon technologies and products</li> </ul>	<ul style="list-style-type: none"> <li>Short-term</li> <li>Medium-term</li> <li>Long-term</li> </ul>	<ul style="list-style-type: none"> <li>Product manufacturing and processing</li> <li>Product transportation</li> <li>Product disposal and recycling</li> </ul>	<ul style="list-style-type: none"> <li>Integrate green and low-carbon concepts into product and technology R&amp;D keep up the efforts</li> <li>Promote the application of energy conservation and emission reduction technologies</li> </ul>
Market Risk	Supply and demand changes	<ul style="list-style-type: none"> <li>Due to the rising awareness of green consumption, YKA needs to meet the market demand for green and low-carbon products and services</li> </ul>	<ul style="list-style-type: none"> <li>Declined sales revenue</li> </ul>	<ul style="list-style-type: none"> <li>Long-term</li> </ul>	<ul style="list-style-type: none"> <li>Product transportation</li> </ul>	<ul style="list-style-type: none"> <li>Closely follow consumer preference trends and focus on green product development</li> </ul>
Reputation Risk	Assessment changes	<ul style="list-style-type: none"> <li>As stakeholders pay increasing attention to climate change, if YKA fails to make timely improvements and adjustments, its reputation will be affected, leading to reduced investor investment and consumer demand</li> </ul>	<ul style="list-style-type: none"> <li>Declined business revenue</li> <li>Increased financing costs</li> </ul>	<ul style="list-style-type: none"> <li>Medium-term</li> <li>Long-term</li> </ul>	<ul style="list-style-type: none"> <li>Product transportation</li> </ul>	<ul style="list-style-type: none"> <li>Disclose climate-related risks, opportunities and response measures</li> <li>Strengthen communication with stakeholders in the capital market (investors, rating agencies, consumers)</li> <li>Comprehensively enhance YKA's internal ESG governance and provide employees with ESG-related training</li> </ul>

### Climate-Related Opportunities

YKA proactively identifies transformation opportunities brought about by climate change. By improving resource utilization efficiency, launching low-carbon products and services, and enhancing the resilience of the value chain, YKA strives to drive long-term cost reduction and efficiency improvement, meet the expectations of consumers and the market, and maintain its leading position in the sustainable business ecosystem.

Opportunities	Opportunity Description		Potential Financial Impact	Impact Period	Value Chain Segment	Response Measures
Resource Efficiency	Energy-saving technology and equipment operation	<ul style="list-style-type: none"> <li>Adopt high-efficiency equipment in production and operation to improve resource utilization efficiency, reduce consumption and cut carbon emissions.</li> </ul>	Decreased cost	Medium-term Long-term	Raw material production and transportation Product manufacturing and processing Product transportation	<ul style="list-style-type: none"> <li>Build a green and low-carbon full value chain system, and continuously improve operational efficiency and energy utilization rate</li> <li>Promote resource reuse work such as waste recycling and reclaimed water reuse</li> <li>Promote the construction of green factories and zero-carbon factories</li> <li>Adopt high-efficiency energy-saving equipment and replace or phase out old and high-energy-consuming equipment</li> <li>Choose green buildings first for office space</li> </ul>
	Energy management	<ul style="list-style-type: none"> <li>Systematized internal energy management and digital monitoring of energy consumption help enhance energy efficiency and reduce energy consumption and human resource costs.</li> </ul>				<ul style="list-style-type: none"> <li>Consistently improve the energy management system</li> <li>Refine the digital monitoring platform for energy consumption</li> </ul>
	Renewable energy usage	<ul style="list-style-type: none"> <li>Introduce the use of renewable energy, which can effectively reduce carbon emissions and mitigate potential loss risks caused by future carbon quotas and rising carbon prices.</li> </ul>				<ul style="list-style-type: none"> <li>Develop renewable energy projects, such as solar energy and wind energy projects.</li> <li>Develop biogas recycling and reuse projects</li> <li>Gradually achieve 100% biomass replacement of coal combustion</li> </ul>
Products and Services	Low-carbon products	<ul style="list-style-type: none"> <li>Continuously drive innovation in green and low-carbon products to meet customer and consumer needs; promote the low-carbon transformation of business partners; and enhance the competitive edge of the entire supply chain in the industry.</li> </ul>	Increased business revenue Decreased cost	Medium-term Long-term	Raw material production and transportation Product manufacturing and processing Product transportation Product disposal and recycling	<ul style="list-style-type: none"> <li>Integrate the concept of green and low carbon into R&amp;D</li> <li>Promote the application of energy conservation and emission reduction technologies</li> <li>Continuously expand the application scenarios of clean energy</li> <li>Collaborate with whole supply chain partners to develop low-carbon products</li> </ul>
Resilience	Green technology	<ul style="list-style-type: none"> <li>Green technologies and low-carbon products can effectively enhance YKA's product competitiveness and drive new revenue growth, while reducing greenhouse gas emissions, lowering potential costs arising from future government carbon emission management, and even generating additional returns.</li> <li>The value spillover of low-carbon emission reduction benefits partners, improving the reliability of the value chain and the adaptability of operations.</li> <li>Conduct energy conservation and carbon reduction work.</li> </ul>				<ul style="list-style-type: none"> <li>Develop green technologies and research and develop green, low-carbon products</li> </ul>

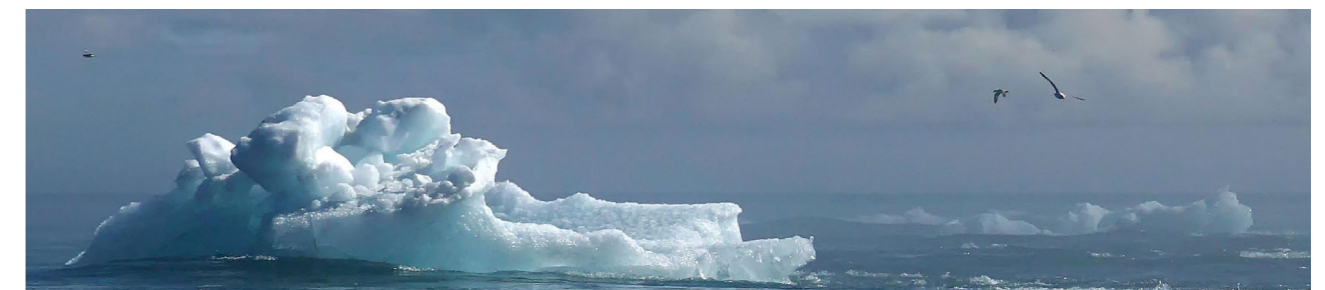
### Climate Scenario Analysis

YKA applies climate scenario analysis to assess how future climate change may affect its business. With reference to the publicly available climate change scenarios from the Intergovernmental Panel on Climate Change (IPCC), we focus on two scenarios: low-emission and high-emission. Against these two scenarios and in light of YKA's business characteristics, we assess the potential impacts of physical risks, transition risks and climate opportunities on business operations.

### Physical Risks

Under a high-emission scenario, YKA may face increasingly severe impacts from extreme climate events.

General Scenario	Scenario	Scenario Description	Projected Temperature Rise by 2100	Impacts
Low-emission scenario	Shared socioeconomic pathways (SSP1-2.6)	This scenario focuses on global efforts toward sustainable development, with average warming below 2°C by 2100, consistent with the 2°C target.	~1.4°C	<ul style="list-style-type: none"> <li>Future temperature rise by 2100 will be significantly below 2°C. The frequency and intensity of extreme weather events will increase, affecting production and operations to a certain extent.</li> <li>Sea level rise of 0.4 meters by 2100.</li> </ul>
High-emission scenario	Shared socioeconomic pathways (SSP5-8.5)	In this scenario, the global economy grows rapidly, relying heavily on fossil fuel exploitation and energy-intensive industries with little climate policy intervention. Climate change pressures intensify, and extreme weather events become more frequent.	~4.4°C	<ul style="list-style-type: none"> <li>Raw material supply tightens; imports of agricultural products (palm oil, soybeans, etc.) from South America, Southeast Asia and Africa decrease by about 5% to 8%<sup>5</sup>.</li> <li>The frequency and intensity of extreme weather events rise sharply, disrupting YKA's production and operations.</li> <li>In East China, the frequency and volume of extreme precipitation increase, with more frequent heavy and torrential rain events, raising the risk of extreme flooding<sup>6</sup>. This affects employee travel and YKA's production and operations.</li> <li>In Northeast China, the imbalance between water supply and demand worsens<sup>7</sup>, impacting product quality.</li> <li>Sea level rises by approximately 1 meter by 2100, affecting manufacturing and processing at coastal factories.</li> </ul>



<sup>5</sup> Progress in research on health risks and economic losses caused by extreme heatwaves by Guan Dabo's team at Tsinghua University, <https://www.nsf.gov.cn/csc/20340/20343/67140/index.html>

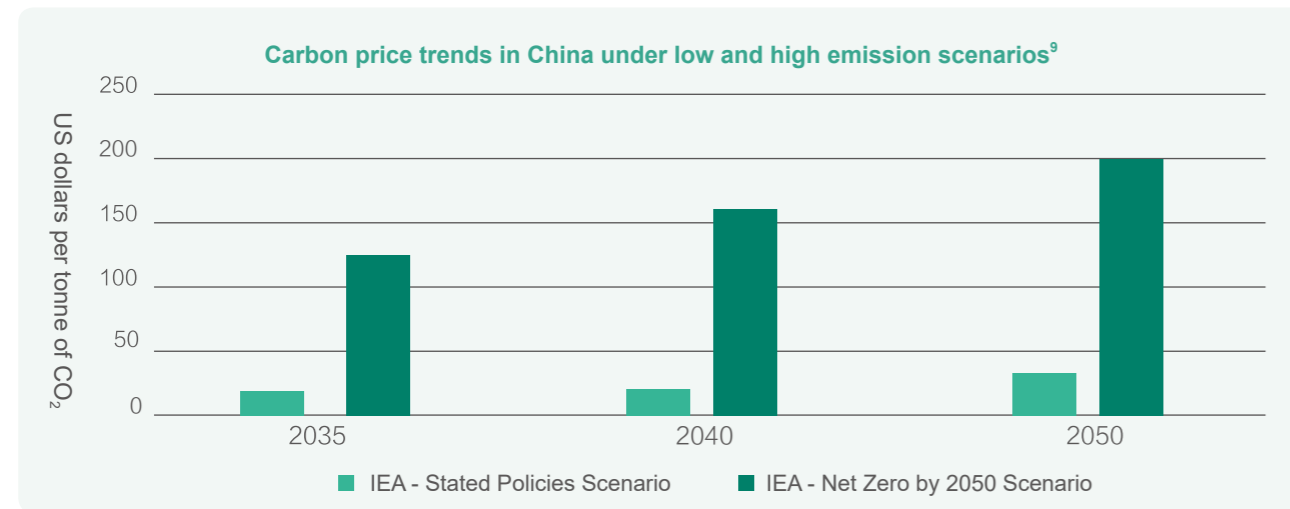
<sup>6</sup> Projection of summer precipitation in the Yangtze River basin in the next 30 years under shared socioeconomic pathways (SSPs), <http://www.iapjournals.ac.cn/dqkx/article/doi/10.3878/j.issn.1006-9895.2112.21154>

<sup>7</sup> Assessment of agricultural green water security risks in northeast China under climate change, <https://www.sciengine.com/SSTe/doi/10.1360/SSTe-2023-0240>.

## Transition Risks

Under a low-carbon economy, YKA may face escalating pressure to reduce carbon emissions. When pursuing different decarbonization pathways, YKA may incur additional compliance costs due to excess greenhouse gas emissions.

Application Scenarios	Scenario	Scenario Description	Projected Temperature Rise by 2100
Low-emission scenario	IEA—Net zero emissions by 2050 scenario	Under this stringent low-emission scenario, the global energy sector achieves net zero emissions by 2050.	~1.5°C
High-emission scenario	IEA—Stated policies scenario <sup>8</sup>	In this scenario, the policies assessed cover a wide range, including nationally determined contributions under the <i>Paris Agreement</i> , etc. The bottom-up modeling of this scenario includes pricing policies, efficiency standards and plans, electrification plans, and specific infrastructure projects.	~2.5°C



YKA regards physical and transition risks caused by climate change as key risk variables and integrates them into its risk assessment and management system. This forms a closed-loop management system of “risk identification—risk analysis—risk response—risk monitoring”, ensuring that climate-related factors are substantially incorporated into YKA's risk early warning and response mechanisms. YKA has a sound emergency management system and develops emergency plans for identified acute and chronic climate risks, ensuring continuous enhancement of its climate resilience.

<sup>8</sup> National policies of China under this scenario include: (1) The 14<sup>th</sup> five-year plan (2021–2025): reduce carbon dioxide intensity of the economy by 18%; reduce energy intensity of the economy by 13.5%; raise the share of non-fossil energy in the energy mix to 20% by 2025 and 25% by 2030. (2) Nationally determined contributions and the action plan for peaking carbon dioxide emissions before 2030: the target is to peak carbon dioxide emissions before 2030 and reduce carbon dioxide emissions per unit of GDP by more than 25% from the 2005 level by 2030.

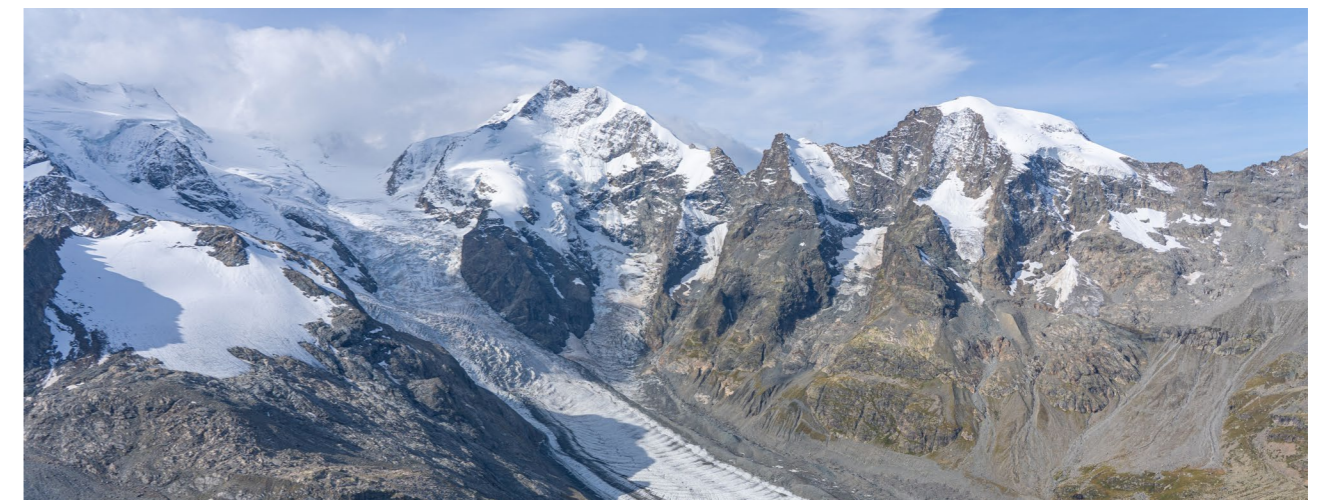
<sup>9</sup> Carbon price research in the latest IEA report – the *IEA Outlook 2025*.

## Metrics and Targets

### Climate-related Targets and Implementation Progress

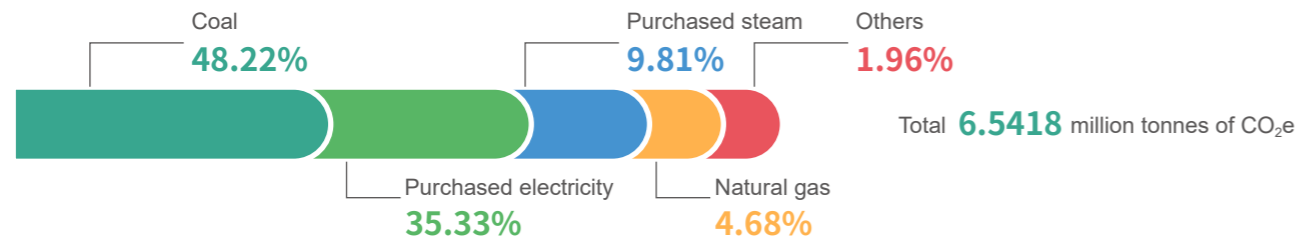
YKA has set phased emission targets covering Scope 1, Scope 2 and Scope 3 emissions. We advance energy conservation and emission reduction initiatives across the full value chain with real-time tracking, ensuring the solid and effective delivery of our 2050 net-zero goal and roadmap.

Greenhouse gas emission scope	Baseline year	Target	Progress in the Reporting Period
GHG emissions from YKA's own operations (Scope 1 + Scope 2)	2022	By 2030, emission reductions will be no less than 38% of the baseline year emissions	In 2025, YKA's total Scope 1 and Scope 2 (market-based) emissions were 6.5418 million tonnes of CO <sub>2</sub> e.
		By 2040, emission reductions will be no less than 104% of the baseline year emissions	During the Reporting Period, we reduced greenhouse gas emissions by approximately 1.365 million tonnes of CO <sub>2</sub> e through measures including the use of biomass energy, procurement of zero-carbon electricity, biogas recycling, and implementation of energy conservation and emission reduction projects.
		By 2050, achieve net-zero greenhouse gas emissions	
GHG emissions from upstream and downstream of YKA's value chain (Scope 3)	2022	By 2029, YKA will engage with 67% of its suppliers to enable them to set emission reduction targets	In 2025, we conducted a review of our suppliers, formulated a supplier research plan, and collected information on the setting of suppliers' emission reduction targets.
		By 2050, the absolute amount of Scope 3 greenhouse gas emissions will be reduced by 90%	In 2025, YKA's Scope 3 greenhouse gas emissions were 90.6802 million tonnes of CO <sub>2</sub> e.

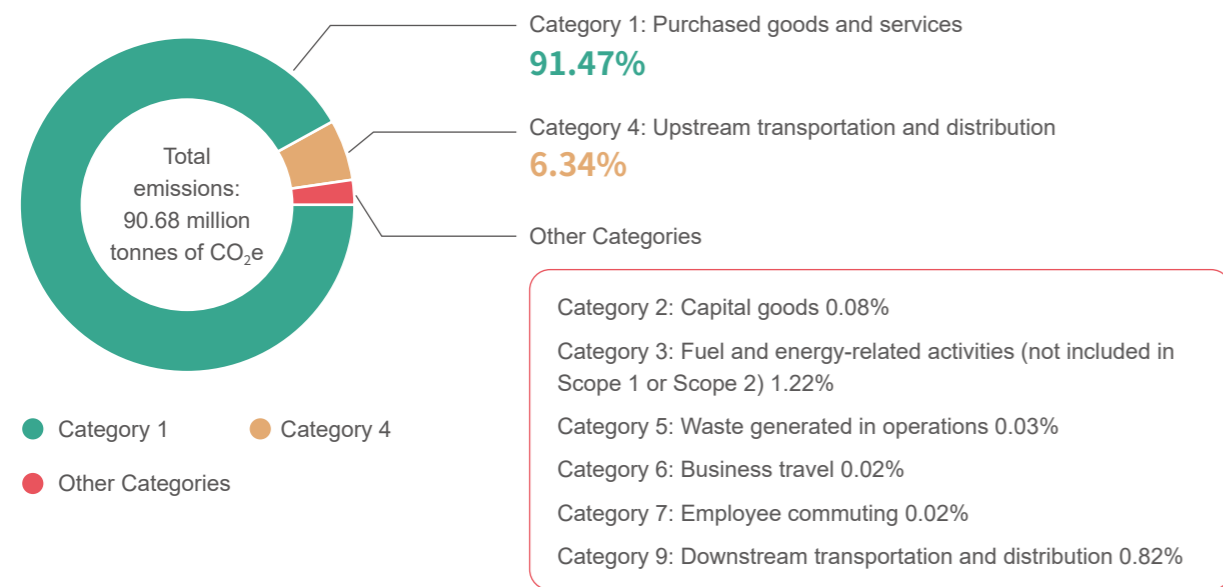


## Greenhouse Gas Emissions

The details of YKA's Scope 1 and Scope 2 emissions in 2025 are as follows:



The breakdown of YKA's Scope 3 emissions by category in 2025 is as follows:



## Greenhouse Gas Emission Reduction Practices

In line with its established net-zero action pathways, YKA advances low-carbon transition across the full value chain in a holistic way to strengthen its carbon neutrality roadmap.

### Green Production

YKA has put in place a green energy management system covering the entire life cycle. We continue to strengthen our capabilities in energy metering and control, optimize our energy mix and expand the use of green electricity, and reduce greenhouse gas emissions from production and operations, thereby achieving steady improvement in resource efficiency and laying a solid foundation for the Group's climate goals.

#### Energy Management

In strict accordance with its *Environmental Policy*, YKA promotes a fully standardized and process-based energy management model across the organization.

YKA encourages all manufacturing facilities to establish an energy management system in accordance with the ISO 50001 standard.

During the Reporting Period, the coverage rate of YKA's certified energy management systems reached **51%**, an increase of **3** percentage points compared with 2024.

YKA requires each manufacturing entity to conduct regular energy audits as needed, in line with local government requirements and its own energy management needs.

During the Reporting Period, a total of **34** manufacturing entities carried out energy audits, representing a coverage rate of **30%**.

YKA continuously enhances the energy management awareness, expertise and capabilities of the management and employees, and provides targeted training on energy management improvement for all relevant personnel.

During the Reporting Period, YKA held a total of **375** energy management training sessions, covering **4,179** participants with a total training duration of more than **750** hours.

YKA sets medium-term and long-term energy consumption targets, and establishes annual energy consumption targets for each factory at the beginning of the year. We review energy management performance at mid-year and year-end, and grants corresponding incentives to facilities based on their performance ratings. In addition, the Group organizes an energy conservation innovation competition every two years and issues awards according to the level of energy savings achieved. Each production facility also holds an "Energy-Saving Ideas" competition annually and provides rewards based on evaluation scores.

Indicator	Unit	2023	2024	2025
Total energy consumption	10,000 GJ	5,470.34	5,874.49	6,741.08
Non-renewable energy consumption	10,000 GJ	4,818.53	4,986.87	5,902.98
Renewable energy consumption	10,000 GJ	651.82	887.62	838.09
Proportion of renewable energy	%	11.9	15.1	12.4

### Optimizing Energy Structure

YKA develops biomass energy and upgrades its boiler systems to build a diversified and complementary clean energy system.

#### Upgrading of Coal-fired Boilers

Traditional coal-fired boilers, with high energy consumption and emissions, pose significant challenges to green production. Since 2021, YKA has been promoting the phase-out and upgrading of coal-fired boilers and set a clear target: to achieve 100% phase-out of coal-fired boilers by 2050 at the latest.

During the Reporting Period, we decommissioned **1** additional coal-fired boiler, bringing the cumulative phase-out rate to **20%**


	2021	2022	2023	2024	2025
Number of coal-fired boilers phased out (units)	2	1	2	0	1
Proportion of coal-fired boilers phased out	7%	10%	17%	17%	20%


We leverage technological innovation to accelerate the replacement of traditional coal-fired boilers with green alternatives such as biomass energy. During the Reporting Period, YKA added 7 biomass energy facilities, bringing the total to 44, setting a benchmark for energy-efficient and environmentally friendly green production.

	2021	2022	2023	2024	2025
Number of biomass boilers (units)	23	25	26	29	35
Number of biomass hot blast stoves (units)	8	8	8	8	9
Number of biomass energy facilities (units)	31	33	34	37	44

During the Reporting Period,

 YKA used a total of **381,400** tonnes of biomass energy

 This replaced a total of **173,900** tonnes of standard coal equivalent of fossil energy

 reducing GHG emissions by approximately **476,300** tonnes of CO<sub>2</sub>e

equivalent to **5.1** million GJ

### Renewable Energy

#### Solar Energy

As a key part of its energy transition, YKA is committed to scaling up distributed photovoltaic technologies. We work with professional third-party institutions to maximize the use of rooftop spaces across its production bases for solar photovoltaic power projects. We have set relevant targets: to reach a total installed capacity of 200 MWp for solar photovoltaic power projects by 2030.

In 2025, the total installed capacity of YKA's solar photovoltaic power projects exceeded 120 MWp, reaching **122.56** MWp, representing a year-on-year increase of 16% compared with the previous reporting period. In 2025, YKA consumed a total of 98,796 MWh of solar photovoltaic power, a 25% year-on-year increase, reducing total carbon emissions by **60,000** tonnes of CO<sub>2</sub>e.

#### Zero-Carbon Electricity (Including Solar Power)

During the Reporting Period, YKA adopted zero-carbon electricity as a key measure to reduce its operational carbon footprint. In 2025, the share of zero-carbon electricity used across the Group reached 16%, and the zero-carbon electricity procured and consumed in total by YKA was **722,908** MWh, reducing greenhouse gas emissions by approximately **440,700** tonnes of CO<sub>2</sub>e.

#### Biogas (Methane)

The biogas recovery and utilization system has been upgraded to further advance low-carbon transformation in production, focusing on fugitive emission prevention and energy efficiency improvement. By capturing methane generated during production at the source, YKA was able to effectively contain greenhouse gas emissions. We greatly help to promote the replacement of fossil fuels with biogas and form a closed-loop model for biomass energy utilization.

In 2025, **22,650,000** cubic meters of biogas (methane) were recovered and utilized; approximately 19,900 tonnes of standard coal equivalent of fossil fuels such as coal and natural gas were replaced; and greenhouse gas emissions were reduced by a total of **355,200** tonnes of CO<sub>2</sub>e.

#### Wind Energy

YKA continues to invest in and scale up the renewable energy sector. In 2025, YKA kicked off a wind-solar-grid-storage-charging integrated smart energy pilot project at its Fuyu Industrial Park. The project plans to install a 75 MW wind power system, a 6 MWp distributed photovoltaic system, and 10 MW/20 MWh supporting energy storage facilities. As Heilongjiang's first green power direct-connection project, it is expected to generate over 220 million kWh of electricity annually upon completion, reducing annual greenhouse gas emissions by an estimated 130,000 tonnes of CO<sub>2</sub>e.

## Low-carbon Technologies

YKA strives to maximize industrial energy efficiency in a greener, more efficient manner through continuous innovation. YKA strategically focuses on two core areas: “Zero-carbon Factory” and “Product Carbon Footprint”. We work to come up with low-carbon solutions relating to production processes and build a green ecosystem across the entire value chain, hoping to make substantial contributions to its 2050 net-zero emission goal.

### Carbon-neutral Factory Development

We adopt lean management for carbon reduction, steadily expand our carbon-neutral factory presence, and integrate low-carbon footprint management into the entire production lifecycle.

As of 2025, 7 of YKA's manufacturing entities have been certified as “Carbon-Neutral Factories”.

### Product Carbon Footprint

Since 2021, we have established a regular traceability and verification system for the carbon footprint of our core products and have consistently worked to reduce emissions across the product lifecycle in a transparent and scientific manner.

Amidst carbon tariff (CBAM) barriers and supply chain emission reduction pressures in 2025, YKA shook off the reliance on the measurement model provided by the third-party and independently upgraded a standardized model for measuring product carbon footprint. Based on the “cradle-to-gate” boundary, the model covers all key factors including raw materials, energy, packaging materials and transportation, enabling a digital transition from seeking external assistance to efficient self-measurement.

Up to the end of the Reporting Period, the model has provided a total of 112 product carbon footprint calculation results to customers and government authorities, offering accurate carbon data for them and deepening strategic mutual trust among all parties.

### Energy Conservation and Emission Reduction

YKA promotes green and low-carbon operation across the Group. Through management improvement and technological innovation, we continuously tap the potential of energy conservation and consumption reduction and improve energy use efficiency across the board. In 2025, YKA continued to launch additional new energy conservation and emission reduction projects, totaling 116 such projects, and added an investment of RMB 10.84 million, with the total amount up to about RMB 120 million. It's expected that the carbon emissions will be reduced by approximately 92,500 tonnes of CO<sub>2</sub>e.

### Equipment Upgrade and Improvement

YKA adopts a two-pronged approach of technical upgrading and process optimization to realize refined energy efficiency management throughout the production process. Taking production sustainability as a routine practice, we extend emission reduction efforts to the full life cycle management of assets and launch targeted initiatives for “repairing and reusing old equipment and materials”.

### Innovating Drying Process

YKA has conducted energy efficiency upgrades for the energy-intensive noodle drying process. By introducing an air-source heat pump technology to replace traditional heat sources, together with a waste heat recovery system, we have significantly lowered the environmental impact of the process. The project has saved a total of 178,550 GJ of energy and reduced GHG emissions by 13,564 tonnes of CO<sub>2</sub>e. It becomes an industry benchmark for decarbonization in the grain and oil processing sector. To date, this technology has been applied to multiple large-scale production lines nationwide and will be further scaled up.

## Green Logistics

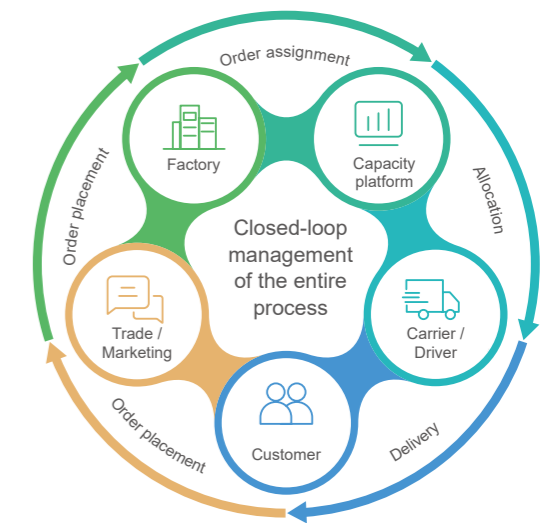
Relying on its national logistics network, YKA strengthens green collaboration across the value chain and integrates carbon reduction objectives into the whole scenario of warehousing and logistics. Meanwhile, we continuously advance road-rail-water multimodal transport, multi-temperature joint distribution, and a highly integrated management system. Working with partners, YKA has fully switched to electric logistics vehicles in starch warehousing, achieving a “zero-emission” transition at the operation end. This initiative is expected to reduce emissions by 10.3 tonnes of CO<sub>2</sub>e per year<sup>10</sup>.

### Smart Logistics

#### Digital Intelligence-enabled Logistics Management

To deepen intelligent logistics management, YKA adopts automatic warehousing and information systems to optimize transportation, loading and unloading, and bolster green storage and transportation. For container operations, we have developed full-chain dynamic tracking technology that integrates vessel and vehicle positioning as well as AIS data to achieve end-to-end visual monitoring. Precise trajectory tracking has greatly improved transshipment efficiency and effectively cut unnecessary energy consumption caused by information delays.

To deepen the digital and intelligent transformation of logistics, YKA fully implements an electronic document system on core shipping routes including the Yingkou-Taizhou-Panjin route, forming a full-chain paperless closed-loop from booking to pickup. This model effectively eliminates indirect carbon emissions generated by printing and delivery, while reducing document circulation time by more than 50%. With encryption and traceability technologies, a secure barrier has been established, achieving synchronized improvements in supply chain responsiveness, operational compliance and green benefits.



#### Focus on Multimodal Transport Routes

To deepen the structural adjustment of “road-to-railway” transportation, YKA in collaboration with COSCO Shipping, has established a container depot in Kaiyuan and implemented a “single-window” intermodal transport system, breaking down the barriers in container utilization for domestic and foreign trade. In 2025, the cumulative amount of materials transported via this model reached 484,000 tonnes (17,490 TEU). Compared with the traditional road transport mode, we have reduced carbon emissions by approximately 91% and energy consumption by 81%, achieving synchronized improvement in supply chain efficiency and green benefits.

#### Strengthen Intensive Transportation Governance

Relying on data-driven governance, YKA has upgraded the flexible container loading scheme and optimized weight limit standards in collaboration with railway departments, significantly improving the space and load utilization rate of containers. In 2025, through intensive transportation restructuring, YKA arranged less container transportation shifts by 182 shifts and reduced GHG emissions by 301.8 tonnes of CO<sub>2</sub>e<sup>11</sup>.

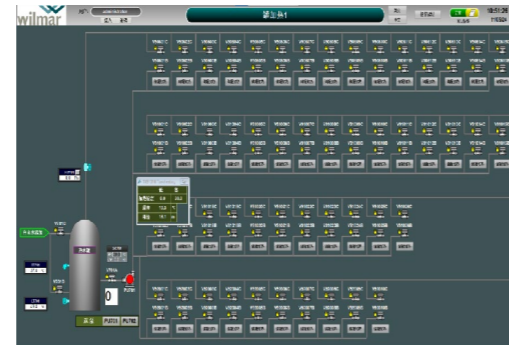
To optimize the IBC totes circular operation mode, YKA has optimized the existing logistics links. The original mode requires two segments of empty container transportation: “container return point–container rental customer–end customer–container return point”. In 2025, YKA extensively promoted the terminal direct return mode, which designates container rental customers as container return points; as a result, the empty containers go directly from end customers to rental customers, reducing repetitive transportation in between. This mode effectively reduces logistics freight, stacking rental and management costs, improves the turnover efficiency of IBC totes, and reduces carbon emissions and resource consumption.

Low-Carbon Warehousing

YKA focuses on low-carbon transformation of warehousing operations. We have built an efficient, low-consumption green warehousing system by implementing intelligent temperature control, thermal energy system upgrades and equipment efficiency optimization.

Intelligent Temperature Control for Storage Tanks and Warehouses

YKA deeply integrates the PLC<sup>12</sup> and ATG<sup>13</sup> systems in the oil tank farm, which enables automatic start-stop of circulation pumps through real-time monitoring, realizing unmanned and precise temperature control while preventing risks of excessive heating at the source.



Meanwhile, for constant-temperature warehouses, YKA implements an “off-peak operation” strategy, using intelligent time-control methods to schedule refrigeration units to operate during off-peak electricity price periods, well in line with China’s incentive policies of peak shaving and valley filling to enhance the energy efficiency of power grid at night.

Green Office

YKA integrates the green and low-carbon concept into its whole operation process. We raise employees’ awareness for proactive environmental practices through policy guidance and cultural development. We have set green operation as a part of daily administration routines, such as advocating resource conservation and paperless management in daily work, and upgrading facility efficiency through LED application and intelligent sensor control. Meanwhile, we have applied a set of policies that advocate remote meetings and encourage employees to adopt low-carbon travel, therefore ensuring a steady and continuous reduction of the carbon footprint from business operations.

Employee Carbon Incentives

Since 2024, YKA’s Qinhuangdao enterprise cluster has independently developed a “carbon incentive management platform”, featuring a dual-incentive mechanism comprising Personal Carbon Coins and Department Points. We convert employees’ green practices, such as walking, cycling, the Clean Plate Campaign, and plastic reduction, into direct, quantifiable emission reductions. Leveraging the Company’s “Yi Xue Tang” and “Performance Cloud” platforms, the program digitizes employees’ green behavior and innovates based on its dual-incentive system. Employees may use Personal Carbon Coins to redeem benefits or convert them into Department Points to sponsor public welfare saplings, thus creating a closed loop from individual incentives to social value. As of the Reporting Period, the program has achieved a cumulative carbon emission reduction of 119.2 kg, reduced food waste by 170 kg, and donated 627 trees, while effectively reducing petroleum and plastic consumption.

<sup>10</sup>Based on an annual warehousing volume of 40,000 tonnes.

<sup>11</sup>The calculation adopts a carbon emission factor of 0.04 kg CO<sub>2</sub>e per ton-kilometer for marine containers and 0.03 kg CO<sub>2</sub>e per ton-kilometer for railway freight trains.

<sup>12</sup>Programmable Logic Controller (PLC)

<sup>13</sup>Automatic Tank Gauge (ATG)

Afforestation

Since 2013, YKA has continuously carried out public welfare afforestation activities in Yuxian County, Zhangjiakou City, Hebei Province. With the joint support of employees, government authorities, industry associations, media and partners, YKA has organized more than 5,000 participants in ecological improvement, helping alleviate local issues such as soil erosion and fragile ecological environment in Yuxian.

Over the past decade, YKA has established two major afforestation bases and planted more than 160,000 seedlings, including Chinese pine, apricot trees and sea-buckthorn, greening over 5,000 mu of barren hills. This has built a solid ecological barrier and effectively improved the local ecological environment. It’s estimated that these ecological forests can absorb approximately 3,680 tonnes of CO<sub>2</sub>e per year, well in line with YKA’s “2025 Net-Zero Emission Target” and the national “Dual Carbon” strategy.

YKA has innovated its afforestation model by adopting the approach of unified organization, contracted plot management, and coordinated planting and maintenance. Participants may contract exclusive land plots and obtain forest tenure certificates. This not only enhances their sense of belonging and responsibility for ecological management, but also helps to promote green values more widely, therefore achieving the synchronized improvement of ecological and social benefits.



# 01

## Green Ecosystem, Green Homeland

YKA adheres to the operation philosophy of “Ecology First, Green Development” and regards environmental protection as the cornerstone of its sustainable business operations. We continue to strengthen our environmental governance capacity by stepping up financial and technological investment in environmental protection and promote clean production, circular economy and pollution prevention and control in a holistic manner, while addressing the full spectrum of complex environmental challenges. YKA is fully committed to building an efficient low-carbon circular operation matrix, pursuing the balance between corporate growth and environmental carrying capacity, and achieving a strategic shift from “end-of-pipe treatment” to “full green closed-loop”, in a bid to jointly create the industry’s green ecological blueprint.

### Our Key Focuses

- Green Development, Ecology First
- Resource Efficiency, Circular Economy



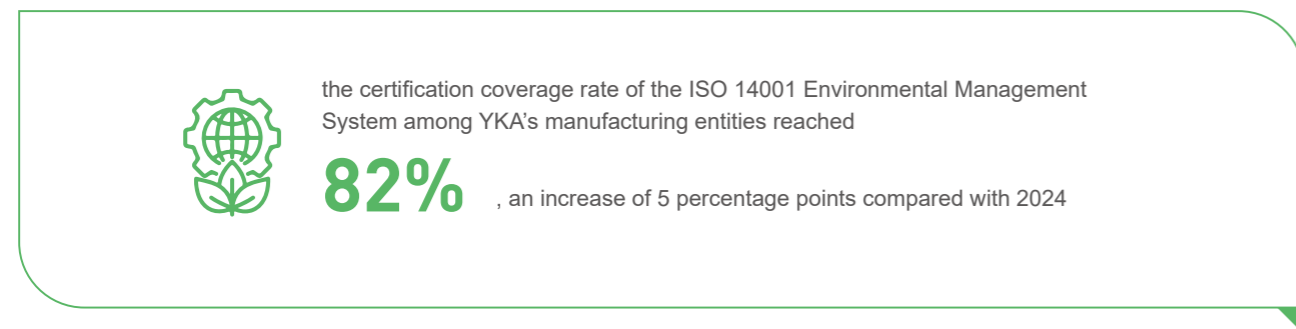
## Green Development, Ecology First

YKA upholds the concept of sustainable development and places legally compliant environmental management at a strategic level. We strictly abide by the *Environmental Protection Law of the People's Republic of China*, the *Law on the Prevention and Control of Environmental Pollution by Solid Waste*, the *Law on the Prevention and Control of Air Pollution*, the *Law on the Prevention and Control of Water Pollution*, the *Regulations on the Administration of Pollutant Discharge Permits*, and the *Energy Conservation Law of the People's Republic of China*. We have formulated and implemented internal policies including the *Company's Environmental Policy*, the *Guidance for Whole-Process Environmental Management*, and the *Guidance for Environmental Compliance Management*. These policies apply to all employees, contractors, suppliers, partners, and other stakeholders of the Company. During the Reporting Period, YKA did not receive any material penalties for environmental violations. Waste gas and wastewater were discharged or reused only after meeting national and internal control standards. No environmental monitoring exceedance incidents violating statutory requirements were recorded<sup>14</sup>. All waste was disposed of or recycled in compliance with applicable regulations.

### Environmental Compliance Management

YKA has established internal environmental management systems in line with the requirements of the ISO 14001 Environmental Management System, and optimized our existing environmental management systems and operational procedures to ensure full employee participation, whole-process control and all-factor management, effectively enhancing our capability to prevent and control environmental risks.

During the Reporting Period



### Environmental Governance Structure

YKA has established a clearly defined and efficiently operating environmental management system. The Board of Directors serves as the supreme decision-making body for environmental governance. The Environment, Health, and Safety (EHS) Committee, composed of directors, senior executives, dedicated technical principals, and employee representatives, provides comprehensive oversight and support for the environmental performance of the Group's subsidiaries. The EHS Department under YKA's Production and Construction Management Division is responsible for the day-to-day implementation of environmental management practices, ensuring the effective execution of relevant requirements and full monitoring of all environmental control indicators.

Leveraging a regular regulatory monitoring and dynamic response mechanism, we have implemented targeted pollution prevention and control measures. Meanwhile, we carry out environmental management training and education programs for the management, frontline employees, and relevant stakeholders to ensure full legal compliance of its environmental management system.

<sup>14</sup> Serious environmental violations: incidents with a fine of more than USD 10,000

### Environmental Risk Management

YKA conducts comprehensive identification and management of environmental control risks in its production and operation activities. We have established a dynamic regulatory and standard database covering waste gas, wastewater and waste management, which is fully aligned with national and local laws, regulations and technical standards applicable to all operating locations. YKA has formulated and strictly implemented core management systems, including the Wilmar Integrated Management System (WIMS), the *Whole-Process Environmental Management for Construction Projects*, and the *Environmental Compliance Management*. We carry out advance environmental impact assessments for all projects and adopt a social responsibility-oriented risk management approach, achieving standardized environmental management throughout the entire life cycle from project construction to operation.

Building on our oversight mechanisms and compliance verification processes, YKA adheres to the principle of "openness, transparency and proactive readiness for inspections", and fully cooperates with competent authorities in both scheduled and unscheduled inspections, so as to present outstanding inspection results that demonstrate the legal and compliant nature of its business operations. YKA not only supervises and guides environmental protection operations at all manufacturing entities through on-site visits, reviews, video and data verification, but also fosters an immersive environmental protection culture through competitions and publicity activities, to inspire employee engagement and enhance environmental management. During the Reporting Period, all internal and external assessments and audits received by YKA across its operating locations achieved a 100% compliance rate.

YKA has established a full-process, all-element environmental management model that covers all its production and operation entities, new projects, acquired and merged enterprises, and other diverse scenarios, providing a solid underlying mechanism for environmental protection in daily business operations.

<p><b>Existing operating entities</b></p> <p>Independent environmental protection management, closely aligned with the Group's unified environmental management standards.</p>	<p><b>New projects</b></p> <p>Focus on compliance with environmental procedures; integrate environmental management requirements into project design.</p>	<p><b>Acquired entities</b></p> <p>Systematically include environmental due diligence and environmental risk assessment into the Group's M&amp;A environmental due diligence process.</p>
--	---	---

YKA regularly conducts inspections of environmental risks and hazards at its operation sites, identifies issues in a timely manner, and formulates corresponding corrective measures. Enhanced monitoring is applied to operation sites with higher risks of sudden air, water, or other environmental incidents, including those listed in the Directory of Key Ecological and Environmental Supervision Entities. To ensure environmental compliance of operations, all of the Group's operation sites have formulated the *Emergency Response Plans for Sudden Environmental Incidents* in accordance with regulatory requirements and filed such plans with the local ecological and environmental authorities as required. During the Reporting Period, all operation sites carried out targeted emergency drills for sudden environmental incidents based on their respective operational characteristics. They promptly assessed and verified the effectiveness of such drills upon completion and revised the emergency response plans according to the assessment results to ensure their effectiveness, relevance and operability. Equipped with sufficient and appropriate emergency equipment and facilities, the operation sites conducted regular emergency response drills covering scenarios such as chemical spills, oil leaks, air pollution caused by fire, and wastewater treatment facilities failures, to ensure the practicality of the emergency response plans.

## Environmental Compliance Management

YKA firmly implements national laws and regulations on environmental management and pollution prevention, and has established a refined control system covering wastewater, air emissions, solid waste and other sources. Relying on standardized discharge and regular monitoring mechanisms, YKA continuously promotes the standardized treatment of pollutants and wastes. By advancing process improvements and technological innovation, YKA reduces the variety and total volume of pollutants generated at source, ensuring all emission indicators comply with statutory standards. YKA is committed to achieving harmony between production and ecology through concrete actions, continuously strengthening its environmental risk management capabilities, maintaining transparency in its communications and welcoming external oversight.

During the Reporting Period, all operation sites conducted regular monitoring and management of water, air, noise, soil and groundwater in full compliance with applicable requirements and specifications, such as environmental impact assessment reports, discharge permits, and environmental protection technical specifications. All types of waste were disposed of in accordance with relevant laws, regulations and technical standards.

### Wastewater Treatment

YKA strictly complies with the *Water Pollution Prevention and Control Law of the People's Republic of China* and other applicable laws and regulations, and has formulated and effectively implemented special management systems such as the *Rainwater and Wastewater Management System*. We have established strict wastewater treatment procedures covering the full spectrum from source control and process management to discharge monitoring and are committed to increasing wastewater reuse rates and reducing reliance on freshwater resources.

- Source control**  
 Separate collection and treatment by quality and stream: Wastewater of different qualities is classified and treated at the source to minimize chemical dosage.
- Process control**  
 Automated monitoring equipment is used during wastewater treatment to precisely regulate chemical dosage and prevent waste, so as to ensure discharge meets permitted standards. The wastewater treatment facilities are inspected and maintained on a regular basis.
- Technological innovation**  
 New technologies such as the anammox process and CSTR anaerobic process are introduced, bringing substantial cuts in infrastructure investment, lower energy consumption, less sludge generation, and higher treatment efficiency.
- Enhanced oversight**  
 Online monitoring equipment is installed at all wastewater discharge outlets of production entities under key environmental supervision, enabling real-time monitoring of treated wastewater discharge data, which is voluntarily disclosed to the public in a timely manner for social supervision. Meanwhile, alert thresholds are established for real-time monitoring and early warning of the total volume and concentration of wastewater pollutants. Dynamic control over compliant wastewater discharge is achieved through an information-based management platform.



### Waste Gas Treatment

YKA complies with national and local laws and regulations governing waste gas emissions, strictly implements internal policies such as the *Technical Specifications for Waste Gas Treatment*, and applies real-time monitoring and periodic testing to ensure compliance with waste gas emission standards. We are dedicated to developing effective solutions for air pollution prevention and control, and deploy targeted treatment technologies for different types of waste gas to fully enhance treatment efficiency and purification performance.

Source Reduction	Process Control	End-of-Pipe Treatment
We implement waste gas collection, heat energy recovery, condensation recovery, and raw material screening. For example, low-volatile materials are used in packaging and printing to reduce the generation of volatile organic compounds (VOCs).	We introduce new processes and equipment and process upgrades. For instance, the oil pressing section is optimized with new technologies such as heat and condensation recovery.	Technologies such as sealed collection, spray washing, biological scrubbing, resin adsorption-desorption, activated carbon adsorption, non-thermal plasma, wet electrostatic precipitation, and RTO are applied to ensure tail gas discharges meet standards.

## Waste Management

YKA complies with national and local laws and regulations applicable to its operations and has developed the *Solid Waste Management Measures*. We prioritize waste reduction and implement standardized and systematic management of domestic waste, non-recyclable industrial waste, recyclable industrial waste and hazardous waste. This extends to all stages from generation, collection, storage and transfer to disposal and utilization, ensuring that all solid waste is consigned to qualified professional facilities for centralized, safe, harmless and resource-based treatment. No incidents affecting the surrounding community residents due to waste discharge or treatment were identified during the Reporting Period.

YKA has set solid waste reduction targets: taking 2024 as the baseline year, it aims to achieve a 2.5% reduction in the emission intensity of non-hazardous waste by 2035, with the comprehensive utilization rate of non-hazardous waste exceeding 95%.

Target Description	Baseline year (2024) Indicator	2025 Progress
Reduce non-hazardous waste emission intensity by 2.5% by 2035	0.0019 tonnes / RMB 10,000 revenue	0.0028 tonnes / RMB 10,000 revenue
Achieve comprehensive utilization rate of non-hazardous waste over 95% by 2035	91%	86%

To achieve the above targets, YKA has established a target progress tracking and performance feedback system expanding from subsidiary level to the Group level, including:

- Subsidiaries promptly collect and organize data on solid waste discharge, disposal and management at their operation sites, and provide regular monthly reports to the Group.
- The Group compiles and follows up the performance of major solid waste generators on a quarterly basis, ensuring that emission reduction measures are effectively implemented.
- The Group consolidates solid waste disposal and utilization data from all subsidiaries via the OA system, conducts in-depth comparative analysis, and monitors target completion progress.



### General Solid Waste Treatment

YKA upholds the green production philosophy. We strive to reduce waste generation from the source by continuously optimizing production processes and equipment and dynamically adjusting its product portfolios. Meanwhile, it's dedicated to developing suitable technologies for waste utilization and converting by-products into recyclable resources, so as to maximize resource efficiency and further minimize waste from the source.



### Hazardous Waste Treatment

YKA strictly implements a full-process environmental control and management procedure. We have upgraded our temporary storage facilities in accordance with laws and regulations to meet standardized requirements, ensuring that all hazardous waste is transferred to qualified third-party institutions for resource utilization or harmless treatment. The entire disposal process is fully compliant, minimizing negative environmental impacts.

## Promoting “Zero-Waste Factory” Development

YKA takes concrete actions to endorse and act on the national call for developing “Zero-Waste Enterprises”, “Zero-Waste Industrial Parks” and “Zero-Waste Cities” initiated by the Ministry of Industry and Information Technology and the Ministry of Ecology and Environment. YKA continuously promotes the development and certification of “Zero-Waste Factory” among its manufacturing entities.

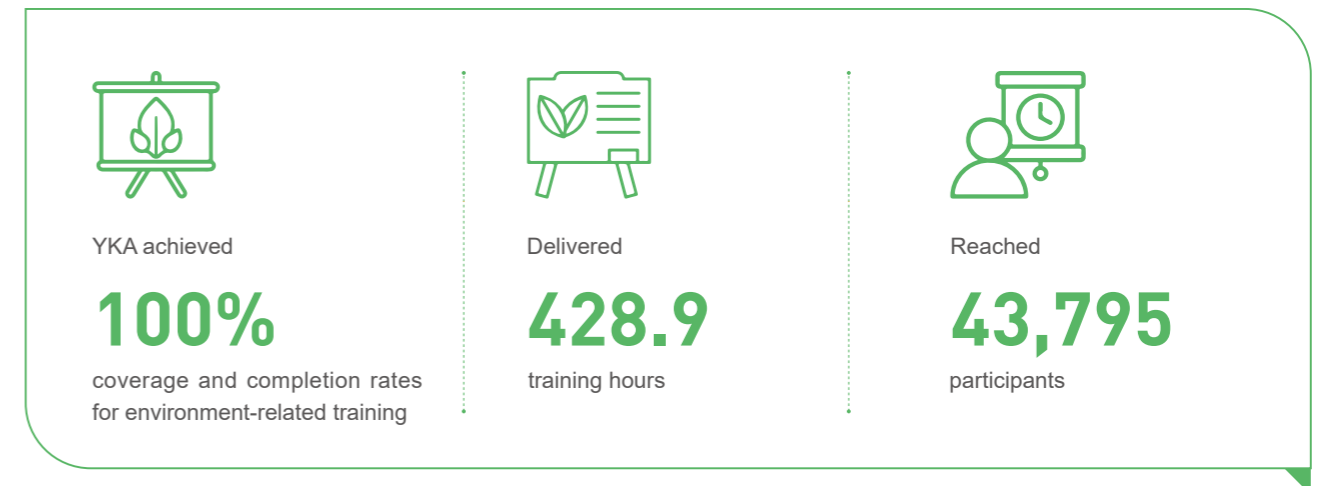
During the Reporting Period, YKA added 11 provincial and municipal-level “Zero-Waste Factory”, bringing the total to 19, representing an 83% increase compared with 2024, demonstrating YKA's solid progress and tangible results in advancing green production.

## Empowering Environmental Awareness

YKA regards employees as the core driving force in fulfilling its environmental vision. Through initiatives promoting green production, green office practices and green living, YKA has deeply embedded sustainability into its corporate DNA. YKA has established a comprehensive environmental empowerment framework designed to translate environmental knowledge into proactive action across the organization.

In 2025, YKA achieved 100% coverage and completion rates for environment-related training. Training topics included the management of automatic monitoring facilities for wastewater and waste gas, hazardous waste management, compliance management, case studies of government inspections, general solid waste management, environmental performance grading management under heavy pollution weather conditions, leak prevention and control, environmental management systems, and water conservation promotion. A total of 428.9 training hours were delivered throughout the year, reaching 43,795 participants, fully reflecting YKA's all-employee engagement model featuring top-down coordination and bottom-up responsiveness.

### During the Reporting Period



## Biodiversity Protection

YKA adheres to the NDPE (“No Deforestation, No Peatland Exploitation, No Exploitation of People”) policy of the parent company, Wilmar International, and regards biodiversity conservation as a key part of its sustainable development. With the review and monitoring of the Board of Directors and the senior executives, YKA has issued the *Environmental Policy* and the *Biodiversity Conservation Policy*, forming an ecological protection system covering its own operations and the entire supply chain. These policies clearly require YKA and its supply chain partners to strictly comply with international conventions, such as the *Convention on Biological Diversity* and applicable domestic laws and regulations in their operations, take concrete actions for biodiversity conservation, and continuously minimize the impact of production activities on natural ecosystems.

YKA is committed to the conservation and sustainable use of terrestrial and aquatic ecosystems, and integrates biodiversity considerations into the full life cycle of projects, covering planning, construction, operation and decommissioning. YKA strives to develop eco-friendly industrial models through a range of measures, including the establishment of an ecological impact assessment mechanism, the implementation of habitat protection programs, and the promotion of ecological restoration projects. We recognize that corporate development and ecological protection constitute an organic whole of mutual enhancement and harmonious symbiosis, rather than standing against each other. We are committed to preserving natural capital while creating economic value, and to building a sustainable future of harmony between humanity and nature.

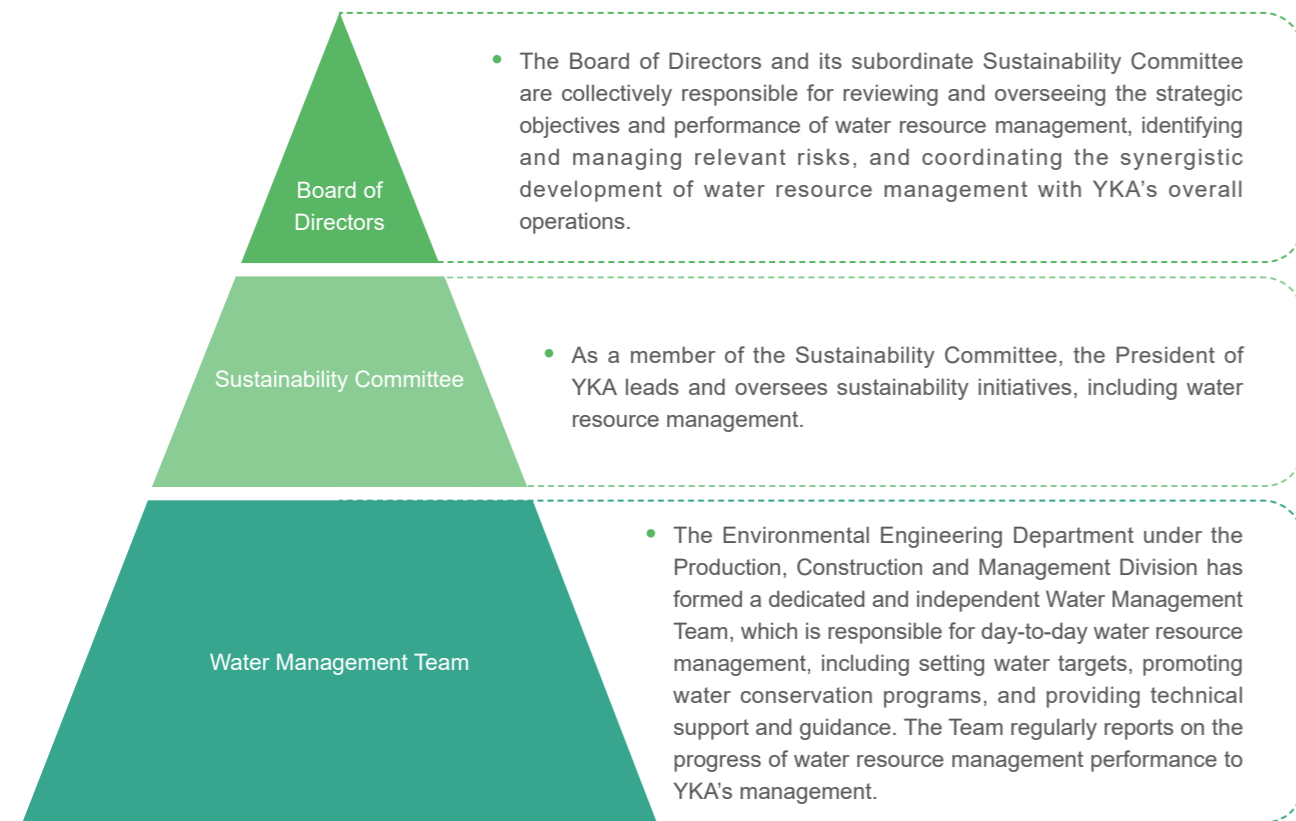
# Resource Efficiency, Circular Economy

## Water Resource Management

### Water Resource Governance Framework

Faced with the severe challenge of global water scarcity, we take “Water Conservation First, Systematic Management Mode” as one of our core principles and implement it across the full scope of production and operations. We continue to advance the shift toward intensive water use by reducing our water footprint from the source and minimizing wastewater discharge.

YKA has established a clearly structured water governance framework with well-defined roles and responsibilities, aiming to promote the deep integration of business and management.



### Water Resource Management System

YKA has formulated and implemented a series of internal policies and systems, including the *Environmental Policy*, the *Water Resource Management Procedure*, and the *Rainwater and Wastewater Management*. During the Reporting Period, YKA strived to further improve the efficiency of water resource utilization, reduce water environment risks in the operation process, and promote water conservation and emission reduction across the entire industrial chain. YKA updated the *Water Resource Management Procedure*, focusing mainly on the update of the calculation logic for water resource risk levels and the refinement requirements for water conservation targets of production lines, which has enhanced the executability of the targets.

### Water Resource Risk Assessment

YKA proactively investigates and assesses its water stress situation, using water risk assessment tools, including but not limited to the “Aqueduct Water Risk Atlas” developed by the World Resources Institute (WRI), and has formulated five water stress risk levels<sup>15</sup> based on the daily water withdrawal data of each subsidiary and operation site. We conduct water risk assessments at all production and operation sites on an annual basis, with water risk assessment coverage rate up to 100%. In 2025, the water stress risk identification results for each operation and production site are as follows:

No.	Average Daily Water Withdrawal	Water Stress Risk Level	Percentage in 2025
1	Less than 5,000m <sup>3</sup>	Low Risk (<10%)	46.15%
2	5,000-10,000m <sup>3</sup>	Medium-low risk (10%–20%)	10.99%
3	10,000-15,000m <sup>3</sup>	Medium-high risk (20%–40%)	42.86%
4	15,000-20,000m <sup>3</sup>	High risk (40%–80%)	0%
5	More than 20,000m <sup>3</sup>	Extremely high risk (>80%)	0%

Based on the results of water stress risk identification, YKA classifies regions at medium-high risk and above as water-stressed areas and intensifies systematic risk response and management measures.

2025 Indicators	Unit	All Regions	Water-Stressed Areas
Total water withdrawal	Tonne	43,406,461	22,077,917
Freshwater withdrawal	Tonne	43,239,767	21,911,224
Total water discharge	Tonne	27,650,986	16,941,977
Freshwater discharge	Tonne	27,484,292	16,775,284
Total water consumption	Tonne	15,755,475	5,135,940
Freshwater consumption	Tonne	15,755,475	5,135,940

Note: Freshwater refers to water with TDS ≤ 1,000 mg/L; non-freshwater refers to water with TDS > 1,000 mg/L.

YKA recognizes that the traditional water consumption statistics can no longer meet the needs of refined management. To improve its own water resource management capabilities, YKA has systematically deployed water balance testing since 2024, developed a standardized *Water Balance Testing Template* that is applicable to different operation sites and production lines within the Group, and achieved a transformation from “decentralized implementation” to “unified standardization”.

To ensure the applicability and effectiveness of the Template, YKA selected representative operation sites, including Chongqing Factory, Anhui Wuhu Factory and Yingkou Factory, as the first batch of pilot units in 2025, covering the Yangtze River Basin and water-scarce northern regions. The pilot was a complete success and achieved phased results, delivering three major breakthroughs: unified structure, standardized metering, and automation enablement. Furthermore, YKA plans to carry out annual water balance testing across all operating sites by the end of 2027.

<sup>15</sup> The average daily water withdrawal is calculated as: (Aqueduct Grade + Average Daily Water Withdrawal Grade) / 2

For key operation sites within water-stressed areas, YKA first identifies key water-related challenges and constraints through on-site water risk assessments. Then, it develops tailored water risk management strategies for these operation sites, in accordance with the updated *Water Resources Management Procedure* and the standardized water balance testing framework and designs a series of water-saving technical renovation projects accordingly. These efforts have significantly enhanced water use efficiency and risk resilience.

Case

Comprehensive Water-saving Optimization at Fuyu Industrial Park

Yihai Kerry (Fuyu) Biotechnology Co., Ltd. (hereinafter referred to as "Fuyu Factory") is located in Qiqihar City, Heilongjiang Province. It faces long-term operational risks brought about by climate change, such as high water turbidity in summer and difficulty in water withdrawal due to frozen river water in winter.

Operation site	Location	Water Stress Level (2025)	Main Water Source
Fuyu Factory	Qiqihar	Medium-high risk	Surface water

Based on the water stress assessment results, Fuyu Factory has focused on its core business chains, including corn starch and wheat processing, and fully implemented a refined three-in-one water resources management system featuring source reduction, process control and end-use reuse. By identifying water-intensive processes, the site has targeted seven key water-saving technical renovation projects, including but not limited to: Corn Starch: Water-saving project for acid-making vacuum units; Corn Starch: Water-saving project for evaporation alkaline washing; Corn Starch: Water-saving project for odor treatment; Wheat processing water-saving project; Yeast production water-saving project; Reverse osmosis (RO) concentrate water reuse project; Workshop condensate recovery project. These initiatives have significantly reduced water consumption per unit of product.

By the end of 2025, the operation site achieved an annual water saving of 1.82 million tonnes, promoted the efficient recycling of water resources, and realized a closed-loop water resources management system starting from proactive water risk identification to the effective implementation of water conservation measures.

## Water Management Performance and Targets

In 2024, YKA's water management team developed group-wide water conservation targets, covering core product lines and the supply chain. These targets were formulated based on the product characteristics, production processes, and historical water usage of each operation site and production line, as well as YKA's water stress risk and water balance assessments. The team regularly tracks progress toward these targets.

### The Group's water conservation targets

<div style="background-color: #00a651; color: white; padding: 2px 5px; font-weight: bold; margin-bottom: 5px;">Target Description</div> <p>With 2024 as the baseline year, the Group aims to achieve cumulative water savings of 12 million tonnes by 2030 through water-saving projects, equivalent to the volume of 4,800 standard swimming pools.</p>	<div style="background-color: #00a651; color: white; padding: 2px 5px; font-weight: bold; margin-bottom: 5px;">2025 Progress</div> <p>In 2025, water savings from water conservation projects reached 5.41 million cubic meters, with a cumulative total of 9.31 million cubic meters.</p>
--	--

### Water conservation targets for core product lines

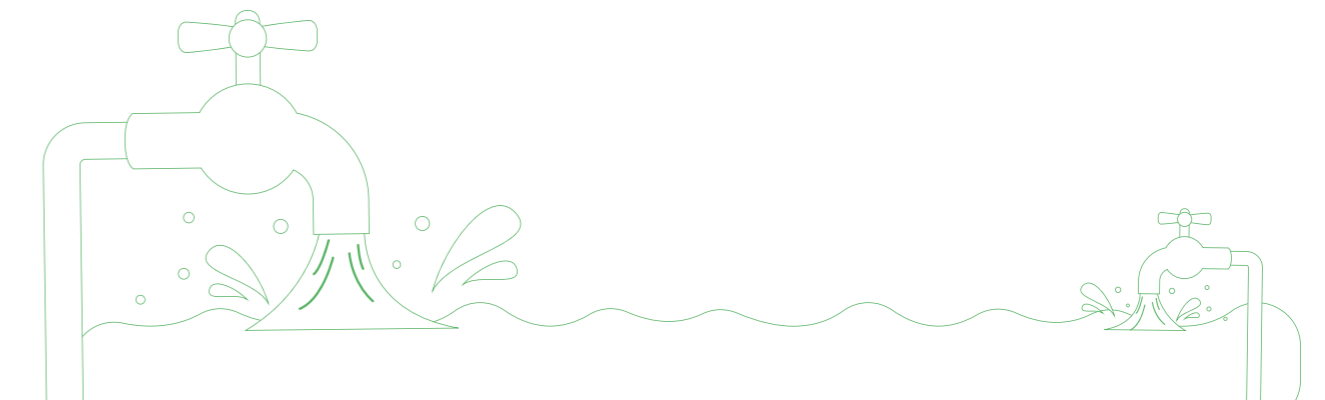
Target Description	Water Consumption Intensity Target	2024 Water Consumption Intensity	2025 Water Consumption Intensity
Refined oil products	Take 2024 as the baseline, reduce water intensity by 1.0% annually by 2030	0.20 (T/T)	0.18 (T/T)
Feed raw materials and oil products	Take 2024 as the baseline, reduce water intensity by 6.5% annually by 2030	0.11 (T/T)	0.09 (T/T)
Basic chemical products	Take 2024 as the baseline, reduce water intensity by 9.8% annually by 2030	1.94 (T/T)	1.95 (T/T)

### Water conservation targets for the supply chain

<div style="background-color: #00a651; color: white; padding: 2px 5px; font-weight: bold; margin-bottom: 5px;">Target Description</div> <p>By 2028, the water intensity of core palm oil mills at their oil extraction plants will be reduced by 3% compared to 2022.</p>	<div style="background-color: #00a651; color: white; padding: 2px 5px; font-weight: bold; margin-bottom: 5px;">2025 Progress</div> <p>In 2025, the water intensity of the core palm oil mills at their main producing countries' oil pressing plants is:</p> <p style="color: #00a651;">Indonesia: 0.93 m<sup>3</sup>/MT FFB<sup>16</sup></p> <p style="color: #00a651;">Malaysia: 1.26 m<sup>3</sup>/MT FFB</p>
---	--

## Water Conservation Measures

Faced with the worsening global water resource situation, YKA adheres to the principle of "Water Conservation First" and implements multiple moves at all production and operation sites, including promoting the industry's best water-saving technologies and processes, advancing efficient water resource management across the entire industrial chain, and reducing freshwater consumption, and improves water use efficiency.



<sup>16</sup> MT/FFB refers to Metric Ton per Fresh Fruit Bunches.

Promotion of water conservation measures

Description	2025 Progress
By 2030, 100% of the Group's operation sites will achieve the recovery and utilization of steam condensate.	76% of the operation sites have launched the condensate recovery and utilization project, with an annual water saving of about 1.32 million tonnes.
By 2030, 100% of the Group's operation sites will achieve the recovery and utilization of RO concentrated water.	63% of the operation sites have launched the RO concentrated water recovery and utilization project, with an annual water saving of about 870,000 tonnes.
By 2030, 100% of the group's operation sites will achieve "zero" use of tap water in the sewage workshop.	26.9% of the operation sites have achieved "zero" use of tap water in the sewage workshop process, with a total water saving of about 375,000 tonnes.

Note: Steam condensate that cannot be recycled to the boiler.

Type	Moves	Project Description
Circular reuse	Reclaimed water reuse	About 15 operation sites of the Group have launched reclaimed water reuse projects, saving a total of 440,000 tonnes of water in 2025.
	Rainwater resource utilization	Yihai Kerry (Anhui) Oils & Grains Industries Co., Ltd. launched the "rainwater reuse for flushing" renovation project, focusing on non-contact low-quality water scenarios, to realize cascade utilization of water resources. A total of 2,800 tonnes of rainwater was collected and utilized in 2025.
Process optimization	Process water reuse for beet washing	Inner Mongolia Hol-Wilmar Agriculture Co., Ltd. invested one million RMB in implementing the Beet Processing Water Recycling Technology Renovation Project, upgrading the original vegetable washing section to green standards, and building a closed-loop process water recycling system integrating sedimentation and filtration. The annual freshwater consumption for vegetable washing has been reduced by 250,000 tonnes, equivalent to the water volume of about 100 standard swimming pools (calculated at 2,500 m <sup>3</sup> per pool).

During the Reporting Period



Cooperation and Joint Construction

YKA attaches great importance to the water resource use and protection in communities surrounding its production bases. We engage with supply chain partners, local governments and cooperative enterprises to advocate sound water resource management practices, promote the sustainable use of water resources, minimize the potential impact of production on community water access, improve community access to water resources, protect local ecosystems, and advance regional sustainable development. For production facilities with high water consumption, YKA has built independent water purification systems that treat surface water to meet production needs, thereby reducing reliance on municipal water supplies and avoiding impacts on the daily water needs of local residents.

Sustainable Packaging and Circular Economy

Sustainable Packaging Strategy

Guided by the national standard GB/T 16716 *Packaging and the Environment*, YKA is committed to advancing green and low-carbon production, with a sharp focus on continuous optimization and improvement of packaging process. Centered on the principles of "Reduction from the Source, Efficiency Improvement in Operations, and Minimized Hazards at the End-of-life Stage", YKA has adopted a 3R sustainable packaging strategy, namely Reduce (packaging reduction), Reuse (packaging reuse), and Recycle (material recycling). We also collaborate with value chain stakeholders to jointly build a green packaging ecosystem and accelerate the development and adoption of industry solutions for innovative packaging and circular utilization.

Sustainable Packaging Targets

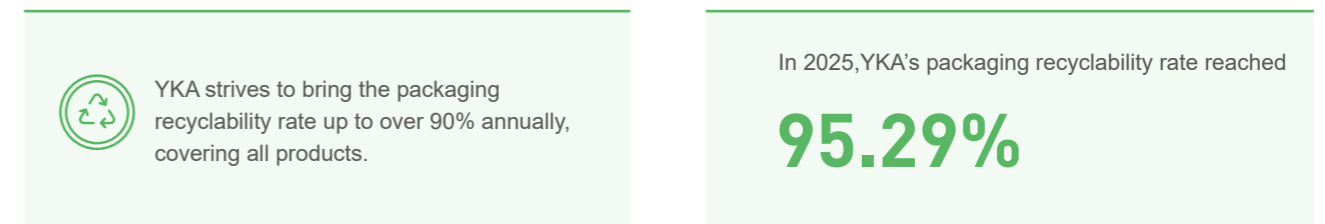
To maximize the implementation of sustainable packaging initiatives, YKA has established relevant targets and commitments, and is working with partners across the value chain to deliver on these goals.

Sustainable Packaging 2025 Plan

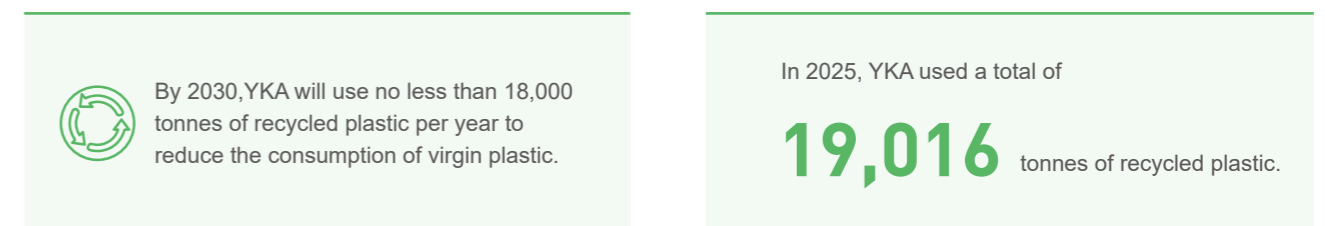
Packaging reduction target



Packaging recyclability target



Packaging circularity target



### Reduce - Packaging Reduction

Through continuous investment in packaging R&D and collaboration with upstream material and packaging manufacturers, YKA is dedicated to reducing packaging material consumption and advancing sustainable packaging. Focusing on packaging lightweighting and the use of eco-friendly materials, we have adopted a range of measures, including formula optimization, material substitution, structural design and process improvement optimization projects.

Year of action	Number of new packaging reduction projects	Weight of packaging materials reduced by new projects in the year (tonnes)	Weight of packaging materials reduced by projects of the previous year (tonnes)
2021	11	2,795	-
2022	17	646	2,977
2023	30	714	4,314
2024	18	952	5,542
2025	12	282	5,977
Sum	88	24,199	

#### Packaging Reduction Highlights

- Guided by lean management, YKA has focused on promoting bulk transportation of raw materials. By reshaping supply chain processes, we have established an automated closed-loop system for B2B raw material transportation and storage, featuring “direct raw material delivery, storage without unloading, stacking without packaging, and unmanned circulation”. This approach has cut the use of plastics and other packaging materials in logistics and streamlined redundant procedures. As of the Reporting Period, sales and shipments of solid bulk materials for feed, flour and other production lines reached approximately 5.65 million tonnes and the consumption of disposable plastic packaging was reduced by 10,842 tonnes. This gives a big push to the green and intensive transformation of production operations and the supply chain system.
- YKA has focused on reducing high-energy-consumption glass packaging and carried out packaging lightweighting. Through industrial chain collaboration, we have reached a technical balance - “weight reduction without quality loss”. While ensuring safe transportation and storage, YKA has adopted green design for standard glass bottles for condiments. Taking the 420ml craft mature vinegar bottle as an example, thanks to technical improvements, the weight of a single glass bottle has been reduced from 225g to 182g, a decrease of 43g, or roughly 19%. This breakthrough has effectively cut raw material consumption and energy use in production, delivering both economic and environmental benefits. During the Reporting Period, this project is expected to reduce annual glass melt consumption by 1,711 tonnes and annual greenhouse gas emissions by approximately 2,400 tonnes of CO<sub>2</sub>e.



### Reuse - Packaging Reuse

We attach great importance to the recycling of packaging materials and adheres to a sustainable design concept of being green, safe and recyclable. We work to reduce components unfavorable to recycling in injection-molded packaging, promote reusable packaging solutions, and phase out unnecessary or hard-to-recycle single-use plastic materials. Together with industrial chain partners, YKA is committed to advancing circular packaging in B2B scenarios, innovative designs, and green consumption.

- Between YKA's operation sites, 90% of injection-molded packaging materials are delivered with reusable transport bins and cages, reducing disposable carton consumption by more than 8 million units annually.
- YKA continues to advance its green logistics system for B2B operations. We have introduced circular reuse of bulk bags at facilities in Qinhuangdao, Yantai and other operations sites, achieving more than 300,000 recycling cycles and reducing disposable bulk bag consumption by over 500 tonnes, thus significantly enhancing the intensive utilization of packaging resources.
- We continue to advance a circular utilization system for logistics packaging and reinforcing materials. On one hand, it recycles protective nets for imported containers and innovatively reuses them for 190kg drum products and container shipment protection across in-site production lines. On the other hand, it uses second-hand and shared wooden pallets for oleochemical production lines in place of disposable ones, and promotes the circular reuse of bulk bag shells as well as the secondary utilization of protective materials.



Reusable Transport Bins and Cages

### Recycle - Material Recycling

YKA's packaging team assesses the safety and suitability of recycled plastics on a consistent basis and works to maximize the proportion of recycled materials in non-food contact packaging, aiming to reduce virgin plastic consumption and promote the circular application of materials across various scenarios while ensuring product safety and protection.

- YKA leverages technology to support resource recycling. Our supply chain packaging technology team adheres to the principle of “safety first, gradual advancement” in promoting the consistent and large-scale application of recycled plastics. We have steadily raised the proportion of recycled plastics in non-food contact packaging without compromising product protection performance while ensuring full compliance with national regulations. During the Reporting Period, YKA achieved the recycling and reuse of more than 19,000 tonnes of recycled plastics, not only delivering a reduction in virgin plastic consumption, but also injecting sustained impetus into the green transformation of the industrial chain.
- Through process modification technology, YKA has widely applied recycled plastics to warehouse plastic pallets. Based on an annual usage of 100,000 pallets, the project has consumed more than 800 tonnes of recycled plastics, steadily advancing the circular use of plastic resources.

### Reduction of Food Loss and Waste

YKA is committed to effectively tackling food loss and waste across every segment of its value chain. We abide by the food loss and waste (FLW) policies and supporting programs established by our parent company, Wilmar International. Through strict whole-process management covering food procurement, storage, processing, distribution and donation, we ensure the efficient use of food at all stages, improve resource efficiency, and reduce loss at the source.

YKA has established a food loss reduction system covering the entire value chain. At the source and procurement stage, it plans capacity accurately based on scientific demand forecasting to avoid the risk of raw material surplus. In R&D and production, it implements lean models and circular economy practices, converts by-products into high-value resources, and strives to achieve zero waste in production. In storage and transportation, it uses advanced facilities to ensure safe and loss-free operations throughout the process. Meanwhile, through cultural development, it strengthens the awareness of conservation among all employees and turns sustainability into the inherent driver of corporate development.

# 02

## Quality Commitment, Consumer Confidence

Built on strong technical expertise and extensive industry experience, YKA always regards quality assurance as the lifeblood of the Company. We continuously refine our quality management system and upgrade digital management platforms to maintain strict control over product standards. We are committed to shaping a new trend of nutrition and health with high-quality products. With sincerity at the core of our services, we keep enriching our service offerings to deliver a diversified, safe, and satisfying brand experience for consumers.

### Our Key Focuses

- Uphold Standards, Quality First
- Sincere Service, Healthier Life



# Uphold Standards, Quality First

YKA attaches great importance to product quality and food safety management. We keep improving our quality and safety management system, practice responsible marketing, fully implement measures to ensure product quality, in a bid to provide consumers with safe, reliable and high-quality healthy products.

## Governance

YKA has established an overall organizational framework for product quality and food safety management featuring matrix management between headquarters and operation sites, which integrates key control points with holistic management. Where:

We have set up a Quality Assurance Department under our Production & Construction Management Division, which oversees two modules: quality management for the public sector and quality management for specialized production lines. Its key responsibilities include formulating group-level management specifications and quality standards, supervising the implementation and enforcement of systems across all operation sites, and providing corresponding guidance and support.

Each operation site has established an independent Quality Assurance Department that supports production and operations across three core areas: quality control, quality assurance, and technical services.

## Risk and Quality Assessment

YKA has set up task forces dedicated to quality and safety management systems at all its operation sites, which work together to identify and assess risks related to product quality and safety. We have established a quality inspection and risk control system that implements full-process monitoring from source to market, promotes the HACCP system and food safety culture across all employees, and adopts diversified methods, i.e., testing and analysis, on-site inspections and questionnaire surveys, to conduct comprehensive and multi-dimensional supervision and assessment of product quality and service performance.



## Supervision, Reporting and Coordination Mechanism

To ensure the effective implementation of the Company's *Product Liability Policy*, YKA has established a sound supervision, reporting and communication mechanism that enables close collaboration between the headquarters and operation sites, so as to ensure the timely detection, resolution and comprehensive prevention of risks related to product quality and food safety.



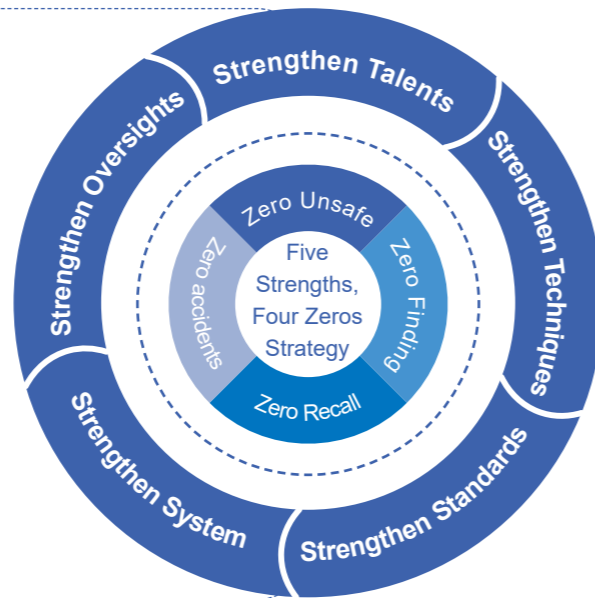
Based on its solid organizational framework and comprehensive supervision, reporting and coordination mechanisms, YKA strictly implements its quality management and food safety management systems to ensure their effective operation. All operation sites undergo annual regulatory inspections and product sampling by market supervision authorities, rigorous on-site audits and AIB unannounced audits by major customers, and supervision and certification by third-party institutions. In addition, many operation sites also undergo independent ethical trade audits under the Sedex Members Ethical Trade Audit (SMETA) or equivalent assessments such as Ecovadis. In 2025, 15 operation sites passed the Sedex audit, and ten operation sites underwent the Ecovadis assessment.

## Strategy

### Five Strengths, Four Zeros Strategy

Guided by its corporate culture of Excellence in Quality, Health for All, YKA fully implements the national strategy for building a quality powerhouse and deeply advances its core quality strategy, namely the “Five Strengths, Four Zeros” Strategy.

- Consolidate the “Five Strengths”: Make continuous efforts in five areas “Strengthen Talents, Strengthen Techniques, Strengthen Standards, Strengthen System and Strengthen Oversights”; establish multiple information systems to build a smooth connection among all processes, ranging from R&D, supply chain, production and quality control to logistics and marketing, so as to achieve in-depth integration of digitalization, informatization and intelligence.
- Adhere to the “Four Zeros” goals: Establish rigid indicators, including Zero Unsafe Food, Zero Finding, Zero Recall and Zero Food Safety Issue.



Based on the PDCA (i.e., the closed-loop management cycle of Plan, Do, Check, and Act), YKA has 100% achieved the “Four Zeros” goal in recent years, realizing the spiral improvement of the quality governance system.

## Risk Management

### Full-Process Quality Control

YKA strictly complies with regulatory requirements, fully fulfills its main responsibility for food safety, and has established a full-chain quality management model. By formulating strict standards for all links and improving the full-process traceability system, YKA has built a three-dimensional risk prevention and control mechanism and established a comprehensive and systematic risk mitigation process.



#### Case Upgrade of Digital Quality Management System

To promote the integration and standardization of quality management in its operation sites, YKA has built a digital quality management system (LIMS&QM), which not only enables the automatic collection and cross-system transmission of test data with the SAP system, but also runs through the entire life cycle of quality control, extending from production investigation, raw material incoming inspection, processing to delivery and market sampling. Jointly initiated in 2019 in collaboration with suppliers, the project officially kicked off in 2021, with the participation of operation sites in Indonesia, Malaysia and Vietnam.

During the Reporting Period, the project entered the in-depth application phase. YKA continuously optimized and upgraded the system, and expanded the application scenarios to the grain and oil sector. Up to now, the system has been applied at more than 20 operation sites, and it's expected to be promoted group-wide by 2028, aiming to build a globally integrated quality data management platform.



#### Case Construct Professional Testing Laboratories to Promote Intelligent Upgrade of Testing Technology

During the Reporting Period, YKA invested in five specialized laboratories and added 482 sets of testing instruments and equipment. We have comprehensively strengthened the quality control over multiple production lines for fermented soybean meal, diacylglycerol oil, eggs, rice, and packaging materials and etc., as well as oil pollutant indicators. As a result, the quantitative detection limit for mineral oil in oil products is brought to 0.5mg/kg, staying at a leading level in China; the detection limit of plasticizers is as low as 0.01mg/kg, meeting the strict standards for edible oil used in infant formula.



Newly Established Professional Laboratories

YKA takes innovative measures to drive the intelligent transformation of detection technology. We have built a quality control system that is able to deliver rapid response and high efficiency through wider application of 30 laboratory rapid detection technologies in 117 application scenarios as well as collaborative operation of nearly 2,000 online monitoring and automated equipment.



**Case** Continuously Improve Tank Truck Management System to Strictly Control Full-Chain Food Safety Risks

YKA always places food safety as its top priority and keeps enhancing the full-chain management system for oil tank trucks in line with standards stricter than those of national and industrial requirements. Based on its long-standing management framework, we have successively revised and improved institutional documents including the *Quality Control Procedures for Edible Oil Loading and Transportation* and the *Sanitation Operating Procedures for Storage Tanks and Oil Tank Trucks/Vessels*, specifying strict operational requirements with regard to vehicle identification, prior load inspection, vehicle/tank inspection, tank cleaning, lead sealing, and pre-warehousing inspection. Upon the implementation of the national standard *Hygienic Requirements for Bulk Transportation of Edible Vegetable Oils (GB 4917-2024)* on February 1, 2025, we immediately worked to revise and upgrade the *Quality Control Procedures for Bulk Edible Oil Loading and Transportation*, aiming to ensure safety and controllability throughout the entire chain with stricter internal control measures.

During the Reporting Period, YKA continued to scale up investment in food transportation safety assurance, with a total of 38 operation sites equipped with tanker truck cleaning facilities or dedicated washing equipment. Cleaning procedures for key equipment were further refined to mitigate potential food safety risks in transportation under higher operational standards.



Tanker Truck Cleaning Facilities and Equipment

To respond to potential product quality and safety emergencies, YKA has established a comprehensive product recall and emergency response plan. We promptly activate the response based on actual circumstances to maximize the protection of consumers' rights and health. No product recall incidents have occurred within the past five years (2021 to 2025).



**Product Safety and Quality Training**

Our Quality Assurance Department has established a regular internal training mechanism. Working in collaboration with all operation sites, it has built a coherent training system for food safety and quality management across the organization. In line with the updated food safety laws and standards in 2025, regulatory requirements of key export markets, and food safety specifications, the Quality Assurance Department has rolled out and implemented a unified training plan at operation sites. This guarantees timely adoption of new regulations and standards, enhances employees' regulatory awareness and food safety capabilities, and ensures the primary food safety responsibility of all operation sites is fulfilled.



This year's training covers all levels from the management to frontline operators and involves various functional departments, including Production, Storage and Transportation, Quality Assurance, Human Resources & Administration, and Trading. The training sessions covered all staff at all levels. Each operation site has developed tailored, tiered and results-oriented training programs based on its production characteristics, job risks and staffing structure, which has promoted the regular, standardized and targeted implementation of training.

In 2025, YKA conducted a total of 5,892 sessions of quality management and food safety-related training, with 340,268 participants and a cumulative training duration of 709,096 hours. Through systematic training, YKA has strengthened food safety risk control, improved all employees' food safety awareness and competence, and played a key guiding role for new operation sites.

The training content is structured into four key areas:

<p><b>Laws, Regulations and Compliance</b></p> <ul style="list-style-type: none"> <li>Laws and regulations governing quality management and food safety, and the 2025 edition of national standards</li> <li>Application of the supervision inspection checklist for food production, and common issues identified in unannounced inspections</li> <li>Food fraud prevention, AIB standards, and domestic and international regulations (including requirements of export destination countries)</li> </ul>	<p><b>Production and Process Control</b></p> <ul style="list-style-type: none"> <li>Good Manufacturing Practices (GMP), Critical Control Points (CCP) for food safety</li> <li>Production processes, product knowledge, and line quality management requirements</li> <li>Quality inspection management systems, laboratory management systems and testing techniques</li> <li>Laboratory construction procedures and standards, and metrology management training</li> </ul>
<p><b>Quality Improvement and Problem Management</b></p> <ul style="list-style-type: none"> <li>Analysis and resolution of common customer complaints</li> <li>Control procedures for non-conforming products and potentially unsafe food products</li> <li>QC methodologies, Lean Six Sigma, and Total Quality Management (TQM)</li> <li>Balanced Scorecard (BSC) and performance excellence management framework</li> </ul>	<p><b>Comprehensive Competence and Talent Development</b></p> <ul style="list-style-type: none"> <li>New employee training and IT information systems</li> <li>More than 20 types of training programs including external visits, exchanges and learning</li> <li>Special training for Six Sigma Black Belts: As of the end of the Reporting Period, a total of 73 employees of YKA have passed the Six Sigma Black Belt examination or certification by the China Quality Association.</li> </ul>

## Metrics and Targets

### Full Process Quality Control

Taking it as our mission to “bring safe food to tables around the world” and in line with the “Five Strengths, Four Zeros” Strategy, YKA is committed to providing customers with healthier products, better services and more diverse choices.

During the Reporting Period, 100% of YKA’s manufacturing entities obtained and maintained valid ISO 9001 Quality Management System certifications. Of these, 100% of food manufacturing entities held valid FSSC 22000 Food Safety Management System certifications. AIB unannounced audit coverage reached 95%, and the audit pass rate stood at 83%.

#### New Progress in CNAS Accreditation

YKA has fully advanced the management system of the China National Accreditation Service for Conformity Assessment (CNAS). The laboratories of operation sites have made steady and tangible improvements in professional talent development, testing technologies improvement, process standardization and result accuracy.

As of the end of the Reporting Period

**40** with a total of **1,104**

laboratories across 13 sectors have obtained CNAS accreditation

certified testing items. This makes YKA one of the enterprises with the largest number of such accreditations in the industry.

#### Quality Awards

During the Reporting Period, YKA obtained two municipal-level quality awards and one district and county-level quality award. The cumulative total stood at 38 awards, including:



#### Quality Benchmark Honors

During the Reporting Period, YKA obtained one provincial-level quality benchmark honor. The cumulative total of quality benchmark honors at all levels reached 11, including:



## Sincere Service, Healthier Life

Guided by the customer-first philosophy, YKA safeguards consumer rights and interests by consistently refining its responsible marketing practices. Committed to delivering superior service, the Group has put in place an efficient and professional customer service system, while honoring its pledge to consumers as a responsible enterprise.

### Customer Service System

#### Complaint Management Mechanism

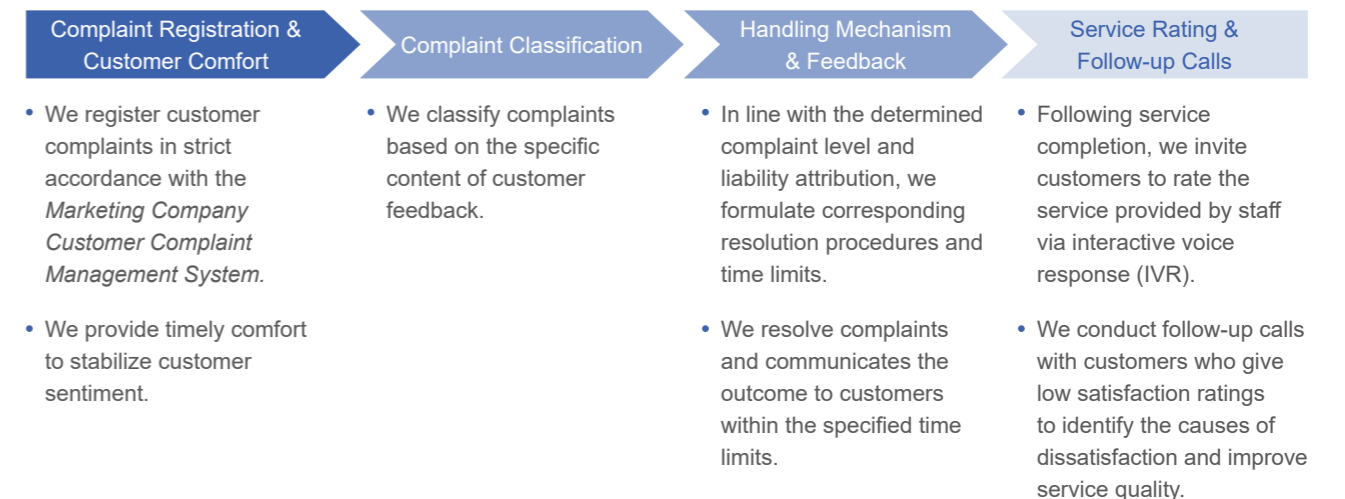
YKA has formulated regulatory documents, including the *Customer Complaint Investigation and Handling Control Procedure* and the *Global Customer Feedback System (GCFS) Management Guideline* to ensure continuous improvement in complaint handling efficiency. We have established an open and transparent feedback framework that integrates multiple channels, such as the “400” consumer service hotline, e-commerce customer service, the GCFS system, public opinion monitoring, and customer visits. YKA also links to the national 12315 ODR platform to ensure the entire complaint process is under closed-loop management. Through efficient dispute resolution and collaborative governance, we continuously improve our products and services, thereby enhancing consumer satisfaction and loyalty.

#### Customer Service Team Support

To ensure strong service quality, YKA has implemented a strict recruitment process, requiring customer service staff to have at least two years of relevant experience and pass pre-employment qualification assessments. In addition, we have established a well-defined division of responsibilities and a performance management system. We appoint customer service team leaders to oversee assessments, training, and on-site management, ensuring the team operates professionally and efficiently and fully meets stringent service standards.

#### Complaint Resolution Process

YKA has established a customer service system centered on efficient and timely response, and continuously refines its customer service standards manual, service guidelines, and service procedures to ensure that all consumer inquiries receive a full and timely response and proper resolution.



## Satisfaction of Complaint Service

Adhering to the principle of tracing problems to their root for solutions, YKA takes targeted corrective and preventive measures and continuously improves its operations. During the Reporting Period, YKA's service performance maintained a leading position in the industry: We achieved a customer complaint closure rate of 100%, a team satisfaction rate of 99.57%, and a satisfaction rate with handling outcomes of 93.47%. YKA was recognized as a Typical Case in the 2025 Campaign for Optimizing Consumption Environment and Enhancing Services issued by the Shanghai Pudong New Area Administration for Market Regulation and the Shanghai General Chamber of Commerce. YKA was selected for its outstanding achievements in establishing a full-chain quality management system, improving customer service and market response mechanisms, and practicing a green circular economy. This fully affirms the Group's commitment to service supremacy. As a Shanghai Trusted Consumption Demonstration Unit and a Five-Star Consumer Rights Protection Contact Point, we will deepen service innovation and honor the trust of every consumer with professionalism.

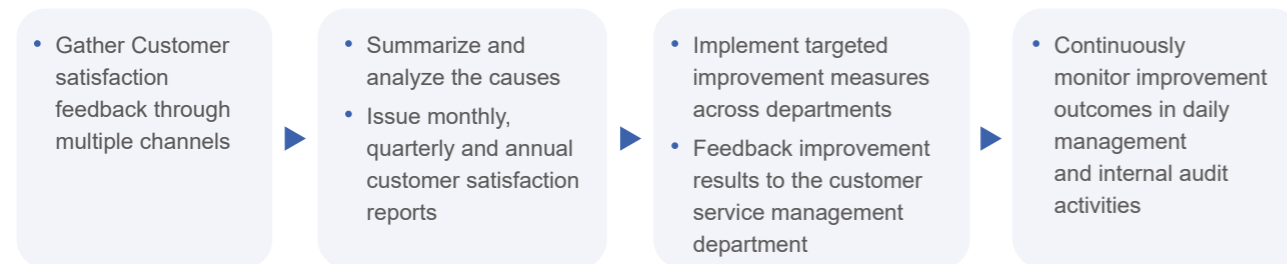
During the Reporting Period



## Customer Satisfaction Management

YKA focuses on enhancing customer satisfaction and is committed to building an efficient and convenient service system with clear standards. We have also established a nationwide annual customer satisfaction survey mechanism. Our operation sites and marketing companies conduct systematic reviews using structured electronic questionnaires, covering key indicators such as product performance, service responsiveness, and after-sales support, so as to accurately capture market feedback in an all-round way.

### Satisfaction Survey Process



YKA has refined its closed-loop management mechanism featuring Collect-Analyze-Act-Feedback to better turn customer feedback and input into targeted improvements. During the Reporting Period, the Group distributed approximately 12,000 valid questionnaires in total. The customer satisfaction survey coverage rate reached 89%, and the overall customer satisfaction stood at 96%, meeting the annual target of no less than 90%.

## Responsible Marketing

YKA has always regarded responsible marketing as the bottom line of business ethics. We strictly comply with the *Advertising Law of the People's Republic of China*, the *National Food Safety Standard General Standard for Prepackaged Food Labeling (GB 7718)*, the *National Food Safety Standard General Standard for Nutrition Labeling of Prepackaged Foods (GB 28050)*, and other laws, regulations and national food safety standards, and we have established a rigorous compliance management system for product labeling.

YKA has formulated and strictly implemented management systems, such as the *Product Responsibility Policy* and the *Marketing Company Product Packaging Management Process*, which clarify management responsibilities from the source and ensures that all marketing activities are authentic, transparent and compliant, thereby effectively protecting the rights and interests of users and consumers. Meanwhile, YKA has established a comprehensive compliance management system, which integrates the principles of transparency, authenticity and accuracy into the entire marketing communication process to strengthen brand reputation. In terms of process control, we use information systems including OA to standardize the management of labels and conduct strict full-process reviews of product markings, packaging labels and promotional materials. For regulatory compliance, YKA relies on an efficient dynamic tracking mechanism to monitor updates to relevant laws, regulations and standards, ensuring that all business and promotional activities remain fully compliant. No violations or irregularities related to product & service information, labeling and marketing communication occurred during the Reporting Period.

In 2025, for the private brand business of key customers under the Consumer Products Channel Division, YKA formulated and effectively implemented the *Management Specifications for the Development and Design of Private Brands for Key Customers*, which provides a solid foundation for management standardization. Meanwhile, focusing on a differentiation strategy, we comprehensively enhanced our competitive advantages in product quality, core selling propositions, and packaging design differentiation to achieve win-win cooperation.

### Product Label Review Process



YKA is committed to promoting the concept of sustainable consumption to all its customers and consumers, encouraging science-based, healthy and rational consumption habits to reduce potential food waste.



#### Case Reduce Food Loss and Promote Rational Consumption

Guided by the consumer-centric principle, YKA provides customers with more flexible options by developing small-sized and multi-scenario products to meet diverse consumer needs, thereby reducing food waste caused by expiration or leftover food.

Meanwhile, for products such as dried noodles, frozen prepared dishes, and new food ingredients with recommended consumption limits, YKA clearly indicates the recommended serving size on labels and promotional materials to guide consumers in making rational purchases and discourage overconsumption. Adhering to its food safety principle, YKA fully implements green packaging agreements, promotes the use of recyclable materials, and applies "recyclable" logos to certain food-grade packaging materials that meet relevant standards, to support the circular economy with concrete actions.



#### Case Promote Nutrition and Health While Ensuring Transparent Communication

In response to the strategic goals of the *"Healthy China 2030 Plan"*, YKA continues to strengthen innovation in the development of nutritious and health-focused products to meet consumers' differentiated and personalized needs. Meanwhile, we promote scientific dietary concepts through product labels, empowering labels and packaging with an educational role to guide consumers. Based strictly on scientific evidence, YKA uses product labels to clearly state and disclose core nutritional components and their percentages of the Nutrient Reference Value (NRV). Furthermore, we have begun to add the health tip "Children and adolescents should avoid excessive intake of oil, salt and sugar" below the nutrition information table on labels, so as to guide the public, especially young people, to develop science-based and balanced dietary habits and help enhance public nutritional awareness.

Leveraging its ever-improving health & wellness product portfolio, YKA is committed to promoting the concept of green and responsible development through product labels. We have adopted lower levels of salt and sugar in processed products, with transparent labeling of relevant information, enabling consumers to identify and choose healthier and more nutritious products.

# 03

## Together for Symbiosis, United for Value Creation

YKA is committed to building a symbiotic ecosystem of shared prosperity with supply chain partners, industry peers and stakeholders. Through responsible management, fair cooperation and open empowerment, we strive to boost quality and efficiency across the value chain, support the industry in achieving inclusive and sustainable development, and integrate economic benefits, social value and environmental responsibility.

### Our Key Focuses

- **United for Value Creation**
- **Open Cooperation for Industry Prosperity**



# United for Value Creation

YKA integrates environmental, social and governance principles into the entire process of supply chain management. We join hands with value chain partners to build a transparent, resilient and prosperous industrial ecosystem through sound governance systems, sustainable procurement strategies, rigorous supplier ESG risk management, and equitable support for small and medium-sized enterprises.

## Supply Chain Governance

### Supplier Management System

In strict compliance with domestic laws and regulations, YKA has established a sound supplier management system, and formulated and continuously updated its internal policies, including the *Supplier Code of Conduct* and the *Sustainable Procurement Policy*. Led by the Supply Chain Management Department and implemented collaboratively with Group procurement-related departments, YKA systematically manages supply chain risks through diversified measures, including stringent supplier onboarding criteria, regular reviews, annual assessments and performance assessments. In 2025, YKA systematically revised its supplier management system and enhanced key provisions in the *General Rules for Group Non-trade Procurement* and the *Group Non-trade Procurement Supplier Management System*, covering ESG risk identification and assessment, green and sustainable supply chain development, and supplier ESG performance management. Meanwhile, we have established a two-way communication mechanism. Internally, it aims to enhance the ESG policy implementation capacity of procurement personnel through specialized training and case studies. Externally, it aims to effectively communicate management requirements to suppliers through training sessions, supplier conferences and contractual provisions, thereby driving continuous improvement in the overall ESG management performance of the supply chain.

### Supply Chain Management Organization

YKA has established a sound supplier management organization with clearly defined roles and responsibilities, aiming to drive the deep integration of ESG principles into the entire supplier management process.

- **The Supply Chain Management Department:** Oversee the full scope of supply chain activities including non-trade procurement and operational planning and promote end-to-end collaborative optimization through digital and intelligent tools to build an agile, reliable, green and sustainable supply chain system.
- **The Supplier Special Management Team:** Establish and continuously improve the supplier management system, and systematically advance supplier ESG responsible procurement initiatives in line with the Group's sustainable development strategy.

## Supplier Lifecycle Management

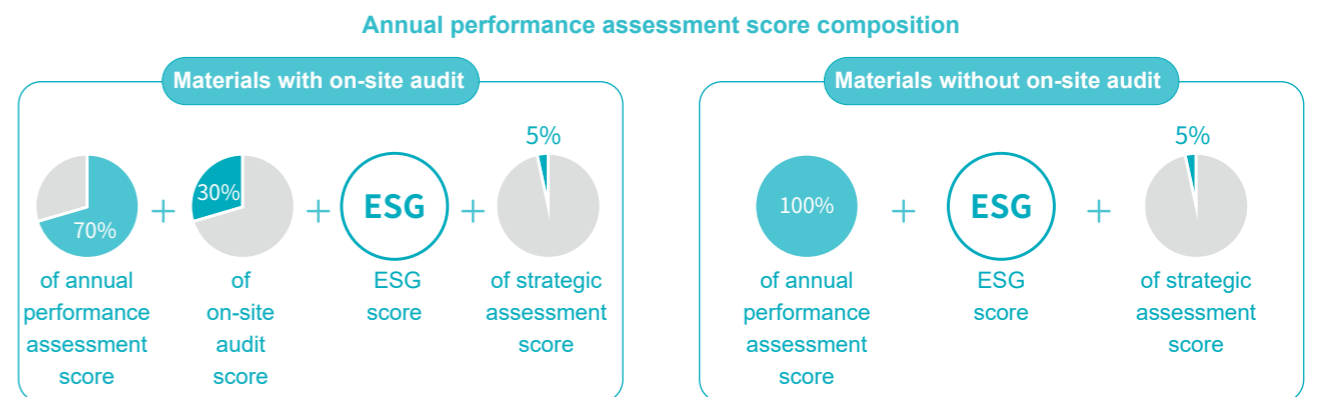
### Digital Management Platform

YKA has established the Supplier Lifecycle Management Platform (SLP), which implements systematic and digital control over the supply chain, covering supplier access management, process management and elimination management. The platform runs through the entire process from supplier access review, dynamic monitoring and performance assessment to continuous improvement. Through a data-driven management approach, it enhances supply chain transparency and management efficiency, and effectively safeguards supply chain security and sustainable development.



### Supplier Annual Performance Assessment

YKA incorporates ESG assessment into its annual performance assessment and has established a comprehensive assessment system for non-trade procurement suppliers. Responsible personnel for supply chain procurement and supplier management conduct comprehensive capability assessments of suppliers based on annual performance assessment results, on-site audits, strategic assessment scores, and ESG ratings.



## Supplier ESG Risk Management

YKA has established a full-process risk management system covering 100% of non-trade suppliers. Through intelligent early warning, tiered management, on-site audits, dynamic assessments and other mechanisms, we conduct multi-dimensional risk control over suppliers in terms of food safety, environmental protection, social responsibility and other aspects.



### Risk Identification and Early Warning

YKA requires all suppliers to complete a standardized basic information questionnaire during the access phase. In addition, it conducts ESG risk and business relevance assessments based on such factors as the supplier's country, industry characteristics, product category, and expenditure scale. Our procurement platforms Ariba and SLP are automatically integrated with Tianyancha, which captures risk information such as administrative penalties, judicial litigation, and operation abnormalities on a monthly basis and issues real-time early warnings, enabling risk identification to be embedded into both the access phase and ongoing process management.



### Risk Assessment and Tiered Management

In the *Group Supplier Management System*, YKA has set clear qualification criteria and management requirements for suppliers of different material categories. Through quarterly performance assessments, YKA conducts comprehensive assessments of suppliers in terms of delivery capability, quality control, service levels, and sustainability risks, and urges suppliers to implement corrective actions within a specified timeframe. Meanwhile, we have established a dedicated early warning mechanism for critical suppliers, and developed differentiated preventive measures and risk response plans to continuously ensure the stability and security of the supply chain.



### On-site Audits and Rectification

For Class A suppliers, YKA implements a strict multi-department joint on-site audit mechanism. For suppliers found with problems during the audit, they're required to submit rectification plans and implement improvement measures within the specified time limit, so as to avoid food safety risks from the source. For suppliers that fail to rectify or refuse to rectify, we may take such measures as suspending cooperation or even permanent disqualification to ensure the overall quality and safety of the supply chain.

## Sustainable Procurement Strategy

YKA consistently adheres to the *Sustainable Procurement Policy* and the *Supplier Code of Conduct*, and implements the NDPE principles of its parent company Wilmar International—No Deforestation, No Peatland Exploitation, No Exploitation of People. In supplier selection, YKA prioritizes long-term relationships with partners that share the same sustainability values. We have also established a differentiated responsible procurement framework covering a diversified range of raw materials. We identify and manage potential deforestation risks by establishing regular communication mechanisms with suppliers.

## Sustainable Palm Oil Procurement

For suppliers across the full chain of palm oil, palm kernel oil and their derivatives, YKA formulates and strictly implements the *Responsible Palm Oil Procurement Policy*. The Policy requires suppliers to provide certified palm oil products as needed and encourages partners to uphold the NDPE sustainability commitments and establish a sound raw material traceability system. Leveraging the resources of its parent company Wilmar International in sustainable palm oil management, YKA has built a comprehensive multi-dimensional management framework. This framework, which includes a set of mechanisms for real-time satellite monitoring, supplier qualification reviews and due diligence, and multi-channel grievance response, drives continuous improvements in management efficiency, along with periodic analysis of procurement and traceability data.

Together with our parent company, YKA has long been advancing the transparency and traceability of the palm oil supply chain. To this end, we follow and adhere to our parent company's goals on palm oil traceability, namely: achieving 100% traceability of palm oil to palm oil mills by 2026; and achieving 100% traceability to plantations by 2026. It is a challenge to achieve full transparency in the complex commodity transportation and trade system; however, YKA will work closely with suppliers to strive for the achievement of these goals.

### Sustainable Procurement Indicators

Proportion of palm oil mills with no deforestation practices

100%

Proportion of YKA's palm oil processing enterprises with RSPO (Roundtable on Sustainable Palm Oil) certification

100%

Purchasing volume of RSPO-certified palm oil and its derivatives

105,748 tonnes

Proportion of purchased palm oil traceable to mills

91%

Proportion of palm oil traceable to plantations

82.2%



### Case Yihai Kerry Organized and Co-organized the Inaugural Meeting of the Palm Oil Branch of China and Market Seminar

On August 23, 2025, the Inaugural Meeting of the Palm Oil Branch of China Vegetable Oil Industry Association and the 2025 Palm Oil Market Seminar, sponsored by the Palm Oil Branch of China Vegetable Oil Industry Association and co-organized by Yihai Kerry, was successfully held in Taizhou.

The event attracted more than 250 industry guests. Featuring keynote speeches and special forums on key industry topics, experts delivered in-depth analyses on the macroeconomic environment, global palm oil supply and demand, biodiesel demand, and the application of option instruments, providing valuable insights for assessing the 2025 market outlook. The special forum focused on the sustainable development and market outlook of China's oilseed and oil industry, with exchanges centering on prices, supply and demand dynamics, and market experience, effectively facilitating industrial communication and collaboration.



## Sustainable Soybean Procurement

YKA has formulated and implemented the *Responsible Soybean Procurement Policy* for its soybean raw material supply system, which explicitly requires suppliers to provide soybean products in accordance with procurement demands. In terms of supplier selection, YKA has established a priority cooperation mechanism, focusing on building long-term strategic partnerships with suppliers that adhere to the three core principles: rejecting illegally sourced soybeans, eliminating deforestation practices, and safeguarding legitimate labor rights. On the production side, we advocate extensively for the adoption of environmentally friendly planting models. These models are designed to avoid damaging the natural environment, while ensuring that the legitimate rights and interests of local communities are fully respected and protected. This approach enables the integration of economic benefits and social responsibility.



### Case Hold Raw Grain Supplier Seminar to Deepen Collaborative Development

On September 15, 2025, Yihai Kerry held a raw grain supplier forum in Qinhuangdao, where it advocated to practice sustainable procurement and deepen the collaborative development of supply chain partners. The forum gathered more than 50 high-quality raw grain suppliers (specializing in soybeans, corn, wheat, etc.) from major domestic producing areas. Mr. Mu Yankui, President of the Company, attended in person, demonstrating that YKA pays high attention to building long-term and stable supply chain relationships. During the forum, YKA's Grain Department, together with relevant functional departments of the Group, conducted in-depth exchanges and professional training on core topics, such as the analysis of the 2025 autumn grain production situation, the application of supplier management systems, the management requirements and case analysis of off-site warehousing, the quality standards for raw material storage and preservation, and the tax control risks in grain raw material procurement. Meanwhile, they also discussed using digital tools to enhance the supply chain's transparency and efficiency, as well as establishing a systematic quality management and compliance system to ensure food safety from the source. At the forum, the outstanding suppliers of 2024 received high praise for their concrete actions in practicing the cooperation concept of "growing together with partners".



## Digitalization enables Sustainable Procurement

In 2022, YKA launched the project to build the Raw Grain Supplier Relationship Management System (SRM) and started its pilot application in early 2023. At present, the system has been rolled out to 34 operation sites, covering the procurement business of multiple varieties, such as soybeans, rice, wheat, and corn. Built around the core concept of "full lifecycle supplier management + full-process digitalization of procurement businesses", the system includes modules such as a supplier database, business collaboration functions, and auxiliary functions. It allows both parties to use electronic signatures and conduct full electronic contract workflows. As of the end of the Reporting Period, procurement orders for third-party corporate suppliers supported by the system accounted for 50% of the total regular procurement orders across the operation sites using the system, marking a successful digital transformation of procurement operations and enhancing compliance and transparency.



### Case Transparent Supply Chain & Secure Milk Sources

YKA adheres to sustainable procurement in the distribution of Meadow Fresh milk in China in accordance with the Group's *Sustainable Sourcing Policy*. We emphasize full-chain management of dairy products ranging from pasture traceability to processing technologies, and monitor the environmental protection, animal welfare and social responsibility performance of its suppliers. All raw milk for Meadow Fresh milk products comes from clearly identified and fixed suppliers in New Zealand, with 100% traceability to individual dairy farms located in the milk-sourcing region between latitudes 41°S and 46°S. Dairy cows graze freely on natural pastures year-round and feed on fresh grass. The pastures are nourished by water from the Southern Alps, ensuring pure, high-quality milk sources. This practice not only meets animal welfare standards but also reduces carbon emissions and resource consumption.

In addition, 100% of Meadow Fresh milk products carry the Silver Fern Mark, an authoritative certification issued by the New Zealand government. Among these, 68% of dairy products have obtained the Grass-fed Traceability Certification from AsureQuality, New Zealand's national laboratory. Going forward, YKA plans to increase the procurement proportion of grass-fed traceability-certified products to 69% by 2026. We will also collaborate with upstream supply chain partners to further enhance transparency and sustainability across the industrial chain, providing consumers with high-quality and eco-friendly dairy products.



## Equal Treatment for Small and Medium-sized Enterprises<sup>17</sup>

YKA highly values the important role of small and medium-sized enterprises (SMEs) in the industrial chain, and takes equal treatment, fair cooperation and common development as core principles of supply chain management. We're committed to creating a non-discriminatory, transparent and accessible cooperation environment for SMEs, and promoting their integrated development. In addition, YKA actively aligns with national policies supporting the development of SMEs. Through practical measures, such as reasonable payment terms and timely settlement of payments, it helps SMEs achieve healthy growth and jointly builds an industrial chain ecosystem featuring integrated innovation and collaborative progress.

<sup>17</sup>As YKA's accounts payable (including notes payable) at the end of the Reporting Period did not meet the disclosure threshold specified in Article 46 of the *Guidelines*, specific details such as the amount of outstanding payables are not required to be disclosed separately.

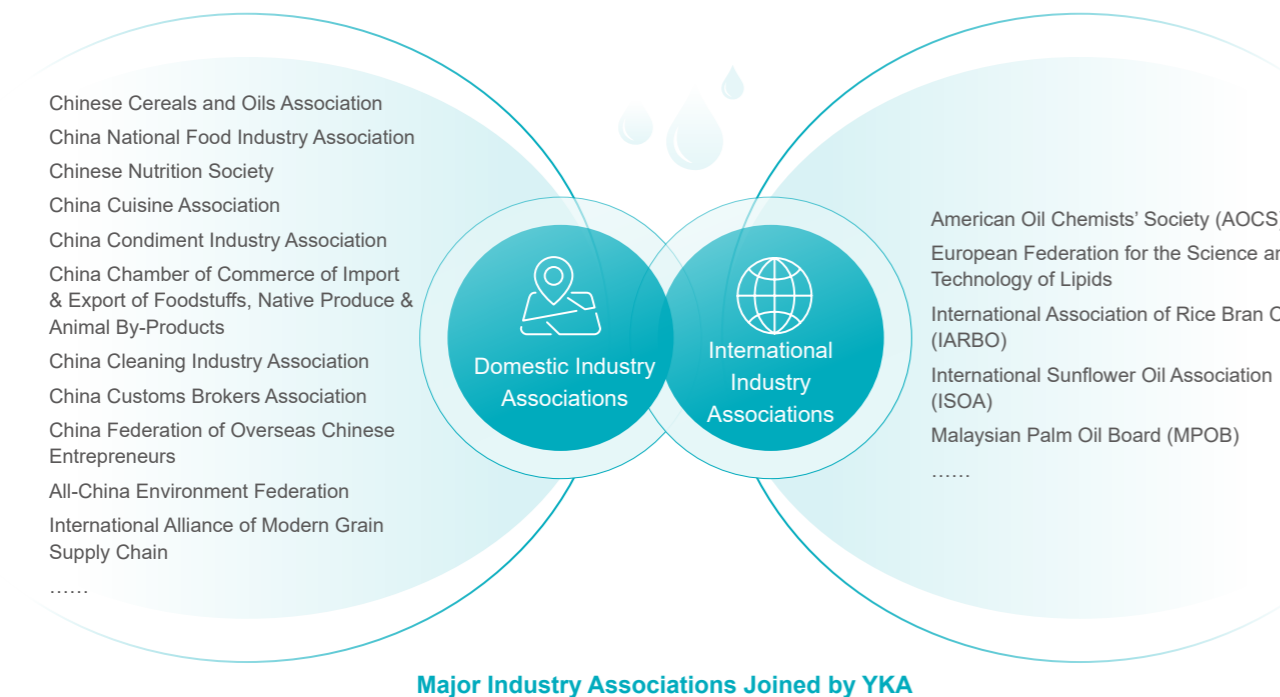
## Open Cooperation for Industry Prosperity

YKA attaches great importance to mutually beneficial cooperation with industry partners. Guided by the philosophy of openness and win-win results, we work closely with partners to learn from each other's strengths, fully integrate superior resources and stimulate innovation momentum. YKA takes an active part in various industry events at home and abroad. We organize a variety of forms of activities, such as technical exchanges, academic sharing and strategic cooperation, to promote knowledge flow and value sharing within the industry and drive the sound development of the sector.

### Industry Collaboration and Initiatives

YKA actively participates in standardization efforts. With an open and collaborative attitude, it plays a constructive role in the formulation and revision of industry standards and the promotion of sustainable development initiatives, supporting high-quality development of the industry. In terms of standardization development, YKA recognizes that the formulation and revision of national and industry standards are important ways to drive industrial progress. Drawing on its expertise in R&D, production practice and quality control, it integrates practical experience in process innovation, quality management and green production into standard development, helping align the standard system with evolving industrial needs.

By the end of 2025, as a standard-drafting entity, YKA had participated in the formulation of 73 national standards and 45 industry standards in total, playing a significant role in building the standard system for the grains, oils and food industry.



### Empowering Value Chain Partners

YKA is committed to extending its sustainable development philosophy to the upstream of the value chain. Through on-site support, quality training and collaborative improvement, we help suppliers enhance their management capabilities, reduce quality risks from the source and ensure the effective implementation of the Group's management standards. YKA organizes supplier training sessions every year, covering 100% of its critical non-trade suppliers. During the Reporting Period, YKA held 2 large-scale supplier training sessions, with the participation of 686 suppliers.

## Empowering and Improving the Supply Chain

### On-site support for non-trade suppliers

Our Quality Assurance Department and supply chain procurement teams have carried out field visits to packaging material supply hubs at Anhui and Henan. Through face-to-face communication, YKA has strengthened information exchange, gained a thorough understanding of how national laws and regulations are implemented at suppliers' facilities, and conducted comprehensive inspections. Meanwhile, we provide on-site training for suppliers to elaborate on our stringent requirements for food safety and quality management, helping suppliers continuously improve their capabilities and contributing to the development of the industry.

### Guidance on standards for key suppliers

YKA has established a full-chain pre-compliance management system. Prior to the official implementation of new national regulations such as the *Technical Specifications for Bulk Transportation of Liquid Food*, YKA conducted on-site visits to suppliers of food-grade bulk materials. During the visits, we focused on reviewing suppliers' understanding and implementation of the standard requirements, including the dedicated use of vehicles and standardized transport management. We also assessed the suppliers' capabilities in quality and food safety control, as well as the current industry landscape. For issues identified during on-site inspections, the suppliers, logistics service providers and operation sites were required to make rectification and form a closed-loop management within a specified time limit. This mechanism demonstrates not only YKA's strong commitment to food safety, but also our fulfilment of corporate social responsibility through concrete actions. It builds a solid barrier for the safe transportation of food-grade bulk materials.

## Empowering Distributors for Growth

YKA has established a sound capability development system for distributors. Through initiatives including advancing excellence programs, sharing best practices and applying digital tools, YKA helps distributors strengthen their operational and management capacity, thereby lifting both channel competitiveness and business performance.

**Distributor excellence program:** Centered on the theme "Enhance Governance, Strengthen Empowerment", the program adopts a "1+1+N" multi-level collaborative implementation model and integrates resources at Group, regional and local levels.

**Benchmark leadership** Identify and promote the successful practices of outstanding distributors to establish industry benchmarks.

**Digital tools** Provide dynamic tracking and management tools to enable real-time monitoring and analysis of operating data.

**Data-driven approach** Conduct a comprehensive performance review for distributors through data analysis to accurately identify problems and opportunities.

**Tiered implementation** Adopt a differentiated strategy, featuring "leading with benchmarks, upgrading mid-tier performers, and strengthening the foundation".

In 2025, the program delivered remarkable results. Over 60% of participating distributors outperformed the overall market in sales growth. As a result, the program effectively lifted the overall capabilities and performance of distributors and fostered more stable channel relationships.

# 04

## Together We Achieve More

As always, YKA regards its employees as its most valuable asset and adheres to the people-oriented philosophy to safeguard food safety for the public. We continuously improve our talent acquisition, development and incentive mechanisms, foster a diverse and inclusive workplace, and empower employees to grow and realize their full potential. Supported by a sound compensation and benefits system, clear career development paths and people-centric care, YKA is committed to promoting alignment between employee value and corporate development, gathering synergies for progress, and building a sustainable future together.

### Our Key Focuses

- Safety First, Health for All
- Empower Growth, Excel Together



# Safety First, Health for All

YKA always places the lives, health and safety of its employees above all else. Through a sound organizational structure, robust policies and procedures, ongoing health monitoring, in-depth safety training and clear target management, YKA safeguards its employees' physical and mental health in an all-round way and fosters a safe, secure and healthy workplace.

## Occupational Health and Safety Management Structure

YKA has established a two-tier collaborative management system featuring overall coordination at the Group level and implementation at the operation site level.

At the Group level: A Safety Committee has been established, comprising the Group chairman, core management and professional technical leaders. We formulate safety strategies and plans in a coordinated manner, and provide overall guidance and supervision over operation and safety management at all operation sites.

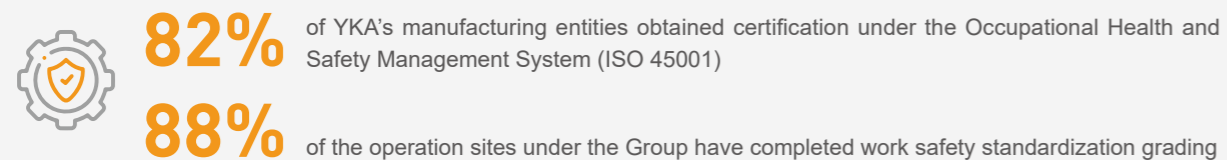
At the operation site level: A full-time EHS Management Department and a Health and Safety Committee (EHS Committee) have been set up. The Committee consists of management representatives, key technical professionals and employee representatives, supported by dedicated safety management personnel to ensure the effective implementation of all safety regulations.

## Occupational Health and Safety Management System

YKA strictly complies with national laws and regulations, including the *Law of the People's Republic of China on Work Safety* (hereinafter the "Work Safety Law") and the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*. We have established a well-defined occupational health and safety management system covering all key aspects, such as risk identification and assessment, hazard investigation and remediation, safety education and training, performance evaluation and supervision, as well as emergency response and management. This system and relevant policies apply to all employees at the Company and all subsidiary operation sites and extend equally to all contractors and cooperating parties that provide services for YKA's operations, ensuring that safety management requirements are implemented throughout the entire business chain.

Acting in line with operational realities and regulatory updates in 2025, YKA and its subsidiary operation sites comprehensively revised and improved core management systems, including the Wilmar Safety Management System (WIMS), machinery safety standards, life-saving rules, and safety guidelines for loading and unloading operations, and further refined operational procedures and control requirements for all aspects of work safety. Through continuous iteration and upgrading of systems, YKA has steadily elevated its EHS management capabilities. In addition, during the Reporting Period, YKA comprehensively revised and issued a new version of the *Chemical Management System*. This document further standardized full-life-cycle management of chemicals with respect to identification, production, procurement, storage, transportation, and disposal. We also specified digital and standardized procedures for managing chemical records. In actual production, all departments and units have worked hard to explore and apply alternative solutions to reduce safety risks.

During the Reporting Period




## Safety Risk Management Process

YKA has established a systematic safety risk management system centered on risk management and accident prevention. This system adopts a full range of preventive and control measures, including risk assessment, hazard investigation, intrinsic process safety management, internal and external audits, emergency drills, and full participation, to ensure safe and stable operations.




## Occupational Health

YKA strictly abides by applicable national laws and regulations, and is committed to providing employees with a safe and healthy working environment. In accordance with the *Law on the Prevention and Control of Occupational Diseases* and other relevant regulations, all operation sites of the Company have established and improved management systems and standardized procedures for occupational disease prevention and control. For new construction projects, YKA implements full-process control over the pre-assessment of occupational disease hazards, review of protective facility design, completion acceptance, and control effect assessment, so as to manage occupational health risks from the source.



**Workplace Management**

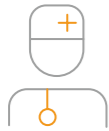
YKA and its operation sites systematically identify and regularly monitor occupational disease hazards to ensure that the working environment consistently meets national occupational health standards. For identified hazards, YKA adopts a three-in-one integrated prevention and control approach: eliminating or minimizing hazards at source through engineering and technical measures, regulating work practices via management systems, and making personal protective equipment a must for work safety. Operation sites with higher occupational disease risks are required to undergo an occupational disease hazard assessment every three years in accordance with the *Law on the Prevention and Control of Occupational Diseases* to ensure compliant operations.



**Employee Health Protection**

YKA and its operation sites implement full-cycle health management for personnel in posts with occupational hazards. We arrange regular occupational health examinations for employees, establish complete health surveillance archives, and provides ongoing occupational health training and emergency drills to continuously enhance employees' safety awareness and self-protection capabilities. In 2025, YKA's occupational health examination coverage reached 100%. As of the end of the Reporting Period, YKA had no cases of occupational diseases or occupational contraindications.

During the Reporting Period



YKA provided occupational health examinations for all employees **100%**.

**No** cases of occupational diseases or occupational contraindications occurred.

## Safety Training and Culture

YKA attaches great importance to building a strong safety culture. We integrate the Human and Organizational Performance (HOP) management philosophy into its entire production and operation process. Adhering to a people-oriented approach, we have shifted safety management from passive response to proactive prevention.

In 2025, YKA formulated and implemented multi-dimensional occupational health and safety drills and training programs, covering comprehensive emergency exercises, fire evacuation, chemical spill response, first-aid training, among others. All programs were fully implemented (100%). In the meantime, YKA has established a positive incentive mechanism. Through initiatives such as hazard reporting via mobile devices, Significant Incident Finding potential (SIFp) reporting, and safety competitions, it encourages employees and contractors to proactively identify and report safety risks and jointly foster a safety culture across the organization.

## Occupational Health and Safety Objectives

Our EHS Department systematically formulates annual occupational health and safety objectives covering safety culture, risk management, system operation, training and education, and other areas. We set both proactive and reactive indicators, including safety inspection frequency and safety accident rates. Following the assessment cycle, the Group's EHS department conducts a comprehensive review of all operation units, with results incorporated into the annual EHS performance appraisal.

In 2025, YKA established the following occupational health and safety targets: A safety accident rate of no more than 0.10 per 200,000 working hours; At least one on-site safety inspection per month by the management; At least 20 safety hazards reported monthly by each operation site. All the above targets were fully attained during the Reporting Period, with the safety accident rate standing at 0.07 per 200,000 working hours.



# Empower Growth, Excel Together


## Talent Attraction and Retention

### Improving the Recruitment System


YKA strictly abides by the *Labour Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and other laws and regulations, formulates and improves its *Recruitment Management System*, and establishes standardized procedures covering the entire process from demand application, position posting, resume screening, interview evaluation to employment approval, ensuring standardized and transparent talent recruitment. The Group continues to deliver training and qualification certification for interviewers, enabling them to make objective decisions and select candidates fairly. We also roll out the certification program across all regions for effective implementation, ultimately building a professional and reliable talent force. In 2025, the Group further expanded the coverage of its "Top Interviewer" program. Four regional training sessions were held in Hubei, Guangxi, Beijing-Tianjin-Hebei, Minnan and Chaozhou, with 117 people trained and certified. Eleven assistant lecturers were selected, and they delivered six training sessions for 154 participants in total. Certified interviewers also independently conducted seven cascade training sessions, reaching 126 participants, forming a sound circular mechanism of "Training-Certification-Cascade Training".

### Diversified Recruitment Channels

YKA integrates resources from governments, universities, industry associations and enterprises to build a diversified network of recruitment channels. Through campus recruitment, social recruitment, employee referrals, headhunting partnerships and other means, we ensure coverage of talent acquisition across all levels and professional fields.



In response to the national strategic plans of "stabilizing employment and ensuring people's livelihood", YKA establishes in-depth cooperation mechanisms with provincial education departments and local human resources and social security bureaus, and also works with key universities and leading enterprises inside and outside the province to explore new models of industry-education integration. Over the year, YKA participated in more than 40 recruitment events including campus recruitment and regional talent fairs, attracting thousands of graduates to apply, of whom over 100 expressed employment intentions. We have formed a closed-loop talent supply system featuring "government support, university training and enterprise employment".



YKA has launched two flagship employment guidance programs.

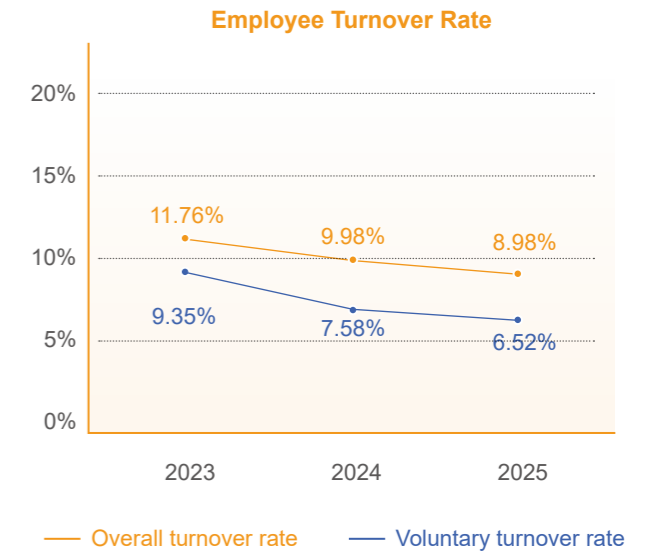
**Summer Internship Camp:** In 2025, in partnership with more than 20 key universities, YKA selected 50 students for immersive internships in core positions. Each student was assigned two mentors from both the enterprise and the university. Adopting a model of "real programs, real scenario practice and real deliverables", the program helped the students gain in-depth insights into the workplace and realize personal value. A number of participants have obtained direct campus recruitment offers and been formally employed.

**Marketing Challenge Hosted by the Maker Club of Henan University of Technology:** In 2025, the event drew approximately 200 student participants to compete in real-world product promotion and marketing plan design. With university instructors, industry experts and corporate executives invited to serve as judges, the initiative effectively enhanced students' professional competence and practical abilities while strengthening the school-enterprise collaborative education mechanism.

### Talent Retention

YKA provides employees with clear growth paths and development expectations through well-defined promotion channels, fair selection mechanisms, and specialized development programs such as the "Xinyihui" and "U-Jia Project" tailored for different talent echelons. Relying on a closed-loop management system of talent review – development – appointment, YKA continuously improves the precision of talent-position matching to ensure appropriate placement and timely promotion, therefore effectively strengthening employees' sense of belonging and long-term commitment.

In 2025, YKA's overall employee turnover rate stood at 8.98%, of which the voluntary turnover rate reflecting employee-initiated departures was 6.52%, representing a continued decline from previous years. This bears witness to the effectiveness of YKA's measures in talent retention and motivation.



### Equity, Diversity and Inclusion

YKA adheres to the core philosophy of "Unity with Diversity". Rooted in respect for cultural differences across the globe, we are committed to fostering a diverse, equal and inclusive work environment.

YKA has established an open, fair and impartial employment mechanism by formulating the *Employee Code of Conduct*. In talent selection, we treat employees of all ethnic groups equally and recruits on the merits. Throughout career development, YKA applies the principle of equity to the entire process of recruitment, promotion and compensation management, effectively ensuring equal pay for equal work. We provide reasonable development opportunities and growth space for every employee, and have established a scientific contribution recognition system so that the value of each individual can be fully realized.



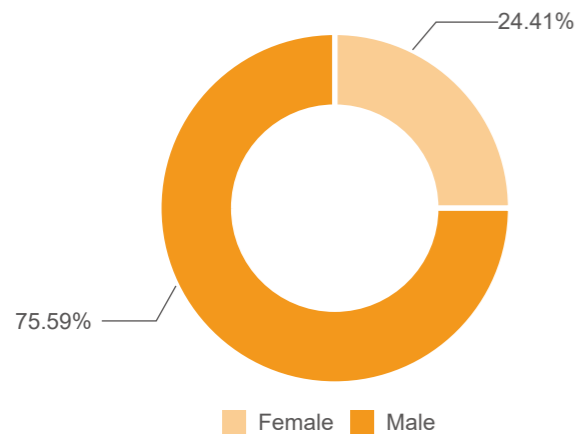
During the Reporting Period

YKA had a total of **36,565** employees

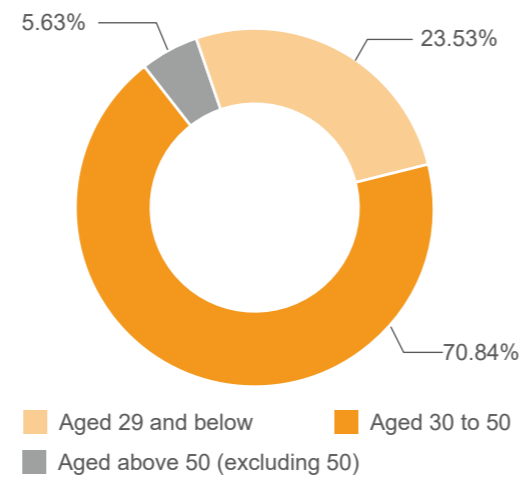
---

ethnic minority employees accounted for **2.40%**      foreign employees accounted for **0.16%**      among managers (including supervisors, managers and executive management), female employees accounted for **31.18%**

Employee Distribution by Gender



Employee Distribution by Age



Female employees at the supervisor level: **33.17%**      Female employees at the manager level: **26.13%**      Female employees at the executive management level: **17.59%**

---

Female employees holding management positions in revenue-generating departments (e.g., sales) of all such managers: **26.52%**      Female representation in STEM-related (science, technology, engineering and mathematics) positions: **50.40%**

### Special Talent Recruitment

YKA pursues a diverse range of recruitment approaches. We provide employment support for disadvantaged groups by offering flexible employment positions while ensuring such employees receive the same benefits as regular staff. Through these efforts, we aim to build a diverse, multi-regional and multi-ethnic workforce.



#### Case Practice Inclusive Employment Strategy, Build a Diversified Talent Ecosystem

YKA embraces a diversified talent strategy. We target groups, including disadvantaged university graduates, veterans, persons with disabilities, unemployed youth and migrant workers, as priority recruitment groups, and holds special job fairs in collaboration with local governments to build an equal employment platform for them.

In November 2025, Yihai Kerry Lufeng (Linyi) Packaging Technology Co., Ltd. was awarded the honorary title of “Shandong Provincial Advanced Unit for Disability Assistance” in recognition of its solid measures and outstanding achievements in disability-inclusive employment and public welfare support, setting a benchmark for disability assistance work in Shandong Province. The enterprise has recruited a total of 80 employees with disabilities, accounting for 28% of its total workforce. We have also developed tailored training programs for disabled employees seeking self-reliance, and appointed dedicated staff to manage its disabled workforce, with a focus on their mental health and personal development.

### Protection of Women’s Rights and Interests

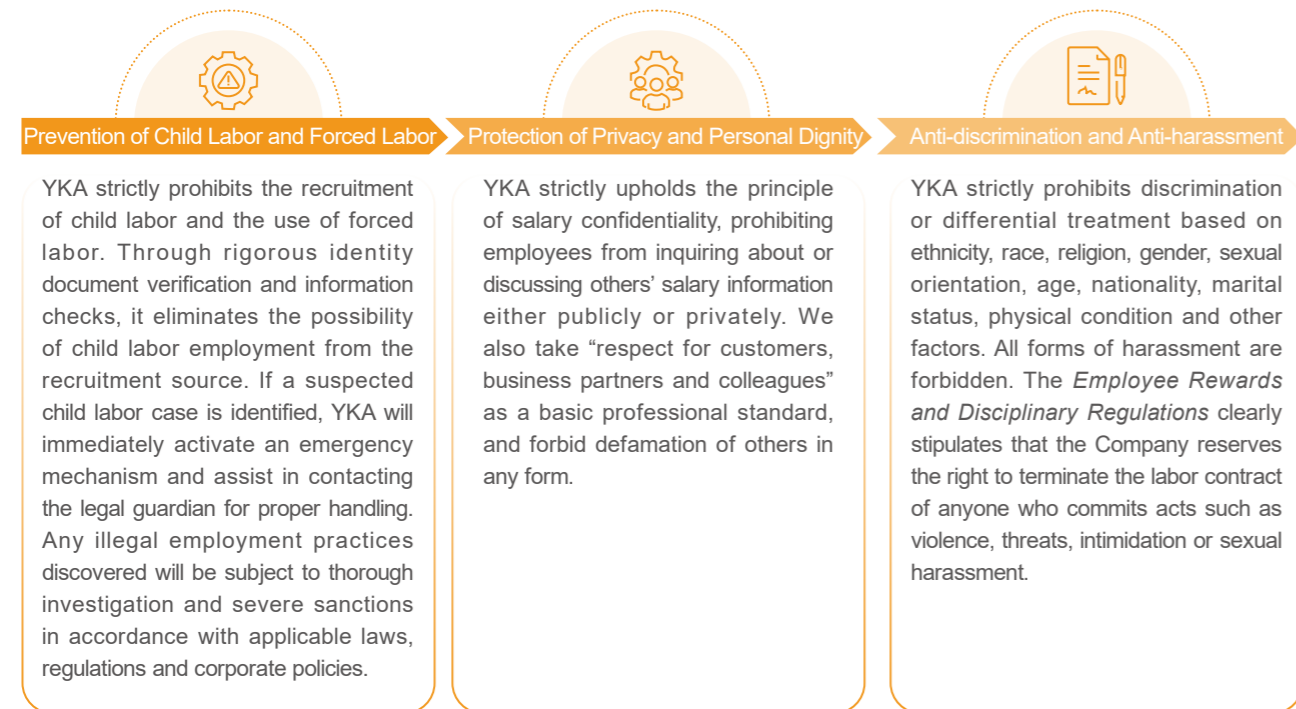
YKA attaches great importance to protecting the rights and interests of female employees. The Women Employees’ Committee has been established under the Labor Union to exclusively safeguard the legitimate rights and interests of women staff. Through signing the *Special Collective Contract on the Protection of Women Employees’ Rights and Interests*, YKA has institutionalized and standardized relevant protection measures.

- Institutional Safeguards**
  - Establish the Women Employees’ Committee under the Labor Union to fully protect the legitimate rights and interests of female staff
  - Sign the *Special Collective Contract on the Protection of Women Employees’ Rights and Interests* to build a systematic protection framework
  - Strictly implement statutory leave entitlements for female employees, including maternity leave and nursing leave
- Maternal and Infant Care**
  - Establish standardized “mommy rooms” equipped with multi-functional zones, disinfection cabinets, refrigerators, smart sockets and other facilities in accordance with the standards of the All-China Federation of Trade Unions, which have been certified as four-star and five-star.
  - Set up priority access and dedicated dining areas for pregnant employees in the cafeteria, and provide nutritious soups for pregnant and lactating employees.
- Health Support**
  - Add breast and cervical cancer screenings for women to the annual physical examination, and conduct special lectures focusing on women’s health.
  - Establish a Group-wide women’s mental health care system named “Psychological Garden” and offer related courses on the “Yi Xue Tang”.

## Labor Rights Protection

### 🔍 Respect for Human Rights

YKA strictly abides by laws and regulations such as the *Labour Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, fully respects international standards including the *International Bill of Human Rights* and the *Ten Principles of the United Nations Global Compact*, and formulates internal systems such as the *Human Rights Policy* and the *Employee Code of Conduct*. We make clear commitments on child labor protection, prohibition of forced labor, anti-discrimination, freedom of association, etc., and adopt a zero-tolerance attitude towards any act of infringing on human rights. Among them, the *Human Rights Policy* applies not only to YKA and all its subsidiaries, but also to all external parties with business relations with YKA, including customers and suppliers.



In addition, YKA extends its human rights standards to the supply chain. Core requirements such as the prohibition of child labor and forced labor are included in the sustainability questionnaires distributed to key non-trade suppliers, and a regular tracking and auditing mechanism is established. In 2025, no incidents of human rights violations, harassment or discrimination were identified within the Company.

### 🔍 Complaint and Reporting Mechanism

YKA has established and improved a sound reporting mechanism and human rights protection system to fully safeguard employees' legitimate rights and interests and personal dignity through institutional design, channel development, procedural safeguards and incentive mechanisms. YKA implements a strict confidentiality policy for the identity information of whistleblowers who report with real names. Confidentiality measures apply to the entire process, including complaint acceptance, investigation and handling, investigative assistance and reward issuance, to ensure whistleblowers are protected from retaliation. In addition, we have set up a multi-level reporting channel. Employees have the right to report acts such as corruption, violations of food safety management, human rights infringements, workplace harassment and discrimination, as well as disciplinary violations by executives and personnel in key positions with their real names, and may report directly to the General Manager of the Company and the Chairman of the Group. Real-name whistleblowers whose reports are verified will be rewarded. YKA encourages and protects employees' legitimate right to supervision, and jointly maintains a fair and impartial workplace environment and the bottom line of human rights protection.

## Remuneration and Benefits

YKA continuously improves its remuneration and benefits systems, and has established a scientific and reasonable remuneration management system and performance appraisal system to provide all employees with competitive remuneration packages. In addition, YKA is committed to achieving the coordinated growth of employees' personal value and organizational goals, and flexibly adopts monthly, quarterly and 360° multi-dimensional assessment systems based on different job levels and business characteristics. A full-process performance management mechanism of "goal setting-process coaching-result feedback" has been established to help employees achieve both individual and team objectives through ongoing communication, guidance and resource support.

### 🔍 Employee Communication

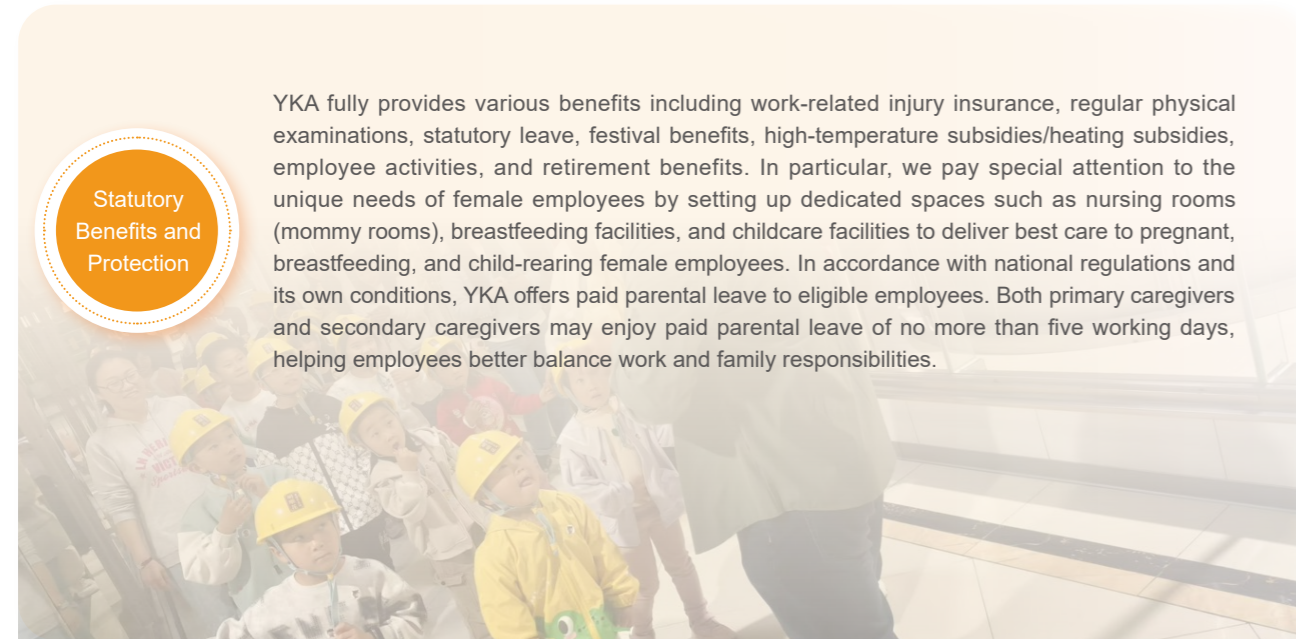
YKA highly values employee communication and the protection of employees' rights and interests, and is committed to establishing open, transparent, diversified and multi-level communication channels.



YKA's Labor Union has established a sound workers' congresses system to safeguard employees' rights to democratic participation and supervision. The Group headquarters holds a workers' congress every year with representatives from all departments. In 2025, focusing on agendas including work reports, democratic supervision, system deliberation, and recognition and incentives, the congress delivered detailed explanations on relevant institutional changes and adopted them upon voting. We also reviewed and adopted important agreements, such as the collective agreement, wage agreement, and special collective contract for the protection of female employees' rights and interests. Meanwhile, the congress commended outstanding teams and outstanding labor union members of the year. These efforts have effectively safeguarded the legitimate rights and interests of employees and encouraged their active participation in corporate development.

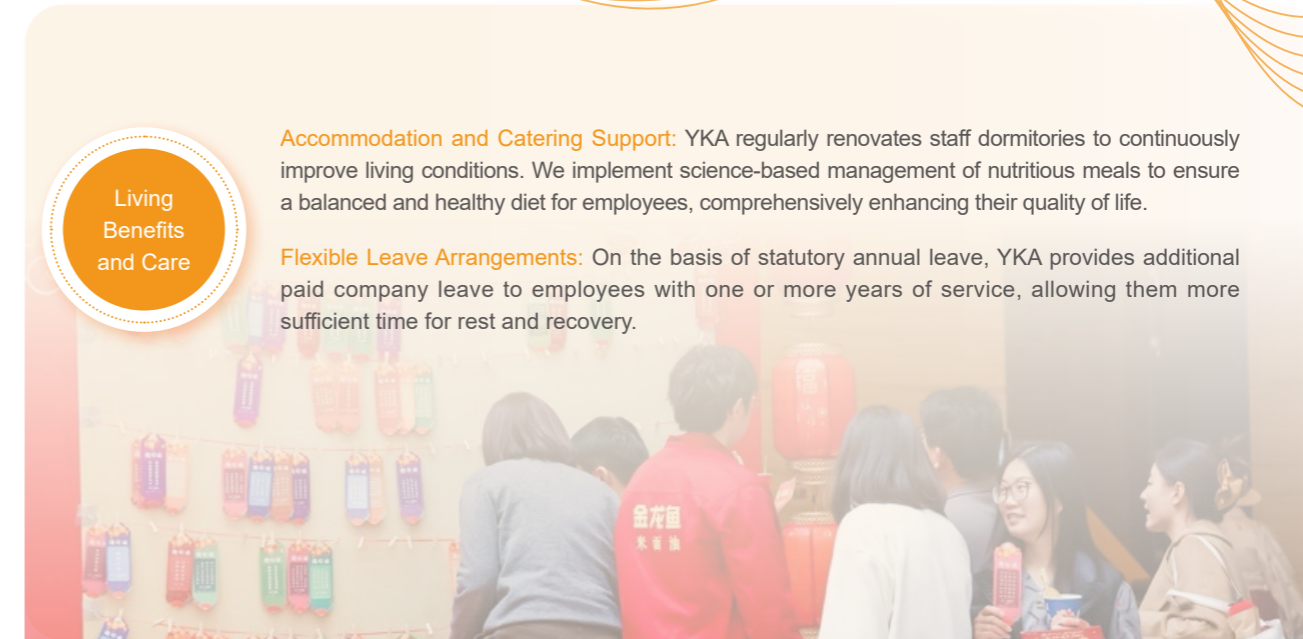
## Employee Benefits and Care

YKA strictly implements all statutory requirements of the employee salary and benefits system, and timely pays social insurance and housing fund in full for all employees in accordance with the law. On this basis, we have established a multi-level and comprehensive employee benefits security system.



### Statutory Benefits and Protection

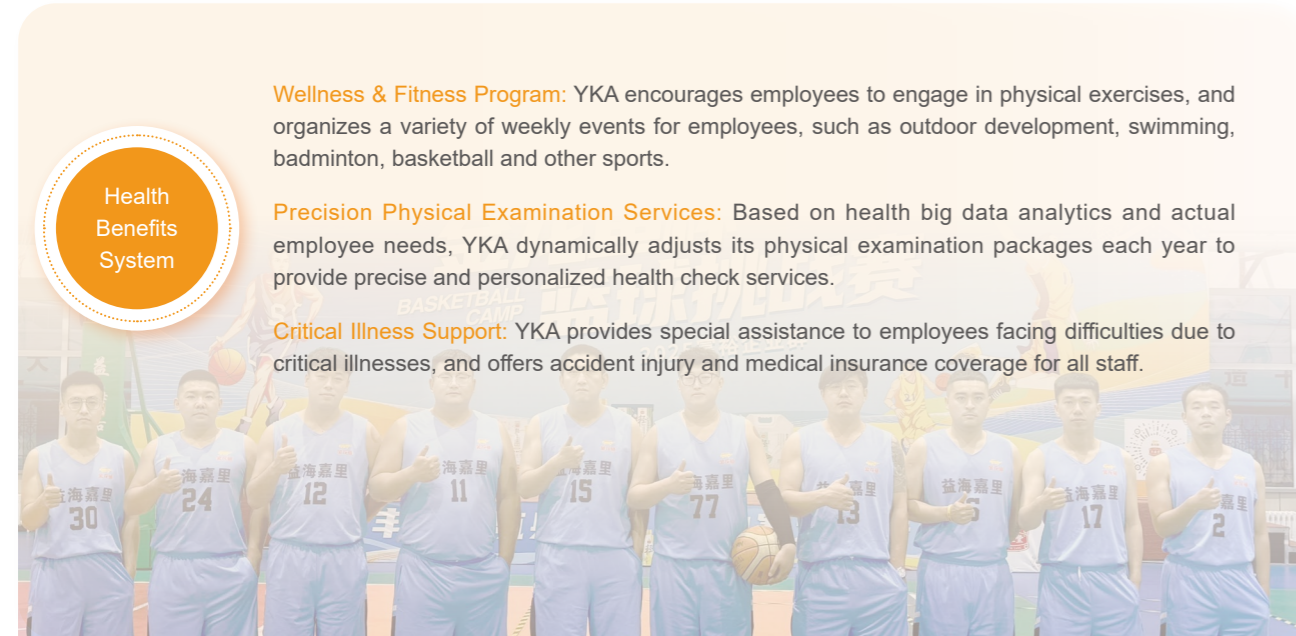
YKA fully provides various benefits including work-related injury insurance, regular physical examinations, statutory leave, festival benefits, high-temperature subsidies/heating subsidies, employee activities, and retirement benefits. In particular, we pay special attention to the unique needs of female employees by setting up dedicated spaces such as nursing rooms (mommy rooms), breastfeeding facilities, and childcare facilities to deliver best care to pregnant, breastfeeding, and child-rearing female employees. In accordance with national regulations and its own conditions, YKA offers paid parental leave to eligible employees. Both primary caregivers and secondary caregivers may enjoy paid parental leave of no more than five working days, helping employees better balance work and family responsibilities.



### Living Benefits and Care

**Accommodation and Catering Support:** YKA regularly renovates staff dormitories to continuously improve living conditions. We implement science-based management of nutritious meals to ensure a balanced and healthy diet for employees, comprehensively enhancing their quality of life.

**Flexible Leave Arrangements:** On the basis of statutory annual leave, YKA provides additional paid company leave to employees with one or more years of service, allowing them more sufficient time for rest and recovery.

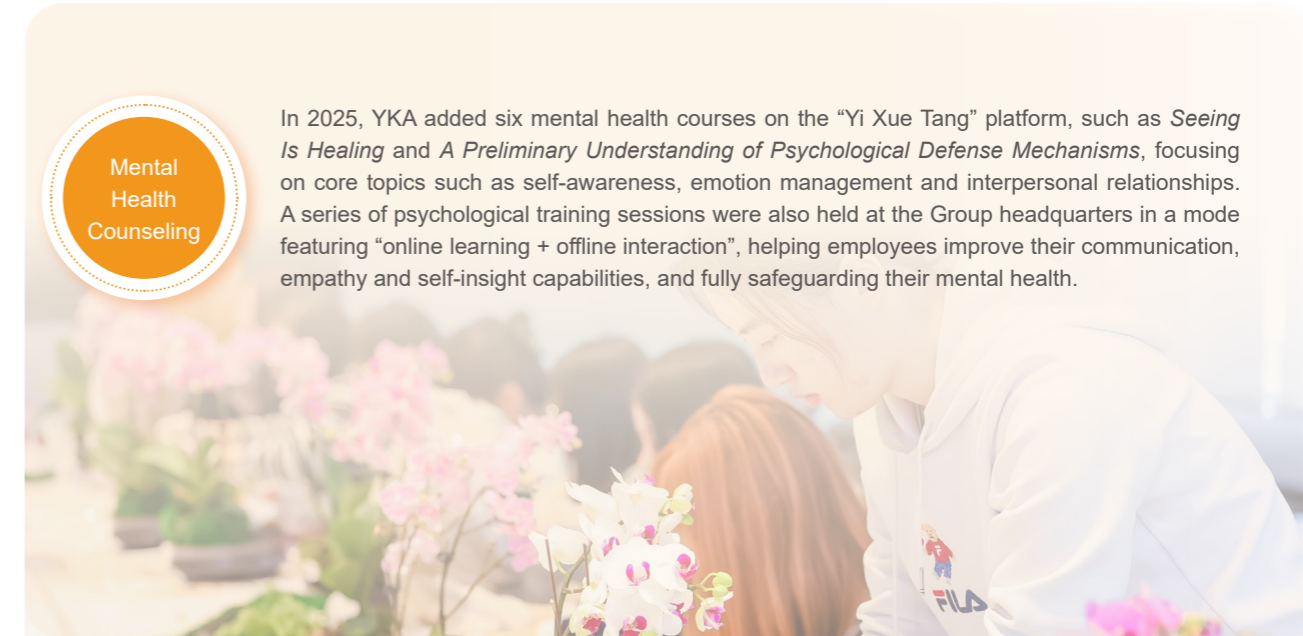


### Health Benefits System

**Wellness & Fitness Program:** YKA encourages employees to engage in physical exercises, and organizes a variety of weekly events for employees, such as outdoor development, swimming, badminton, basketball and other sports.

**Precision Physical Examination Services:** Based on health big data analytics and actual employee needs, YKA dynamically adjusts its physical examination packages each year to provide precise and personalized health check services.

**Critical Illness Support:** YKA provides special assistance to employees facing difficulties due to critical illnesses, and offers accident injury and medical insurance coverage for all staff.



### Mental Health Counseling

In 2025, YKA added six mental health courses on the "Yi Xue Tang" platform, such as *Seeing Is Healing* and *A Preliminary Understanding of Psychological Defense Mechanisms*, focusing on core topics such as self-awareness, emotion management and interpersonal relationships. A series of psychological training sessions were also held at the Group headquarters in a mode featuring "online learning + offline interaction", helping employees improve their communication, empathy and self-insight capabilities, and fully safeguarding their mental health.

## Employee Training and Development

### Career Development Path

YKA adheres to the talent development philosophy of “selection, development, and appointment”, and has established a sound and scientific mechanism for talent echelon building and promotion, providing employees with clear career paths and broad growth opportunities.

#### Talent Echelon Development

Guided by the Group’s talent development strategy, YKA has established a three-level talent pool system covering the Group level, the business division level and the company level, as well as a Group-wide echelon platform for management, managerial and professional roles. For talent assessment, YKA holds annual talent review meetings to accurately identify and select high-potential talents against the Group’s leadership standards and talent profiles, with reference to potential assessments and 360° feedback results, for focused development.

#### Talent Promotion Mechanism

YKA has formulated the *Employee Promotion Management Policy*. Based on the Policy, we streamline promotion procedures and optimize talent structure to ensure openness, fairness and impartiality in promotion practices. Managers at all levels are responsible for talent identification and development. YKA strives to create as many more promotion opportunities as possible for outstanding talents by comprehensively assessing employees’ integrity, performance and competence. The Human Resources & Administration Department is responsible for refining the talent management system and strictly verifying promotion qualifications and criteria to ensure standardized and orderly implementation of the promotion process.

### Leadership Development

#### Smart Online Training Platform

In 2025, leveraging the “Yi Xue Tang” online training platform, YKA launched more than 640 courses in total to effectively boost employees’ motivation for learning. In terms of curriculum development, we enhanced professional talent training for the Flour Division and launched courses on channel expansion and health & wellness to support business growth, significantly broadening course coverage and deepening content.

In terms of technological innovation, the platform has been deeply integrated with AI capabilities to form a matrix of smart learning tools. The AI question generation feature delivers personalized practice questions to enable accurate competency assessment; the AI course creation feature significantly shortens course development cycles; and the AI learning tutor feature reinforces knowledge retention through interactive engagement. Powered by technology, learning on the platform has evolved from basic content provision to high-quality, high-efficiency delivery, creating a virtuous learning cycle. By the end of the Reporting Period, YKA had gathered application practices from all operation sites into a case library, accumulating nearly 100 practical cases as valuable learning resources that deliver effective solutions to on-site operational needs.

#### Multi-level Training and Empowerment Programs

In addition to the “Yi Xue Tang” online training platform, YKA has also rolled out targeted, tiered development programs to fully support the growth of employees at all levels and across all business sectors, while strengthening organizational leadership capabilities.

#### Group Management – Enhancing Strategic Acumen and Forward-thinking

In January 2025, the Group’s Human Resources & Administration Department invited internal and external experts to conduct empowerment and learning activities, focusing on forward-looking topics such as changes in the domestic and international industrial landscape, the layout of the health & wellness industry, AI applications, regional management models, and safety audit risk prevention and control. More than 400 managers participated in the online and offline sessions, helping them seize development opportunities and deepen the internal management system.

#### Three-Echelon Leadership Development—“Yi Zhi Xing” Leadership Program

Under the guidance of the Group’s Human Resources and Administration Department, the Training Center has established a three-echelon “Yi Zhi Xing” leadership development system covering the management level, the manager level, and the supervisor level, systematically enhancing the leadership capabilities of managers at all levels.



# 05

## Give Back to Society Shoulder Responsibility Together

YKA upholds the philosophy of "From Rural Areas, For Farmers", and closely ties its development to social progress. Leveraging its full-chain industrial strengths, YKA deeply participates in rural revitalization through contract farming, technological empowerment and industrial assistance, helping farmers increase income and achieve prosperity. Meanwhile, using the Arawana Charity Foundation as a platform, YKA fulfills its social responsibility through concrete actions, including engaging in charitable causes such as education and scientific research, care for the elderly and children, rehabilitation and medical services, and emergency disaster relief, as well as running employee volunteer programs.

### Our Key Focuses

- Revitalize Rural Areas to Achieve Common Prosperity
- Embrace Public Welfare to Fulfil Social Responsibility



# Revitalize Rural Areas to Achieve Common Prosperity

## Contract Farming

Leveraging the geographical advantages of its grain and oil processing subsidiaries, YKA has established production bases in high-quality agricultural regions. Through contract farming, we have built connections between farmers and the broader market, forging a coordinated full industrial chain system from field to table.



### Case Nationwide Promotion – Contract Farming Gains Broad Traction

In 2025, YKA's contract farming model took root across multiple provinces nationwide, such as Jiangxi, Liaoning, Heilongjiang, Anhui, Shaanxi, Hebei and Sichuan, gaining robust momentum. Taking rice as a typical example, the area under rice contract farming by the Yihai Kerry Group hit 1.0974 million mu in 2025, a year-on-year increase of 40%. Specifically, the contracted area in northern regions stood at 611,400 mu, up 13% year on year, while that in southern regions reached 468,000 mu, surging 91% year on year. Focusing on a wide range of high-quality varieties, the contract farming program showcases its strong adaptability across diverse agro-ecological zones.

Through market-oriented mechanisms such as floor purchase prices and premium pricing for high quality, the rice contract farming model enabled farmers to achieve an income increase of RMB 30 to RMB 40 per tonne, while also leading and driving the adjustment of rice cultivation structures toward high-quality varieties. This initiative is fully in line with relevant national agricultural industrial policies. More importantly, the collaborative model, which features “ex ante agreements, in-process guidance, and ex post security”, effectively mitigates market risks and stabilizes farmers' planting expectations. It provides solid support for safeguarding national food security and promoting the sustainable income growth of farmers.

## Technology Empowerment

Leveraging our strong scientific research platform, we apply biotechnology to frontline agricultural production. Through green cultivation technologies that reduce fertilizer and pesticide use while enhancing carbon sequestration and emission reduction, YKA safeguards food safety from the source and supports the green, high-quality development of agriculture.



### Case Technology Demonstration – Continuously Improve Suppliers' Production Capacity and ESG Performance

In Lankao and Minquan of Henan Province, as well as Linshu County of Shandong Province, YKA has joined hands with the Oil Crops Research Institute of the Chinese Academy of Agricultural Sciences to launch a peanut inoculant trial project empowered by cutting-edge technologies.

By 2025, YKA had continued to provide farming guidance, training and technical support to peanut growers. We also donated ARC microbial inoculant products worth RMB 450,000, expanded project coverage by 75%, and promoted ARC inoculant technology across 28 townships. Field trial data shows that the application of microbial inoculants raised average yield by 33%, translating to an additional income of over RMB 300 per mu, benefiting approximately 5,000 farming households. More importantly, the inoculants reduced the abundance of aflatoxin-producing fungi by nearly 70%, safeguarding peanut food safety from the source. Meanwhile, fertilizer use was cut by 10%-15%, and CO<sub>2</sub> emissions reduced by 12.5 kg per mu. This innovative practice has delivered breakthroughs in both yield and quality, and offers replicable, scalable technical solutions for the green and high-quality development of oilseed crops in China.



## Industrial Support

Leveraging its role as a “chain leader”, YKA transforms primary agricultural products into high value-added products through industrial park clustering, intensive processing, and brand empowerment, while driving the development of local agriculture toward standardization, branding and clustering, so as to achieve full value chain enhancement from field to table.



### Case Led by the Chain Leader – Maximize the Value of Every Grain, Create a New Vision for Industrial Revitalization

In Fuyu County, Qiqihar City, Heilongjiang Province, the modern agricultural industrial park invested and built by YKA has become a key engine driving local economic development. Leveraging our strengths as a chain leader, we have brought the conventional processing of corn, soybean and wheat from the black soil into the high-potential bioeconomy sector.

In the starch industrial chain, YKA converts corn starch into glucose, a core raw material for the biological fermentation industry, and supplies it directly to upstream and downstream players within the park, achieving the cluster effect of “attracting one player and vitalizing an entire chain”. We adopt a circular economy model that turns waste—such as glutamic acid mother liquor, a by-product generated during monosodium glutamate (MSG) production—into valuable resources for reuse through industrial chain synergy. This model, which integrates downstream deep processing and circular empowerment, has enabled this once agriculture-dependent county—with no notable locational advantages—to blaze a new trail toward industrial revitalization under the leadership of the chain leader.



### Case Brand Empowerment – Develop Yuxian Model Featuring the “Contract Farming + Profit Rebate”

As a renowned “Imperial Tribute Rice” since ancient times, millet produced in Yuxian, Hebei Province is recognized as a national geographical indication product. Yet for years, constraints in production, processing and marketing have meant that “quality goods struggle to command a good price”.

In 2019, Yihai Kerry (Zhangjiakou) Food Industry Co., Ltd. officially went into operation, pioneering an integrated model featuring “contract farming + full-chain integration + brand empowerment + profit rebate”. On the farming side, YKA provides technical guidance to farmers through cooperatives and guarantees minimum purchase prices. Contract farming has covered a total of 86,300 mu, directly supporting sustained income growth for over 5,600 local villagers. On the processing side, the modern plant leverages the Group’s brand strengths and reinvests all profits from the millet processing facility locally, earmarking them exclusively for rural revitalization in Yuxian. This has formed a virtuous cycle where “industrial development invigorates agriculture and profits benefit farmers”.



## Embrace Public Welfare to Fulfil Social Responsibility

Guided by its corporate mission “To Benefit Farmers and Nourish Consumers” and its philosophy “From Society, For Society”, YKA has launched systematic public welfare programs via the Arawana Charity Foundation (hereinafter referred to as “the Foundation”) in multiple sectors, including education and research, care for the elderly and children, rehabilitation, and poverty alleviation, contributing to social harmony through concrete actions. In 2025, Yihai Kerry donated a total of RMB 40.46 million through the Foundation and delivered public welfare service of 13,028 hours.

### Commitment to Education

Through the Foundation, YKA has continuously strengthened support for talent development and research innovation in universities and vocational education. We have built a comprehensive higher education support system covering scholarship incentives, financial assistance, innovative talent training, and research project funding. In 2025, the Foundation invested approximately RMB 17.99 million in higher education, vocational education and research, benefiting thousands of outstanding students and researchers.

#### Scholarship Incentives

YKA has established the “Arawana Scholarship” nationwide. In 2025, it provided undergraduate scholarships at 16 universities, as well as scholarships for graduate students and teaching awards for young teachers at 3 universities, with a total investment of approximately RMB 4.93 million.

#### Financial Assistance

In May 2025, the Foundation piloted a new “hometown-based support” model in Xiaoxian, Anhui, granting financial aid to needy new college students for targeted assistance. Throughout the year, it provided Arawana Financial Aid to undergraduates at 14 universities and launched the Arawana Financial Aid Program in Xiaoxian, with a total investment of approximately RMB 2.92 million.

#### Innovative Talent Development

In 2025, YKA launched an undergraduate talent development and innovation program at South China Agricultural University, inviting industry experts and outstanding professionals to deliver lectures. We also provided funding for the Global South Research Series at the China Institute, Fudan University. The “Yihai Kerry Visiting Scholars” program was launched in 2025, with its first scholar conducting research visits in China.

#### Research Projects & Academic Exchange

In 2025, YKA supported 51 research projects under the Arawana Innovation Fund across 24 universities and research institutes, covering grain and oil processing, food nutrition and other fields, with a total investment of approximately RMB 4.64 million. We also sponsored research and practices on agricultural green development, as well as academic seminars and lectures including the Xiamen University Winter Academic Conference, to advance industry development.

#### Vocational Education Support

YKA continued to fund the Arawana Culinary Classes in Yangzhou, Chengdu and Kunming, with a total donation of approximately RMB 4.51 million.

In primary and secondary education, the Foundation invested a total of RMB 5.96 million in 2025 to provide student aid and campus renovation for 34 Yihai Schools. 2025 also marks the 10<sup>th</sup> anniversary of the “Yi + Student Support Program”. Over the decade, 302 donors have contributed a total of RMB 2.15 million, supporting 268 students from disadvantaged backgrounds.



**Case Dreams Beyond the Mountains**

Yihai Kerry Group and the Arawana Charity Foundation have been dedicated to the aspiration of “enabling rural students to enjoy the same educational quality and environment as in urban primary schools”. The Arawana volunteer teams organized corporate study tours and international exchanges to help children from remote rural primary schools step out of the mountains and broaden their horizons, enabling them to achieve growth and gain inspiration through these programs.

On January 3, 2025, students from Dezhou Yihai Primary School visited the factory floor to see firsthand how wheat is processed into fine white flour. On September 5, Yantai operation site launched an immersive school-based course titled “The Journey of a Soybean” for primary school students, allowing them to see the magic of the food industry through hands-on practice. Arawana volunteers in Qinhuangdao even organized study tours to third-party entities. Students from Qinglong Fenghuangshan Yihai Primary School went on a visit to Qinhuangdao Hetian Animal Husbandry Co., Ltd., where they gained a better understanding of modern agriculture and animal husbandry.



A Workshop Visit by Students from Dezhou Yihai Primary School



An Immersive Experience Course: The Journey of a Soybean



A Study Tour at Hetian Animal Husbandry

**Caring for Vulnerable Groups**

Yihai Kerry Group has been dedicated to its social responsibilities by focusing on assisting vulnerable groups. Over the years of development, the Arawana Prosthesis Walking Assistance Program has expanded from merely providing prosthesis installation to a comprehensive assistance system that includes employment support, which has helped people with disabilities rebuild confidence in life. Meanwhile, YKA has launched a wide range of public welfare programs, including caring for the elderly and support for disadvantaged children, and joined hands with various social welfare organizations to deliver coordinated support for vulnerable groups.

2025 marks the 10<sup>th</sup> anniversary of the Arawana Prosthesis Walking Assistance Program. This year, the program has donated more than RMB 3.6 million in total. The program has also been introduced to Kashi, Xinjiang for the first time, making Kashi the third region in Xinjiang supported by the Foundation.



In 2025, YKA funded provided

**9** projects

**462** prosthetic limbs



**Case Love Empowers Every Step**

Yihai Kerry Group has long been committed to safeguarding the dignity and labor rights of people with disabilities in impoverished communities, lighting up their lives through the Arawana Prosthesis Walking Assistance Program. The program not only provides funding for prosthetic limb installation for eligible recipients, but also establishes a long-term care mechanism. Arawana volunteers conduct regular follow-up visits to check on the usage of prosthetic devices and offer attentive after-sales service to those experiencing issues within the two-year warranty period. With a decade of consistent dedication, the program has lifted hopes for countless families with disabled members through compassion and professionalism, enabling people with disabilities to take every step with dignity and confidence.

In addition, the Arawana volunteer teams are also taking concrete actions to help people with disabilities fit into society and rebuild confidence in life. On May 19, 2025, volunteers organized a walking event for people with disabilities, enabling them to walk confidently in the sunshine and experience the joy of sports and the warmth of society.



Staff From Our Partner - Shanghai Prosthetics Factory - Taking Measurements for People with Disabilities



Arawana Volunteers Assisting People with Limb Disabilities with Fitting



Walking Event For People With Disabilities

**Alleviating Poverty and Assisting the Needy**

Long dedicated to caring for and supporting people in need, including early returned overseas Chinese and unemployed individuals with severe disabilities, Arawana volunteers have actively taken part in the distribution of care packages, bringing care and support to disadvantaged groups through concrete actions.



**Emergency Disaster Relief**

When disaster hits, we stand together. Guided by this spirit, YKA always promptly extends a helping hand in response to sudden disasters. When flooding struck Yuzhong County, Gansu Province, the Group and the Foundation responded swiftly by donating daily necessities to help affected residents pull through. During a serious fire in Tai Po, Hong Kong, the Group donated 10 million Hong Kong dollars through the Foundation for emergency relief, demonstrating its commitment to society with concrete actions.

**Community Engagement**

The Arawana Charity Foundation actively supports the Healthy China Initiative. By sponsoring public sport events such as the “Dream Come True Walking” Campaign, it promotes healthy living and advances national fitness. We also provide funding for the restoration and preservation of cultural heritage sites, including Wanghai Tower in Chaozhou, helping safeguard the cultural roots of the Chinese nation.

# Appendix 1: Key Performance Indicators

## Environmental

Key Performance Indicators	Unit	2023	2024	2025
<b>Water Use</b>				
Total water use <sup>18</sup>	Tonnes	40,125,166	44,382,997	48,812,034
Total water withdrawal	Tonnes	37,175,479	41,766,896	43,406,461
-Freshwater withdrawal <sup>19</sup>	Tonnes	-	41,661,923	43,239,767
Water reuse	Tonnes	2,949,686	2,616,101	5,405,573
Water reuse rate	%	-	5.89	11.07
<b>Water Withdrawal</b>				
Water withdrawal from taps / municipal water <sup>20</sup>	Tonnes	20,329,510	22,672,738	18,303,835
Water withdrawal from groundwater	Tonnes	1,492,236	1,956,847	8,868,974
Water withdrawal from natural water bodies	Tonnes	15,353,503	17,136,711	16,233,315
Water withdrawal from rainwater	Tonnes	231	600	337
Water withdrawal from other methods	Tonnes	-	-	-
Total water withdrawal intensity	Tonnes/RMB 10,000 revenue	1.48	1.75	1.77
Freshwater withdrawal intensity	Tonnes/RMB 10,000 revenue	-	1.74	1.76
<b>Water Discharge</b>				
Total water discharge	Tonnes	20,239,987	23,785,841	27,650,986
-Water discharge to the ocean	Tonnes	1,620,064	1,406,539	1,732,022
-Water discharge to surface water	Tonnes	2,731,298	3,203,579	2,663,543
-Water discharge to groundwater	Tonnes	324	-	-
-Water discharge to other destinations	Tonnes	15,888,301	19,175,724	23,255,421
Water discharge intensity	Tonnes/RMB 10,000 revenue	0.8	0.996	1.128
<b>Water Consumption</b>				
Total water consumption	Tonnes	16,935,493	17,981,055	15,755,475
-Freshwater consumption	Tonnes	16,935,493	17,981,055	15,755,475
-Water consumption in water-stressed areas	Tonnes	9,037,801	8,444,247	5,135,940
Water consumption intensity	Tonnes/RMB 10,000 revenue	0.67	0.75	0.64
Freshwater consumption intensity	Tonnes/RMB 10,000 revenue	-	0.75	0.64
<b>GHG Emissions</b>				
Scope 1	10,000 tonnes of CO <sub>2</sub> e	261.7	282.7	358.91
Scope 2 (location-based) <sup>21</sup>	10,000 tonnes of CO <sub>2</sub> e	-	-	298.43
Scope 2 (market-based) <sup>22</sup>	10,000 tonnes of CO <sub>2</sub> e	-	-	295.27

Key Performance Indicators	Unit	2023	2024	2025
Scope 3 <sup>23</sup>	10,000 tonnes of CO <sub>2</sub> e	8,626.90	8,616.70	9,068.02
-Category 1 Purchased goods and services	10,000 tonnes of CO <sub>2</sub> e	8,020.80	7,912.00	8,288.69
-Category 2 Capital goods	10,000 tonnes of CO <sub>2</sub> e	22	23.7	7.10
-Category 3 Fuel- and energy-related activities (not included in scope 1 and scope 2)	10,000 tonnes of CO <sub>2</sub> e	113.4	92.5	110.89
-Category 4 Upstream transportation and distribution	10,000 tonnes of CO <sub>2</sub> e	406	510.8	574.72
-Category 5 Waste generated in operations	10,000 tonnes of CO <sub>2</sub> e	0.3	2.1	2.99
-Category 6 Business travel	10,000 tonnes of CO <sub>2</sub> e	1	1.3	1.37
-Category 7 Employee commuting	10,000 tonnes of CO <sub>2</sub> e	1.5	1.5	1.56
-Category 9 Downstream transportation and distribution	10,000 tonnes of CO <sub>2</sub> e	61.9	72.8	74.47
GHG emission intensity (scope 1 + scope 2)	Tonnes of CO <sub>2</sub> e / RMB 10,000 revenue	0.21	0.22	0.27
<b>GHG Emission Reduction<sup>24</sup></b>				
GHG emission reduction	Tonnes of CO <sub>2</sub> e	1,016,495	1,363,439	1,364,694
<b>Energy Consumption</b>				
Total energy consumption	10,000 GJ	5,470.34	5,874.49	6,741.08
Non-renewable energy	10,000 GJ	4,818.53	4,986.87	5,902.98
Renewable energy	10,000 GJ	651.82	887.62	838.09
Non-renewable energy consumption intensity	GJ/RMB 10,000 revenue	1.92	2.09	2.41
<b>Non-hazardous Waste<sup>25</sup></b>				
Total non-hazardous waste disposal	Tonne	760,971	501,903	497,472
-Waste recycled	Tonne	716,821	412,283	365,051
-Waste landfilled	Tonne	3,269	38,307	55,515
-Waste incinerated	Tonne	3,736	7,722	11,909
-Waste composted	Tonne	37,145	43,591	64,997
Non-hazardous waste discharge intensity	Tonne/RMB 10,000 revenue	0.0003	0.0019	0.0028
<b>Hazardous Waste</b>				
Total hazardous waste treated	Tonne	1,732	1,713	2,395
-Waste Recycled	Tonne	659	653	1,024
-Waste Landfilled	Tonne	460	451	560
-Waste Incinerated	Tonne	612	609	811
Hazardous waste discharge intensity	kg/RMB 10,000 revenue	0.043	0.044	0.056
<b>Waste Gas</b>				
Total NOx emissions	Tonne	948	803	866
Total SOx emissions	Tonne	259	244	332
Waste gas pollutant emission intensity	kg/RMB 10,000 revenue	0.05	0.04	0.05
<b>Wastewater<sup>26</sup></b>				
Annual COD discharge	Tonne	1,863	1,069	914

Key Performance Indicators	Unit	2023	2024	2025
Annual ammonia nitrogen emissions	Tonne	53	42	44
Wastewater discharge intensity	Tonne/RMB 10,000 revenue	0.8	0.996	1.204
<b>Recyclable Packaging</b>				
Share of recyclable packaging	%	95.51	95.52	95.29
-Plastic packaging	%	40.22	38	38.59
-Paper packaging	%	48.3	50.83	50.05
-Metal packaging	%	2.32	2.22	2.25
-Glass packaging	%	4.67	4.47	4.36
<b>Non-recyclable Packaging</b>				
Proportion of non-recyclable packaging	%	4.49	4.48	4.71
<b>Sustainable Procurement</b>				
Proportion of deforestation-free palm oil suppliers	%	100	100	100
Proportion of RSPO-certified palm oil processors	%	100	100	100
Procurement volume of RSPO-certified palm oil and derivatives	Tonne	115,732	101,353	105,748
-Proportion of IP&SG grade	%	-	16.4	0.4
Palm oil traceability to mills	%	92.90	91.50	91
Palm oil traceability to plantations	%	83.20	83.20	82.2
Milk traceability to pastures	%	-	100	100
Proportion of grass-fed traceability certification in milk	%	-	30	68

**Key Environmental Performance Indicators:**

<sup>18</sup> Total water use = Total water withdrawal + Water reuse.

<sup>19</sup> Freshwater refers to water with TDS ≤ 1,000 mg/L.

<sup>20</sup> The scope of water withdrawal from taps/municipal water covers only subsidiaries of the Group under normal operation.

<sup>21,22</sup> Starting from 2025, the emission factors used for calculating Scope 2 greenhouse gas emissions are based on *Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors*. In accordance with relevant regulatory requirements, YKA calculates location-based Scope 2 emissions using the national average carbon dioxide emission factor of electricity; market-based Scope 2 emissions are calculated using the national average carbon dioxide emission factor of electricity (excluding market-traded non-fossil electricity). Market-based Scope 2 data are used in the Report to account for total carbon emissions.

<sup>23</sup> YKA has no emissions related to the following categories: Category 8 – Upstream leased assets, Category 10 – Processing of sold products, Category 11 – Use of sold products, Category 12 – End-of-life treatment of sold products, Category 13 – Downstream leased assets, Category 14 – Franchises, and Category 15 – Investments.

<sup>24</sup> Emission factors for calculating greenhouse gas reduction are referenced from the *Guidelines for Accounting and Reporting of Greenhouse Gas Emissions by Enterprises in Food, Tobacco, Wine, Beverage and Refined Tea Production (Trial)*, the *Guidelines for Accounting and Reporting of Greenhouse Gas Emissions by Chemical Production Enterprises in China (Trial)*, the *GHG Protocol issued by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD)*, as well as the *Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors*.

<sup>25</sup> The scope of statistics for non-hazardous waste and hazardous waste covers only subsidiaries of the Group under normal operation. Recycled volume includes the total volume of all recycling methods other than composting.

<sup>26</sup> Waste gas and wastewater related performance only covers key pollution discharging entities of the Group.

**Social**

Key Performance Indicators	Unit	2023	2024	2025
<b>Employees</b>				
Total number of employees	Person	34,510	35,383	36,565
Employees with open-ended labor contracts	Person	19,087	18,441	20,502
Employees with fixed-term labor contracts	Person	15,423	16,942	16,063
Male employees	Person	26,181	26,837	27,640
Female employees	Person	8,329	8,546	8,925
Proportion of employees with disabilities	%	0.15	0.17	0.33
<b>Workforce Breakdown by Job Level</b>				
Management	%	1.07	1.07	1.14
Manager	%	4.46	4.41	4.53
Supervisor	%	17.79	18.52	19.25
Staff	%	76.68	76	75.08
<b>Workforce Breakdown by Age</b>				
Under 30 years old	%	26.27	25.37	23.53
30–50 years old	%	69.12	69.42	70.84
Over 50 years old	%	4.61	5.21	5.63
<b>Workforce Breakdown by Nationality</b>				
China (including Hong Kong, Macao and Taiwan)	%	99.83	99.83	99.84
Malaysia	%	0.048	0.054	0.057
Singapore	%	0.092	0.087	0.082
Denmark	%	0.006	0.006	-
France	%	0.003	0.003	0.003
Netherlands	%	0.003	0.003	0.003
Canada	%	0.003	0.006	0.005
Tanzania	%	0.012	0.011	0.011
Nigeria	%	0.003	-	-
<b>Proportion of Foreign Employees in Management</b>				
Malaysia	%	1.626	1.592	1.20
Singapore	%	0.542	0.531	0.48
Denmark	%	0.271	0.265	-
France	%	0.271	0.265	0.24
Netherlands	%	0.271	0.265	0.24
Canada	%	0	0.265	-
Tanzania	%	0	0	-
<b>New Employees</b>				
Total number of new employees	Person	3,467	4,422	3,878
Proportion of new employees	%	10.05	12.5	10.61
<b>Number of New Employees by Age</b>				
Under 30 years old	Person	2,147	2,912	2,545
30–50 years old	Person	1,311	1,503	1,326
Over 50 years old	Person	9	7	7

Key Performance Indicators	Unit	2023	2024	2025
<b>Number of new employees by gender</b>				
Male employees	Person	2,701	3,394	2,949
Female employees	Person	766	1,028	929
<b>Number of New Employees by Job Level</b>				
Management	Person	9	3	8
Manager	Person	18	23	24
Supervisor	Person	270	435	420
<b>Number of New Employees by Nationality</b>				
China (including Hong Kong, Macao and Taiwan)	Person	3,466	4,419	3,875
Foreign countries	Person	1	3	3
<b>Internal Recruitment</b>				
Percentage of vacancies filled by internal candidates	%	36.38	23	29.58
<b>Employee Turnover</b>				
Total turnover rate	%	11.76	9.98	8.98
Voluntary turnover rate	%	9.35	7.58	6.52
<b>Employee Turnover Rate by Age</b>				
Under 30 years old	%	5.98	4.9	4.32
30–50 years old	%	5.4	4.74	4.26
Over 50 years old	%	0.37	0.34	0.40
<b>Employee Turnover Rate by Gender</b>				
Male employees	%	8.8	7.72	6.82
Female employees	%	2.95	2.26	2.17
<b>Employee Turnover Rate by Job Level</b>				
Management	%	0.05	0.05	0.04
Manager	%	0.25	0.17	0.12
Supervisor	%	1.44	1.28	1.15
<b>Employee Training</b>				
Average development and training investment per employee	RMB	192.57	205.2	144.00
Average training hours per employee	Hour	37.55	41.1	41.77
<b>Average Training Hours of Employees by Age</b>				
Under 30 years old	Hour	41.91	41.22	53.58
30–50 years old	Hour	34.96	38.07	37.74
Over 50 years old	Hour	51.47	50.52	43.20
<b>Average Training Hours of Employees by Gender</b>				
Male employees	Hour	37.51	41.07	41.29
Female employees	Hour	37.66	41.21	43.27
<b>Average Training Hours of Employees by Job Level</b>				
Management	Hour	63.86	70.91	72.00
Manager	Hour	32.76	35.61	35.70
Supervisor	Hour	39.1	40.19	40.30
<b>Occupational Health and Safety</b>				
Number of work-related fatalities (own employees and contractors)	Person	3	4	0
Lost time injury frequency rate (LTIFR)	Per 200,000 working hours	0.09	0.08	0.07

## Appendix 2: Index to the Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)

Disclosure Requirements	Corresponding Sections in the Report	Page
Climate change tackling	Feature 2: Green Actions for a Net-Zero Future	43-62
Pollutant discharges	Green Development, Ecology First	65-70
Waste disposal	Green Development, Ecology First	65-70
Ecosystem and biodiversity protection	Green Development, Ecology First	65-70
Environmental compliance management	Green Development, Ecology First	65-70
Energy usage	Feature 2: Green Actions for a Net-Zero Future	43-62
Usage of water resources	Resource Efficiency, Circular Economy	71-78
Circular economy	Resource Efficiency, Circular Economy	71-78
Rural revitalization	Give Back to Society, Shoulder Responsibility Together	117-124
Contributions to the society	Give Back to Society, Shoulder Responsibility Together	117-124
Innovation-driven	Solid Support for Nutrition and Health	35-40
Ethics of science and technology	Solid Support for Nutrition and Health	35-40
Supply chain security	United for Value Creation	93-98
Equal treatment to small and medium-sized enterprises	United for Value Creation	93-98
Safety and quality of products and services	Quality Commitment, Consumer Confidence	79-90
Data security and customer privacy protection	Compliance, Self-discipline, Integrity and Clean Conduct	20-24
Employees	Together We Achieve More	101-116
Due diligence	Green Development, Ecology First United for Value Creation	65-70 93-98
Communications with stakeholders	Stakeholder Engagement	12
Anti-commercial bribery and anti-corruption	Compliance, Self-discipline, Integrity and Clean Conduct	20-24
Anti-unfair competition	Compliance, Self-discipline, Integrity and Clean Conduct	20-24
Corporate governance	Corporate governance	17-24
ESG management	ESG management	11-16

## Appendix 3: Index to the United Nations Sustainable Development Goals (SDGs)

United Nations SDGs	Our Key Topics	Section index
	·Contributions to the society ·Rural revitalization	Give Back to Society, Shoulder Responsibility Together
	·Innovation-driven ·Rural revitalization	Feature 1: A Better Life Powered by Innovation Give Back to Society, Shoulder Responsibility Together
	·Innovation-driven ·Employees	·Rural revitalization ·Contributions to the society Feature 1: A Better Life Powered by Innovation Together We Achieve More Give Back to Society, Shoulder Responsibility Together
	·Contributions to the society	Give Back to Society, Shoulder Responsibility Together
	·Employees	Together We Achieve More
	·Usage of water resources ·Environmental compliance management	Green Ecosystem, Green Homeland
	·Energy usage	Feature 2: Green Actions for a Net-Zero Future Green Ecosystem, Green Homeland
	·Employees	Together We Achieve More
	·Innovation-driven	Feature 1: A Better Life Powered by Innovation Feature 2: Green Actions for a Net-Zero Future Quality Commitment, Consumer Confidence Green Ecosystem, Green Homeland
	·Employees	Together We Achieve More
	·Contributions to the society ·Rural revitalization	Give Back to Society, Shoulder Responsibility Together
	·Circular economy, Safety and quality of product and services, Data security and customer privacy protection, supply chain security	Quality Commitment, Consumer Confidence Together for Symbiosis, United for Value Creation
	·Climate change tackling	Feature 2: Green Actions for a Net-Zero Future
	·Ecosystem and biodiversity protection	Green Ecosystem, Green Homeland
	·Supply chain security ·Circular economy	·Contributions to the society ·Rural revitalization Together for Symbiosis, United for Value Creation Give Back to Society, Shoulder Responsibility Together Green Ecosystem, Green Homeland

## Appendix 4: GRI Standard Index

Notes to the index	YKA has reported information referenced in this GRI Content Index for the period from January 1, 2025 to December 31, 2025, with reference to the GRI Standards.
GRI 1 applied	GRI 1: Foundation 2021

GRI Standards	Disclosure	Section Index	Page Index
<b>GRI 2: General Disclosures 2021</b>			
2-1	Organizational details	About the Report	01-02
2-2	Entities included in the organization's sustainability reporting	About the Report	01-02
2-3	Reporting period, frequency and contact point	About the Report	01-02
2-4	Restatements of information	No restatements involved	
2-5	External assurance	No external assurance	
<b>Activities and Staff</b>			
2-6	Activities, value chain and other business relationships	About Yihai Kerry Arawana	05-06
2-7	Employees	Together We Achieve More Appendix 1: Key Performance Indicators	101-116 125-134
<b>Governance</b>			
2-9	Governance structure and composition	ESG Governance Structure	11
2-10	Nomination and selection of the highest governance body	For details, please refer to the annual report	
2-11	Chair of the highest governance body	For details, please refer to the annual report	
2-12	Role of the highest governance body in overseeing the management of impacts	ESG Governance Structure	11
2-13	Delegation of responsibility for managing impacts	ESG Governance Structure	11
2-14	Role of the highest governance body in sustainability reporting	ESG Governance Structure	11
2-15	Conflicts of interest	Compliance, Self-discipline, Integrity and Clean Conduct	20-24
2-16	Communication of critical concerns	Compliance, Self-discipline, Integrity and Clean Conduct	20-24
2-17	Collective knowledge of the highest governance body	For details, please refer to the annual report	
2-18	Performance evaluation of the highest governance body	For details, please refer to the annual report	
2-19	Remuneration policies	For details, please refer to the annual report	
2-20	Process to determine remuneration	For details, please refer to the annual report	
<b>Strategy, Policies and Practices</b>			
2-22	Statement on sustainable development strategy	Message from the Chairman Corporate Governance	03-04 17-24
2-23	Policy commitments	Together for Symbiosis, United for Value Creation Give Back to Society, Shoulder Responsibility Together	91-100 117-124
2-24	Embedding policy commitments	Corporate Governance Together for Symbiosis, United for Value Creation Give Back to Society, Shoulder Responsibility Together	17-24 91-100 117-124
2-25	Processes to remediate negative impacts	Corporate Governance Quality Commitment, Consumer Confidence	17-24 79-90
2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance Sincere Service, Healthier Life	17-24 88-90


GRI Standards	Disclosure	Section Index	Page Index
2-27	Compliance with laws and regulations	No material non-compliance events occurred during the Reporting Period.	
2-28	Membership in associations	Open cooperation for industry prosperity	99-100
<b>Stakeholder Engagement</b>			
2-29	Approach to stakeholder engagement	Stakeholder Engagement	12
<b>GRI 3: Material Topics 2021</b>			
3-1	Process to determine material topics	Double Materiality Assessment	13-16
3-2	List of material topics	Double Materiality Assessment	13-16
<b>Economy</b>			
<b>GRI 201: Economic Performance 2016</b>			
3-3	Management of material topics	Double Materiality Assessment	13-16
201-2	Financial impacts and other risks and opportunities due to climate change	Feature 2: Green Actions for a Net-Zero Future	43-62
<b>GRI 203: Indirect Economic Impacts 2016</b>			
3-3	Management of material topics	Give Back to Society, Shoulder Responsibility Together	117-124
203-1	Infrastructure investments and services supported	Give Back to Society, Shoulder Responsibility Together	117-124
203-2	Significant indirect economic impacts	Give Back to Society, Shoulder Responsibility Together	117-124
<b>GRI 204: Procurement Practices 2016</b>			
3-3	Management of material topics	Together for Symbiosis, United for Value Creation	91-100
<b>GRI 205: Anti-corruption 2016</b>			
3-3	Management of material topics	Corporate Governance	17-24
205-1	Operations assessed for risks related to corruption	Compliance, Self-discipline, Integrity and Clean Conduct	20-24
205-2	Communication and training about anti-corruption policies and procedures	Compliance, Self-discipline, Integrity and Clean Conduct	20-24
205-3	Confirmed incidents of corruption and actions taken	Compliance, Self-discipline, Integrity and Clean Conduct	20-24
<b>GRI 206: Anti-competitive Behavior 2016</b>			
3-3	Management of material topics	Compliance, Self-discipline, Integrity and Clean Conduct	20-24
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Compliance, Self-discipline, Integrity and Clean Conduct	20-24
<b>Environment</b>			
<b>GRI 301: Materials 2016</b>			
3-3	Management of material topics	Resource Efficiency, Circular Economy	71-78
301-1	Materials used by weight or volume	Appendix 1: Key Performance Indicators	125-134
301-2	Recycled input materials used	Resource Efficiency, Circular Economy	71-78
301-3	Reclaimed products and their packaging materials	Resource Efficiency, Circular Economy	71-78
<b>GRI 302: Energy 2016</b>			
3-3	Management of material topics	Feature 2: Green Actions for a Net-Zero Future Resource Efficiency, Circular Economy	43-62 71-78
302-1	Energy consumption within the organization	Appendix 1: Key Performance Indicators	125-134
302-3	Energy intensity	Appendix 1: Key Performance Indicators	125-134
302-4	Reduction of energy consumption	Feature 2: Green Actions for a Net-Zero Future Resource Efficiency, Circular Economy	43-62 71-78

GRI Standards	Disclosure	Section Index	Page Index
<b>GRI 303: Water and Effluents 2018</b>			
3-3	Management of material topics	Resource Efficiency, Circular Economy	71-78
303-1	Interactions with water as a shared resource	Resource Efficiency, Circular Economy	71-78
303-2	Management of water discharge-related impacts	Resource Efficiency, Circular Economy	71-78
303-3	Water withdrawal	Appendix 1: Key Performance Indicators	125-134
303-4	Wastewater discharge	Appendix 1: Key Performance Indicators	125-134
303-5	Water consumption	Appendix 1: Key Performance Indicators	125-134
<b>GRI 304: Biodiversity 2016</b>			
3-3	Management of material topics	Green Development, Ecology First	65-70
<b>GRI 305: Emissions 2016</b>			
3-3	Management of material topics	Feature 2: Green Actions for a Net-Zero Future Resource Efficiency, Circular Economy	43-62 71-78
305-1	Direct (Scope 1) GHG emissions	Appendix 1: Key Performance Indicators	125-134
305-2	Energy indirect (Scope 2) GHG emissions	Appendix 1: Key Performance Indicators	125-134
305-4	GHG emission intensity	Appendix 1: Key Performance Indicators	125-134
305-5	Reduction of GHG emissions	Appendix 1: Key Performance Indicators	125-134
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Appendix 1: Key Performance Indicators	125-134
<b>GRI 306: Waste 2020</b>			
3-3	Management of material topics	Green Development, Ecology First	65-70
306-1	Waste generation and significant waste-related impacts	Green Development, Ecology First	65-70
306-2	Management of significant waste-related impacts	Green Development, Ecology First	65-70
306-3	Waste generated	Appendix 1: Key Performance Indicators	125-134
306-4	Waste diverted from disposal	Appendix 1: Key Performance Indicators	125-134
306-5	Waste directed to disposal	Appendix 1: Key Performance Indicators	125-134
<b>GRI 308: Supplier Environmental Assessment 2016</b>			
3-3	Management of material topics	United for Value Creation	93-98
308-1	New suppliers that were screened using environmental criteria	United for Value Creation	93-98
<b>Society</b>			
<b>GRI 401: Employment 2016</b>			
3-3	Management of material topics	Empower Growth, Excel Together	107-116
401-1	New employee hires and employee turnover	Appendix 1: Key Performance Indicators	125-134
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Empower Growth, Excel Together	107-116
401-3	Parental leave	Empower Growth, Excel Together	107-116
<b>GRI 403: Occupational Health and Safety 2018</b>			
3-3	Management of material topics	Safety First, Health for All	103-106
4031	Occupational health and safety management systems	Safety First, Health for All	103-106
403-2	Hazard identification, risk assessment, and incident investigation	Safety First, Health for All	103-106
403-3	Occupational health services	Safety First, Health for All	103-106
403-4	Worker participation, consultation, and communication on occupational health and safety	Safety First, Health for All	103-106
403-5	Worker training on occupational health and safety	Safety First, Health for All	103-106
403-6	Promotion of worker health	Empower Growth, Excel Together	107-116

GRI Standards	Disclosure	Section Index	Page Index
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety First, Health for All	103-106
403-9	Work-related injuries	Appendix 1: Key Performance Indicators	125-134
403-10	Work-related ill health	Safety First, Health for All	103-106
<b>GRI 404: Training and Education 2016</b>			
3-3	Management of material topics	Empower Growth, Excel Together	107-116
404-1	Average hours of training per year per employee	Appendix 1: Key Performance Indicators	125-134
404-2	Programs for upgrading employee skills and transition assistance programs	Empower Growth, Excel Together	107-116
<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
3-3	Management of material topics	Empower Growth, Excel Together	107-116
405-1	Diversity of governance bodies and employees	Appendix 1: Key Performance Indicators	125-134
<b>GRI 406: Non-Discrimination 2016</b>			
3-3	Management of material topics	Empower Growth, Excel Together	107-116
406-1	Incidents of discrimination and corrective actions taken	Empower Growth, Excel Together	107-116
<b>GRI 408: Child Labor 2016</b>			
3-3	Management of material topics	Empower Growth, Excel Together	107-116
<b>GRI 409: Forced or Compulsory Labor 2016</b>			
3-3	Management of material topics	Empower Growth, Excel Together	107-116
<b>GRI 413: Local Communities 2016</b>			
3-3	Management of material topics	United for Value Creation	93-98
413-1	Operation sites with local community engagement, impact assessments, and development programs	United for Value Creation	93-98
<b>GRI 414: Supplier Social Assessment 2016</b>			
3-3	Management of material topics	United for Value Creation	93-98
414-1	New suppliers that were screened using social criteria	United for Value Creation	93-98
<b>GRI 416: Customer Health and Safety 2016</b>			
3-3	Management of material topics	Quality Commitment, Consumer Confidence	79-90
416-1	Assessment of health and safety impacts of product and service categories	Quality Commitment, Consumer Confidence	79-90
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No material non-compliance events occurred during the Reporting Period	
<b>GRI 417: Marketing and Labeling 2016</b>			
3-3	Management of material topics	Sincere Service, Healthier Life	88-90
417-1	Requirements for product and service information and labeling	Sincere Service, Healthier Life	88-90
417-2	Incidents of non-compliance concerning product and service information and labeling	No material non-compliance events occurred during the Reporting Period	
417-3	Incidents of non-compliance concerning marketing communications	No material non-compliance events occurred during the Reporting Period	
<b>GRI 418: Customer Privacy 2016</b>			
3-3	Management of material topics	Sincere Service, Healthier Life	88-90
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sincere Service, Healthier Life	88-90

## Appendix 5: Index to SASB Food Retailers and Distributors (FB-FR, 2018-10)

Subject/Standard	Accounting Metric	Section Index	Page Index
<b>Energy Management</b>			
FB-FR-130a.1	(1)Operational energy consumed	Appendix 1: Key Performance Indicators	125-134
<b>Data Security</b>			
FB-FR-230a.1	(1)Number of data breaches	Compliance, Self-discipline, Integrity and Clean Conduct	20-24
	(2)Percentage involving personally identifiable information (PII)		
	(3)Number of affected customers		
FB-FR-230a.2	Description of approach to identifying and addressing data security risks	Compliance, Self-discipline, Integrity and Clean Conduct	20-24
<b>Food Safety</b>			
FB-FR-250a.1	High-risk food safety violation rate	Uphold Standards, Quality First	81-87
FB-FR-250a.2	(1)Number of recalls		
	(2)Number of units recalled		
	(3)Percentage of units recalled that are private-label products		
<b>Product Health &amp; Nutrition</b>			
FB-FR-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	Feature 1: A Better Life Powered by Innovation	27-40
		Sincere Service, Healthier Life	88-90
<b>Product Labeling &amp; Marketing</b>			
FB-FR-270a.1	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	No non-compliance incidents occurred during the Reporting Period.	
FB-FR-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labeling practices		
<b>Labor Practices</b>			
FB-FR-310a.3	1)Number of work stoppages	No significant work stoppages occurred during the Reporting Period.	
	2)Total days idle		
FB-FR-310a.4	1)Total monetary losses from legal actions related to violations of labor laws	No legal actions concerning violations of labor laws or employment discrimination occurred during the Reporting Period.	
	2)Total amount of monetary losses as a result of legal proceedings associated with: (1) labor law violations and (2) employment discrimination		
<b>Management of Environmental and Social Impacts in the Supply Chain</b>			
FB-FR-430a.3	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	Together for Symbiosis, United for Value Creation	91-100
FB-FR-430a.4	Discussion of strategies to reduce the environmental impact of packaging	Resource Efficiency, Circular Economy	71-78

 The Report is printed on environmentally friendly paper.



Yihai Kerry Arawana  
Official Website



Yihai Kerry Arawana  
Official WeChat



Yihai Kerry Arawana  
Official Weibo

Tel: 021-31199999

Website: [www.yihaikerry.net.cn](http://www.yihaikerry.net.cn)

Address: Arawana Building, No 1379 Bocheng Road, Pudong New District, Shanghai